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燁興企業股份有限公司
YIEH HSING ENTERPRISE CO., LTD.

ANNUAL REPORT 2024

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Chapter 1 Letter to Shareholders

Dear Shareholders:

1. 2024 Business Report

(I) 2024 Business Results:

1. Retrospect of 2024 Market Overview

(1) The Stainless Steel Wire Market in 2024 Followed a Segmented Inverted "V" Price Pattern

In 2024, stainless steel wire prices showed a phased recovery, driven by rising raw material costs and a strong futures market. Prices climbed steadily, peaking in April and May. In Q1, the average spot nickel price increased from US\$16,091 per ton in January to US\$17,433 in March, an 8.3% gain. During the second quarter, prices of nickel pig iron and ferromolybdenum moved higher, while traders maintained low inventory levels. Strong downstream demand sustained purchasing activity, pushing the average spot nickel price from US\$18,173 in April to US\$19,520 in May, up 7.5%. However, from June onward, the market turned bearish. Weak sentiment drove prices downward, with fluctuations at lower levels sustaining transaction volumes. By June, the average spot nickel price had declined to US\$17,508, marking a 10.3% drop. From July to August, seasonal weakness constrained the market, prompting steel mills to cut production. The expected September peak season fell short of projections, further compressing traders' profit margins. Demand remained sluggish, and firm raw material prices hindered transaction growth. In October, positive macroeconomic policy signals briefly pushed prices higher, attracting more inquiries. However, market demand remained weak, and sentiment soon normalized. The fourth quarter saw a continued downturn, with insufficient raw material support exacerbating the price decline, reinforcing the seasonal slump. Throughout 2024, the stainless steel wire market followed a segmented inverted "V" price pattern.

(2) Carbon Steel Wire Rod Demand Saw Initial Growth in 2024 but Weakened in the Latter Half

In 2024, iron ore prices exhibited an initial upward trend before declining, averaging US\$110 per ton for the year. Between July and September, prices remained at relatively low levels, averaging US\$100 per ton, before stabilizing by the end of December. The coking coal market experienced a steady decline throughout the year, with prices falling from US\$273.58 per ton in Q1 to US\$200.22 per ton by Q4. This downward trend was driven by oversupply, falling price peaks, excess upstream inventory that struggled to clear, and subdued downstream purchasing. The primary factors behind this shift were weaker-than-expected demand and a sluggish real estate sector, leading to persistent losses for coke and steel producers, who could no longer sustain the exceptionally high costs of coal. Carbon steel wire rod prices followed suit, rising in tandem with iron ore and coking coal prices before eventually declining. While weaker global demand weighed on steel prices, market expectations for cyclical trends and projected demand growth helped slow the rate of decline. Signs of a gradual recovery began to emerge in the carbon steel market. In 2024, Taiwan's total imports of carbon steel wire rod reached 270,417 tons, marking a 50,214 ton increase (approximately 23%) compared to the previous year. As the green steel industry undergoes a challenging transformation toward carbon neutrality, demand for eco-friendly steel continues to rise. The automotive and construction industries are at the forefront of this transition, with demand expected to accelerate. Additionally, as raw material price declines are anticipated to slow, the overall supply-demand dynamics in the steel market are expected to improve.

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

In 2024, global crude steel production totaled 1.8826 billion tons, a 0.8% decrease compared to the previous year. As the steel industry continues to focus on reducing pollution and carbon emissions, steel prices are expected to remain relatively high. Despite this, the Company experienced an increase in both stainless steel wire rod and carbon steel wire rod sales. Total sales volumes for 2024 saw a rise, although the average price of stainless steel decreased, while carbon steel prices remained stable. Stainless steel wire rod sales increased by 14,022 tons in 2024 compared to 2023, with the average selling price lower than the previous year. However, total sales revenue grew by NT\$593.081 million. Carbon steel wire rod sales increased by 57,686 tons in 2024 compared to the prior year, with sales revenue rising by NT\$1.123078 billion. In addition to the increase in revenue, the potential conclusion of the Russia-Ukraine conflict could drive future steel demand for reconstruction. Moreover, with the new U.S. tariff policy treating all countries equally, Taiwan will face more level competition with other countries. These positive factors highlight the need for the Company to not only strengthen its supply of stainless steel wire rod but also aggressively expand the existing market for carbon steel wire rod.

(4) 2024 Business Overview

The Company reported total revenue of NT\$6.9 billion in 2024, marking an increase of NT\$1.885 billion from NT\$5.015 billion in 2023. However, the Company incurred a pre-tax net loss of NT\$1.085 billion, worsening from a pre-tax net loss of NT\$965 million in 2023. The revenue increase was driven by stronger global manufacturing momentum and a rise in steel demand. Despite this growth, profitability was impacted by several factors, including rising raw material prices and increased energy, transportation, and labor costs. In 2024, iron ore prices fluctuated downwards, and downstream industries experienced weak order volumes and falling prices, leading to a cautious outlook for future economic recovery. On the supply side, however, pressure remained high. In response to China's steel overcapacity and low-priced steel exports from Southeast Asia, the Company lowered its prices to maintain market share. While this strategy boosted sales volume, it further compressed profit margins. The global economic recovery remains sluggish, and while there are expectations that the U.S. Federal Reserve may lower interest rates, the high-interest rate environment continues to dampen investments in infrastructure and real estate, negatively impacting steel demand. At the start of 2024, iron ore prices temporarily dropped to the range of US\$90–100 per ton, which affected the sales market. However, coking coal prices remained stable at US\$180–190 per ton, and fluctuations in energy costs further increased manufacturing expenses. In the future, following the end of the Russia-Ukraine war, substantial reconstruction demand is expected, including large-scale construction projects such as residential buildings, commercial offices, schools, and hospitals. These projects will require large quantities of wire rods for rebar, steel structures, and connection materials, which is expected to drive overall steel market demand and positively influence the Company's business strategy.

In 2024, the average sales price of stainless steel wire rods dropped by approximately 11.58% compared to the previous year. On the other hand, the average sales price of carbon steel wire rods showed little change, with only a slight decrease of about 0.18%. Nevertheless, overall sales volume increased compared to 2023, leading to a 37.58% rise in operating revenue for 2024.

The steel market in 2024 has been characterized by uncertainty, influenced by factors such as the global economic slowdown, raw material price fluctuations, the impact of low-priced steel products from China, changes in trade policies, and geopolitical tensions. Despite these challenges, with an increase in global infrastructure investment, the emergence of post-war reconstruction demand, and supply chain

adjustments, the Company has proactively focused on improving its production processes. By maintaining consistent product quality and offering a comprehensive range of specifications, the Company seeks to expand its international market share, enhance product turnover rates, and optimize production capacity utilization. The Company is committed to strengthening its existing markets while also targeting potential customers, positioning itself ahead of the steel market recovery to meet future demand growth.

2. Review of the Company Operation in 2024

The results of the company's business plan implementation, budget implementation, financial revenue and expenditure, profitability analysis and research and development status last year (2024) are as follows :

(1) 2024 Business Plan Implementation Results

		Financial Report		Unit: NT\$ Thousand	
Year	2024	2023 (Restated)	Amount Increase/Decrease	Change Ratio	
Item					
Operating Income	6,899,957	5,015,149	1,884,808	37.58	
Operating Cost	7,427,223	5,482,820	1,944,403	35.46	
Gross Operating Profit (Loss)	(527,266)	(467,671)	(59,595)	(12.74)	
Operating Expenses	202,601	172,639	29,962	17.36	
Net Operating Profit (Loss)	(729,867)	(640,310)	(89,557)	(13.99)	
Non-operating income and expenses	(355,102)	(325,109)	(29,993)	(9.23)	
Net Profit (Loss) Before Tax	(1,084,969)	(965,419)	(119,550)	(12.38)	
Income Tax Expenses	850	3,828	(2,978)	(77.80)	
Net Profit (Loss) After Tax	(1,084,119)	(961,591)	(122,528)	(12.74)	

(2) 2024 Budget Implementation :

The company didn't disclose financial forecast in 2024, so the disclosure of the budget implementation status did not apply.

(3) Financial income and expenditure and profitability analysis :

Financial Report		
Item	2024	2023 (Restated)
Net cash flow from operating activities (NT\$1,000)	(614,329)	(519,685)
Equity/Asset (%)	42.03	49.60
Liability/Asset (%)	57.97	50.40
Long-term fund to property, plant, and equipment ratio (%)	175.75	199.68
Current Ratio (%)	62.08	92.07
Quick Ratio (%)	28.00	41.52
Asset-to-remuneration ratio (%)	(7.31)	(6.69)
Equity-to-remuneration ratio (%)	(18.57)	(14.08)
Profit margin (%)	(15.71)	(19.17)
Earnings per share (NT\$)	(2.04)	(1.81)
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) 2025 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 1.2% in 2025. In 2024, the U.S. Federal Reserve's delayed interest rate cuts, coupled with China's economic bottlenecks, resulted in slower progress. However, with both the U.S. and China, the world's two largest economies, having recently reduced interest rates, alongside the successful implementation of China's "two new policies" promoting equipment upgrades and the replacement of old automobiles and home appliances, market confidence has been lifted. Despite this, raw material prices have generally shown a downward trend, and the recovery in both the manufacturing and consumer sectors is expected to take time to materialize. Nonetheless, it is anticipated that the effects of China's fiscal stimulus will begin to take hold, resulting in a gradual recovery in steel demand, with inventory replenishment needs being gradually released. Steel demand is expected to slowly recover in 2025. The Company continues to expand its sourcing of alternative steel billets, which will help reduce raw material costs, shorten delivery times for customers, and drive up order volumes, thus maintaining full production line capacity. With the anticipated recovery and strengthening of domestic steel demand in 2025, there is potential for price increases, and the Company plans to capitalize on this opportunity for growth.

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

In 2024, the domestic consumption of stainless steel wire was approximately 178,500 tons. The Company's domestic sales share slightly increased from 22.26% in 2023 to 23.83% in 2024, while its export shipments rose from 7.09% in 2023 to 7.36% in 2024. Regarding the stainless steel market in 2025, global overcapacity pressures are intensifying, and key steel-producing countries are facing challenges due to the significant rise in steel imports from China. In response, these countries have implemented trade protection measures to ensure the stability of their domestic steel industries. Following President Trump's election, the imposition of substantial tariffs and related policy changes have heightened competition in the steel market. Nevertheless, according to the World Steel Association's latest forecast in October 2024, global stainless

steel consumption is projected to increase by 4% year-on-year. With rising consumer confidence and the introduction of new policies that apply the same tariffs to all countries, Taiwan and other nations now face a more level playing field. In addition to continuing to develop high-end stainless steel billets for the European and American markets, the Company is also expanding its sales and service efforts into Southeast Asia. By aligning with customer needs and providing high-quality products, competitive pricing, and fast delivery, the Company plans to collaborate with clients to explore new markets and actively promote the sales of its stainless steel billets.

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 in 2023 the development of new steel grades of 409Cb and YCS550. In 2024, the Company developed 1215MS high-speed cutting steel and 10B21/10B33. 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. 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

For 2025, the Company plans to sell approximately 345,000 tons of stainless steel and non-stainless steel wire rods and billets, along with about 12,000 tons of outsourced carbon steel billets.

Globally, steel demand is expected to continue growing in 2025, though at a slower pace. Emerging and developing regions will drive growth in global demand. Regarding the green transformation, in 2024, green steel plates are expected to account for 2% of the total demand for steel plates, and this share is projected to reach 28% by 2040. With changes in raw material markets, increasing decarbonization requirements and the rise in scrap steel resources are pushing the steel industry to use more scrap steel in production. Continuous innovations in stainless steel production technologies are reducing raw material and energy

consumption while improving production efficiency and yield. To meet market demands, stainless steel manufacturers must prioritize green transformation, establish clear decarbonization strategies, expand into new markets, and comply with energy-saving and carbon reduction regulations. The goal of achieving "net-zero carbon emissions" is one of the industry's future priorities, and the development of environmentally friendly products will be a key trend. As for stainless steel billets, in order to meet future demand and enhance competitiveness, the Company is not only actively seeking raw material suppliers to reduce production costs and ensure competitive pricing, but also focusing on the development and production of high-end products. The Company will continue to enhance its equipment, refine its production techniques, and strive to create maximum value for the business.

(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 European Union's Carbon Border Adjustment Mechanism (CBAM) has been proposed for revisions, aiming to simplify certain processes and narrow its scope. While the CBAM is set to proceed as planned in January 2026, the requirement to purchase certificates will be delayed, and payment methods will be streamlined. These changes could ease some of the immediate pressure; however, the underlying financial risks will remain unchanged. The Company will still be responsible for its emissions in 2026, but comprehensive accounting won't be required until 2027. This delay does not remove the financial burden, it only defers it. Despite the looming threat of escalating global border tariffs, the proposal continues to follow a moderate approach to internalizing the external costs of carbon pollution. The uncertainty surrounding U.S. President Trump's threat of imposing retaliatory tariffs, and how this may impact CBAM, remains a concern. Additionally, the existing direct subsidies for EU industries—through free EU quota allocations—will be reduced by cutting back on these free allocations, ensuring that the mechanism fosters fair competition.

As the global shift toward low-carbon practices intensifies, the Company must confront the pressures of "carbon neutrality," "carbon pricing," and "carbon tariffs" as part of its commitment to sustainable development. It is crucial for the Company to take proactive steps in response. The implementation of

carbon fees is a significant milestone for Taiwan in its journey toward a low-carbon society and a necessary action to address the global climate crisis. Businesses should actively tackle the challenges posed by carbon fees and implement effective carbon reduction strategies to lower costs, improve competitiveness, and generate new business opportunities. The creation of a carbon pricing mechanism will not only determine the company's future payment obligations based on carbon emissions but will also accelerate its carbon tracking efforts and drive ESG-related carbon reduction initiatives. While low-carbon practices present challenges, they also offer vast opportunities. By taking the lead in carbon reduction and embracing the shift early, the Company expects to gain a competitive advantage, which will be instrumental in supporting its long-term sustainable development.

- (2) The World Steel Association's steel demand forecast indicates. After a 0.8% decrease in global steel demand in 2023 and a further decline of 0.9% in 2024, a recovery of 1.2% is forecasted for 2025, bringing demand to 1.772 billion tons. However, the outlook for steel demand in 2025 remains subject to various uncertainties, such as the ongoing impact of monetary tightening, rising costs, limited affordability, and geopolitical instability. Despite these challenges, we remain cautiously optimistic that global steel demand will enter a phase of moderate growth starting in 2025. Between 2025 and 2026, the primary factors influencing global steel demand will include the stable recovery of China's real estate sector, the effectiveness of interest rate adjustments in stimulating private consumption and business investment, and infrastructure spending by major global economies focused on decarbonization and digital transformation. Additionally, steel demand from other emerging markets, such as the Middle East, North Africa, and ASEAN, especially due to robust infrastructure investment, is expected to support demand growth. Infrastructure demand is likely to provide a slight boost to steel demand in 2025.

Chairman: Wu, Lin-Maw Managerial Officer: Huang, Chuan-Hsiang Accounting supervisor: Shih, Fun-Yun

Chapter 2 Corporate Governance Report

I. Information of Directors, Presidents, Vice Presidents, Senior Managers and Managers of each Division and Branch

(1) Information of Directors

April 2024

Title	Nationality/ Place of Incorporation	Name	Gender/Age (note 2)	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Main Experience (Education)	Position Concurrently taken in this or other companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark (Note 4)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation- ship	
Chairman	Taiwan, R.O.C.	WU, LIN-MAW, Representative of Yieh Phui Enterprise Co., Ltd.	Male Age 61-70	June 20, 2023	3 Years	Nov. 13, 2008	304,654,650	57.41%	304,654,650	57.41%	-	-	-	-	EMBA, National Dr. Sun Yat-sen University Materials Science Engineering Dept of National Tsing Hua University Vice Chairman of Yieh Phui Enterprise Co., Ltd.	Chairman of Yieh Hsing Enterprise Co., Ltd. Yieh Phui – Director	Nil	Nil	Nil	Nil
							0	-	0	-	-	-	-	-						
Director	Taiwan, R.O.C.	LIN, I-SHOU, Representative of Yieh Phui Enterprise Co., Ltd.	Male Age 81-90	June 20, 2023	3 Years	July 18, 1978	304,654,650	57.41%	304,654,650	57.41%	-	-	-	-	Chairman of Yieh Phui Enterprise Co. Ltd. and Yieh Hsing Enterprise Co., Ltd.	Chairman of Yieh United Steel Corp., Yieh Phui Enterprise Co., Ltd. and Wei Chiao Investment & Development Co., Ltd.	Nil	Nil	Nil	Nil
							172,206	0.03%	172,206	0.03%	2,448,388	0.46%	-	-						
Director	Taiwan, R.O.C.	CHEN, SEN-LONG, Representative of Yieh Phui Enterprise Co., Ltd.	Male Age 61-70	June 20, 2023	3 Years	October 5, 2016	304,654,650	57.41%	304,654,650	57.41%	-	-	-	-	Department of Metallurgy, National Cheng Kung University Marketing & Sales Vice President of Yieh Phui Enterprise Co., Ltd.	Nil	Nil	Nil	Nil	Nil
							255	-	255	-	-	-	-	-						
Director	Taiwan, R.O.C.	SU, YU-KUN, Representative of Yieh United Steel Corp.	Male Age 51-60	June 20, 2023	3 Years	June 20, 2018	85,717,552	16.15%	85,717,552	16.15%	-	-	-	-	Mechanical Engineering Dept of Kaohsiung Institute of Technology Vice President of Angang Lianzhong (Guangzhou) Stainless Steel Co., Ltd.	President of Yieh United Steel Corp.	Nil	Nil	Nil	Nil
							0	-	0	-	-	-	-	-						
Independent Director	Taiwan, R.O.C.	CHANG, WEI-I	Male Age 71-80	June 20, 2023	3 Years	June 21, 2017	0	-	0	-	-	-	-	Passed the High Assessment Examination for Accounting and Auditing Personnel in 1974 Consultant of Importers and Exporters Association of Kaohsiung County	Yieh Hsing – Compensation Committeem Yieh Phui – Independent Director Yieh Phui – Compensation Committeem	Nil	Nil	Nil	Nil	

Independent Director	Taiwan, R.O.C.	YANG, DER-YUAN	Male Age 61-70	June 20, 2023	3 Years	June 17, 2015	0	-	0	-	-	-	-	-	Accounting Department of National Cheng Kung University Supervisor of CPA Associations R.O.C. (Taiwan)	Yieh Hsing – Compensation Committeeman	Nil	Nil	Nil	Nil
Independent Director	Taiwan, R.O.C.	WU, MING-TONG	Male Age 61-70	June 20, 2023	3 Years	June 20, 2023	0	-	0	-	-	-	-	-	Sun Yat-Sen University Master Vice Chairman of Angang Lianzhong (Guangzhou) Steel Corporation Current positions: Retirement	Yieh Hsing – Compensation Committeeman	Nil	Nil	Nil	Nil

Note 1: In case of the corporate shareholder, its name and representative should be separately listed (For those who are representatives of the corporate shareholder, please specify the name of the corporate shareholder), and fill up the following Schedule I.

Note 2: Please specify the age brackets, e.g. 41-50 or 51-60.

Note 3: List the time when the post of the director or supervisor of the company is assumed initially. In the event of interruption, explanations should be made in notes.

Note 4: For the experience related to the current held position, for example, had ever been employed in the audit CPA office or its affiliates during the above-mentioned period, the title posted and duties-in-charge should be specified.

Note 5: If the chairman, president or the equivalent office (top one manager) is the same person or are spouses or relatives within the first degree of kinship, one should explain the related information as for its reason, rationality, necessity and countermeasures (e.g. in such manner of the independent director seat increase, a majority of directors cannot serve concurrently as the employee or manager).

Table 1: Major Shareholders of Institutional Shareholders

April 30, 2025

Name of institutional shareholders (Note 1)	Major shareholders of institutional shareholders (Note 2)	Shareholding Percentage
Yieh Phui Enterprise Co., Ltd.	Yieh United Steel Corporation	16.51%
	Wei Chiao Investment & Development Co., Ltd.	11.25%
	Li Huei Development Corp.	4.34%
	Wei Hung Investment & Development Co., Ltd.	3.98%
	Hsing Loong Investment & Development Co., Ltd.	3.64%
	E-Da Hospital	3.39%
	Kuo Chiao Investment & Development Co., Ltd.	3.38%
	Lien shuo Investment & Development Co., Ltd.	3.27%
	Ta Ching Motors Co., Ltd.	2.83%
	Zhi Yi Investment Co., Ltd.	2.31%
	Yieh United Steel Corporation	Yieh Phui Enterprise Co., Ltd.
Wei Chiao Investment & Development Co., Ltd.		17.32%
Lien shuo Investment & Development Co., Ltd.		8.96%
Hsing Loong Investment & Development Co., Ltd.		8.33%
Wei Hung Investment & Development Co., Ltd.		5.69%
Yieh Hong Enterprise Corporation Ltd.		4.11%
Yieh Mau Corp.		3.23%
Kuo Tung Investment & Development Co., Ltd.		2.22%
United Brightening Development Corp.		2.22%
Kuo Chang Enterprise Co., Ltd.		2.17%

Note 1: For Directors and Supervisors who are representatives of institutional shareholders, the names of the institutional shareholders shall be disclosed.

Note 2: Please declare names of the major shareholders (top 10 shareholders) and their shareholding of the corporate shareholders. If the major shareholders are institutional shareholders, please fill out Table 2 below.

Note 3: The legal shareholder is not a company organizer. The name and shareholding ratio of the shareholder that should be disclosed previously disclosed name of the funder or donor and their contribution amount or contribution ratio. Donor deceased, with the note "deceased".

Table 2: Major Shareholders of Major Shareholders in Table 1 Who Are Institutional Shareholders

April 30, 2025

Name of Institutional Shareholder (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)	Shareholding Percentage	Name of Institutional Shareholder (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)	Shareholding Percentage
Wei Hung Investment & development Co., Ltd.	Yieh Hong Enterprise Corporation Ltd.	25.41%	Lien shuo Investment & development Co., Ltd.	Wei Hung Investment & development Co., Ltd.	18.25%
	Hsing Loong Investment & Development Co., Ltd.	20.20%		Hsing Loong Investment & Development Co., Ltd.	18.19%
	Lin I-Shou	18.21%		Wei Chiao Investment & Development Co., Ltd.	18.10%
	Wei Chiao Investment & Development Co., Ltd.	13.40%		Lin I-Shou	11.40%
	Chia Yuan Investment & Development Co., Ltd.	11.41%		Lin Zong-Cheng	9.66%
	Lien shuo Investment & development Co., Ltd.	10.42%		Chia Yuan Investment & Development Co., Ltd.	8.73%
	Lin Zong-Sian	0.63%		Shin Yang Investment & Development Co., Ltd.	4.46%
	Lin Li-Jyuan	0.16%		E-Da Hospital	3.87%
	Lin Jhih-Long	0.16%		Lin Zong-Cing	2.86%
					Yieh Hong Enterprise Corporation Ltd.
Wei Chiao Investment & Development Co., Ltd.	Yu Sheng Investment & Development Co., Ltd.	13.03%	Li Huei Development Corp.	Yieh United Steel Corporation	55.44%
	Hsing Loong Investment & Development Co., Ltd.	13.01%		Yieh Phui Enterprise Co., Ltd.	44.56%
	Wei Hung Investment & development Co., Ltd.	15.89%	Ta Ching Motors Co.,	Taiwan Ves-Power Co., Ltd.	99.99%
	Lien shuo Investment & development Co., Ltd.	10.21%	E-Da Hospital	Lin I-Shou	2.00%
	Chia Yuan Investment & Development Co., Ltd.	17.43%		Lien shuo Investment & development Co., Ltd.	23.00%
	Shin Yang Investment & Development Co., Ltd.	13.51%		Wei Hung Investment & development Co., Ltd.	31.00%
	E-Da Hospital	7.26%		Hsing Loong Investment & Development Co., Ltd.	14.00%
	Lin I-Shou	4.72%	Kuo Chang Enterprise Co., Ltd.	Wei Hung Investment & development Co., Ltd.	30.00%
	Lin Tsai, Yueh- E	3.13%		Yieh Phui Enterprise Co., Ltd.	99.04%
	Lin Zong-Sian	0.58%		Chia Yuan Investment & Development Co., Ltd.	0.96%
Kuo Chiao Investment & Development Co., Ltd.	Yu Hong Enterprise Corp.	39.66%	Hsing Loong Investment & Development Co., Ltd.	Lin I-Shou	31.51%
	Chiao Summit Co., Ltd.	12.55%		Wei Chiao Investment & Development Co., Ltd.	19.92%
	Kuo Tung Investment & Development Co., Ltd.	12.27%		Lin, Tsai Yueh-E	18.52%
	Wei Hung Investment & development Co., Ltd.	11.43%		Wei Hung Investment & development Co., Ltd.	11.38%
	Yieh Hong Enterprise Corporation Ltd.	11.23%		E-Da Hospital	9.98%
	Chia Yuan Investment & Development Co., Ltd.	9.64%		Chia Yuan Investment & Development Co., Ltd	3.22%
	Shin Yang Investment & Development Co., Ltd.	3.08%		Yu Sheng Investment & Development Co., Ltd.	2.10%
	Yu Sheng Investment & Development Co., Ltd.	0.08%		Lin Jhih-Long	2.05%
	Lin I-Shou	0.06%		Lin Li-Jyuan	0.32%
					Shang-Mau Enterprise Corporation Ltd.

Name of Institutional Shareholder (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)	Shareholding Percentage	Name of Institutional Shareholder (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)	Shareholding Percentage
Yieh Hong Enterprise Corporation Ltd.	Hsing Loong Investment & Development Co., Ltd.	19.34%	Kuo Tung Investment & Development Co., Ltd.	Wei Chiao Investment & Development Co., Ltd.	30.03%
	Wei Hung Investment & development Co., Ltd.	18.26%		Lien shuo Investment & development Co., Ltd.	24.00%
	Lin Jhih-Long	12.85%		Wei Hung Investment & development Co., Ltd.	22.21%
	Wei Chiao Investment & Development Co., Ltd.	11.05%		Yieh Hong Enterprise Corporation Ltd.	13.80%
	Lin Zong-Cheng	10.75%		Hsing Loong Investment & Development Co., Ltd.	8.22%
	Lin Li-Jyuan	9.47%		Lin, Tsai Yueh-E	0.81%
	Lin Zong-Cing	9.34%		E-Da Hospital	0.73%
	Lin Zong-Sian	8.41%		Shin Yang Investment & Development Co., Ltd.	0.18%
	Ding Ku Construction Corp.	0.51%		Lin I-Shou	0.02%
	Lin I-Shou	0.01%		United Brightening Development Corp.	Yieh Phui Enterprise Co., Ltd.
Yieh Mau Corp	Yieh Phui Enterprise Co., Ltd.	23.00%	Zhi Yi Investment Co., Ltd.	Shin Yang Investment & Development Co., Ltd.	4.44%
	Yieh United Steel Corporation	22.80%		Wei Hung Investment & development Co., Ltd.	19.41%
	E-Da Hospital	24.20%		Lien shuo Investment & development Co., Ltd.	18.86%
	Wei Chiao Investment & Development Co., Ltd.	15.66%		Hsing Loong Investment & Development Co., Ltd.	19.33%
	Emmt Systems Corporation	13.46%		Shin Yang Investment & Development Co., Ltd.	19.45%
				Wei Chiao Investment & Development Co., Ltd.	19.39%
				Yu Sheng Investment & Development Co., Ltd.	3.31%
		Lin I-Shou	0.25%		

Note 1: As shown in Table 1 above, when a major shareholder is an institutional shareholder, disclose the name of the institution.

Note 2: Names of major shareholders (ranked top 10 in terms of shareholding) in the corporate shareholders and their shareholding ratio shall be filled in this section.

Note 3: The legal shareholder is not a company organizer. The name and shareholding ratio of the shareholder that should be disclosed previously disclosed name of the funder or donor and their contribution amount or contribution ratio. Donor deceased, with the note "deceased".

Table 3: Information of Directors

1. Directors' Professional Qualifications and Independent Directors' Independence Status

March 31, 2025

Name/Title	Criteria	Professional Qualification and Experience	Independent Directors' Independence Status	Number of Other Taiwanese Public Companies Concurrently Serving as a Compensation Committee Member
Director –WU, LIN-MAW		For Directors' professional qualification and experience, please refer to "Information of Directors" on pages 9~10 of this Annual Report. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law. (Note 1)	Not Applicable	0
Director –LIN, I-SHOU				0
Director – CHEN, SEN-LONG				0
Director – SU, YU-KUN				0
Independent Director – CHANG, WEN- I		All of the following situations apply to each and every of the Independent Directors: 1. Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"(Note 2) issued by Taiwan's Securities and Futures Bureau. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any Yieh Hsing shares. 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service".	1	
Independent Director – YANG, DER-YUAN			1	
Independent Director – WU, MING-TONG			0	

Note 1: A person shall not act in a management capacity for a company, and if so appointed, must be immediately discharged if they have been:

1. Convicted for a violation of the Statutes for the Prevention of Organizational Crimes and: has not started serving the sentence; has not completed serving the sentence; or five years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;
2. Convicted for fraud, breach of trust or misappropriation, with imprisonment for a term of more than one year, and: has not started serving the sentence; has not completed serving the sentence; or two years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;
3. Convicted for violation of the Anti-Corruption Act, and: has not started serving the sentence; has not completed serving the sentence; or two years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;
4. Adjudicated bankrupt or adjudicated to commence a liquidation process by a court, and having not been reinstated to his or her rights and privileges;
5. Sanctioned for unlawful use of credit instruments, and the term of such sanction has not expired yet;
6. if she/he does not have any or limited legal capacity; or
7. if she/he has been adjudicated to require legal guardianship and such requirement has not been revoked yet.

Note 2: 1. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

2. Not serving concurrently as an independent director on more than three other public companies in total.

3. During the two years before being elected and during the term of office, meet any of the following situations:

(1) Not an employee of the company or any of its affiliates;

(2) Not a director or supervisor of the company or any of its affiliates;

(3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders;

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding (1) subparagraph, or of any of the above persons in the preceding subparagraphs (2) and (3);

(5) Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law;

(6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company;

(7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent);

(8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company;

(9) Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NT\$500,000".

2. Board Diversity and Independence

(1) In order to strengthen the governance of the company and promote the solid development of the Board of Directors' composition and structure, we revise Paragraph 2 of Article 20 of the "Corporate Governance Best-Practice Principles" in 2021 concerning "Diversified Policy of the Board of Directors' Members", which indicates: the composition of the Board of Directors should take into consideration the company's type of operation and the business development needs, and further evaluate a variety of diversified aspects, for example, basic composition (e.g. gender, nationality, age, etc.), expertise and skills (e.g. accounting, law, industry, finance, etc.)

Our current Board of Directors is composed of seven directors, including four directors and three independent directors. They have ample experience and professionalism in such areas as industry knowledge, operation judgment, international market, finance & accounting, tax, commerce and management, etc.

The company has a policy of diversification of operations. The target ratio of board members is more than 70% based on industry experience and financial, taxation and accounting. At present, 7 directors have the above experience and 6 directors, with a ratio of 85.7%. The proportion of directors with employee status is 14%, the independent directors for 43%, and 1 independent director in the fourth session. The age of 3 directors is over 70, 3 between 60 ~69 and 1 below 60, of the Board, and there is no marital or is within the second degree of kinship relationship between or among the Directors. As such, the Board of Directors carries independence. For the implementation of the policy on diversity of board members, please refer to "Corporate Governance Implementation Status" in this annual report. (Page 34)

(2) As the current term of the Company's Board of Directors is from June 20, 2023 to June 19, 2026, the situation where the number of directors of any single gender does not reach one-third of the board will be addressed in future board elections. The Company plans to increase the number of directors of the underrepresented gender to achieve gender diversity on the board.

(2) Information of Presidents, Vice Presidents, Senior Managers and Managers of each Division and Branch

April 2024

Title (Note 1)	Nationality	Name	Gender	Date Elected (Employed)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nomine Arrangement		Main Experience (Education) (Note 2)	Position Concurrently taken in this or other companies	Managers Who are Spouses or within Two Degrees of Kinship			Remark (Note 3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation- ship	
President	Taiwan, R.O.C.	Huang, Chuan- Hsiang	Male	Feb. 16, 2025	0	-	-	-	-	-	Dept. of Master of National Chung Hsing University,	Vice Chairman, E-United Group CEO of EFI Jakarta Management Center, Indonesia Representative Office	Nil	Nil	Nil	Nil
Production Vice President	Taiwan, R.O.C.	HSU, CHING-WU	Male	Sept. 4, 2020	0	-	-	-	-	-	Dept. of Machinery of National Taipei Institute of Technology, Director and Plant Manager of the Equipment Division of this Company	Nil	Nil	Nil	Nil	Nil
Financial Vice President	Taiwan, R.O.C.	YU, CHING-SHENG	Male	Feb. 1, 2022	0	-	-	-	-	-	Dept. of Statistics, Fu Jen Catholic University, Senior Manager of the Dept. of Financial Management of EMMT, Senior Financial Manager of this Company	Nil	Nil	Nil	Nil	Nil
Business Vice President	Taiwan, R.O.C.	Kan, Wei-Pin	Male	March 1, 2025	0	-	-	-	-	-	Yung Ta Institute of Technology & Commerce Manager, Domestic Marketing & Sales Division II, Yieh Phui	Nil	Nil	Nil	Nil	Nil
Planning Vice President	Taiwan, R.O.C.	Lin, Wen-Pin	Male	March 1, 2025	0	-	-	-	-	-	Feng Chia University Management Division Associate Manager, Yieh Phui	Administration Associate Manager, Shin Yang Vice Chairman, Shin Jan Administrative Vice President Staff's Office Vice President of Yieh Phui Enterprise Co., Ltd.	Nil	Nil	Nil	Nil
Assistant Vice President of the Production Division	Taiwan, R.O.C.	YEN, SHEN-CHI	Male	Sept. 1, 2023	3,191	-	-	-	-	-	Department of Mold and Die Engineering, National Kaohsiung University of Applied Sciences, Senior Manager of this Company's Rolled Steel Production Division	Assistant Vice Chairman, E- United Group	Nil	Nil	Nil	Nil
President's Staff Office Assistant Vice President	Taiwan, R.O.C.	Pan, Wen-Cheng	Male	March 1, 2025	0	-	-	-	-	-	Chung Yuan Christian University Associate Manager, President Staff's Office, Yieh Phui	President's Staff Office Assistant Vice President of Yieh Phui Enterprise Co., Ltd.	Nil	Nil	Nil	Nil
Senior Manager of Information Division	Taiwan, R.O.C.	HUANG, CHUN-KAI	Male	Dec. 5, 2008	0	-	-	-	-	-	Dept. of Electronic Engineering, National Kaohsiung Institute of Technology, Information Division Manager of Yieh Phui Enterprise Co., Ltd.	Senior Manager of the Information Division of Yieh Phui Enterprise Co., Ltd.	Nil	Nil	Nil	Nil
Senior Manager of the Global Marketing & Sales Division	Taiwan, R.O.C.	HO, MING-CHANG	Male	April 1, 2022	0	-	-	-	-	-	Department of Shipping & Transportation Management of National Taiwan Ocean University, Marketing & Sales Manager of Prosperity Tieh Enterprise Co., Ltd.	Nil	Nil	Nil	Nil	Nil
Senior Manager of the Administration and Management Division	Taiwan, R.O.C.	CHANG, YUE-HAN	Male	Feb. 1, 2016	0	-	-	-	-	-	Institute of Public Administration and Policy of National Taipei University, Manager of this Company's Administration and Management Division	Nil	Nil	Nil	Nil	Nil
Senior Manager of the Pickling & Annealing Production Division	Taiwan, R.O.C.	HSU, HUANG- CHI	Male	July 16, 2016	179	-	-	-	-	-	Department of Mechanical Engineering of National Kaohsiung University of Applied Sciences, Plant Manager of this Company's Pickling & Annealing Production Division	Nil	Nil	Nil	Nil	Nil
Senior Manager of the Chairman's Office	Taiwan, R.O.C.	OU, KUI-PING	Male	April 1, 2018	5,011	-	459	-	-	-	Public Finance Division of Tamsui Junior College of Industrial and Commercial Management, Assistant Manager of the Group's General Administration Office	Nil	Nil	Nil	Nil	Nil
Senior Manager of the Financial Division	Taiwan, R.O.C.	Leu, Cilla	Female	Sep. 1, 2024	0	-	-	-	-	-	Department of accounting and statistics, international Institute of Commerce Senior Manager of the Auditing Office Division of Yieh Phui	Nil	Nil	Nil	Nil	Nil
Senior Manager of Rolling Production Division	Taiwan, R.O.C.	CHEN, CHIEN- HSIANG	Male	Jan. 6, 2025	0	-	-	-	-	-	Department of Mechanical Engineering, National Kaohsiung Institute of Technology Plant Manager of this Company's Rolling Production Division	Nil	Nil	Nil	Nil	Nil

Manager of the Domestic Marketing & Sales Division	Taiwan, R.O.C.	WU, CHING- YUAN	Male	April 1, 2019	0	-	-	-	-	-	Department of Applied Mathematics of I-SHOU University, Assistant Manager of the Domestic Marketing & Sales Division of this Company	Nil	Nil	Nil	Nil	Nil
Equipment Division Manager	Taiwan, R.O.C.	FU,YUAN-HSIAO	Male	June. 1, 2021	0	-	-	-	-	-	Department of Electrical Engineering, Tainan University of Science and Technology, Senior Engineer of YIEH UNITED STEEL CORP HOT ROLLING DIVISION	Nil	Nil	Nil	Nil	Nil
Manager of the Production & Marketing Management Division	Taiwan, R.O.C.	KUO, S. J.	Male	March 1, 2021	0	-	-	-	-	-	Department of Industrial Engineering, Feng Chia University, Assistant Manager of the Production & Marketing Management Division	Nil	Nil	Nil	Nil	Nil
Manager of the Occupational Safety & Health Office	Taiwan, R.O.C	GUO,JHONG-SHENG	Male	July 1,2022	0	-	-	-	-	-	Department of Government and Law, NUK, Section supervisor of Occupational Safety & Health Office of this Company	Nil	Nil	Nil	Nil	Nil
Manager of the Market Development Division	Taiwan, R.O.C.	LEE, PO-CHIH	Male	April 1,2024	0	-	-	-	-	-	Department of Materials Science, Feng Chia University, Assistant Manager of the Technology Division of this Company	Nil	Nil	Nil	Nil	Nil
Assistant Manager of Auditing Office	Taiwan, R.O.C.	Su, Chia Jung	Male	March 1, 2025	0	-	-	-	-	-	Master of Industrial Management, I-SHOU University, Section Manager of the Auditing Office Division of this Company	Nil	Nil	Nil	Nil	Nil
Assistant manager of the Technology Division	Taiwan, R.O.C	SUN,CHI-CHIENG	Male	March 16, 2021	0	-	-	-	-	-	Department of Mechanical Engineering, National Kaohsiung University of Applied Sciences, Section Manager of the Technology Division	Nil	Nil	Nil	Nil	Nil

Note 1: Disclose the information of presidents, vice presidents, senior managers and managers of each division and branch as well as those whose positions are equivalent to president, vice president or senior manager, regardless of their titles.

Note 2: For the experience related to the current held position, for example, had ever been employed in the audit CPA office or its affiliates during the above-mentioned period, the title posted and duties-in-charge should be specified.

Note 3: If the chairman, president or the equivalent office (top one manager) is the same person or spouses or relatives within the first degree of kinship, one should disclose such related information as its reason, rationality, necessity and countermeasures (e.g. in such manner of the independent director seat increase, a majority of directors cannot serve concurrently as the employee or manager).

Note 4: The shareholding number refers to the one recorded in the shareholder register as of the date when the share transfer is stopped for this shareholders meeting.

Note 5: Date elected (employed) refers to the date when each chief officer takes the said office.

II. Remuneration Paid to Directors, Presidents and Vice Presidents in the Most Recent Year

(1) Remuneration of Directors (including Independent Directors), Presidents and Vice Presidents

(1-1) Remuneration of General Directors and Independent Directors (Respective Disclosure of Name and Remuneration Method)

Unit: NT\$ Thousands

Title	Name	Director's Remuneration								Ratio of Total Amount of 4 Items of A+B+C+D to Net Income after Tax (%) (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Amount of 7 Items of A+B+C+D+E+F+G to Net Income after Tax (%) (Note 10)		Remuneration Received from the Parent Company and All Reinvested Companies (Note 11)
		Base Compensation (A) (Note 2)		Severance Pay (B)		Director's Compensation (C) (Note 3)		Business Execution Costs (D) (Note 4)				Salary, Bonuses, and Special Expenses (E) (Note 5)		Severance Pay (F)		Employee Compensation (G) (Note 6)						
		The company	All Companies in the consolidated financial statement (Note 7)	The company	All Companies in the consolidated financial statements (Note 7)	The company	All Companies in the consolidated financial statements (Note 7)	The company	All Companies in the consolidated financial statements (Note 7)	The company	All Companies in the consolidated financial statements (Note 7)	The company	All Companies in the consolidated financial statements (Note 7)	The company	All Companies in the consolidated financial statements (Note 7)	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The company	All Companies in the consolidated financial statements (Note 7)	
Chairman	Representative of Yieh Phui Enterprise Co., Ltd.: WU, LIN- MAW	-	-	-	-	-	-	144	-	144/-0.01	-	4425	-	-	-	-	-	-	-	4569/-0.42	-	146
Director	Representative of Yieh Phui Enterprise Co., Ltd.: LIN, I- SHOU	-	-	-	-	-	-	144	-	144/-0.01	-	1214	-	-	-	-	-	-	-	1358/-0.13	-	10187
Director	Representative of Yieh Phui Enterprise Co., Ltd.: CHEN, SEN-LONG	-	-	-	-	-	-	144	-	144/-0.01	-	3404	-	108	-	-	-	-	-	3656/-0.34	-	Nil
Director	Representative of Yieh United Steel Corp.: SU, YU-KUN	-	-	-	-	-	-	144	-	144/-0.01	-	-	-	-	-	-	-	-	-	144/-0.01	-	3635
Independent Director	CHANG, WEN- I	419	-	-	-	-	-	144	-	563/-0.05	-	-	-	-	-	-	-	-	-	563/-0.05	-	1042
Independent Director	YANG, DER- YUAN	419	-	-	-	-	-	144	-	563/-0.05	-	-	-	-	-	-	-	-	-	563/-0.05	-	914
Independent Director	WU, MING-TONG	419	-	-	-	-	-	144	-	563/-0.05	-	-	-	-	-	-	-	-	-	563/-0.05	-	Nil

Please specify the payment policy, system, standards and structure of the independent director's remuneration and explicate the relevance of such factories as the assumed responsibilities, risk and input time, etc. to the amount of paid remuneration.

1.

(1) The independent directors of the company receive the fixed remuneration each month, but they do not participate in the distribution of the annual director remuneration.

(2) The same year-end consolation money will be given as a reward, based on the operation performance of the company.

2.

Besides the disclosure shown in the table above, remuneration received by Directors of the company over the past year as a result of service provided to all companies within the financial report (such as serving as non-employee consultants for parent company/all the companies within the financial report/joint venture):0

* Please respectively list the related information of directors (general directors other than the independent directors) and independent directors.

Note 1: The director's name should be respectively listed. (In case of a corporate shareholder, the name of the corporate shareholder and its representative should be separately indicated.); and the general director and the independent director should be also separately listed; the amount of various payments should be disclosed in a summarized way. Those directors who concurrently serve as the presidents or the vice presidents should be shown in this list and the following Table (3-1) or Tables (3-2-1) and (3-2-2).

Note 2: Refers to the director's remuneration in the most recent year (including the director's salary, duty allowance, severance pay, all kinds of bonuses, bonus commission, etc.).

Note 3: Indicate the amount of the director's remuneration, distributed by the agreement of the Board of Directors in the most recent year.

Note 4: Refer to the related business execution costs (including travelling expenses, special expenses, all kinds of allowances, material object offer of dorm room and vehicle dispatch, etc.) in the most recent year. If the house, automobile and other vehicles are offered or in case of the unique personal expenses, the disclosure should cover the nature and costs of the offered assets, the actual rental or that calculated at the fair market price, fuel expenses and other payments. Besides, if the driver is dispatched, please put a note to explain the relevant compensation which the company pays to the said driver, but it will not be counted into the remuneration.

Note 5: Refer to what the director who is concurrently an employee (including concurrently serving as the president, vice president, other manager and employee) receives, covering the salary, duty allowance, severance pay, various bonuses, bonus commission, travelling expenses, special expenses, all kinds of allowances, material object offer of dorm room, car dispatch, etc. in the most recent year. If the house, automobile and other vehicles are offered or in case of the unique personal expenses, the disclosure should cover the nature and costs of the offered assets, the actual rental or that calculated at the fair market price, fuel expenses and other payments. Besides, if the driver is dispatched, please put a note to explain the relevant compensation which the company pays to the said driver, but it will not be counted into the remuneration.

Additionally, the salary expenses, recognized subject to IFRS 2 – Share-based Payment, should be included in the remuneration, including acquiring the employee stock option certificate and the new restricted shares for subscription by employees and participating in the subscription of the shares in the cash capital increase.

Note 6: Mean that for those directors who are concurrently the employees (including concurrently serving as the president, vice president, other manager and employee) and receive the employee remuneration (including stock and cash), the amount of employee remuneration, distributed under agreement of the Board of Directors in the most recent year, should be disclosed. If it cannot be estimated, the amount intended to be distributed this year can be calculated, based on the last-year actual distributed amount in proportion and Table 1-3 should be filled up.

Note 7: Disclose the total amount of various remunerations which all companies in the consolidated financial report (including the company) pay the directors of the company. (The company has not prepared a consolidated financial report since 2022)

Note 8: Concerning the total amount of various remunerations which the company pays each director, the names of directors should be disclosed in the brackets where they are classified.

Note 9: Disclose the total amount of various remunerations which all companies in the consolidated financial report (including the company) pay each director of the company, and the names of directors should be disclosed in the brackets where they are classified.

Note 10: The net income after tax refers to that of the parent company only or individual financial report in the most recent year.

Note 11: a. The amount of related remuneration which the directors of the company receive from the reinvested companies other than the subsidiary companies or the parent companies should be expressly shown in this column. (Please fill in "Nil", if it is not applicable.)

b. If the directors of the company receive the remuneration from the reinvested companies other than the subsidiary or parent companies, it should be indicated in Column I of the Remuneration Brackets List and the name of the column should be changed into "the parent company and all reinvested companies."

c. The remuneration refers to such related remunerations as compensation, remuneration (including remuneration of employee, director and supervisor) and business execution costs, which the directors of the company receive in such a capacity as the director, supervisor or manager of the reinvested companies other than the subsidiary companies or the parent companies.

* The contents of remuneration disclosed in this Table differs from the income concept as specified in the Income Tax Act, so this Table is only designed for use of information disclosure rather than taxation.

(3-2) Remuneration of President & Vice Presidents (Respective Disclosure of Name and Remuneration Method)

Unit: NT\$ Thousands

Title	Name	Salary (A) (Note 2)		Severance Pay (B)		Bonus and Special Expenses (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of Total Amount of 4 Items of A+B+C+D to Net Income after Tax (%) (Note 8)		Remuneration Received from the Parent Company and All Reinvested Companies (Note 9)
		The Company	All Companies in the consolidated financial statements (Note 5)	The Company	All Companies in the consolidated financial statements (Note 5)	The Company	All Companies in the consolidated financial statements (Note 5)	The Company		All Companies in the consolidated financial statements (Note 5)		The company	All Companies in the consolidated financial statements (Note 5)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	CHEN, SEN-LONG	2867	-	108	-	537	-	-	-	-	-	3512/ -0.32	-	Nil
Vice President	HSU, CHING-WU	1442	-	87	-	322	-	-	-	-	-	1851/ -0.17	-	Nil
Vice President	YU, CHING SHENG	1358	-	1155	-	378	-	-	-	-	-	2891/ -0.27	-	Nil

◆ Regardless of the title, those whose position is equivalent to the president and the vice president (e.g. chairman, chief executive officer, director, etc.) should be disclosed.

Note 1: The names of presidents and vice presidents should be respectively listed. The amount of various payments should be disclosed in a summarized way. Those directors who concurrently serve as the presidents or the vice presidents should be shown in this list and the above-mentioned Table (1-1) or Tables (1-2-1) and (1-2-2).

Note 2: Refer to the salary, duty allowance and severance pay for the presidents and vice presidents in the most recent year.

Note 3: Indicate the amount of various bonuses, bonus commissions, travelling expenses, special expenses, all kinds of allowances, material object offer of dorm room and vehicle dispatch and other remunerations for the presidents and vice presidents in the most recent year. If the house, automobile and other vehicles are offered or in case of the unique personal expenses, the disclosure should cover the nature and costs of the offered assets, the actual rental or that calculated at the fair market price, fuel expenses and other payments. Besides, if the driver is dispatched, please put a note to explain the relevant compensation which the company pays to the said driver, but it will not be counted into the remuneration. Additionally, the salary expenses, recognized subject to IFRS 2 – Share-based Payment, should be included in the remuneration, including acquiring the employee stock option certificate and the new restricted shares for subscription by employees and participating in the subscription of the shares in the cash capital increase.

Note 4: List the amount of the employee remuneration (including stock and cash) for the presidents and vice presidents, distributed under agreement of the Board of Directors in the most recent year. If it cannot be estimated, the amount intended to be distributed this year can be calculated, based on the last-year actual distributed amount in proportion and Table 1-3 should be filled up.

Note 5: Disclose the total amount of various remunerations which all companies in the consolidated financial report (including the company) pay the directors of the company. (The company has not prepared a consolidated financial report since 2022)

Note 6: Refers to various remunerations which the company pays each president and vice president; the names of presidents and vice presidents should be disclosed in the brackets where they are classified.

Note 7: Disclose the total amount of various remunerations which all companies in the consolidated financial report (including the company) pay each president and vice president of the company; the names of presidents and vice presidents should be disclosed in the brackets where they are classified.

Note 8: The net income after tax refers to that of the parent company only or individual financial report in the most recent year.

Note 9: a. The amount of related remuneration which the presidents and vice presidents of the company receive from the reinvested companies other than the subsidiary or parent companies should be expressly shown in this column. (Please fill in “Nil”, if it is not applicable.)

b. If the presidents and vice presidents of the company receive from the reinvested companies other than the subsidiary or parent companies, it should be indicated in Column E of the Remuneration Brackets List and the name of the column should be changed into “the parent company and all reinvested companies”.

c. The remuneration refers to such related remunerations as compensation, remuneration (including remuneration of employee, director and supervisor) and business execution costs, which the president and vice presidents of the company receive in such a capacity as the director, supervisor or manager of the reinvested companies other than the subsidiary companies or the parent companies.

* The contents of remuneration disclosed in this Table differs from the income concept as specified in the Income Tax Act, so this Table is designed for use of information disclosure

(4-1) Remuneration of Top Five Management Personnel in Terms of the Highest Remuneration of the Companies Listed on the TWSE and TPEX
(Respective Disclosure of Name and Remuneration Method) (Note 1)

Unit: NT\$ Thousands

Title	Name	Salary (A) (Note 2)		Severance Pay (B)		Bonus and Special Expense (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of Total Amount of 4 Items of A+B+C+D to Net Income after Tax (%) (Note 8)		Remuneration Received from the Parent Company and All Reinvested Companies (Note 9)
		The Company	All Companies in the consolidated financial statements (Note 5)	The Company	All Companies in the consolidated financial statements (Note 5)	The Company	All Companies in the consolidated financial statements (Note 5)	The Company		All Companies in the consolidated financial statements (Note 5)		The company	All Companies in the consolidated financial statement (Note 5)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	CHEN, SEN-LONG	2867	-	108	-	537	-	-	-	-	-	3512/ -0.32	-	Nil
Vice President	HSU, CHING WU	1442	-	87	-	322	-	-	-	-	-	1851/ -0.17	-	Nil
Vice President	YU, CHING SHENG	1358	-	1155	-	378	-	-	-	-	-	2891/ -0.27	-	Nil
Assistant Vice President	YEN, SHEN-CHI	1262	-	76	-	276	-	-	-	-	-	1614/ -0.15	-	Nil
Senior Manager of the Pickling & Annealing Production Division	HSU, HUANG-CHI	1187	-	73	-	253	-	-	-	-	-	1513/ -0.14	-	Nil

Note 1: The so-called “Top Five Management Personnel” refers to the managers of the company. Concerning the recognition standards of the managers, it is pursuant to the scope of application for “managers”, as stipulated in the letter order of former Securities and Futures Management Commission on March 27, 2003 with reference to File of Tai-tsai-cheng-san-tzu No. 0920001301. As for the calculation and recognition principle of the “Top Five Remuneration” is based on the aggregate amount of the salary, severance pay, bonus and special expenses, etc. as well as the employee remuneration which the company’s managers receive from all companies in the consolidated financial report (i.e. Total amount of four items of A+B+C+D) and pick in sequence those top five managers with the highest remuneration. The directors who serve as the preceding management personnel should be listed in this Table and the foregoing Table (1-1).

Note 2: List the salary, duty allowance and severance pay of top five management personnel in the most recent year.

Note 3: List the amount of various bonuses, bonus commissions, travelling expenses, special expenses, all kinds of allowances, material object offer of dorm room and vehicle dispatch and other remunerations for the top five management personnel in the most recent year. If the house, automobile and other vehicles are offered or in case of the unique personal expenses, the disclosure should cover the nature and costs of the offered assets, the actual rental or that calculated at the fair market price, fuel expenses and other payments. Besides, if the driver is dispatched, please put a note to explain the relevant compensation which the company pays to the said driver, but it will not be counted into the remuneration. Additionally, the salary expenses, recognized subject to IFRS 2 – Share-based Payment, should be included in the remuneration, including acquiring the employee stock option certificate and the new restricted shares for subscription by employees and participating in the subscription of the shares in the cash capital increase.

Note 4: List the amount of the employee remuneration (including stock and cash) for the top five management personnel, distributed under agreement of the Board of Directors in the most recent year. If it cannot be estimated, the amount intended to be distributed this year can be calculated, based on the last-year actual distributed amount in proportion and Table 1-3 should be filled up.

Note 5: Disclose the total amount of various remunerations which all companies in the consolidated financial report (including the company) pay the top five management personnel of the company. (The company has not prepared a consolidated financial report since 2022)

Note 6: The net income after tax refers to that of the parent company only or individual financial report in the most recent year.

Note 7: a. The amount of related remuneration which the top five management personnel receive from the reinvested companies other than the subsidiary or parent companies should be expressly shown in this column. (Please fill in “Nil”, if it is not applicable.)

b. The remuneration refers to such related remunerations as compensation, remuneration (including remuneration of employee, director and supervisor) and business execution costs, which the top five management personnel receive in such a capacity as the director, supervisor or manager of the reinvested companies other than the subsidiary companies or the parent companies.

* The contents of remuneration disclosed in this Table differs from the income concept as specified in the Income Tax Act, so this Table is designed for use of information disclosure other than taxation

(2) Names of Managers who are distributed the employee remuneration and Conditions of Distribution (Table 1-3):

Not Applicable (There is no distribution of the employee remuneration in 2024.)

(3) Separately compare and describe the ratio of the total amount of the remuneration, paid by the company and all companies in the consolidated financial report to the directors, presidents and vice presidents of the company during the past 2 fiscal years, to the net income after tax, and analyze and describe the remuneration policies, standards, package, the procedures for the determination of remuneration, and the correlation between the operation performance and future risk

1. Analysis of the ratio of total amount of remuneration, paid by the company to the directors, presidents and vice presidents of the company during the past 2 fiscal years, to the net income after tax

Title	2023	2024
	Ratio of Total Remuneration, Paid by the Company to Directors, Supervisors, Presidents and Vice Presidents, to Net Income After Tax	Ratio of Total Remuneration, Paid by the Company to Directors, Supervisors, Presidents and Vice Presidents, to Net Income After Tax (Note 1 & Note 3 of Explanation on Analysis)
Director	-1.03%	-1.05%
President & Vice President	-0.85%	-0.76%

(Further describe the correlation and rationality of the net income after tax and variance of the remuneration for directors and supervisors in 2024 and 2023.)

Note 1: Director's Remuneration in the Parent Company Only Financial Report - Explanation on Correlation and Rationality of Variation of Net Income after Tax and Remuneration:

The Company had loss after tax in 2024, and only distributed independent directors' fixed salary and directors' transportation allowance, there was no distribution of directors' remuneration, so there was no relevance of the Company's profit (loss) after tax change.

Note 2: President's and Vice President's Remuneration in the Parent Company Only Financial Report - Explanation on Correlation and Rationality of Variation of Net Income after Tax and Remuneration:

The variation of increase and decrease for the after-tax profit and loss of the company in 2024 and 2023 is -12.74%, and that for the operating net income is -13.99%, while the variation of increase and decrease for the president's and vice president's remuneration is 1.29%. The main reasons are that the Company incurred a loss in 2024 and one Vice President reached retirement age and received a pension. As a result, the total remuneration for the President and Vice Presidents in 2024 increased relative to 2023.

Note 3: On March 12, 2025, the Company's Board of Directors approved the change in the subsequent measurement of investment properties from the cost model to the fair value model, effective from the beginning of 2024. The change will be applied retrospectively, and the 2023 statement of comprehensive income will be restated accordingly.

2. The Company's Remuneration Payment Policy, Standards and Package, and the correlation between the operation performance and future risk:
 - (1) The fixed travelling expenses, received by the directors of the company per month, the fixed remuneration, received by the independent directors per month and the chairman's salary are determined by agreement of the Board of Directors.
 - (2) Subject to the same level in the related industry and the listed companies. The main variation for the remuneration of the employee-directors, presidents and vice presidents of the company lies in the bonus and compensation. The distribution of bonus depends on the company's annual operation performance as well as the employee's personal work performance, overall performance evaluation such as personal appraisal items: planning power, sense of responsibility, coordination, work performance, value of service expertise in the job moral integrity and other items. Due to the loss of the company in 2023, the remuneration of directors is not distributed in 2024.
 - (3) In addition, the amount of remuneration paid to the managers of the company is based on their duties, contributions, the company's operating performance in the year, and consideration of the company's future risks. Reviewed by the Remuneration Committee and sent to the Board of Directors for resolution
3. Procedures for Determination of Remuneration:

The director's remuneration of the company is handed in accordance with Article 16 of the Articles of Incorporation and the president's remuneration is pursuant to Article 17 of the Articles of Incorporation.

III. Implementation of Corporate Governance

(1) Implementation of the Board of Directors:

1. Information of Implementation of the Board of Directors

Information of Implementation of the Board of Directors

eight (8) meetings are held by the Board of Directors in the most recent year (2024) and the conditions of attendance for the directors and supervisors are as follows:

Title	Name (Note 1)	Frequency of Attendance in Person	Frequency of Attendance by Proxy	Rate (%) of Attendance in Person (Note 2)	Remarks
Chairman	Representative of Yieh Phui Enterprise Co., Ltd.: WU, LIN-MAW	8	0	100	Reelected in the shareholders meeting on June 20, 2023
Director a	Representative of Yieh Phui Enterprise Co., Ltd.: LIN, I-SHOU	6	0	75	Reelected in the shareholders meeting on June 20, 2023
Director b	Representative of Yieh Phui Enterprise Co., Ltd.: CHEN, SEN-LONG	8	0	100	Reelected in the shareholders meeting on June 20, 2023
Director c	Representative of Yieh United Steel Corp.: SU, YU- KUN	8	0	100	Reelected in the shareholders meeting on June 20, 2023
Independent Director a	YANG, DER-YUAN	8	0	100	Reelected in the shareholders meeting on June 20, 2023
Independent Director b	CHANG, WEN-I	8	0	100	Reelected in the shareholders meeting on June 20, 2023
Independent Director c	WU, MING-TONG	8	0	100	New appointment on the shareholders meeting on June 20, 2023

Other items to be specified:

- If any of the following circumstances happens to the implementation of the Board of Directors, the dates, sessions and contents of motion and all independent directors' opinions and the company's response therein should be specified: We have established the Audit Committee. Please refer to the information of the Audit Committee's implementation status.
 - Matters referred to in Article 14-3 of the Securities and Exchange Act.
 - Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors.
- If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: See Note 3 for details.
- The TWSE/TPEX listed companies should disclose the cycle of evaluation & period, scope of evaluation, method & contents of evaluation of the Board of Directors' self (or peer) assessment and list the evaluation execution conditions of the Board of Directors in Table II (2)
- Evaluation on the Goal for Strengthening the functions of the Board of Directors in the current year and most recent fiscal year (e.g. establish the audit commission, promote the information transparency, etc.) and the Condition of Execution: The company has purchased the liability insurance for all directors of supervisors and submitted it in the meeting of the Board of Directors with approval on Aug 06, 2024.
- Whether at least one seat of independent director attends in person in each meeting of the Board of Directors, along with disclosure in the annual report: All of three independents have attended the meeting of the Board of Directors.

Note 1: In case of a corporate shareholder, its name and representative should be disclosed.

Note 2: (1) If the director and supervisor resign prior to the end of the fiscal year, the rate of their attendance in person (%) shall be counted on the basis of frequency of meetings held by the Board of Directors and the frequency of their attendance in person during their tenure of office.

(2) If the director and supervisor are reelected prior to the end of the fiscal year, the new and old director and supervisor should be both listed and in the column of remarks, the former & new appointment, or reelection and date of reelection for the said director and supervisor should be specified. The rate of their attendance in person (%) shall be counted on the basis of frequency of meetings held by the Board of Directors and the frequency of their attendance in person during their tenure of office.

Note 3: (1) Records and Conditions of Execution for the 1st Meeting in 2023 of the Board of Directors on January 25, 2024

Case No.	Contents of Motion	Conditions of Voting	Cause for Avoidance of Conflict Interest
3	Discuss the deliberation of the company's Remuneration Committee on chairman's 2023 year-end and special incentive bonuses.	Except that the Chairman of the company avoids participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.	Seeing that Case deals with Chairman Wu's salary year-end and special incentive bonuses, which relates to his own interest, he should hence avoid. The Chairman appoints Director CHEN, SEN- LONG to be the chairman of this motion.
4	Discuss about the salary adjustment and compensation amount for the Chairman approved by the company's Compensation Committee.	Except that the Chairman of the company avoids participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.	Since the discussion involved the Chairman's own salary adjustment and pertains to personal interest, the Chairman recused himself from the discussion. Director CHEN, SEN-LONG was appointed by the Chairman to act as the chairperson for this agenda item.
5	Discuss the deliberation of the company's Remuneration Committee on managers' 2023 year-end and special incentive bonuses.	Except that the directors avoid participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.	Since the discussion involved the year-end and special incentive bonuses for Senior Advisor Lin Yi-Shou, President CHEN, SEN- LONG, and the attending Deputy General Manager of Finance YU, CHING-SHENG and Audit Assistant Vice President YAN,SIOU-JYUAN , and pertained to their personal interests, they recused themselves from the discussion.
6	Discuss the structure and amount of the managers' remunerations proposed by the Remuneration Committee.	Except that the directors avoid participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.	Since the discussion involved the salary adjustment for Senior Advisor Lin Yi-Shou, President CHEN, SEN-LONG, and the attending Deputy General Manager of Finance YU, CHING- SHENG and Audit Assistant Vice President YAN,SIOU-JYUAN , and pertained to their personal interests, they recused themselves from the discussion.
7	Discuss the deliberation of the company's Remuneration Committee on independent directors' 2023 year- end consolation money.	Except that the directors avoid participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.	Seeing that Case deal with the year- end consolation money of the independent directors, which relate to the self-interest of YANG, DER-YUAN and CHANG, WEN-I and WU, MING-TONG, they should hence avoid.
8	Discuss the deliberation of the company's Remuneration Committee on remuneration committeemen's 2023 year-end consolation money.	Except that the directors avoid participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.	Seeing that Case deal with the year- end consolation money of the Remuneration Committee's, which relate to the self-interest of YANG, DER-YUAN and CHANG, WEN-I and WU, MING-TONG, they should hence avoid.
9	Discuss the adjustment to the independent directors compensations by the Company's Compensation Committee.	Except that the directors avoid participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.	Seeing that Case deal with the salary adjustment of the independent directors , which relate to the self-interest of YANG, DER-YUAN, CHANG, WEN-I and WU, MING-TONG , they should hence avoid.
10	Discuss the adjustment to the company's Remuneration Committee compensations by the Company's Compensation Committee.	Except that the directors avoid participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.	Seeing that Case deal with the salary adjustment of the company's Remuneration Committee compensations , which relate to the self-interest of YANG, DER-YUAN, CHANG, WEN-I and WU, MING-TONG , they should hence avoid.

2. Conditions of Execution for the Assessment of the Board of Directors

Cycle of Evaluation (Note 1)	Period of Evaluation (Note 2)	Scope of Evaluation (Note 3)	Method of Evaluation (Note 4)	Contents of Evaluation (Note 5)																																																
Executed once a year	January 1, 2024 ~ December 31, 2024	Includes the entire Board of Directors, Individual Director Member, Audit Committee and Remuneration Committee	<ol style="list-style-type: none"> Internal Self-evaluation of the Board of Directors and Director Member Self- evaluation Recover the self-evaluation questionnaires of 7 director members by the deliberative unit and compile "2024 Director's Self-assessment and Self-evaluation Questionnaire Statistics Table", the Board of Directors' Internal Self Evaluation Questionnaire and the Internal Self-evaluation Questionnaire of the Audit Committee & Remuneration Committee and submit the results with the Board of Directors after summarization 	<p>The summarized results of the self-evaluation questionnaire is reported as follows :</p> <p>1. Internal Performance Evaluation of the Board of Directors</p> <table border="1"> <thead> <tr> <th>Items of Evaluation</th> <th>Results</th> </tr> </thead> <tbody> <tr> <td>1. Degree of participation in the company's operation</td> <td>Better than the standard</td> </tr> <tr> <td>2. Promote the decision-making quality of the Board of Directors</td> <td>Better than the standard</td> </tr> <tr> <td>3. Composition and Structure of the Board of Directors</td> <td>Better than the standard</td> </tr> <tr> <td>4. Director's election and ongoing further study</td> <td>Better than the standard</td> </tr> <tr> <td>5. Internal Control</td> <td>Better than the standard</td> </tr> </tbody> </table> <p>2. Self-evaluation of Director Members</p> <table border="1"> <thead> <tr> <th>Items of Evaluation</th> <th>Results</th> </tr> </thead> <tbody> <tr> <td>1. Control of the company's goal and mission</td> <td>Better than the standard</td> </tr> <tr> <td>2. Recognition of the director's duties and responsibilities</td> <td>Better than the standard</td> </tr> <tr> <td>3. Degree of participation in the company's operation</td> <td>Better than the standard</td> </tr> <tr> <td>4. 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4. Director's election and ongoing further study	Better than the standard																																																			
5. Internal Control	Better than the standard																																																			
Items of Evaluation	Results																																																			
1. Control of the company's goal and mission	Better than the standard																																																			
2. Recognition of the director's duties and responsibilities	Better than the standard																																																			
3. Degree of participation in the company's operation	Better than the standard																																																			
4. Management and communication of the internal relationship	Better than the standard																																																			
5. Director's professionalism and ongoing further study	Better than the standard																																																			
6. Internal control	Better than the standard																																																			
Items of Evaluation	Results																																																			
1. Degree of participation in the company's operation	Better than the standard																																																			
2. Recognition of the responsibilities of the functional committee	Better than the standard																																																			
3. Promote the decision-making quality of functional committee	Better than the standard																																																			
4. Composition and members' election of the functional committee	Better than the standard																																																			
5. Internal control	Better than the standard																																																			
Items of Evaluation	Results																																																			
1. Degree of participation in the company's operation	Better than the standard																																																			
2. Recognition of the responsibilities of the functional committee	Better than the standard																																																			
3. Promote the decision-making quality of the functional committee	Better than the standard																																																			
4. Composition and member's election of the functional committee	Better than the standard																																																			

Note 1: List the cycle of evaluation of the Board of Directors' Assessment, e.g. executed once a year.

Note 2: List the period covering the Board of Directors' Assessment. For example, conduct the evaluation on the performance of the Board of Directors from January 1, 2019 to December 31, 2019.

Note 3: The scope of evaluation includes the performance evaluation of the Board of Directors, the individual director member and the functional committee.

Note 4: The method of evaluation includes the internal self-evaluation of the Board of Directors, the self-evaluation of director members, peer evaluation, assignment of the external professional institutions and professionals or other proper way to conduct the performance evaluation.

Note 5: The contents of evaluation depend on the scope of evaluation, which should include at least the following items:

- (1) Evaluation of the Board of Directors' Performance: At least include the degree of participation in the company's operation, the Board of Directors' decision-making quality, composition and structure of the Board of Directors, directors' election and ongoing further study, internal control, etc.
- (2) Evaluation of the Individual Director Member: At least include the control of the company's goal and mission, recognition of the director's duties and responsibilities, degree of participation in the company's operation, management and communication of internal relationship, director's professionalism and ongoing further study, internal control, etc.
- (3) Evaluation of the Performance of the Functional Committee: Degree of participation in the company's operation, recognition of the duties and responsibilities of the functional committee, decision-making quality of the functional committee, composition and member election of the functional committee, internal control, etc.

(2) Implementation of the Audit Committee

1. Information of Implementation of the Audit Committee

Information of Implementation of the Audit Committee

seven (7) meetings are held by the Audit Committee in the most recent year (2024) and the conditions of attendance for the independent directors are as follows:

Title	Name	Frequency of Attendance in Person (B)	Frequency of Attendance by Proxy	Rate (%) of Attendance in Person (B/A) (Note 1、Note2)	Remarks
Independent Director a	YANG, DER-YUAN	7	0	100	Reelected on the shareholders meeting on June 20, 2023
Independent Director b	CHANG, WEN-I	7	0	100	Reelected on the shareholders meeting on June 20, 2023
Independent Director c	WU, MING-TONG	7	0	100	New appointment on the shareholders meeting on June 20, 2023

Other items to be specified:

1. If any of the following circumstances occur for implementation of the Audit Committee, the dates, sessions and the contents of motion of the Board of Audit Committee, Contents of independent directors' objections, reservations or major proposals, the resolution results of the Audit Committee and the Company's response to the Audit Committee's opinions should be specified: For the details of work highlights and conditions of implementation in the current year, please See Note 3 for details.
 - (1) Matters referred to in Article 14-5 of the Securities and Exchange Act.
 - (2) In addition to the preceding circumstances, other items of resolution which are disapproved by the Audit Committee but approved by two-thirds or more of all directors.
2. As far as the execution conditions of the independent directors' avoidance of motions in conflict of interest is concerned, the independent directors' names, contents of motion, causes for avoidance and voting participation conditions should be specified: None
3. Communications between the independent directors, the Company's chief internal auditor and CPAs (including the material items, for which the communication is conducted in respect of the company's financial and sales conditions, the methods and results, etc.)

Explanations:

1. Communications between the independent directors and the Company's chief internal auditor
 - (1) The chief internal auditor attends the meetings of the Board of Directors (regular) and submits the report concerning the auditing business.
 - (2) Meeting dated November 5, 2024 : ① Internal audit plan and implementation in the third quarter of 2024.
② Incorporation of the management of sustainability information into the annual audit plan for internal control system explanation.
 - (3) After the audit report and the follow-up & improvement report are approved, send the letter via the registered mail with advice, along with the photocopied audit report, to each independent director for their check, prior to the end of the next month when the audit items are completed.
 - (4) The conditions of communication between the company's independent directors and the chief internal auditor are good.
2. The company's CPAs communicate with the independent directors twice a year. The conditions of their communications:
 - (1) Meeting dated March 7, 2024: Communicate with the governance sector concerning the items of 2023 audit results of Yieh Hsing Enterprise Co., Ltd.
 - (2) Meeting dated November 5, 2024: Communicate with the governance sector concerning the 2024 audit planning stages of Yieh Hsing Enterprise Co., Ltd.

The conditions of communication between the company's independent directors and the CPAs are good and they all reach a consensus on the related items under communication.

For the details of the foregoing items of communication, please visit the website of Yieh Hsing Enterprise Co., Ltd.

Note:

1. If the independent directors resign prior to the end of the fiscal year, the date of resignation should be indicated in the note ,the rate of their attendance in person (%) shall be counted on the basis of frequency of meetings held by the Audit Committee and the frequency of their attendance in person during their tenure of office.
2. If the independent directors are reelected prior to the end of the fiscal year, the new and old independent directors should be both listed and in the column of remarks, the former & new appointment, or reelection and date of reelection for the said independent directors should be specified. The rate of their attendance in person (%) shall be counted on the basis of frequency of meetings held by the Audit Committee and the frequency of their attendance in person during their tenure of office.
3.
 - (1) The Audit Committee’s items of deliberation mainly include:
The Audit Committee of the company is composed of three independent directors. The Audit Committee is designed to assist the Board of Directors with fulfilling its supervision on the quality and integrity when the company carries out the reporting process regarding accounting, auditing and finance as well as the financial control.
The Audit Committee held seven meetings in 2024 and the main items of deliberation include:
 - ① Auditing of the financial reports and accounting policy & procedures
 - ② Internal control systems and related policy & procedures
 - ③ Law & regulations compliance
 - ④ CPA’s credential, independence and performance assessment
 - ⑤ CPA’s assignment, dismissal and remuneration

(2) Information of the Implementation in the current year (including those items, specified in Article 14-5 of the Securities and Exchange Act):

Date of Meeting held by the Audit Committee	Contents of Motion and Follow-up Response	Items specified in Article 14-5 of the Securities and Exchange Act	Items of resolution which are disapproved by the Audit Committee but approved by two-thirds or more of all directors
March 05,2024 First Meeting in 2024 (the 5th of 3 rd Anniversary)	1.The proposed 2023 Business Report, Individual Financial Statements. 2.Submit the proposal for Recognition of 2023 loss appropriation. 3.Submit the proposal to discuss the evaluation of the company’s CPA’s remuneration and its independence of the company in 2024. 4.Assessment of effectiveness of the company’s 2023 intern control system and the discussion case of “Declaration of Internal Control System”. 5. Case of discussion on the revision of the company’s “Audit Committee Charter”.	V	Nil
	Objections, reservations or major proposal item content of independent directors: Nil		
	Results of the Audit Committee ‘s Resolution (March 05,2024): All members of the Audit Committee agree to pass.		
	Company’s response to the Audit Committee’s opinions: All the attending directors agree to pass.		
May 6, 2024 Second Meeting in 2024 (the 6th of 3 rd Anniversary)	1.Submit the proposal to discuss the first quarter financial report for 2024. 2.Case of discussion on the revision of the company’s “Internal Control System of the Shareholders Service Unit”. 3.Discussion on the Company’s Risk Management Operations for the Year 2023.	V	Nil
	Objections, reservations or major proposal item content of independent directors: Nil		
	Results of the Audit Committee ‘s Resolution (May 6, 2024): All members of the Audit Committee agree to pass.		
	Company’s response to the Audit Committee’s opinions: All the attending directors agree to pass.		
August 06, 2024 Third Meeting in 2024 (the 7th of 3 rd Anniversary)	1.Submit the proposal to discuss the second quarter financial report for 2024. 2.Discussion on the proposed change of chief internal auditor.	V	Nil
	Objections, reservations or major proposal item content of independent directors: Nil		
	Results of the Audit Committee’s Resolution (August 06, 2024): All members of the Audit Committee agree to pass.		
	Company’s response to the Audit Committee’s opinions: All the attending directors agree to pass.		
September 10, 2024 Fourth Meeting in 2024 (the 8th of 3 rd Anniversary)	1.Discussion on the proposed change of the acting spokesperson, financial officer, corporate governance officer.	V	Nil
	Objections, reservations or major proposal item content of independent directors: Nil		
	Results of the Audit Committee’s Resolution (September 10, 2024): All members of the Audit Committee agree to pass.		
	Company’s response to the Audit Committee’s opinions: All the attending directors agree to pass.		

November 05, 2024 Fifth Meeting in 2024 (the 9th of 3 rd Anniversary)	1.Submit the proposal to discuss the third quarter financial report for 2024.	V	Nil
	Objections, reservations or major proposal item content of independent directors: Nil		
	Results of the Audit Committee's Resolution (November 05, 2024): All members of the Audit Committee agree to pass.		
	Company's response to the Audit Committee's opinions: All the attending directors agree to pass.		
November 08, 2024 Sixth Meeting in 2024 (the 10th of 3 rd Anniversary)	1.The company's Pingnan Acid Pickling Plant expansion plan. 2.In line with the expansion plan for the Pingnan Acid Pickling Plant,our company purchased acid pickling lines and inspection & packaging line equipment. 3.Discussion on the proposed the company and Hsin Chuan Construction have signed a contract for the new construction of the office building and guardhouse of Pingnan Wire Factory.	V	Nil
	Objections, reservations or major proposal item content of independent directors: Nil		
	Results of the Audit Committee's Resolution (November 08, 2024): All members of the Audit Committee agree to pass.		
	Company's response to the Audit Committee's opinions: All the attending directors agree to pass.		
December 25, 2024 Seventh Meeting in 2024 (the 11th of 3 rd Anniversary)	1.Amendment of the company's "Risk Management Policies and Procedures" and the company's "2024 Annual Risk Management Operations", submitted for discussion. 2.Case of discussion on the revision of the company's "Internal Control System". 3.Case of discussion on the revision of the company's "Internal Audit Procedure". 4.Submit the proposal to discuss the company's "Audit Plan in 2025".	V	Nil
	Objections, reservations or major proposal item content of independent directors: Nil		
	Results of the Audit Committee's Resolution (December 25, 2024): All members of the Audit Committee agree to pass.		
	Company's response to the Audit Committee's opinions: All the attending directors agree to pass.		

(3) Corporate Governance Implementation Status, its Variance from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reason for Variance

Corporate Governance Implementation Status, its Variance from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reason for Variance

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has established the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”, which has been disclosed on the Company’s website and the Market Observation Post System.	No significant variance from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”
2. Shareholding Structure and Shareholders’ Rights (1) Does the Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly? (2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the majorshareholders? (3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates? (4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?		V	(1) The company sets up the Shareholders Service Section in charge of dealing with the shareholders’ suggestions or disputes, and we have provided the contact website address on the shareholders’ service part of our website to respond to the shareholders’ questions, if they raise any question. However, we have not established the internal operating procedure, which has been taken into consideration. (2) We have control of the list of our major shareholders as well as the ultimate owners of those shares. (3) We have built up the proper risk management system and firewall in accordance with such related regulations as “Risk Management Policies and Procedures”, “Loaning of Funds and Making of Endorsements and Guarantees”, “Acquisition and Disposal of Assets”. (4) The shareholding report of the company’s insiders is handled pursuant to the relevant regulations and instructions for the insider trading of the company (Article 157-1, the Securities and Exchange Act); besides, we have established “Procedure for Handling Material Inside Information” in order to manage the insider’s behaviors and “Management Operation of Insider Trading Prevention” for all employees of the company to comply with. The specific implementation situation has been disclosed on the company’s website.	(1) The establishment of the internal operating procedure related to handling the shareholders suggestions or disputes has been taken into consideration. No significant variance from “the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies” for Items (2), (3) & (4).

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
<p>3. Composition and responsibilities of the board of directors</p> <p>(1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?</p>	V		<p>(1) The Board of Directors' Concrete Management Policy for the diversified policy for the composition of its members:</p> <p>① The nomination and election of the Board of Directors' members is pursuant to the regulations of the Articles of Incorporation, which adopts the nomination system for the evaluation of each candidate's credentials and complies with "Director's Election Regulations" and "Corporate Governance Principles" for the purpose of ensuring the diversity and independence of the director members.</p> <p>② In order to strengthen the governance of the company and promote the solid development of the Board of Directors' composition and structure, we revise Paragraph 3 of Article 20 of the "Corporate Governance Best-Practice Principles" in 2023 concerning "Diversified Policy of the Board of Directors' Members", which indicates: the composition of the Board of Directors should take into consideration the company's type of operation and the business development needs, and further evaluate a variety of diversified aspects, for example, basic composition (e.g. gender, nationality, age, etc.), expertise and skills (e.g. accounting, law, industry, finance, etc.) Our current Board of Directors is composed of seven directors, including four directors and three independent directors. They have ample experience and professionalism in such areas as industry knowledge, operation judgment, international market, finance & accounting, tax, commerce and management, etc. The company has a policy of diversification of operations. The target ratio of board members is more than 70% based on industry experience and financial, taxation and accounting. At present, 7 directors have the above experience and 6 directors, with a ratio of 85.7%. The proportion of directors with employee status is 14%, the independent directors for 43%. The age of 3 directors is over 70, 3 between 60 ~69 and 1 below 60.</p> <p>③ For the details related to the implementation of diversity of the Board of Directors' member: See Note 1.</p>	<p>(1) No significant variance from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"</p>
<p>(2) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?</p>		V	<p>(2) The company has not voluntarily set up other functional committees so far.</p>	<p>(2) In the future, other functional committees will be established, depending on the company's future operation.</p>
<p>(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?</p>	V		<p>(3) The company has set up the "Board of Directors' Performance Evaluation Regulations" and submitted the 2024 results of the director's performance evaluation with the Board of Directors on January 16, 2025</p>	<p>(3) significant variance from "the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies"</p>

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(4) Does the Company regularly evaluate its external auditors' independence?	V		(4) The company regularly conducts the CPAs' independence evaluation each year. On March 07, 2024, the Board of Directors has evaluated those CPAs who are assigned by Crowe (TW) CPAs, our appointed CPAs in 2024, to audit and certify the company's financial reports of 2024 and we found that they do not violate the regulation of independence, as stipulated in such acts as the Accounting Act. Therefore, the company permits them to take charge of the auditing and certification of the current year's financial reports and the CPAs also prepare the "Declaration of Independence", accompanied with the evaluation list of CPAs' independence and the evaluation instructions as per Note 2.	(4) No significant variance from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"
4. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	V		<p>The financial sector of the company works concurrently as the corporate governance unit. Due to a personnel reassignment, the Board of Directors approved on September 10, 2024, the change of the Corporate Governance Officer, appointing the Associate Vice President of Finance Leu, Cilla to assume the role, who has over 3-year management work experience in finance, shareholders' affairs or meeting affairs. His main duties are to provide the directors with information required for the business execution, helping them comply with the acts, handing the matters related to the meetings of the Board of Directors and the Board of Shareholders, according to the law, preparing the proceedings of the Board of Directors and the Board of Shareholder and other matters, as stipulated in the Articles of Incorporation or contracts. The chief corporate governance officer has completed an 18-hour of continuing education courses within 1 year from the date of the person's appointment to that position in 2024, the details on the company's website.</p> <p>The business execution status in 2024 is described as follows:</p> <ol style="list-style-type: none"> 1. Assist the directors with understanding the up-to-date acts for compliance with the related regulations, so that the Board of Directors and the Board of Shareholders can be legally operated. 2. Prepare the proceedings of eight meetings of the Board of Directors and one meeting of the Board of Shareholders in 2024. 3. Conduct the 6-hour further study courses for the members of the Board of Directors and 15-hour refresher course for new directors in order to help them understand the revision of the latest acts and the directions of compliance. 4. Assist in the matters of compliance in respect of the proceedings and resolutions of the Board of Directors and the Board of Shareholders: Report the implementation status of the corporate governance of the company with the Board of Directors and the Audit Commission and confirm if the meetings of the Board of Directors and the Board of Shareholders are summoned in compliance with the related laws and the Corporate Governance Best-Practice Principles. 5. Handle the advance registration of the meeting date of the Board of Shareholders according to the law, prepare the meeting notices, agenda handbooks, proceedings, the revision of the memorandum or reelection of the directors. 6. Two investors conferences were held in 2024 and build up the diversified channel of communication with the investors. 	No significant variance from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	V		The company keeps a smooth communication channel with the correspondent banks and other creditors, employees, consumers or stakeholders in the community or company. We also respect and maintain the legal rights they should have; besides, the company has completed the establishment of the designated section of "Stakeholder", along with the contact window of each responsible unit. We issue the questionnaires designed for different stakeholders to fill out, which are used to understand the significant issues the stakeholders concern, so as to adjust the company's operation policy.	No significant variance from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The company handles the shareholder service and the shareholder meeting affairs by itself. Its related shareholder service personnel all obtain the license and regularly receive the further study, so that the shareholder meetings can be summoned under the premise of legality, effectiveness and safety.	No significant variance from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"
7. Information Disclosure				
(1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	V		(1) The company has set up the Chinese and English website to disclose the information related to sales, finance and corporate governance. The investors can also check the related information on the Market Observation Post System.	For (1) & (2), no significant variance from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" is found.
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	V		(2) The company has appointed the designated person in charge of the collection and disclosure of the company information and we have carried out the spokesman system, subject to the law. Two investors conferences were held in 2024, the video of which has been placed in the company's website.	
(3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?		V	(3) Up to the present, we have not published and filed the annual financial reports within two months at the end of the fiscal year, neither have we pre-published and filed Q1, Q2 & Q3 financial reports and each month's operational status within the specified deadline. We would actively improve such a circumstance in the future.	

Evaluation item	Implementation status (Note)			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	V		<p>(1) Our business philosophy is to make ongoing investment, upgrade the business energy, enhance the items and quality of the products and service and let the company, employees and customers grow simultaneously. Besides, we continue to make efforts in operation, protect the investors' rights, optimize the environmental protection, maintain the social resources, exercise due diligence on the business responsibilities and give feedbacks to the society.</p> <p>(2) The "Directors' Further Study Status" of the company is as per Note 3.</p> <p>(3) For details of the manager's participation in the corporate governance related to further study and training, please see Note 4.</p> <p>(4) At any time, we have control and understanding of the related rules and regulations, stipulated or revised by the competent authority in order to reduce the potential risks of the company's operation.</p> <p>(5) The company has purchased the liability insurance for all directors and reported the contents of coverage with the Board of Directors on Aug 06, 2024.</p> <p>(6) The company has provided the directors with the information concerning the related regulations and further study courses at any time.</p> <p>(7) The company offers the networking platform, the contact telephone no. and mail box of the shareholder service to the shareholders and investors as the channel of communication. We also provide the company's transparent information in order for the suppliers and stakeholders to understand the internal overview of the company.</p>	No significant variance from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"
9. Please describe the improvement status, based on the corporate governance assessment results, published by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year and propose the matters to be strengthened on a priority basis and measures. (Those companies which are not included in the evaluation do not need fill up the list. For details, please see Note 5.				

Note: No matter what "Yes" or "No" is ticked for the implementation status, the column of "Summary Description" should be specified.

Note 1: Implementation Status of Diversity for Members of the Board of Directors

Diversified core projects Name of Director	Basic organization									Industry experience				Professional capabilities			
	Nationality	Gender	Concurrent positions in the Company	Age			Term of office of Independent Directors			Business management	Sound business judgments	Knowledge of the industry	Leadership ability	Accounting	Taxation	Finance	International Market Perspective
				51 to 60	61 to 70	71 up	Less than 3 years	3 to 9 years	Over 9 years								
WU, LIN-MAW	Taiwan, R.O.C.	Male			V					V	V	V	V				V
LIN, I-SHOU	Taiwan, R.O.C.	Male				V				V	V	V	V			V	V
CHEN, SEN-LONG	Taiwan, R.O.C.	Male	V		V					V	V	V	V			V	V
SU, YU-KUN	Taiwan, R.O.C.	Male		V						V	V	V	V			V	V
CHANG, WEI-I	Taiwan, R.O.C.	Male				V		V			V	V	V	V	V		
YANG, DER-YUAN	Taiwan, R.O.C.	Male			V			V			V	V	V			V	V
WU, MING-TONG	Taiwan, R.O.C.	Male			V		V			V	V	V	V				V

Note 2:

YIEH HSING ENTERPRISE CO., LTD.
CPAs' INDEPENDENCE EVALUATION

Subject for Evaluation: Members of the Audit Service Team of Crowe (TW) CPAs, other Joint CPAs, Accounting Firm and its Affiliates

Item No.	Item of Evaluation	Checkup
1	Do not serve as the director, supervisor, manager or any post which makes the significant impact	Yes
2	Not a stakeholder of the company	Yes
3	There is no direct or indirect conflict of interest on the company.	Yes
4	There is no joint venture or profit share with the company.	Yes
5	Do not directly or indirectly hold over 1/100 of the total issued shares of Yieh Hsing Enterprise Co., Ltd. and are not ranked in the top ten individual shareholders in terms of the shareholding.	Yes
6	Are not appointed for the certification service consecutively for 7 years.	Yes
7	Obtain and issue the "Declaration of Independence".	Issued each year

It is evaluated that those CPAs who are assigned by Crowe (TW) CPAs, our appointed CPAs in 2024, to audit and certify the company's financial reports do not violate the related regulation of independence, as stipulated in such acts as the Accounting Act. Therefore, the company suggests to permit them to take charge of the auditing and certification work of the current year's financial reports.

Note 3:

Conditions of Director's Further Study							
Title	Name	Date elected	Dates of Further Study		Sponsoring Unit	Name of Course	Hours of Further Study
			From	To			
Representative of the Corporate Director	WU, LIN-MAW	20/06/2023	16/10/2024	16/10/2024	Taiwan Corporate Governance Association	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	
Representative of the Corporate Director	LIN, I-SHOU	20/06/2023	16/10/2024	16/10/2024	Taiwan Corporate Governance Association	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	
Representative of the Corporate Director	CHEN, SEN-LONG	20/06/2023	16/10/2024	16/10/2024	Taiwan Corporate Governance Association	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	
Representative of the Corporate Director	SU, YU-KUN	20/06/2023	16/10/2024	16/10/2024	Taiwan Corporate Governance Association	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	
Independent Director	CHANG, WEN-I	20/06/2023	16/10/2024	16/10/2024	Taiwan Corporate Governance Association	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	
Independent Director	YANG, DER-YUAN	20/06/2023	16/10/2024	16/10/2024	Taiwan Corporate Governance Association	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	

Independent Director	WU, MING-TONG	20/06/2023	16/10/2024	16/10/2024	Taiwan Corporate Governance Association.	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	

Note 4:

Conditions of Further Study and Training for Managers' Participation in Corporate Governance							
Title	Name	Date Initially elected	Dates of Further Study		Sponsoring Unit	Name of Course	Hours of Further Study
			From	To			
President	CHEN, SEN-LONG	05/10/2016	16/10/2024	16/10/2024	Taiwan Corporate Governance Association	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	
Chief corporate governance officer	Leu, Cilla	10/09/2024	12/09/2024	13/09/2024	Taiwan Corporate Governance Association	Climate Risk Identification Workshop and Net Zero Carbon Emissions Promotion Event - Tainan Session	9.0
			16/10/2024	16/10/2024	Taiwan Corporate Governance Association	Exploration of Corporate Employee Compensation Strategies and Tools	6.0
						Competitiveness vs. Survivability: ESG Trends and Strategies	
			18/10/2024	18/10/2024	Taiwan Stock Exchange Corporation	Promotional meeting of prevention of insider trading	3.0
			08/11/2024	08/11/2024	Taiwan Stock Exchange Corporation	Internal Insider Stock Trading Legal Compliance Awareness Seminar	3.0
Chief Accounting Officer	Shih, Fun-Yun	28/06/2023	26/08/2024	27/08/2024	Accounting Research and Development Foundation	Continuing Education Program for Professional Development of Principal Accounting Officers of Issuers and Securities Firms	12.0

Note 5:

Corporate Governance Assessment Indicator	Improved
Did the company attend or voluntarily hold investor conferences at least two times in the year being evaluated, and were the first and last investor conferences in the year held at least 3 months apart?	At two investor conferences were held on September 20 and December 18, 2024.
Corporate Governance Assessment Indicator	For the non-improved part, propose the matters to be strengthened on a priority basis and measures
The company has established a policy to appropriately reflect its operational performance or results in employee compensation, and has disclosed this policy on the company website or in the annual report.	It is expected to be disclosed on the company's website or annual report in 2025.

(4) If the company establishes the Remuneration Committee, its composition, responsibilities and implementation status should be disclosed:

1. Information of the Remuneration Committee's Members

Title /Name		Criteria	Professional Qualification and Experience	Independent Directors' Independence Status	Dec.31,2024
					Number of Other Taiwanese Public Companies Concurrently Serving as a Compensation Committee Member
Independent Director (Convener)	YANG, DER-YUAN	YIEH HSING's Compensation Committee is comprised of all three independent directors. For members professional qualification and experience, please refer to "Information of Directors" on pages 9~10 of this Annual Report.	All the Compensation Committee members meet any of the following situations: 1. Satisfy the requirements of Article 14-6 of "Securities and Exchange Act" and the requirements of "Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" (Note) issued by Taiwan's Securities and Futures Bureau 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any YIEH HSING shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"	1	
Independent Director	CHANG, WEN-I			1	
Independent Director	WU, MING-TONG			0	

Note: During the two years before being elected and during the term of office, meet any of the following situations:

- (1) Not an employee of the company or any of its affiliates;
- (2) Not a director or supervisor of the company or any of its affiliates;
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders;
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding (1) subparagraph, or of any of the above persons in the preceding subparagraphs (2) and (3);
- (5) Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law;

- (6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company;
- (7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent);
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company;
- (9) Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NT\$500,000".

2. Implementation of the Remuneration Committee

(1) There are three committeemen in the Remuneration Committee of this company.

(2) Tenure of Office of the Committeemen for this anniversary: From June 20, 2023 to June 19, 2026. Two meetings (A) are held by the Remuneration Committee in the most recent year (2024) and the qualifications of the committeemen and the conditions of their attendance are as follows:

Title	Name	Frequency of Attendance in Person (B)	Frequency of Attendance by Proxy	Rate (%) of Attendance in Person (B/A) (Note 1)	Remarks
Convener	YANG, DER-YUAN	2	-	100%	Reelected on June 20, 2023
Committeemen	CHANG, WEN-I	2	-	100%	Reelected on June 20, 2023
Committeemen	WU, MING-TONG	2	-	100%	Reelected on June 20, 2023

Other items to be specified:

1. If the Board of Directors does not adopt or revise the suggestions of the Remuneration Committee, the dates, sessions and the contents of motion of the Board of Directors' meetings, the resolution results of the Board of Directors and the Company's response to the Remuneration Committee's opinions should be specified. (For example, if the remuneration, passed by the Board of Directors is higher than that, as suggested by the Remuneration Committee, its difference and reason should be specified): No such a condition is involved. For details, please see Note 2.
2. If the member makes an objection or reserves opinions, accompanied with the records or written statement concerning the Remuneration Committee's items of resolution, the dates, sessions, contents of motions, all members' opinions and response to the members' opinions should be specified: No such a condition is involved. For details, please see Note 2.

Note 1:

- (1) If the members of the Remuneration Committee resign prior to the end of the fiscal year, the date of release should be specified in the column of "Remarks"; the rate of their attendance in person (%) shall be counted on the basis of frequency of meetings held by the Remuneration Committee and the frequency of their attendance in person during their tenure of office.
- (2) If the remuneration committeemen are reelected prior to the end of the fiscal year, the new and old remuneration committeemen should be both listed and in the column of remarks, the former & new appointment, or reelection and date of reelection for the said members should be specified. The rate of their attendance in person (%) shall be counted on the basis of frequency of meetings held by the Remuneration Committee and the frequency of their attendance in person during their tenure of office.

Note 2:

Remuneration Committee	Contents of Motion and Follow-up Response	Resolution Results	The Company's Response to the Remuneration Committee's Opinions
The 2nd meeting of the 6 th Anniversary Jan. 25, 2024	<p>Case 1: Discuss the company's chairman's 2023 year-end and special incentive bonuses.</p> <p>Case 2: Discussion on the company's plan to adjust employee salaries this year, about the chairman's salary adjustment and benefit amount.</p> <p>Case 3: Discuss the company's managers' 2023 year-end and special incentive bonuses.</p> <p>Case 4: Discussion on the company's plan to adjust employee salaries this year, about the proposed adjustment and payment amount for managerial salaries.</p> <p>Case 5: Discussion on YANG, DER-YUAN's year-end gratuity for the year 2023 for his role as an independent director and member of the compensation committee.</p> <p>Case 6: Discussion on the adjustment of YANG, DER-YUAN's remuneration for his roles as an independent director and member of the compensation committee.</p> <p>Case 7: Discussion on CHANG, WEN- I's year-end gratuity for the year 2023 for his role as an independent director and member of the compensation committee.</p> <p>Case 8: Discussion on the adjustment of CHANG, WEN- I's remuneration for his roles as an independent director and member of the compensation committee.</p> <p>Case 9: Discussion on WU, MING-TONG's year-end gratuity for the year 2023 for his role as an independent director and member of the</p>	<p>The cases 1 to 4 All attending committee members agreed to approve.</p> <p>The cases 5 to 10 Except that the directors avoid participating in the discussion and voting according to the law, the remaining directors do not make an objection and all approve the case, as proposed.</p>	Report with the Board of Directors and all attending directors agree to pass.

	compensation committee. Case 10: Discussion on the adjustment of WU, MING-TONG's remuneration for his roles as an independent director and member of the compensation committee.		
The 3rd meeting of the 6 th Anniversary Nov. 5, 2024	Case 1: Discussion on the company's policies, systems, standards, and structure regarding the performance targets and compensation for directors and managers. Case 2: Discussion on the performance evaluation indicators for the company's board of directors, board members, and functional committees.	All attending committeemen agree to pass.	Report with the Board of Directors and all attending directors agree to pass.

(3) The function of the Remuneration Committee is to regularly review the remuneration in a professional and objective capacity. The function of the company's Remuneration Committee is to evaluate the remuneration policy and system of the directors and managers of the company. It holds the meetings at least twice a year and, if necessary, it will call up the meeting anytime to propose the suggestions with the Board of Directors for its reference in the decision-making process.

The duties and responsibilities of the company's Remuneration Committee include:

- a. Set up and regularly review the performance evaluation and the policy, system, standards and structure of remuneration for the directors and managers of the company.
- b. Evaluate on a regular basis the directors' and managers' remuneration.

(4) Nomination Committee member information and operation information: Nil.

(5) Implementation situation of promoting sustainable development and variation and reason of listed companies' sustainable development practice principle

Promoting items	Implementation situation			Variation and reason of listed companies' sustainable development practice principle
	Yes	No	Summary explanation	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board? (The TWSE/TPEX listed company shall report the implementation status. This is not a comply-or-explain provision.)	V		<p>1. In line with the vision and mission of the Company's ESG policy, the Company has established a Sustainable Development Committee, with the President serving as its chairperson, and has set up five functional promotion groups based on the functions of the Company's organization to be responsible for the promotion and implementation of the sustainable development policy, with the goals of achieving energy saving, carbon reduction, net-zero emissions, sustainable management, creating a safe and healthy workplace, and caring for the community, and to formulate specific policies and goals and track their effectiveness in the three areas of environment (E), society (S) and governance (G).</p> <p>2. The Sustainable Development Committee functions as a cross-functional communication platform, facilitating vertical integration and horizontal coordination across departments. On an annual basis, dedicated task forces identify material sustainability issues relevant to the Company's operations and stakeholders' interests, assess associated risks, and formulate appropriate response strategies. The Committee also sets annual execution targets and monitors performance to ensure that sustainability strategies are effectively embedded into the Company's daily operations.</p> <p>3. The Implementation Task Force, led by the General Manager's Office on a part-time basis, is responsible for driving ESG policy implementation, monitoring the execution of sustainability goals and policies across departments, and compiling the Yieh Hsing Sustainability Report. The Task Force also reports to the Board of Directors on a regular annual basis.</p> <p>4. The Company's Board of Directors Supervision in 2024:</p> <ul style="list-style-type: none"> ● On May 6, 2024, the Board of Directors approved the risk assessment of environmental, social and corporate governance issues related to the Company's operations, the risk management organizational structure and responsibilities, and the description of the operations in 2023. ● Submit the 2024 greenhouse gas inventory and assurance schedule on May 6, 2024, complete the assurance work between April 10, 2024 and April 12, 2024, and obtain the greenhouse gas declaration assurance report on April 22, 2024. ● On August 6, 2024, the Board of Directors approved the 2023 Yieh Hsing Enterprise Sustainability Report. 	The Company drew up corporate sustainable development practice, so relevant operational status will be responded to implement.

<p>2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2) (The TWSE/TPEX listed company shall report the implementation status. This is not a comply-or-explain provision.)</p>	<p>V</p>	<ol style="list-style-type: none"> 1. The disclosed information covered the Company's sustainable development performance of main strongholds from January to December, 2024, and the Company was the principal thing for risk assessment boundary. 2. The Sustainability Committee analyzes the materiality of the sustainability report, communicates with internal and external stakeholders, and collects information on sustainability-related issues with reference to the sustainability reporting standards of the Global Reporting Initiative (GRI), the United Nations' SDGs, the industry standards of the Sustainability Accounting Standards Board (SASB), industry concerns and the Company's annual objectives. Sustainability-related issues, such as the SDGs of the United Nations Sustainability Reporting Initiative, industry standards of the Sustainability Accounting Standards Board (SASB), industry concerns, and the Company's annual goals. 3. Yieh Hsing Enterprise Co., Ltd has established "Risk Management Policies and Procedures" as approved by the Board of Directors on March 9 2023, to implement effective identification, measurement, evaluation, monitoring and control of risk items and to take specific action plans to minimize the impact of related risks. 4. On December 25, 2024, YIEH HSING reported the '2024 Risk Management Operations' to the board of directors. 5. Please refer to the 2024 Yieh Hsing Enterprise Co., Ltd Sustainability Report for the risk assessment procedures, results and control mechanisms for environmental, social and corporate governance issues related to the Company's operations. 	<p>Compared with cods of practice for sustainable development of listing companies, there was no major difference.</p>
<p>3. Environmental issue (1). Has the Company set an environmental management system designed to industry characteristics?</p>	<p>V</p>	<p>The company's operations belong to a high energy-intensive industry, and has therefore implemented several environment protection measures related to the industry's characteristics:</p> <ul style="list-style-type: none"> • Implemented and continuously maintained the international environmental management system ISO 14001:2015. • Emphasizing energy management: Given the high energy consumption characteristics of the steel industry, the company has implemented ISO 50001:2018 Energy Management System, with a policy of "full participation, continuous improvement, energy conservation and waste reduction, and environmental care." The company is dedicated to enhancing energy efficiency, reducing energy consumption, and implementing energy-saving and waste-reduction measures. • Actively addressing climate change: In accordance with the regulations of the Financial Supervisory Commission, the company is required to disclose climate-related information in the annual shareholders' meeting reports starting from 2024. The company conducts management of climate change risks and opportunities, identifying key climate risks such as the tightening of greenhouse gas emissions, carbon taxes, and carbon trading mechanisms, and proposes corresponding measures. At the same time, it is actively seeking climate opportunities, such as using low-carbon fuels, investing in renewable energy, and upgrading to energy-efficient equipment. • Committed to reducing greenhouse gas emissions and controlling air pollution: In accordance with the regulations of the Financial Supervisory Commission, the company has completed the assurance of greenhouse gas inventory disclosures for the previous year starting in 2024. The company regularly conducts emissions duct inspections to ensure compliance with regulatory standards. • Focusing on waste and water resource management: the company handles industrial waste in accordance with national environmental regulations. For water resources, the company primarily uses tap water from Taiwan and 	<p>Compared with cods of practice for sustainable development of listing companies, there was no major difference.</p>

		<p>ensures compliance with national standards for tap water sources.</p> <ul style="list-style-type: none"> Regulatory compliance: the company places great importance on adhering to environmental regulations, holding monthly regulatory seminars to regularly update and review relevant laws to ensure operations meet the latest environmental requirements. 																						
(2). Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V	<p>The Company continues to promote energy management and renewable energy in all of its plants, as well as to enhance the efficiency of energy utilization through electricity and water conservation, waste reduction and the purchase of energy-saving equipment. The company has constructed a solar power generation system with a capacity of 1,600 kWp. In 2024, the total power generation is expected to be approximately 2,165,291 kWh, resulting in a carbon reduction of about 1,026 tons of CO₂e.</p> <p>Various types of energy consumption of 2023 to 2024: Unit: GJ</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Natural Gas</th> <th>Electricity</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>310,916</td> <td>146,526</td> <td>457,442</td> </tr> <tr> <td>2024</td> <td>531,269</td> <td>235,503</td> <td>766,772</td> </tr> </tbody> </table> <p>Energy Intensity of 2023 to 2024:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Energy Consumption (GJ)</th> <th>Energy Intensity (GJ/million dollar)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>457,442</td> <td>91.21</td> </tr> <tr> <td>2024</td> <td>766,772</td> <td>111.13</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Energy-Saving Equipment Investment and Performance YIEH HSING will continue to invest in energy-saving equipment improvements in 2024, with the following specifics: 1. GangShang Plant: Promoted six energy-saving projects with an investment of 649,200 NT dollars, resulting in a reduction of 326,499 kWh of electricity, and a total energy savings of 1,175 GJ. 2. PingNang Plant: In addition to upgrading production equipment, an investment of 300,000 NT dollars was made to improve power savings in the air compressor system. One air compressor was retrofitted with variable frequency control to adjust according to in-plant demand, reducing energy consumption of the air compressor system. This resulted in a reduction of 130,550 kWh of electricity and a total energy savings of 470 GJ. Results of Green Energy Development The company continues to promote the installation of renewable energy. In 2024, solar power generation reached 2,165,291 kWh, saving 7,795 GJ, demonstrating tangible results in the promotion of green energy. The company's energy-related implementation status is detailed in the 2024 Corporate Sustainability Report of Yieh Hsing Enterprise Co., Ltd. 	Year	Natural Gas	Electricity	Total	2023	310,916	146,526	457,442	2024	531,269	235,503	766,772	Year	Energy Consumption (GJ)	Energy Intensity (GJ/million dollar)	2023	457,442	91.21	2024	766,772	111.13	Compared with codes of practice for sustainable development of listing companies, there was no major difference.
Year	Natural Gas	Electricity	Total																					
2023	310,916	146,526	457,442																					
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2023	457,442	91.21																						
2024	766,772	111.13																						

<p>(3). Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?</p>	<p>V</p>	<p>In accordance with the framework of the TCFD Recommendation on Climate-Related Financial Disclosures issued by the International Financial Stability Board (IFSB), the Company evaluates the significant risks and opportunities posed by climate change to the Company's operations, and promotes various climate change mitigation and adaptation efforts to continuously reduce climate risk, enhance and create sustainable development.</p> <p>The Company pays close attention to the global trend of climate change and incorporates climate change into its corporate sustainable development by identifying the risks and opportunities associated with climate change, including physical impacts due to extreme weather conditions, risks and opportunities caused by regulations, technology, market, resource efficiency, new energy, etc., and the results of the assessment are included in the management measures to strengthen the Company's climate change management to minimize the risks and grasp the business opportunities. To minimize risks and grasp business opportunities, the Company's 2024 climate change assessment is detailed in the 2024 Corporate Sustainability Report of Yieh Hsing Enterprise Co., Ltd.</p>	<p>Compared with cods of practice for sustainable development of listing companies, there was no major difference.</p>																					
<p>(4). Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?</p>	<p>V</p>	<p>The company has completed the 2024 Assurance Engagements on Greenhouse Gas Statement on 2025.</p> <p>●Greenhouse gas emission amount in the last two years:</p> <table border="1" data-bbox="1019 707 1565 853"> <thead> <tr> <th>Year</th> <th>Greenhouse gas emissions (tons CO2-e)</th> <th>Greenhouse gas density (tons CO2-e /million dollar)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>36,160</td> <td>7.21</td> </tr> <tr> <td>2024</td> <td>57,980</td> <td>8.40</td> </tr> </tbody> </table> <p>The steel rolling, pickling, and Pinan plants are required to comply with regulations from the Financial Supervisory Commission (FSC), starting from 2024. Complete greenhouse gas inventory verification and disclosure for the preceding year. Once confirmed, the subsequent year and its results are set as the benchmark year and benchmark value. This ensures the accuracy and reliability of greenhouse gas emission inventory, allowing for the assessment of reduction progress and the continuous adjustment of management policies. In addition, YIEH HSING has set short-, medium-, and long-term carbon reduction targets, including a 7% reduction by 2025, a 20% reduction by 2035, and achieving net-zero emissions by 2050.</p> <p>●Water Withdrawal from 2023–2024 :</p> <table border="1" data-bbox="967 1203 1619 1326"> <thead> <tr> <th>1,000 cubic meters</th> <th>Gang Shang Plant</th> <th>Ping Nang Plant</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>119.91</td> <td>8.40</td> <td>128.31</td> </tr> <tr> <td>2024</td> <td>160.39</td> <td>50.38</td> <td>210.77</td> </tr> </tbody> </table>	Year	Greenhouse gas emissions (tons CO2-e)	Greenhouse gas density (tons CO2-e /million dollar)	2023	36,160	7.21	2024	57,980	8.40	1,000 cubic meters	Gang Shang Plant	Ping Nang Plant	Total	2023	119.91	8.40	128.31	2024	160.39	50.38	210.77	<p>The Company drew up sustainable development principle, so relevant operation will be cooperatively conducted.</p>
Year	Greenhouse gas emissions (tons CO2-e)	Greenhouse gas density (tons CO2-e /million dollar)																						
2023	36,160	7.21																						
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1,000 cubic meters	Gang Shang Plant	Ping Nang Plant	Total																					
2023	119.91	8.40	128.31																					
2024	160.39	50.38	210.77																					

● Total Water Consumption and Intensity from 2023–2024:

Year	Total Water Consumption (1,000 cubic meters/year)	Water Intensity (1,000 cubic meters / million dollar)
2023	92.47	0.018
2024	135.36	0.019

► Promotion measures:

1. The water resources in the rolling line are 100% recycled and reused.
2. The pickling plant continues to optimize process parameters, such as introducing primary process parameters, reducing the acid consumption rate, and increasing unit output.
3. Since 2021, the pickling plant has been continuously optimizing process parameters and is committed to on-site operational improvements such as adjusting pulley operations, installing clever flipping platforms, and implementing ultrasonic equipment. Additional measures were implemented until the activation of the sandblasting machine in January 2023, resulting in a reduction in water consumption for pickling.

● Waste output amount from 2023-2024:

Year	Unit: Ton		
	general	harmful	recycle
2023	314	0	7,111
2024	3,758	0	3,544

► Source reduction:

The company aims for resource cycling and sustainable development in managing waste. In the future, we will continue to promote source reduction and the recycling of waste, collaborating with the entire supply chain to reduce raw material usage and minimize production's environmental impact. We will also implement innovative environmental protection technology projects to realize the concept of a circular economy. In addition to strengthening sustainability efforts, we have established strict control and auditing mechanisms for waste flow and the selection of qualified vendors to ensure proper and legal waste management. Further details in the 2024 Corporate Sustainability Report of Yieh Hsing Enterprise Co., Ltd.

<p>4. Social issue</p> <p>(1). Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p>	<p>V</p>	<p>YIEH HSING ENTERPRISE CO.,LTD. devoted to maintain human rights principle of national employment opportunities, when employing employees, fully according to professional ability and experiences, giving different considerations, we never employ child labor from establishment of the Company, when employing employees in 2024, circumstances of human rights violation or discrimination events never occur, and we fully follow relevant regulations of “Labor Standards Act”, “Employment Service Act” and “Act of Gender Equality in Employment”. Except local regulations, the Company supports and follows all internationally recognized bill and guidelines of human rights, such as "Universal Declaration of Human Rights", “The United Nations Global Compact” and “ILO Convention”, etc., and establishes spirits of fairly, reasonably and friendly treating and respecting all staff, the implementation methods are as follows:</p> <ol style="list-style-type: none"> 1. Establish safe and healthy work environment. 2. Provide fair and reasonable salary and work conditions Implementing. 3. Eradicate discrimination and assure equality of employment opportunity. 4. Forbidding employment of child labor. 5. Not force labor. 6. Respect freedom of association. 7. Protect privacy and prevent harassment. 8. Provide grievance mechanism and channel. 9. Help employees maintain physical and mental health and balance of work and life. <p>Furthermore, implementing relevant trainings of human rights protection for colleagues in 2024, total hours was 160, the sum of colleagues was 40 completing trainings. In the future, we will continue to concern human rights protection issue, promote relevant education training to increase human rights protection awareness, and decrease occurrence possibility of relevant risks.</p> <p>Further details in the 2024 Corporate Sustainability Report of Yieh Hsing Enterprise Co., Ltd.</p>	<p>Compared with cods of practice for sustainable development of listing companies, there was no major difference.</p>
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<p>(2). Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?</p>	<p>V</p>	<p>The Company's salary, vacation and benefits systems are all in compliance with or better than the regulations, such as the Company's special leave application unit of hours, overtime work of 3 ours will be compensated with 4 hours of rest.</p> <p>Employees' salary Employees' salary shall be calculated not less than 0.2% of the Company's profits of current year. The Company provides employees' remuneration in the manner specified in the Company's Articles of Incorporation and approves the amount based on the employees' professional functions, job responsibilities, performance and achievement of the Company's business objectives.</p> <p>Employee benefits measures Yieh Hsing Enterprise Co., Ltd. not only provides basic protection in accordance with the law, but also provides the promotion of various welfare programs. The Employee Welfare Committee has been set up to plan and provide high-quality welfare programs for employees, such as: employee and children's education scholarships, four festivals' gifts, birthday gifts, birthday gifts, funeral subsidies, travel subsidies, retirement subsidies, wedding allowances, and group insurance. In addition, we also provide free health checkup program for our employees.</p> <p>Flexible leave system Flexible leave system is provided to facilitate employees to schedule special leave during the year to strike a balance between work and life. In accordance with the law, we also grant personal leave, family care leave, sick leave, leave for recuperation from cancer or pregnancy, physiological leave, public injury leave, official leave, maternity/abortion leave, maternity leave, paternity leave, paternity and paternity leave, parental leave, bereavement leave, marriage leave, special leave, personal leave, compensatory leave, and quarantine leave.</p> <p>Business performance reflected in employees' remuneration (1) Article 19 of Company Act: According to pre-tax benefit before deducting distribution of employees' and directors' remuneration of current year, the Company separately appropriated employees' remuneration not less than 0.2%, and directors' remuneration not more than 0.1%.</p> <p>(2) Overall remuneration policy: The Company devotes to provide remuneration and welfare higher than industry average standard for employees. Under the premise of taking account of external competition, internal equity and legality, providing more diversified and competitive remuneration system, and upholding the concept of sharing profits with employees, attracting, retaining, developing and encouraging our employees.</p> <p>Annual employees' remuneration is giving back to colleagues, awarding their contribution, and encouraging colleagues to continue striving, and letting employees' benefits connect shareholders' benefits to create win-win-win for the Company, shareholders and employees. According to the Company's operating results and refer to domestic industry distribution level, the Company determines total number of employees' cash bonus and employees' remuneration, and remuneration committee shall propose amount and distribution method to the board of directors, employees' remuneration shall be distributed after approved by the board of directors; amount received by each employee shall be determined in accordance with position, contribution and performance.</p>	<p>Compared with cods of practice for sustainable development of listing companies, there was no major difference.</p>
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			The company's employee welfare measures are detailed in the 2024 Corporate Sustainability Report of Yieh Hsing Enterprise Co., Ltd.	
(3). Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		<p>1. In order to ensure the safety and hygiene in the workplace, Ye Hing has introduced the ISO 45001/CNS 45001 Occupational Safety and Health Management System, Through the application of the Plan-Do-Check-Act (PDCA) cycle, the company carries out hazard identification, risk assessment, implementation of corrective measures, and performance verification., to ensure the effective implementation of this management system and to create a safe and comfortable workplace environment for Yieh Hsing to pursue the goal of zero occupational injuries.</p> <p>2. Yieh Hsing implements various safety and health training and health seminars from time to time every year, and provides employees with health checkups that are better than the law, hoping to reduce the occurrence of occupational accidents and diseases through the above programs.</p> <p>3. In 2024, the frequency of disabling injuries was 1.06, a significant decrease compared to 2.32 in 2023. There was a total of 1 occupational accident involving a collision, resulting in 1 injury (Injury Rate (IR) of 0.21). The goal of zero public injuries was not achieved in 2024, but efforts continue to promote safety and health management, as well as strengthen operational safety education and training.</p> <p>4. Improvement Measures: Strengthen daily safety management activities within the plant area, initiate comprehensive safety inspections to prevent accidents from reoccurring, aiming to achieve the goal of "zero public injuries." Implement monthly themed inspections to identify and eliminate unsafe points in the environment and improve workplace conditions, addressing potential hazards to ensure personnel safety during operations.</p> <p>5. In 2023, there were no occurrences of fire incidents.</p> <p>The company's occupational safety-related content is detailed in the 2024 Corporate Sustainability Report of Yieh Hsing Enterprise Co., Ltd.</p>	Compared with cods of practice for sustainable development of listing companies, there was no major difference.

<p>(4). Has the Company established effective career development training programs for employees?</p>	<p>V</p>	<p>Yieh Hsing Human Resource Development emphasizes on knowledge-based management and talent training, and has established a complete education and training system according to the skills required for each position. We have formulated the "Education and Training Implementation Method" to gradually develop the training courses, including education and training for new employees, professional training, general education training, and management training, etc. We hope that through the perfect education and training system, we can enhance the knowledge and skills required for our employees' duties and skills.</p> <p>In order to enable our employees to continuously improve their professional knowledge and cultivate their second specialties, we encourage them to pursue on-the-job training at the I-Shou University of the E United Group's related businesses. Moreover, E United Group also organizes E United seminars from time to time, inviting experts in the field to give lectures on different topics to increase the culture and knowledge of employees.</p> <p>The total hours of employee training in the last two years:</p> <table border="1" data-bbox="1003 608 1552 735"> <thead> <tr> <th colspan="2" style="text-align: right;">Unit: Hours</th> </tr> <tr> <th>Year</th> <th>The total hours of employee training</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>5,081.0</td> </tr> <tr> <td>2024</td> <td>2,799.2</td> </tr> </tbody> </table> <p>The company's employee training is detailed in the 2024 Corporate Sustainability Report of Yieh Hsing Enterprise Co., Ltd.</p>	Unit: Hours		Year	The total hours of employee training	2023	5,081.0	2024	2,799.2	<p>Compared with cods of practice for sustainable development of listing companies, there was no major difference.</p>
Unit: Hours											
Year	The total hours of employee training										
2023	5,081.0										
2024	2,799.2										

<p>(5). Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?</p>	<p>V</p>	<p>1. Yieh Hsing passed ISO 9001:2015 quality management system (latest certificate expiration date:2025/01/29 to 2028/01/28) · ISO 14001 : 2015 Environmental Management System (latest certificate expiration date:2024/01/08 to 2027/01/07) · ISO 45001 : 2018 Occupational Safety and Health Management System (latest certificate expiration date:2024/01/09 to 2027/01/08) etc. certificates.</p> <p>To ensure that our products comply with global regulations and standards, our products undergo strict and meticulous process control, quality assurance inspection, risk assessment and hazard prevention, etc., so that the stainless steel coils shipped to all over the world are safe for customers' health, and there is no violation of safety regulations.</p> <p>2. The Company's sales staff builds customer resumes to manage customer information in accordance with the Company's Confidentiality Management Policy and follow the GRI Guidelines to protect customer privacy, and also provide a communication channel for stakeholders on the Company's official website. In 2024, there will be no cases of infringement of customers' privacy rights, and there will be no complaints of infringement of customers' privacy rights.</p>	<p>Compared with cods of practice for sustainable development of listing companies, there was no major difference.</p>
<p>(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?</p>	<p>V</p>	<p>Through factory management of supply line, after making relevant tracking and understanding for indirect environment, such as mineral products and raw material resource, and production operation methods, etc., YIEH HSING implemented assessment and screening. Procurement reviews will not be conducted on matters with conflicts, and concern and examine supplier's environmental protection, occupational safety and labor rights, etc.; in the meantime, require suppliers to provide relevant certifications, for example, ISO 9001 : 2015 quality management system certification, ISO 14001 : 2015 environmental management system certification and ISO 45001 : 2018 occupational safety and health management system certification, etc.</p> <p>After assessed in 2024, all suppliers met raw materials of relevant regulations, and furthermore, no matter mineral product resources of raw materials or relevant production environment, there's not any event of giving society and environment impacts occurring, such as environmental protection or human rights, etc., you may read other supplier management measures in the 2024 Corporate Sustainability Report of Yieh Hsing Enterprise Co., Ltd.</p>	<p>Compared with cods of practice for sustainable development of listing companies, there was no major difference.</p>

<p>5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?</p>		<p>V</p>	<p>Yieh Hsing 2024 Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. In addition, it takes reference from the Sustainability Accounting Standards Board (SASB) guidelines, domestic industry characteristics, the United Nations Sustainable Development Goals (SDGs), and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), among other international frameworks.</p> <p>For relevance sustainable development information about corporate governance, the Company periodically announces “corporate sustainability report” on external website and Market Observation Post System, The confirmation or assurance opinions of the third-party verification unit in the corporate sustainability report will be implemented in accordance with regulatory processes.</p>	<p>The Company drew up sustainable development principle, so relevant operation will be cooperatively conducted.</p>
<p>6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company’s operations: The Company drew up our “Corporate Social Responsibility Practice Principle” approved by the board of directors in April, 2019, further amendment of the principle was approved by the board of directors in May, 2020 and March, 2023, and the name was changed into “Sustainable Development Practice Principle” to strengthen implementation of sustainable development responsibility. The Company periodically reviews implementation situation and improves in accordance with the principle, and implementing until now, there’s no different situation.</p>				
<p>7. Other important information to facilitate better understanding of the company’s promotion of sustainable development: The Company’s annual implementation achievement of sustainable development is disclosed in annual report of board of directors in the year, and we will irregularly update the latest news on the Company’s external website, all interested parties jointly review the Company’s implementation situation and achievement of promoting sustainable development.</p>				

Note 1: If “Yes” is ticked in the “Implementation status” column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If “No” is ticked in the “Implementation status” column, please explain the deviations and the reasons in the “Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons” column and explain the Company’s plans for adoption of related policies, strategies, and measures in the future. However, for Items 1 and 2, the TWSE/TPEX listed company shall describe its governance and supervisory framework for sustainable development, including but not limited to management policy, strategy and goal formulation, review measures, etc. It additionally shall describe the company's risk management policies or strategies for operations-related environmental, social, and corporate governance issues, and their assessment status.

Note 2: The materiality principle refers to focusing on environmental, social and corporate governance issues likely to have a material impact on the Company’s investors and other stakeholders.

Note 3: Regarding the method for disclosure, please refer to the “SAMPLE ANNUAL REPORT” page on the website of the Taiwan Stock Exchange Corporate Governance Center.

Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors serves as the highest governing body for the company's climate-related matters. The company's climate-related risks and opportunities are regularly reviewed, analyzed, and disclosed by the Corporate Sustainability Development Committee, which also evaluates the impact of climate change on the company and formulates response strategies. A report on the status of climate change responses is submitted to the Board of Directors on a regular annual basis.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	(1) For the impact of climate change, the Company has completed the TCFD identification, analysis and disclosure of the impact of climate change on the Company and its response strategy, a detailed report can be found on the corporate sustainability page of the Company's website (http://www.yheco.com.tw/) or the latest version of the Sustainability Report. (2) In response to the climate risk, the Company Enterprise has been actively involved in energy saving, carbon reduction, water saving and waste reduction, and has continued to review and adjust the risk management measures and future business strategies through the "Risk Management Policies and Procedures".
3. Describe the financial impact of extreme weather events and transformative actions.	(1) Potential financial impacts include increased operating costs, decreased revenues, increased assets, and improved reputation and image. (2) For an analysis of the impact of climate change on the Company's finances, please refer to the Corporate Sustainability page on the Company's website (http://www.yheco.com.tw/) or the TCFD section of the latest version of the Sustainability Report.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	(1) TCFD has been included in the Company's "Risk Management Policies and Procedures". (2) Climate risk identification and assessment, which consists of multi-departmental and inter-departmental collaboration to jointly study the impact of various climate change risk factors on their business.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	(1) Tools: Including IPCC Sixth Assessment Report on Climate Change, National Science and Technology Center for Disaster Prevention and Relief (NSTC) 3D Disaster Potential Map, TCCIP-Climate Atlas, etc. (2) Physical Scenario: NDC及SSP5-8.5 (3) After comprehensive discussions with relevant departments and questionnaire surveys, consolidated 8 climate-related risks and 6 climate-related opportunities that have a significant impact on the Company's operations. (4) For details, please refer to the Corporate Sustainability page on our website (http://www.yheco.com.tw/) or the TCFD content of the latest version of our Sustainability Report.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	The Company has set up the 2050 Net Zero Emission Pathway Plan and has been actively involved in energy saving, carbon reduction, water saving and waste reduction. For the related management and achievements, please refer to the Corporate Sustainability page of the Company's website (http://www.yheco.com.tw/) or the introduction of the sustainability report.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	No internal carbon pricing, but similar management model adopted (1) Calculate the difference between the expected and actual benefits in terms of the actual reduction measures and the expected planning benefits (both converted to CO ₂ e reduction or assessable unit of quantification) using the actual amount invested in the improvement/retrofit, and explain the reasons for the difference to the units that do not meet the targets. (2) Units that do not meet the standard will propose other feasible energy-saving, carbon reduction, water-saving and waste-reduction measures for the next round of improvement.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	(1) Acquisition of Carbon Rights and Carbon Reduction Performance: The company's carbon reduction strategy has been included in the company's planning and promoted accordingly to minimize the impact of the company's operating activities on climate change. (2) Energy Substitution and Installation of Renewable Energy: All plants use natural gas, a clean fuel, in 2024, solar power generation reached 2,165,291 kWh, saving 7,795 GJ, demonstrating tangible results in the promotion of green energy to further improve the air quality of the neighboring areas and fulfill our corporate responsibility to maintain the environment.

9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	Please refer to the following table
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1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

YIEH HSING has established a greenhouse gas inventory mechanism in accordance with the ISO14064-1 greenhouse gas inventory standard issued by the International Standards Organization (ISO). Starting from 2022, the company's greenhouse gas emissions will be checked regularly every year, to fully understand the usage and emission status of greenhouse gases, and to verify the effectiveness of reduction actions. In addition, the greenhouse gas inventory data for the last two years summarizes the company's greenhouse gas emissions in accordance with the Operations Control Act. The explanation is as follows:

The Company	2023		2024	
	Emissions (metric tons CO2e)	Intensity (metric tons CO2e/NT\$ million)	Emissions (metric tons CO2e)	Intensity (metric tons CO2e/NT\$ million)
Scope 1 Direct greenhouse gas emissions	16,036	7.21	26,973	8.40
Scope 2 indirect greenhouse gas emissions	20,124		31,008	
Total	36,160	7.21	57,980	8.40

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

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: 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 may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion. (In page 92)

1. The company should start implementing the Greenhouse Gas Assurance Information in 2024.
2. The company has no subsidiaries.
3. The company's greenhouse gas assurance scope for the year 2025 includes all factory areas. The Crowe (TW) CPAs has performed the assurance in accordance with the Greenhouse Gas Statements 3410 and to express an opinion, Limited Assurance.

The Company	2023	2024
	Emissions (metric tons CO2e)	Emissions (metric tons CO2e)
Scope 1 Direct greenhouse gas emissions	16,036	26,973
Scope 2 Indirect greenhouse gas emissions	20,124	31,008
Total	36,160	57,980
The interrogation revealed in 1-1-1 above	100.00%	100.00%
Assurance institutions	The Crowe (TW) CPAs	The Crowe (TW) CPAs
Describe the status of assurance	The Greenhouse Gas Statements 3410/ Limited Assurance	The Greenhouse Gas Statements 3410/ Limited Assurance

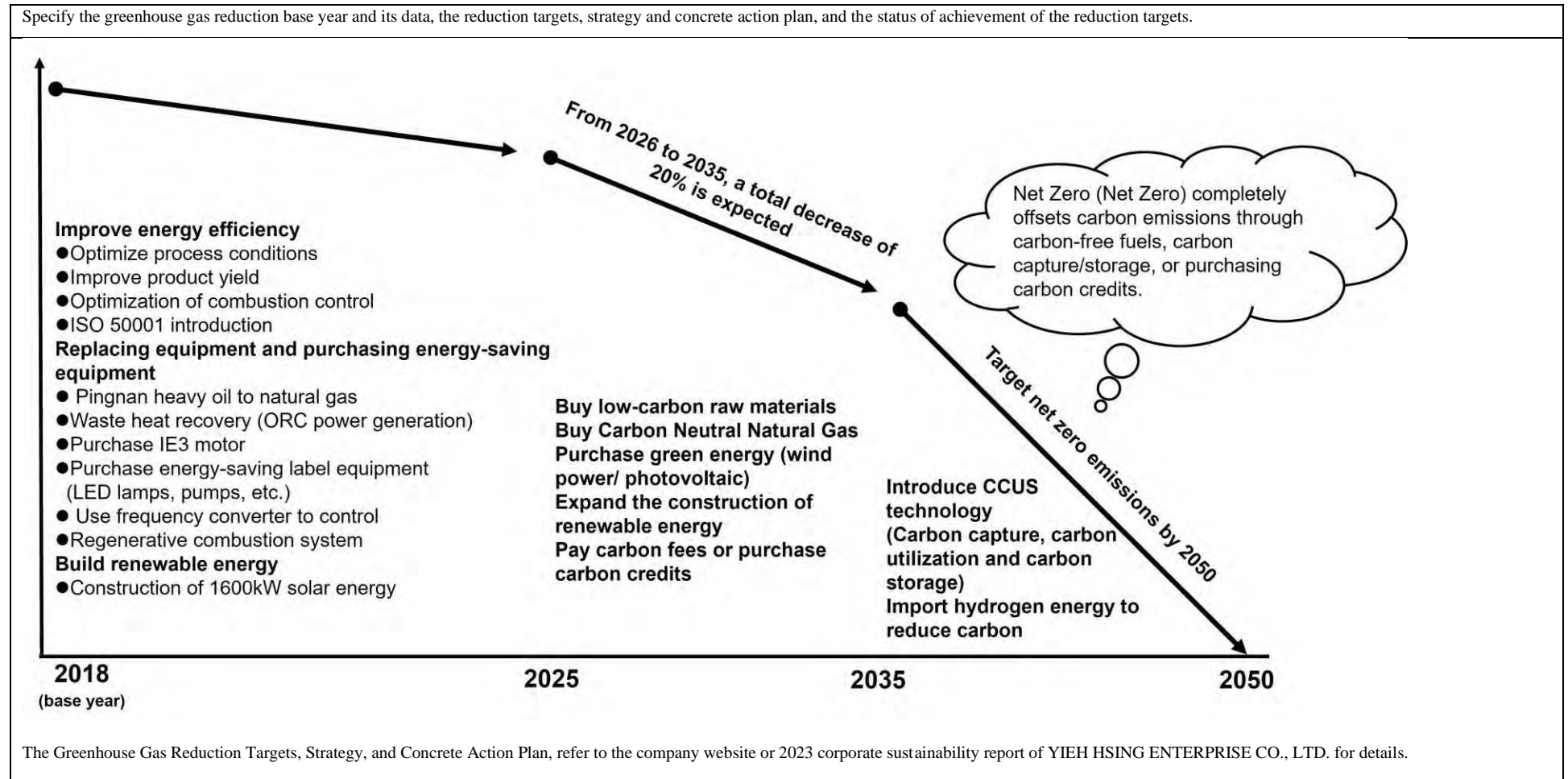
4. Greenhouse Gas Assurance Information in page 92~94

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall note that "Complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEX.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan



The Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan, refer to the company website or 2023 corporate sustainability report of YIEH HSING ENTERPRISE CO., LTD. for details.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT\$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

(6) Performance Status of Ethical Corporate Management, its Variance from “the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reason for Variance

Evaluation Item	Implementation Status (Note 1)			Variance from “the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reason for Variance
	Yes	No	Summary Description	
<p>I. Establish Ethical Corporate Management Policy and Program</p> <p>(1) Does the company establish the ethic corporate management policy, passed by the Board of Directors and expressly indicate the policy and practice in the regulations and external documents and are the Board of Directors & the high-ranking management personnel committed to carry out the operation policy?</p> <p>(2) Does the company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention of immoral conduct programs accordingly, covering at least the prevention measures of the conduct, as prescribed in each subparagraph of Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for the TWSE/TPEX Listed Companies”?</p> <p>(3) Does the company clearly stipulate the processing procedures, conduct guideline, and violation discipline & complaint system, carry out the execution and review & revise the above-described program on a regular basis?</p>		V	<p>(1) The company has not set up the ethical corporate management policy, passed by the Board of Directors, but our Board of Directors has approved the “Codes of Ethical Conduct” and made commitments to actively implement the corporate governance.</p> <p>(2) Those personnel whose contents of work is related to finance, sales and purchase should hand in the “Employee Guarantee” and the on-the-job personnel should renew it per three years; if the employee fails to hand in or update the “Employee Guarantee” every three years, he/she should ensure the “employee performance bond”.</p> <p>(3) With the establishment of the “Codes of Ethical Conduct”, the company formulates the work rules and reward & punishment regulations for the employees, who abide by the standards via the employee’s training and education.</p>	<p>No significant variance from “the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” for (1) & (2)</p> <p>(3) Cross-referring to Article 6 & Article 7 of the “the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”, the current stipulated operation procedures only regulate the employees.</p>
<p>II. Implementation of Ethical Corporate Management</p> <p>(1) Does the company evaluate the business partners’ ethical records and expressly stipulate the clause of ethical conduct in contracts, signed with them?</p> <p>(2) Does the company set up the exclusively dedicated unit, subordinated with the Board of Directors, to implement ethical corporate management and regularly report (at least once a year) its ethical corporate management policy, the prevention of immoral conduct programs as well as the supervision & execution status with the Board of Directors?</p> <p>(3) Does the company establish the conflict of interest prevention policy, provide the adequate appealing channel, and carry out the execution?</p> <p>(4) Does the company build up an effective accounting system and an internal control system for the implementation of the ethical corporate management and does its internal audit unit draw up the related audit plan, based on the evaluation results of the immoral conduct risk and further audit the compliance conditions of the immoral conduct prevention program or assign the CPA to execute audit?</p>	V	V	<p>(1) The company’s operation really complies with the Company Act, the Securities & Exchange Act, the Business Entity Accounting Act and other related laws and we will refer to the Ethical Corporate Management Best Practice Principles for TWSE/TPEX listed companies to enhance the completeness of the employee’s work rules in order to carry out the actions of ethical corporate management.</p> <p>(2) The company’s Human Resources & Administration Division establishes “Employee Work Rules” and “Reward & Punishment Rules” for the employees’ compliance.</p> <p>(3) We prevent the conflict of interest in accordance with the “Employee Work Rules” and the “Reward & Punishment Rules”; when the directors, supervisors and managers discuss the motions in the Board of Directors’ meetings, they should comply with the Board of Directors’ rules of procedures; in case of relation to their own interest, they should avoid and cannot join the discussion and voting. We setup the employee’s mailbox inside the company, which offers the appealing and reporting channel.</p> <p>(4) The company has established an effective accounting system and an internal control system; the internal auditors regularly audit the compliance status of the foregoing systems and report with the Board of Directors.</p>	<p>No significant variance from “the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”</p>

Evaluation Item	Implementation Status (Note 1)			Variance from “the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reason for Variance
	Yes	No	Summary Description	
(5) Does the company regularly conduct the internal and external educational training in respect of ethical corporate management?	V		(5) When the newcomers enroll, the Human Resources & Administration Division will conduct the educational training and explain the employee work rules and related reward & punishment regulations for them; the financial unit personnel of the company will take the courses related to ethical corporate management, sponsored by the Taiwan Stock Exchange, for the purpose of meeting the law compliance requirements.	
III. Implementation Status of the Company's Reporting System				
(1) Does the company establish the concrete reporting & rewarding system, build up a convenient reporting channel, and appoint one eligible dealing person-in-charge for the reported subject?	V		(1) The company stipulates the rewarding standards for employee reporting in the employee work rules and the reward & punishment rules; except that the company's internal website has set up the appealing channel, the reporting channel for the internal employees includes the reporting, filed by the external reporter with his/her name directly with the corporate governance unit, which will then assign the person exclusively to deal with the reporting matter.	Currently the company has not established the ethical corporate management best practice principles, which are under deliberation.
(2) Does the company establish the standard processing procedures for investigation of accepted reporting matters, the follow-up measures to be adopted after completion of investigation and related confidentiality mechanism?		V	(2) At present, the company is still drawing up the standard processing procedures for investigation of accepted reporting matters and the related confidentiality mechanism.	
(3) Does the company adopt the measure wherein the reporter can be protected so that he/she would not be treated improperly due to the reporting?	V		(3) No such a condition of improper treatment suffered by the whistleblowers in the company.	
IV. Strengthening Information Disclosure				
(1) Does the company disclose the contents of ethical corporate management it establishes as well as the implementation effectiveness in its website and the Market Observation Post System?		V	(1) In order to build the business culture of ethical corporate management and sound development, the company will discuss the establishment of related implementation measures, pursuant to the Ethical Corporate Management Best Practice Principles for the TWSE/TPEX Listed Companies.	Currently the company has not established the ethical corporate management best practice principles, which are under deliberation.
V. If the company has established its own ethical corporate management best practice principles, pursuant to the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”, please describe the implementation and its variance from the said principles: We have not established the ethical corporate management best practice principles, so the related implementation status for this item has not been executed and it is under discussion.				
VI. Other important information which is helpful for understanding the implementation of the ethical corporate management: We have not established the ethical corporate management best practice principles, so the related implementation status for this item has not been executed and it is under discussion.				

Note 1: No matter what “Yes” or “No” is ticked for the implementation status, it should be specified in the column of summary description.

(7) Other important information which can facilitate the understanding of the implementation status of the corporate governance shall be disclosed altogether. Please refer to the implementation status of corporate governance and its variance from “the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and Reason for Variance

(8) Execution Status of the Internal Control System:

1. Declaration of Company Internal Control: Please see Page 91

Regulations Governing Establishment of Internal Control System for Public Companies (Article 23): Effective Internal Control System.

It is requested that the board of directors and president of the public companies can rationally ensure the following matters:

(1) The board of directors and president are aware of the operation effects and the achievement of the efficiency goal.

(2) The financial reporting is reliable.

(3) The related acts and regulations have been complied with.

2. For those companies which authorize the CPA to establish a project to audit the internal control system, the CPA’s audit report should be disclosed: Nil.

(9) The important resolutions of the Shareholders Meeting and the Board of Directors during the current fiscal year up to the publication date of the annual report:

1. Regular Shareholders Meeting

Execution Status of Resolution Items of Regular Shareholders Meeting on June 19, 2024

Acceptance, Discussion, Election Matter and Other Motions	Execution Status
Accept the case of accounting final reports in 2023	Proposal was approved as proposed; executed subject to the contents of resolution.
Accept the case of loss appropriation of the company in 2023	Proposal was approved as proposed; executed subject to the contents of resolution.
Discuss the case of revision of the company’s “Rules of Procedure for Shareholders Meetings”.	Proposal was approved as proposed and uploaded to the company’s website and the Market Observation Post System

2. Board of Directors

Times	Date of Meeting	Important Resolution Matters	Execution Status
1	January 25, 2024	<p>Case 1: To discuss of 2024 Business Plan.</p> <p>Case 2: Discussion on matters related to the credit line of the company's financial institutions.</p> <p>Case 3: Discussion on the 2023 year-end and performance bonus for the Chairman by the Remuneration Committee.</p> <p>Case 4: Discussion on the salary adjustment and payment amount for the Chairman approved by the company's Compensation Committee for this year.</p> <p>Case 5: Review of 2023 year-end and performance bonus for the Company's managerial officers by the Remuneration Committee.</p> <p>Case 6: Discussion on the salary adjustment and payment amount for executives approved by the company's Compensation Committee for this year.</p> <p>Case 7: Discuss the case of the year-end consolation money for the independent directors of the company in 2023 by the Remuneration Committee.</p> <p>Case 8: Discuss the case of the year-end consolation money for the Remuneration Committee members of the company in 2023 by the Remuneration Committee.</p> <p>Case 9: Discuss the company’s salary and Remuneration Committee’s approval of the adjustment of the remuneration of independent directors.</p> <p>Case 10: Discuss the company’s salary and remuneration committee’s approval of the adjustment of the remuneration of Remuneration Committee members.</p>	Executed as per resolution.

2	March 7, 2024	<p>Case 1: The proposed 2023 Business Report, Individual Financial Statements.</p> <p>Case 2: Submit the proposal for Recognition of 2023 loss appropriation.</p> <p>Case 3: Submit the proposal to discuss the evaluation of the company's CPA's remuneration and its independence of the company in 2024.</p> <p>Case 4: Assessment of effectiveness of the company's 2023 intern control system and the discussion case of "Declaration of Internal Control System".</p> <p>Case 5: Case of discussion on the revision of the company's "Audit Committee Charter".</p> <p>Case 6: Case of discussion on the revision of the company's "Regulations Governing Procedure for Board of Directors Meetings".</p> <p>Case 7: Case of discussion on the revision of the company's "Rules for Performance Evaluation of Board of Directors".</p> <p>Case 8: To discuss the amendment to the "Rules of Procedure for Shareholders Meetings".</p> <p>Case 9: Discussion on the convening of the company's 2024 Shareholders' Meeting.</p> <p>Case 10: The company accepted shareholder proposals at the 2024 Shareholders' Meeting.</p>	Executed as per resolution.
3	May 6, 2024	<p>Case 1: Submit the proposal to discuss the first quarter financial report for 2024.</p> <p>Case 2: Amendment to the Company's "Internal Control System of the Shareholder Service Unit".</p> <p>Case 3: Discussion on the company's risk management operations for the year 2023.</p>	Executed as per resolution.
4	Aug 6, 2024	<p>Case 1: Submit the proposal to discuss the second quarter financial report for 2024.</p> <p>Case 2: To discuss the Company's 2023 ESG Report.</p> <p>Case 3: The proposed change of the chief internal auditor of our company is up for discussion.</p>	Executed as per resolution.
5	Sep. 10, 2024	<p>Case 1: The proposed change of the acting spokesperson, financial officer, corporate governance officer of our company is up for discussion.</p>	Executed as per resolution.
6	Nov. 5, 2024	<p>Case 1: Submit the proposal to discuss the third quarter financial report for 2024.</p> <p>Case 2: Discussion on the company's policies, systems, standards, and structure regarding the performance targets and compensation for directors and managers.</p> <p>Case 3: Discussion on the performance evaluation indicators for the company's board of directors, board members, and functional committees.</p>	Executed as per resolution.
7	Nov. 8, 2024	<p>Case 1: The company's Pingnan Acid Pickling Plant expansion plan.</p> <p>Case 2: In line with the expansion plan for the Pingnan Acid Pickling Plant, our company purchased acid pickling lines and inspection & packaging line equipment.</p> <p>Case 3: The company and Hsin Chuan Construction have signed a contract for the new construction of the office building and guardhouse of Pingnan Wire Factory.</p>	Executed as per resolution.
8	Dec 25, 2024	<p>Case 1: To discuss of 2025 Business Plan.</p> <p>Case 2: Amendment of the company's "Risk Management Policies and Procedures" submitted for discussion.</p> <p>Case 3: Case of discussion on the revision of the company's "Internal Control System".</p> <p>Case 4: Case of discussion on the revision of the company's "Internal Audit Procedure".</p> <p>Case 5: Submit the proposal to discuss the company's "Audit Plan in 2025".</p>	Executed as per resolution.

(10) If the directors or supervisors have different opinions with the records or written statement during the most recent year up to the date of publication of annual report, its main contents: Nil.

IV. Information on the professional fees of the attesting CPAs

Bracket List of CPAs Fee Information
(Please tick the corresponding bracket and fill in the amount.)

Information on the professional fees of the attesting CPAs (Please fill in the amount)

Unit: NT\$ Thousands

Name of PAs Firm	Name of CPAs	CPAs' Audit Period	Audit Fee	Non-audit Fee	Total	Remarks
Crowe (TW) CPAs, Kaohsiung Office	Tsai, Shu-Man & Lee, Ching-Ling	Jan. 1, 2024 ~ Dec. 31, 2024	2,140	723	2,863	Non-audit service items: Transfer pricing report, related party transactions report, English financial statements, greenhouse gas assurance, and others.

Please specify the content of non-audit public services: (such as tax visa, assurance or other financial advisory services)

Note : If the company replaces the CPAs or CPAs firm in the current fiscal year, please respectively specify their audit period, explain the reason for replacement in the column of "Remarks" and disclose in order the information of the paid audit and non-audit fee, etc.

(1) If the CPAs firm is replaced and the paid audit fee in the year of replacement is less than that in the previous year, the reduced amount of the audit fee, its percentage and reason should be disclosed.: **Nil**.

(2) If the audit fee is less than that in the previous years at over 10%, the audit fee, its percentage and reason should be disclosed.: **Nil**.

V. Information of CPAs' Replacement: **Nil**.

VI. The company's chairman, president and managers in charge of financial or accounting affairs had ever served at the CPA-owned CPAs firm or its affiliates during the most recent year : **Nil**.

VII. Changes of Transfer and Pledge of Equity Interests for Chairman, President, Managers & Shareholders with over 10% Shareholding:

Changes of Equity Interests for Directors, Managers and Major Shareholders :

Please refer to the Market Observation Post System (MOPS) by going to: Profile → Company Code: 2007 → Insiders' holding, pledging and transfer of shares → Shareholding statement for directors and supervisors
<https://emops.twse.com.tw/server-java/t58query>

Information of Equity Interests Transfer

Name (Note 1)	Reason for Equity Interests Transfer (Note 2)	Date of Transaction	Counterparty of Transaction	Counterparty's Relationship to the Company, its Directors, Supervisors, Managers and Shareholders Holding over 10% Shares	Share No.	Transaction Price
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note 1: List the names of the company's directors, supervisors, managers and shareholders with over 10% shareholding.

Note 2: Specify acquisition or disposal.

Information of Equity Interests Pledge

Name (Note 1)	Reason for Changes of Pledge (Note 2)	Date of Change	Counterparty of Transaction	Counterparty's Relationship to the Company, its Directors, Supervisors, Managers and Shareholders Holding over 10% Shares	Share No.	Shareholding %	Rate of Pledge	Amount of Pledge (Redemption)
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note 1: List the names of the company's directors, supervisors, managers and shareholders with over 10% shareholding.

Note 2: Specify pledge or redemption

VIII. RELATIONSHIP INFORMATION OF TOP TEN MAJOR SHAREHOLDERS, AMONG WHOM ANY ONE IS A RELATED PARTY OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP OF ANOTHER:

INFORMATION OF TOP TEN MAJOR SHAREHOLDERS AND THEIR MUTUAL RELATIONSHIP

Name (Note 1)	Principal's Shareholding		Spouse's & Minor's Shareholding		Total Shareholding by Nominee Arrangement		Designation or Names & Relationship for Top Ten Major Shareholders, among whom any one is a related party or a relative within the second degree of kinship of another		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Representative of Yieh Phui Enterprise Co., Ltd.: LIN, I-SHOU	304,654,650	57.41%	-	-	-	-	Representative of Yieh United Steel Corp.: LIN, I-SHOU	Its chairman is the company's director.	
	172,206	0.03%	2,448,388	0.46%	-	-	Representative of Wei Chiao Investment & Development Co., Ltd.: LIN, I-SHOU	Its chairman is the company's director.	
Representative of Yieh United Steel Corp.: LIN, I-SHOU	85,717,552	16.15%	-	-	-	-	Representative of Yieh Phui Enterprise Co., Ltd.: LIN, I-SHOU	Its chairman is the company's director.	
	172,206	0.03%	2,448,388	0.46%	-	-	Representative of Wei Chiao Investment & Development Co., Ltd.: LIN, I-SHOU	Its chairman is the company's director.	
Representative of Wei Chiao	6,626,646	1.25%	-	-	-	-	Representative of Yieh United Steel Corp.: LIN, I-SHOU	Its chairman is the company's director.	
Investment & Development Co., Ltd.: LIN, I-SHOU	172,206	0.03%	2,448,388	0.46%	-	-	Representative of Yieh Phui Enterprise Co., Ltd.: LIN, I-SHOU	Its chairman is the company's director.	
LIN TSAI, YUEH- E	2,448,388	0.46%	172,206	0.03%	-	-	LIN, I-SHOU	Spouse of the company's director	
Citi Custody of Berkeley Capital's SBL/PB Investment Account	1,144,000	0.22%	-	-	-	-	-	-	
CAI,ZHEN-FA	695,503	0.13%	-	-	-	-	-	-	
LIN,FONG-CHUN	606,000	0.11%	-	-	-	-	-	-	
CHEN,YAO-TING	605,000	0.11%	-	-	-	-	-	-	
GAO,JIAN-PING	590,000	0.11%	-	-	-	-	-	-	
CYUE,ZU-AN	468,000	0.09%	-	-	-	-	-	-	

Note 1: The whole top ten major shareholders should be specified; in case of a corporate shareholder, the designation of the corporate shareholder and the name of its representative should be respectively indicated.

Note 2: The calculation of shareholding rate is based on the respective shareholding rate in his own name and his spouse's and minor's shareholding rate or that by nominee arrangement.

Note 3: The above-captioned shareholders include the corporate and natural persons, whose mutual relationship should be disclosed, pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuer.

IX. SHAREHOLDING NUMBER OF THE SAME REINVESTED COMPANY BY THE COMPANY, ITS DIRECTORS, MANAGERS AND THE COMPANY'S DIRECTLY & INDIRECTLY CONTROLLED COMPANIES AND THEIR CONSOLIDATED SHAREHOLDING RATE BY THE COMBINED CALCULATION:

CONSOLIDATED SHAREHOLDING RATE

December 31, 2024 Unit: Share: %

Reinvested Company (Note)	The Company's Investment		Investment by Directors, Managers and Directly & Indirectly Controlled Companies		Consolidated Investment	
	Share No.	Shareholding Rate	Share No.	Shareholding Rate	Share No.	Shareholding Rate
Eliter International Corp.	74,426,675	7.42%	547,827,691	54.59%	622,254,366	62.01%
E-DA Development Corp.	22,787,021	5.94%	330,361,813	57.51%	486,677,250	63.45%
UNITED WINNER METALS	3,460,409	33.75%	6,792,655	66.25%	10,253,064	100.00%
Cheng Hsin Security Corp.	400,000	10.00%	2,800,000	70.00%	3,200,000	80.00%
Great Emperor Hotel Co., Ltd.	209,950,000	39.84%	317,000,000	60.15%	526,950,000	99.99%
Kingsgarden International Co., Ltd.	211,950,000	42.39%	287,986,000	54.89%	469,950,000	99.99%
Yieh United Steel Corp.	2,542,448	0.10%	684,300,332	26.11%	686,842,012	26.21%
Shin-Jan Engineering & Management Consulting Co., Ltd.	240,000	8.00%	2,340,000	78.00%	2,580,000	86.00%

Note: That company adopts the investment accounted for using equity method.

Chapter 3 CAPITAL RAISING STATUS

I. Company Capital and Shares

(1) Source of Capital

Month/Year	Issue Price	Approved Capital		Paid-in Capital		Source of Capital	Remarks	
		Share No.	Amount	Share No.	Amount		Stock Capital Offset by Property other than Cash	Others
June 2, 2006	NT\$10	640,000,000	6,400,000,000	639,998,451	6,399,984,510	Issue 259,830,000 ordinary shares for cash capital increase (Approved via Letter of the Ministry of Economic Affairs with Reference to File of Ching-shou-shang-tzu No. 09501117390 on June 20, 2006)	—	Adopt the discount issue price at NT\$3.60
February 5, 2007	NT\$10	1,000,000,000	10,000,000,000	381,180,041	3,811,800,410	Eliminate 258,818,410 ordinary shares for capital decrease (Approved via Letter of the Ministry of Economic Affairs with Reference to File of Ching-shou-shang-tzu No. 09601039390 on February 27, 2007)	—	Compensate Loss
February 8, 2007	NT\$10	1,000,000,000	10,000,000,000	732,057,234	7,320,572,340	Issue 350,877,193 ordinary shares for cash capital increase (Approved via Letter of the Ministry of Economic Affairs with Reference to File of Ching-shou-shang-tzu No. 09601039390 on February 27, 2007)	—	Adopt the private placement of the discount issue price at NT\$5.70
November 12, 2008	NT\$10	1,200,000,000	12,000,000,000	1,193,595,695	11,935,956,950	Issue 461,538,461 ordinary shares for cash capital increase (Approved via Letter of the Ministry of Economic Affairs with Reference to File of Ching-shou-shang-tzu No. 09701302460 on November 28, 2008)	—	Adopt the private placement of the discount issue price at NT\$2.60
June 26, 2009	NT\$10	1,200,000,000	12,000,000,000	618,285,895	6,182,858,950	Eliminate 575,309,800 ordinary shares for capital decrease (Approved via Letter of the Ministry of Economic Affairs with Reference to File of Ching-shou-shang-tzu No. 09801129230 on June 26, 2009)	—	Compensate Loss
October 27, 2011	NT\$10	1,200,000,000	12,000,000,000	630,651,613	6,306,516,130	Issue 12,365,718 ordinary shares for surplus capital increase (Approved via Letter of the Ministry of Economic Affairs with Reference to File of Ching-shou-shang-tzu No. 10001245220 on October 27, 2011)	—	
October 5, 2017	NT\$10	1,200,000,000	12,000,000,000	530,651,613	5,306,516,130	Eliminate 100,000,000 ordinary shares for capital decrease (Approved via Letter of the Ministry of Economic Affairs with Reference to File of Ching-shou-shang-tzu No. 10601138430 on October 5, 2017)	—	Compensate Loss

Note 1: Specify the information of the current year up to the date of publication of annual report.

Note 2: For the part of capital increase, add the effective (approval) date and the reference number.

Note 3: In case that the share is issued below the par value, it shall be marked in a notable way.

Note 4: Please specify the capital stock offset by the monetary credit and technology, if any and add the kinds and amount of offset.

Note 5: The private placement shall be marked in a notable way.

Kinds of Share	Approved Capital			Remarks
	Outstanding Shares (Listed Company's Stock)	Unissued Shares	Total	
Ordinary Shares	169,465,930 (Excluding the shares of private placement)	669,348,387	1,200,000,000	Shares of private placement (1) for capital increase are 350,877,193. Shares after capital decrease are 181,755,363. Shares of private placement (2) for capital increase are 461,538,461. Shares after capital decrease are 239,078,208. Shares of private placement for surplus capital increase are 8,416,671. Total shares of private placement after capital decrease are 361,185,683.

Note: Please indicate whether the said stock is the stock of the TWSE/TPEX listed company. (If the stock is restricted to trade in the TWSE or TPEX market, a note shall be put.)

RELATED INFORMATION OF COLLECTIVE REPORTING SYSTEM

Kinds of Securities	Estimated Issue Number		Issued Number		Issue Objective and Expected Benefit of the Issued Part	Estimated Issue Period for the Unissued Part	Remarks
	Total Share No.	Approved Amount	Share No.	Price			
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	

(2) List of Major Shareholders

List of Major Shareholders

April 19, 2025

Name of Major Shareholders	Shareholding No. (Shares)	Shareholding Rate
Yieh Phui Enterprise Co., Ltd.	304,654,650	57.41%
Yieh United Steel Corp.	85,717,552	16.15%
Wei Chiao Investment & Development Co., Ltd.	6,626,646	1.25%
LIN TSAI, YUEH-E	2,448,388	0.46%
Citi Custody of Berkeley Capital's SBL/PB Investment Account	1,144,000	0.22%
CAI,ZHEN-FA	695,503	0.13%
LIN,FONG-CHUN	606,000	0.11%
CHEN,YAO-TING	605,000	0.11%
GAO,JIAN-PING	590,000	0.11%
CYUE,ZU-AN	468,000	0.09%

(3) Company's Dividend Policy and Execution Status:

- The dividend policy, set forth in the company's articles of incorporation, is described as follows:

Article 20: The life cycle of the Company's industry is in the period of maturity, the dividend policy is coordinated with current and future development programs, considered the investment environment, capital needs, and domestic and overseas competition status, and taken the factors of shareholders' interests, etc. into consideration, the allocation of distributed surplus earnings is not lower than 20% of distributed shareholders' dividends, however, when accumulated distributed surplus earnings is lower than 20% of paid-in capital, it may not be allocated.

when the Company's general financial accounts of the year has a surplus, it shall withhold tax, then cover the loss of past years, in addition, the Company shall appropriate 10% as legal reserve first, and with the special reserve appropriated or reserved according to the operational needs or ordinances, when the Company has earnings in the current year, preference dividends shall be prior to distribute, then as such balance and accumulated undistributed earnings of past years, the Company shall distribute shareholders' bonus (stock dividends of shareholders' bonus distribution are 0%-80%, cash dividends are 20%-100%), it is to be done by issuing new shares, it has to be approved by the stockholders' meeting.

When the company has to allocate special reserve by law, for the cumulative amount of net increase in fair value of investment property in a preceding period and the cumulative net amounts of other deductions from equity in a preceding period, before distributing earnings, the company has to allocate an amount of special reserve equal to the amount allocated to undistributed earnings for the preceding period. If there remains any insufficiency, allocate it from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period.

The preceding earning distribution ratio and the cash dividend ratio, when the Company's yield of the current year, the cash position and operations have needs, board of directors may submit it to a shareholders' meeting for a resolution of adjustment.

Based on the Corporation Law Article 240 Item 5, the board of the directors may distribute dividends and bonuses in whole or in part in cash after a resolution has been adopted by a majority vote with two thirds of the members present, such a decision should report to the shareholders' meeting.

- Dividend distribution, proposed in this shareholders meeting: No dividend will be distributed in this shareholders meeting.

(4) Impact, Made by Bonus Shares, Proposed in this Shareholders Meeting on the Company's Operation Performance and Earnings per Share: Nil.

(There is no bonus share case in this year.)

(5) Compensation for Employees and Directors:

- Ratio or Scope of Compensation for Employees and Directors, as Specified in the Articles of Incorporation:
 - Below 1/1000 for directors' compensation.
 - Above 2/1000 for employees' compensation.
- Basis for Estimation of Compensation for Employee, Directors & Supervisors in this Term, Calculation Basis for Number of Bonus Shares as Employee's Compensation and Accounting Treatment of Discrepancy between Actual Distributed Amount and the Estimated Figure:

Compensation to employees and remuneration to directors shall neither be less than 0.2% nor greater than 0.1% of the net income before tax and before which the compensation to employees and remuneration to directors are deducted from. Due to the accumulated deficits of the Company for 2024, the estimated amount of the above compensation and remuneration was \$0 thousand. Any changes in the amounts, if any, after the annual financial statements were authorized for issue, shall be recorded as a change in accounting estimate, and should be adjusted the next year.
- Board of Directors' Approval of Compensation Distribution:
 - If the amount of compensation for employees, directors & supervisors, distributed in cash or stock is discrepant from the annual estimated amount in the accepted expenses, the amount of discrepancy, reason and disposal shall be disclosed: Nil.
 - Amount of Employees' Compensation, Distributed in Stock, the Ratio to the After-tax Net Income in this Term's Parent Company Only or Individual Financial Reports and Total Amount of Compensation for Employees: Nil.
- Information on Distribution of Compensation of Employees, Directors, and Supervisors (With an Indication of the Number of Distributed Shares, Monetary Amount, and Stock Price) And, If There Is Any Discrepancy Between the Actual Distribution and the Recognized Employee, Director, or Supervisor Compensation, Additionally the Discrepancy, Cause, and How It Is Treated: Nil. (No employee remuneration and director and supervisor remuneration are allocated on 2023.)

(6) Status of the Company Repurchasing its Own Shares: **Nil**.

II. Proceeding of Corporate Bond, Preferred Share, Global Depository Receipt, Employee Stock Option Certificate, New Restricted Employee Shares & New Share Issue by Merger/Consolidation or Acquisition of other Companies' Shares

1. Proceeding of Corporate Bond: **Nil**.
2. Proceeding of Preferred Shares: **Nil**.
3. Proceeding of Global Depository Receipt: **Nil**.
4. Proceeding of employee stock options: **Nil**.
5. Proceeding of New Restricted Employee Shares: **Nil**.
6. New Share Issue by Merger/Consolidation or Acquisition of other Companies' Shares:
 - (1) Items to be disclosed concerning the completion of new share issue by merger/consolidation or acquisition of other companies' shares during the most recent year up to the date of publication of annual report: **Nil**.
 - (2) If the Board of Directors has resolved the new share issue by merger/consolidation or acquisition of other companies' shares during the most recent year up to the date of publication of annual report, its execution status and the basic information of the companies under merger/consolidation or acquisition shall be disclosed. As for the ongoing new share issue by merger/consolidation or acquisition of other companies' shares, its execution status and impact on the shareholders' rights should be disclosed: **Nil**.

III. Execution Status of Capital Application Plan:

Contents of Plan: Up to the quarter proceeding the date of publication of annual report, previous securities issue or private placement have not been completed or have been completed within three years without plan benefits: **Nil**.

Chapter 4 Operational Highlights

I. Business Activities:

(I) Scope of Business:

1. Main Business Activities of Yieh Hsing Enterprise Co., Ltd.:

- (1) Manufacture, processing, wholesale and retail of stainless steel wire rod, carbon steel wire rod, free-cutting steel wire rod, alloy steel wire rod, roll-up door materials, iron pipe, stainless steel pipe, mechanical parts, steel belt, packing iron belt, canister, surface treatment of alloy steel & stainless steel.
- (2) Processing, manufacture, trading, import & export business of parts of various motorcycles, bicycles & hardware.
- (3) Consign the constructors to build the public housing & commercial high-rise for lease and sale.
- (4) Processing of iron plate and design, processing and sale of fabricated steel frame.
- (5) Design, processing, manufacture and sale of mechanical body.
- (6) Processing, manufacture and sale of galvanized iron plate, painted iron plate and cold-pressed steel plate.
- (7) Processing, manufacture, import & export of rolled steel, steelmaking, section steel, steel thread, iron thread & iron wire.
- (8) Operation of farm & livestock farm.
- (9) Manufacture, processing, trading, import & export trading of all kinds of pulp, paper & its related products.
- (10) Design, manufacture & installation of iron plant, power plant, petrochemical plant, incineration plant, whole plant mechanical equipment of the water treatment plant, pipeline, pipeline support, tower trough, ventilation equipment, flue pipe, dust collector, fire extinguishing system, pressure vessel, boiler, annealing furnace, heating furnace, conveyor & crane and the undertaking of repair & maintenance engineering.
- (11) Except for the licensed business, it is permitted to operate the business which is not prohibited or restricted by the regulation.

2. Operation Proportion:

The company's main products are stainless steel wire rod, carbon steel wire rod, free-cutting steel wire rod, alloy steel wire rod, etc. Among the turnover in 2024, the stainless steel series accounts for 57% and non-stainless steel series & others for 43%.

The company only operates the single industry, mainly engaged in processing & manufacture of stainless steel, carbon steel and special steel, etc., the end use of which are similar. Moreover, the single reportable segment is identified by the operation decision-maker of the company, based on the company's overall evaluated performance and the distributed resources.

3. The current main goods and service items are wire rod:

The products include the stainless steel wire rod, carbon steel wire rod, alloy steel wire rod, free-cutting steel wire rod, rebar & straight steel, etc.

4. New goods to be planned for development:

The company keeps developing in 2024:

The company continues to develop 409Cb and YCS550 steel grades and, in 2024, has developed new steel grades including 1215MS free-cutting steel and 10B21/10B33 to meet customer demands.

(II) Industry Overview:

1. Industry status and development

- (1) Nickel price trend: The average price in March 2025 (as of March 11) was USD 15,970 per ton. Compared with the average price of February 15,275 US dollar/ton, it increased by 4.5%, and compared with last year 17,433 US dollar/ton, it decreased by 8.4%. On the first trading day of March, LME nickel futures reversed course and surged by over USD 400 yesterday (March 3), rebounding to above the USD 15,800 level. The sharp increase was driven by concerns over a new policy in Indonesia requiring exporters to retain 100% of their foreign exchange earnings in special accounts at the national bank, or face an export ban. Additionally, demonstrations erupted at Indonesia's largest nickel industrial complex, the Morowali Industrial Park (IMIP), causing supply-side disruptions. These factors contributed to the spike in nickel prices. However, underlying demand remains weak, suggesting the short-term price trend may remain volatile.
- (2) Trade barrier: American section 232 of worldwide tariff barrier and defensive measures of steel in European Union were constantly implemented, industries generally adapted, accepted it as a normal status, and had self-operation

models. America and Taiwan signed TIFA in 1994, and we have also successfully proceeded negotiations for many times. We expect our government can continue to fight for replacing collect 25% tariff of steel products transporting to America under section 232, and compared with tariff quota of America and Europe, America and Japan through the negotiation system. In addition, in August, 2022, president of U.S.A. subscribed Inflation Reduction Act (IRA), the government has used high subsidies to massively encourage measures for promoting electric vehicles and other green technologies to manufacture and apply to native America. The Act has pursued “America priority”, and essentially responded unilateralism policy logic. Electric vehicle manufactures are beginning to worry about the impact of the <Inflation Reduction Act> on the industry. Countries may face new trade barriers, and the WTO Director-General said the US government’s subsidies for electric vehicles may be discriminatory to their own electric vehicle production. This is because the US Inflation Reduction Act destroys the “level playing field”. In addition, on March 4, 2025, the United States imposed new tariffs on Canada, Mexico, and China, which not only impact cross-border supply chains but may also lead to an overall slowdown in the North American economy. Since the rise of trade protectionist policies among various countries, economic activity has been affected, heightening market fears and increasing the risk of recession. As a result, global trade has been shifting toward a more conservative trajectory.

- (3) Iron Ore: Global crude steel production in 2025 is expected to increase by 25 million tons, representing a growth of 1.33%. However, according to market forecasts, China’s iron ore demand is projected to decline further in 2025, while demand in other markets—particularly India, Southeast Asia, and the Middle East—is expected to show stronger growth. On the supply side, global iron ore mines are in a cycle of capacity expansion, and global iron ore production is anticipated to continue growing in 2025. In high-demand regions, the potential for production growth is expected to exceed that of demand growth. Specifically, under an optimistic scenario with iron ore prices at USD 110 per ton, global production could increase by as much as 70 million tons. Even under a USD 90 scenario, production is still projected to rise by 20 million tons. This indicates that supply-side pressure will persist, making it difficult for prices to remain at elevated levels. The global iron ore market in 2025 is likely to continue facing an oversupply situation, leading to further downward pressure on prices. The average annual price of 62% Fe iron ore index is forecasted to decline to USD 90 per ton, with a projected price range fluctuating between USD 80 and USD 120 throughout the year. Increased supply and weak demand will both contribute to the weakening of iron ore prices.
- (4) Market Aspect: due to US trade protection policy, America has collected 25% tariff for imported steel from 2018, and tariff quota was replaced by customs duty for America and Europe, America and Japan on January 1 and April 1, 2022, and our country still maintains current tariff collection, it can weaken export competitiveness and increase supply chain costs in Taiwan. The European Union announced on June 25, 2024, the extension of current safeguard measures on specific steel products until June 30, 2026. The implementation period for these safeguard measures is from July 1, 2024 to June 30, 2026. Implementation of Safeguard Measures: The safeguard is implemented on a quarterly basis using a tariff-rate quota (TRQ) system, under which a 25% tariff is imposed on imports exceeding the quota. Trade Liberalization: The quota is increased by 1% annually to gradually liberalize trade. Country-Specific Import Cap: Imports from a single country may not exceed 15% of the global quota per quarter. According to EU regulations, the duration of a safeguard measure is limited to eight years. This measure was first implemented on a provisional basis on July 19, 2018. As of June 30, 2024, it has been in effect for six years. The EU has extended the safeguard for an additional two years, until June 30, 2026. After that date, the measure will automatically expire upon reaching the maximum eight-year period. On February 11, 2025, President Trump extended Section 232 tariffs, increasing tariffs on imported aluminum and steel from 10% to 25%. He also removed country-specific exemptions and quota agreements, along with eliminating tariff exclusions on hundreds of thousands of specific metal products. These measures took effect on March 4 and were implemented under the justification of national security to protect domestic steel and aluminum manufacturers. White House officials stated that previous exemptions had weakened the effectiveness of the measures. With the new policy applying a uniform 25% tariff to all countries, competitive conditions have become more level for Taiwan and other nations, which may be seen as a favorable factor. For many industries, such trade protection measures by the U.S. and EU have become the norm, and companies have adapted accordingly. Rumors in the Chinese market suggest that over a span of three years, crude steel production will be reduced by a total of 80 million tons—50 million tons in 2025, followed by reductions of 20 million tons in 2026 and 10 million tons in 2027. The Chinese government is striving to curb production through carbon emission controls in the steel industry. However, annual production still exceeds 1 billion tons. As a result, profitability in China’s steel sector has declined significantly. At the same time, China has faced international criticism for dumping surplus products into overseas markets, prompting authorities to take stronger action to reduce output. In the short term, this reduction in supply may drive an increase in market prices.

(5) Supply Aspect: On October 14, 2024, the World Steel Association released its Short Range Outlook (SRO) for global steel demand for the years 2024–2025. The report forecasts that global steel demand will decline further by 0.9% in 2024, reaching 1.751 billion tons. After three consecutive years of decline, global steel demand is expected to rebound by 1.2% in 2025, reaching 1.772 billion tons. In 2024, steel demand in China and most major developed economies is expected to decline significantly. In sharp contrast, India is projected to maintain strong momentum, with its steel demand forecasted to see substantial growth during the 2024–2025 period. Despite ongoing challenges, the World Steel Association remains cautiously optimistic that global steel demand will enter a phase of broad-based, moderate growth in 2025.

2. Correlation between the Industry Upstream, Midstream and Downstream

In terms of material, the steel can be divided into two categories of “carbon steel” and “stainless steel”. The upstream of the carbon steel industry chain is coal, iron ore and scrap steel materials as well as the big steel blank, small steel blank and flat steel blank, etc., which are made of the aforesaid materials by blast furnace or electric furnace; the midstream includes the steel plate, steel coil, rebar, wire rod, bar steel wire rod, produced by cold and heat rolling; the downstream products are widely applied, including metallic products, mechanical equipment, vehicles, mold, screw & nut, steel wire & steel cable, industrial facilities and building construction, etc. The structure of the stainless steel industry chain is similar to that of the carbon steel industry chain.

The main products of the company include stainless steel and carbon steel wire rod, which is mainly supplied to the downstream customers who further process and manufacture a diversity of such products as screw, nut, thin thread, spring, polished rod, welding rod, etc. They can be used as the base parts for various industrial products, electrical products, aerospace, vehicles, medical and biochemical appliances, hand tools, family hardware utensils, etc.

The steel industry is the mother of industries. Its downstream applied products are comprehensive, including diversified metallic products, mechanical equipment, mold, screw & nut, steel wire & steel cable and all kinds of steel materials required by the industrial facilities and building construction. In the field of screw & nut, Taiwan is renowned as the kingdom of screw in the world, which suggests the screw & nut industry is a quite important foreign exchange earning industry. Taiwan is one of top five fastener supply countries in the world; the areas surrounding Gangshan, Lujhu in Kaohsiung are even the globally famous “screw cave”, the industry chain of which is formed completely, ranging from the screw shaping, heat treatment, electroplating, packing to transportation, shipping and export. It is the significant settlement where Taiwan demonstrates its efforts for economy in the face of the world. It plays a vital role in the domain of global fastener industry. Moreover, the screw & nut manufacturers also actively transform for adding value in order to march towards the innovative service, get rid of the price cut competition and enter into the international high-valuemarket.

3. Product Development Trend

As the environmental protection is gradually emphasized, the demands of stainless steel also increase day by day. The materials used for production depend on scrap as best as possible and reduce the use of natural resources; the rate of product recycled utilization is as high as 85%. Furthermore, stainless steel can be applied to emerging fields, such as new energy, aviation, aerospace, etc., in the future, and expand more broad markets. In respect of carbon steel, along with rise of international environmental standards, manufacturing and application of carbon steel will also more value environmental friendly, like adopting environmental friendly materials, decreasing energy consumption and waste, etc. Material and process of carbon steel has constantly increased, and made it have higher performance in the aspect of strength, corrosion resistance and abrasion resistance, etc. Expansion of carbon steel application, except application of traditional car, aviation, mechanical engineering, etc., and started to receive application in the fields of new energy, high speed rail, vessel, etc., dove steel demand in the future. The development trend should take the initiative to diversify the products and further expand the field of application and demands. The company will adopt the strategy of diversifying steel types and deeply cultivating the high value-added products with a view of maintaining and expanding the sales volume.

**Statistics Table of Domestic Apparent Consumption of Stainless
Steel Wire Rod from 2015 to 2024**

Year	Domestic Demand (Ton)	Yearly Growth Rate	Exportation (Ton)	Yearly Growth Rate
2015	193,927	-2.10%	128,296	28.16%
2016	215,639	11.20%	142,403	10.99%
2017	193,637	-10.20%	169,099	18.76%
2018	186,343	-3.77%	149,814	-11.40%
2019	194,567	4.41%	131,295	-12.36%
2020	202,522	4.09%	116,712	-11.11%
2021	203,988	0.72%	112,207	-3.86%
2022	163,880	-19.66%	112,517	0.28%
2023	139,672	-14.77%	109,743	-2.47%
2024	178,511	27.81%	113,003	2.97%

Source of Information: Taiwan Steel & Iron Industries Association (2013-2023)

In 2024, domestic demand for stainless steel wire rods reached 178,511 tons, representing a significant increase of 27.81% compared to 139,672 tons in 2023. It is estimated that steel prices are expected to rise steadily in 2025 as the downstream stage of inventory. Furthermore, with the potential end of the Russia-Ukraine war on the horizon, reconstruction efforts are expected to drive increased demand, making a rise in steel consumption foreseeable.

4. Competition

- (1) With the development of market globalization, competition situation of steel industry had significant change. How to improve in technology and production process, it makes production costs more controllable, and makes it have stronger competitiveness. Competition of steel industry not only comes from pricing strategy, requirement of product quality, but confronts stricter requirement and pressure for environmental protection and sustainable development. As the competition is fierce, the Company needs to use new technology to develop new markets, and raise product quality to a new level to keep competitiveness. Furthermore, the market competitive situation has suffered from influence of various factors, for example, price fluctuations of raw material costs, change of national trade policy, import tariffs, trade agreement and protection precautions, and all factors influence demand and price of market. The Company thinks how to formulate corresponding strategy, and makes it capable to keep advantages in the competition.
- (2) Owing to the ongoing existence of the US and EU trade protection policies, the severe competition and the rigid test of the international situation, the key for retaining the competition advantage lies in how to cut down the related costs of the supply chain, vary the products, upgrade the product's added value, stabilize the sale channel and maintain the customer relations. The company is going to adopt the segmentation countermeasure to compete with the international market via the stainless steel wire rod of good quality and expeditious delivery, of which the quality, delivery, price and service can all win the stable support from both domestic and foreign customers. In order to strengthen the competition in the Asia-Pacific Region, we will also enhance the development and improvement of high-class products, serve our customers with the best quality and expand the market.
- (3) In the face of competition from the stainless steel factories of the assembly line, in addition to keeping the purchase of the steel blank from the local company, Yieh United Steel Corp. for taking advantage of the geographical edges and technical exchange, Yieh Hsing Enterprise Co., Ltd. even can integrate the resources of the conglomerate to cope with the changeable challenges in the market and actively develop other steel blank suppliers for satisfying the customers' needs by flexibly supplying the combination of multiple but little batched steel types. In response to the more changeable and drastic competition in the future market, we offer the complete sales and technical exchange service by uniting the widespread market channels, timely controlling the market pulsation, linking with the upstream materials plants, continuously developing the high-class products, mobilizing the required materials, providing the prompt response and manufacturing the products in proper quantity.

(III) Technology and Research & Development Overview:

1. Research & Development Expenses in 2024 and the Current Year up to the Date of Publication of Annual Report:

Unit: NT\$ Thousands

Year Item	2024	The Current Year up to the Date of Publication of Annual Report
Research & Development Expenses	20,283	5,266

2. The company firmly believes the main lifeline of the company consists in research and development. Our research and development plan adheres to the following operational concepts:

Innovation	Introduce new technology, research new manufacturing process, Renovate operation and management and promote together the upgrading of the entire industry.
Growth	Continue investment, raise the enterprise energy, further items and quality of products and service, so that the company, employees and customers can grow simultaneously.
Responsibility	Work hard on operation, protect the investors' rights, do a good job for environmental protection, maintain the social resources, optimize the enterprise's responsibilities and give feedback to the society.
Sustainability	Foster the elitists for joint management, build the foundation in Taiwan and keep an eye on the world with sustainability.

3. Techniques or products which have been successfully developed or are under development

(1) Successfully Developed Products

Product	Date of Development	Description of Results
316H	May 2012	Meet the customers' requirements and increase the company's product mix.
YH440M	January 2013 (Technology Development Program)	YH440M belongs to the technology development program for the purpose of consisting with the customers for development and replacing the imported materials; it not only raise the additional value of the company's products but increase the company's product mix.
AISI347H	April 2013	Increase the company's product mix in keeping with the customers' requirements.
2205	July 2013	A kind of duplex stainless steel; its production is mainly consistent with Yieh United's development for increasing the company's product mix. °
430	November 2013	Meet the customers' requirements and increase the company's product mix..
304M5	August 2016	Meet the customers' requirements and increase the company's product mix.
304J3A	September 2016	Meet the customers' requirements and increase the company's product mix.
303CU	November 2017	Meet the customers' requirements and increase the company's product mix.
303	March 2019	Meet the customers' requirements and increase the company's product mix.
410	June 2019	Meet the customers' requirements and increase the company's product mix.
630	April 2023	Meet the Yieh United Steel Corporation requirements and increase the company's product mix.
1215MS	April 2024	Increase the company's product mix.
10B21/10B33	April 2024	Increase the company's product mix.

(2) Products Scheduled for Development:

In 2024, the company continued the development of new steel grades, including 1215MS free-cutting steel and alloy steels such as 10B21 and 10B33, to meet customer demands.

(IV) Long-term & Short-term Sales Development Plan

Describe the short-term, mid-term and long-term sales development plan in terms of such three aspects as customers, products & market:

Sales Development	Short-term Plan in 2024	Mid-term & Long-term Plan
Customer Aspect	<ol style="list-style-type: none"> 1. Build up the market customer information system, control the market pulsation & customer's order-decision timing and further enlarge the market channel scale & market share. 2. Provide the customized service and the integrated service of expeditious delivery, flexible price and techniques. 	<ol style="list-style-type: none"> 1. Integrate the upstream and downstream techniques & resources, continue research, development & innovation, and cooperate with customers to have control of actual demands in response to the market competition. 2. Grasp the feedback from the customer's use of products, carry out the collection of the client's opinions in respect of production & marketing and improve the product quality and production effectiveness.
Product Aspect	<ol style="list-style-type: none"> 1. Continue to offer the service with stable quality and rapid delivery. 2. In response to the customer's different demands, continue to develop and provide the customized products. 3. Continue to follow up the competitor's products and techniques, service dynamics and make adjustment for response at any time. 	<ol style="list-style-type: none"> 1. Go on with developing new steel type and size in order to increase different product mix and reinforce the competitiveness. 2. Consist with the customers to develop new products and provide the prompt technical service with a view of seizing the opportunities.
Market Aspect	<ol style="list-style-type: none"> 1. Make in-depth efforts in the market channels and expand the domestic and overseas market share. 2. Strengthen the technical and managerial exchange between the steel factories and seek the opportunities for mutual learning. 3. Develop the high value-added low & medium carbon and alloy steel BIC market. 	<ol style="list-style-type: none"> 1. Look for other steel blank suppliers and seek the best materials supply combination in terms of steel type, batch and price. 2. Keep looking for the opportunity to collaborate with the domestic and overseas steel plants in the form of strategic alliance and in terms of resources.

II. Market and Production & Marketing Overview:

(I) Market Analysis:

1. Sales Area of Main Products:

Among the sales amount of the company in 2024, import accounts for 84% and export for 16%; the import covers all around Taiwan, while export is mainly based on US, Southeast Asia, Northeast Asia and Europe.

2. Market Share:

In 2024, the domestic consumption of stainless steel is about 178,500 tons and our import volume of 42,540 tons accounts for about 23.83% of the whole market in Taiwan.

3. Future Supply & Demand and Growth in Market:

(1) Stainless Steel:

Accompanied with the Mainland China's policy of ongoing expansion of stainless steel capacity as well as investment in the upstream materials, the company will actively look for any possible collaborators of strategic alliance in order to reduce the production costs, solidify the existing market and channel and continuously expand the new clients and market share.

(2) Non-stainless Steel:

By virtue of seeking the material sources with reliable quality and competitive price, the company keeps consolidating the existing customers, going on with expanding the clients and market share, uniting with the downstream customers, integrating the resources and provide the customized service, and assisting the customers with co-developing the new manufacturing process and new products in the hope that we can market the more complete mix of products and manufacturing processes all over the world.

(3) Expected Sales Volume:

In 2025, the company intends to achieve the total sales volume of stainless steel wire rod and non-stainless steel wire rod at approximately 345,000 tons and outsourced production volume of carbon steel wire rods is approximately 12,000 tons. The World Steel Association released its short-term demand forecast in October 2024, indicating that global steel demand will gradually recover in 2024 and continue to grow through 2025. According to the forecast, global steel demand is expected to reach 1,771.5 million tons in 2025, representing a year-on-year increase of 1.2%. Steel demand outside of China is projected to grow by 29.3 million tons, a 3.3% annual increase. With the high interest rate and high inflation environment starting to ease in 2024, governments around the world have begun to strengthen spending efforts, boosting momentum in the construction industry. The World Steel Association expects global steel demand to steadily regain strength in 2025. In January 2025, the International Monetary Fund (IMF) released its latest global economic outlook, projecting that global growth will remain steady at 3.3% for both 2025 and 2026. This level is broadly consistent with the pre-pandemic trend of slower potential growth. While the overall global growth outlook remains largely unchanged from the October 2024 forecast, divergences among countries are widening. Among advanced economies, demand remains resilient, with the United States outperforming previous growth expectations. In contrast, the Eurozone's economic growth is expected to pick up only slightly, rising from 0.8% in 2024 to 1% in 2025. In addition to strengthening its domestic market share, the Company has continued to actively expand into international markets. By responding to the specific requirements of customers across different regions—including steel grade, dimensions, quality standards, and delivery timelines—the Company strategically optimizes its order portfolio. This approach enhances production efficiency and reinforces overall operational performance.

4. Competition Niche:

(1) The company has made efforts in the market of stainless steel wire rod products for many years. We have complete sizes and multiple steel types, so we are quite well-reputed in the market. In the future, we will direct towards marketing flexibility, delivery expedition and service integration and keep providing the customers with the products of good quality and cheap price. In particular, flexibility, expedition and diversification would be the main key for victory in the market, in the face of the future menace from the big stainless steel plants in the Mainland China.

(2) In addition to continuing to take grasp of the environmental changes in the external market, the company also goes on with undergoing the engineering of enhancing the production efficiency of the production line

for the purpose of lowering the production costs and reinforcing the market competitiveness of high-price niche products, such as the welding bar types of steel.

- (3) The company owns the related certificates of quality, environmental protection and safety, etc., for example, ISO 9001:2015 Quality Management System, ISO 14001:2015 Environment Management System, ISO 18001:2007 Occupational Safety and Health Management System, etc., as well as those certificates of import approval, as required in the export market, such as BIS 6527:1995 Certificate, issued by the Standards Bureau of India and Germany's PED2014/68/EU.
 - (4) The European Union will formally implement the Carbon Border Adjustment Mechanism (CBAM) in 2026. And the company has been committed to carbon inventory and carbon reduction production in order to connect with the current international trend of carbon valorization.
5. Favorable factors of development prospects

Stainless steel products are characterized by their superior performance, aesthetics and recyclability, which reduces resource wastage and environmental pollution. With the emphasis on sustainable development and increased environmental awareness, the recyclability of stainless steel products makes them more competitive in the market, showing a very favorable development prospect. As market demand grows and technology continues to advance, stainless steel products will continue to play an important role in a number of areas. For example, there is a huge market potential in the field of construction and infrastructure. Stainless steel's corrosion resistance and durability make it an ideal material for building structures, bridges, pipelines and other infrastructure components. With increasing urbanization, the demand for durable, efficient, and sustainable construction materials will continue to grow. In addition, stainless steel products are widely used in the energy industry, automotive industry, medical equipment, aerospace and other fields. With the breakthroughs and innovations in science and technology, we can foresee more areas where stainless steel products will play a role and where the market demand will grow in the future. Ye Hing is known for its quality, price, delivery and service, and in order to achieve these multiple goals, the company has synchronized its efforts in raw materials, production, management, and research and development.

- (1) In the part of materials, in order to control the stable stainless steel materials of good quality and cheap price, the company actively seeks the opportunity to cooperate with new plants, in addition to maintaining good relationship with the upstream suppliers, so as to ensure that the quality, price, batch and delivery of the company's materials can all achieve the optimized allocation; respecting carbon steel, the company adopts the way of taking care of both domestic and overseas purchase to adjust their batch and timing, based on the market price tendency in order to effectively control the materials and accept the orders.
- (2) In respect of production, the company establishes the cross-departmental "Quality Improvement Mission Group" to direct the company's production and quality improvement towards pursuit of excellence and specialization, based on the sales and market demands. For those customers who propose the special requirements, the company will adjust the production schedule in view of their requirements, in order to pursue the attainment of goal. .
- (3) Concerning management, the company keeps conducting the manufacturing process improvement for the purpose of increasing the capacity of the production line, reducing the production costs, striving for quality improvement and raising competitiveness in the market. The company discusses in details the weekly production status for the departments ranging from the sales department, production planning department to rolled steel, solid solution, pickling departments. We also conduct the detailed exploration on the customer complaint and the production defects that often occur.
- (4) With reference to research and development, the company goes on with developing new stainless steel types of high processing in order to expand the market and remove the menace of low-price competition. The import is based on carbon steel; the rebar and straight steel products in Pingnan Plant can serve the domestic construction and engineering market, while the export is emphasized on stainless steel with active exportation of the high value-added products into the market. In addition, the company has also integrated with upstream steel mills and strives to manufacture customized products for customers.

The Company's products have been marketed on the market for many years, quality and service are deeply earned customers' recognition, and to increase production performance, promote TPM management activity (Total Productive Maintenance/Total Plant Management) to strengthen the Company's overall operating constitution, and raise market Competitiveness. The company promoted 5S activities during 2011-2013, further

introduced TPM management activity in 2014, and in the process of promoting 5S and TPM activities, brought enormous benefit improvement for the Company, except decrease of breakdown and disasters, yield and gross profit margin also significantly increased, and furthermore challenged to “TPM excellence award” of Japan Institute Plant Maintenance (JIPM) on 2019, and receive the honor certified by TPM excellence award on January 28, 2020. Currently continuing to promote TPM management activity of the second phase centering. The company Enterprise Co., Ltd hopes to achieve the optimization of the company's human resources by cultivating junior and middle-level staff in a planned and continuous manner, to responds the proceeding of current promoted improvement projects of all energy saving and carbon reduction, continues the goal of business concept “creation, growth, responsibility, sustainability”, works with promotion of ESG, and progressively becomes the industry of equally emphasizing manufacture and service.

6. Disadvantageous Factors for Development Prospect

- (1) Although the development of stainless steel products has a wide range of prospects and potential, it is also facing some unfavorable factors. For example, the production cost of the product is relatively high. The manufacturing process of stainless steel products places a burden on the environment, especially in terms of carbon emissions and resource consumption. In addition, market competition is also an unfavorable factor. The market for stainless steel products is highly competitive and requires innovative capabilities and competitive advantages to stand out in the market. Most stainless steel products are produced in small quantities. Many products are not easily ordered in large quantities, and manufacturers often have to switch between different materials and sizes.
- (2) Facing international supply chain demand and carbon reduction pressures of CBAM, low carbon trend made the Company confront pressures of three carbons, including “carbon neutrality”, “carbon pricing” and “carbon tariff”, etc. on the way of pursuing sustainable development, and the Company should respond to the challenge brought from low carbon as soon as possible. Seizing the opportunity to collaborate with the supply chain for a net-zero carbon transition has become essential. Whether it is the EU's CBAM regulations or the adjustments in domestic policies, it is evident that the pace of global regulatory transformation is accelerating faster than anticipated. Carbon reduction has shifted from being a matter of corporate "competitiveness" to a fundamental issue of "survivability". The establishment of carbon pricing system will not only decide the Company's payment in accordance with which basis of consumption of carbon emissions, but accelerate the Company's carbon review and the pace of promoting ESG carbon reduction. Once all countries started to collect carbon tariff, and increase of environment and export economic costs will affect export competitiveness.
- (3) U.S. Department of Commerce announced that tariff quota system will be replaced Section 232 in America from January 1, 2022, existing tariffs of steel and aluminum products transporting to America from Europe Union are collected to ease tariff dispute of steel and aluminum between America and Europe for 3 consecutive years. Meanwhile, from April 1, 2022, Section 232 was replace with tariff quota system, and the arrangement of collection 25% tariff of steel products transporting to America from Japan has made. According to tariff quota system, America will allow products of Section 232 tariff exemption to enter in American market based on import data of the past years for satisfying downstream industries' needs of steel and aluminum in America. The business world and manufacturers of America are pleased to see suspension of tariff dispute of carbon and aluminum between America and Europe, America and Japan. Although our government made an effort to continue striving for tariff quota system from America, means equally providing our country the quota, only when the quota exceeds, tariff shall be collected, however, America does not provide our country the advantage. In the aspect of theory, it will exclude export of our country, and our industry expressed the concern of collecting 25% tariff for transporting steel products to America from 2018, tariff collection will weaken competition and increase supply chain costs, and cause more negative effects for SMEs, and will continue to bring uncertainty for enterprises. On March 4, 2025, U.S. President Trump officially imposed a 25% tariff on key trade partners Canada and Mexico, escalating long-standing trade tensions into a full-blown global trade war. This move has also added uncertainty and pressure to global markets.

7. Countermeasures

The products of the Company Enterprise Co, Ltd. had been marketed for many years and a variety of conditions are all accepted by the customers in each country. In addition, the production manufacturing processes are actively

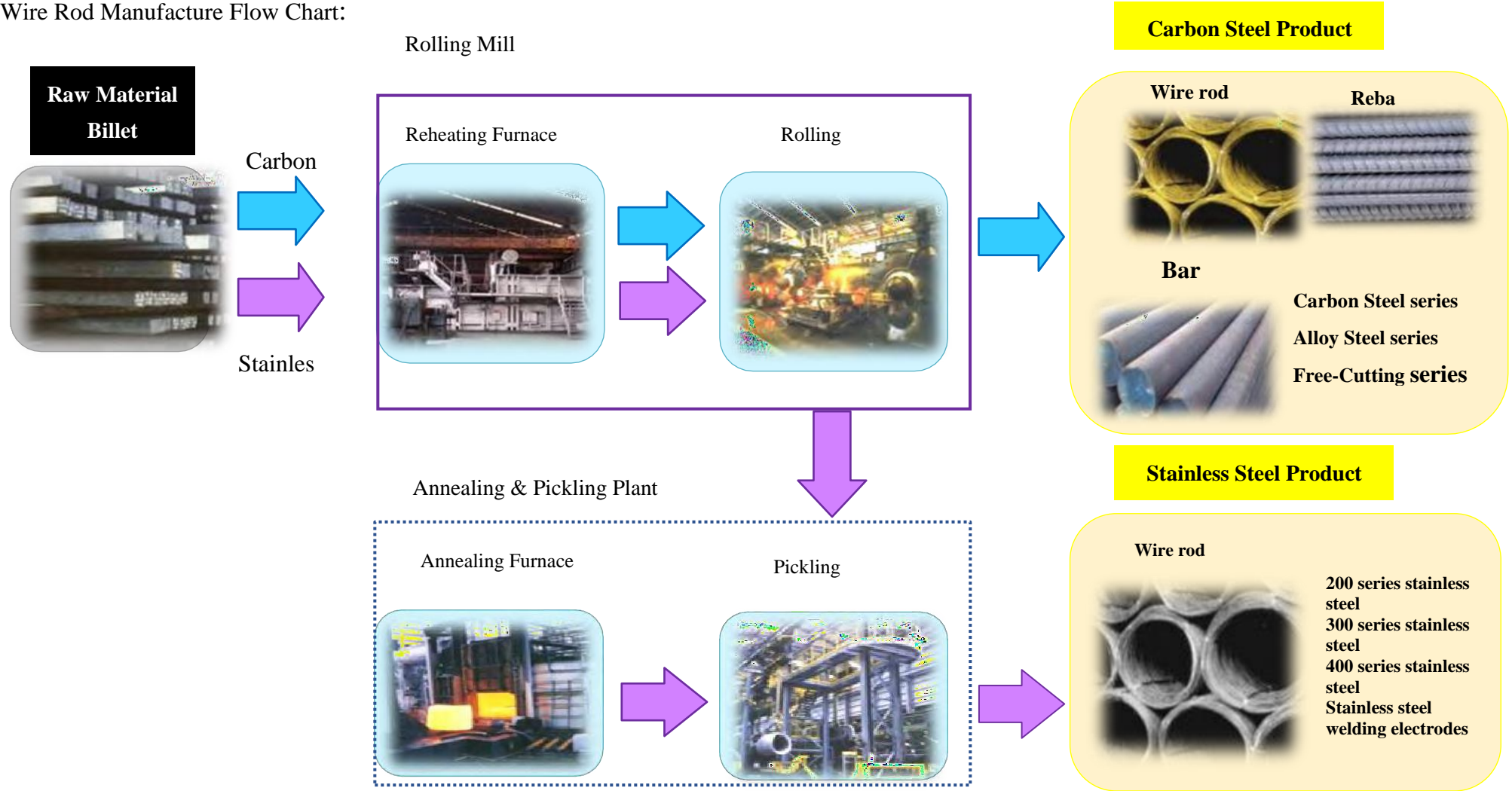
developed with big breakthroughs on the capacity. As far as the optimization of the company's constitution is concerned, in addition to working on the implementation of TPM to reduce costs and renew equipment, we mobilize the layout of materials and continue to actively exploit the source of domestic and overseas steel blank in anticipation for providing the customized products and service, enlarging the management of different clients and seeking the best costs mix and comprehensive operational performance on the conditions of different choices of steel types, quantity and price, and the company shall actively make an arrangement in other market channel to reach the maximum comprehensive performance for external uncontrollable policy and disadvantage.

(II) Important Usage and Production Process of Main Products:

Wire Rod: Its main usage is on:

- (1) Wire Drawing: Cold Drawing of the Drawer — Bright Annealing of the Annealing Furnace
- (2) Screw: Drawing — Annealing — Cold hitting
- (3) Nut: Warmhitting
- (4) Small Hand Tools: Drawing — Annealing — Forging
- (5) Net Production: Rough — Annealing — Fine Drawing — Annealing Weaving
- (6) Spring: Rough — Annealing — Fine Drawing — Shape Rolling

Production Process :
Wire Rod Manufacture Flow Chart:



(III) Supply Status of the Company's Main Materials:

Main Materials	Supply from Domestic Companies	Supply from Overseas Companies
Stainless Steel Billet	99.49%	0.51%
Carbon Steel Billet	0%	100%
Alloy steel	0%	0.31%

Because the company has long-term material supply relationship with suppliers for most of materials, the source of materials is quite stable.

(IV) Names and the Purchase (Sales) Amount & Percentage for those Customers who had ever accounted for more than 10% of the purchase (sales) turnover during any one of the most recent two fiscal years, along with Explanation on Reasons for Increase and Decrease:

INFORMATION OF MAIN SUPPLIERS DURING THE MOST RECENT TWO YEARS

Unit: NT\$ Thousands

Item	2023				2024				2025 up to the Previous Quarter			
	Name	Amount	Rate (%) to Net Purchase Amount of the Whole Year	Relationship to the Issuer	Name	Amount	Rate (%) to Net Purchase Amount of the Whole Year	Relationship to the Issuer	Name	Amount	Rate (%) to Net Purchase Amount of the Whole Year	Relationship to Issuer
1	Yieh United Steel Corp.	2,703,962	57.68	Related Party	Yieh United Steel Corp.	3,436,950	55.36	Related Party	(Note 2)			
2	B Company	503,032	10.73	Nil	A Company	1,029,041	16.57					
	Others	1,481,209	31.59	Nil	Others	1,744,064	28.07	Nil				
	Net Purchase Amount	4,688,203	100		Net Purchase Amount	6,210,055	100					

Note 1: Specify the names of suppliers accounting for over 10% of the purchase turnover and their purchase amount & percentage during the most recent two years. However if it is agreed in the contract that the names of suppliers cannot be disclosed or the trading partners are individuals other than the related parties, the code shall be put instead.

Note 2: As of the publication date of this annual report, there has yet to be financial statements from the first quarter of 2025 that has been reviewed by CPAs

Note 3: The variation of the supplier's ranking mainly results from the change of the purchase policy, depending on the different product demands.

INFORMATION OF MAIN SALES CUSTOMERS DURING THE MOST RECENT TWO YEARS

Unit: NT\$ Thousands

Item	2023				2024				2025 up to the Previous Quarter			
	Name	Amount	Rate (%) to Net Sales Amount of the Whole Year	Relationship to the Issuer	Name	Amount	Rate (%) to Net Sales Amount of the Whole Year	Relationship to the Issuer	Name	Amount	Rate (%) to Net Sales Amount of the Whole Year	Relationship to Issuer
1	D31243	758,283	15.12	Nil	FA0095	674,195	9.77	Nil	(Note 2)			
2	D30289	455,184	9.08	Nil	D31243	610,094	8.84	Nil				
	Others	3,801,682	75.80	Nil	Others	5,615,668	81.39	Nil				
	Net Sales Amount	5,015,149	100		Net Sales Amount	6,899,957	100					

Note 1: Specify the names of customers accounting for over 10% of the sales turnover and their sales amount & percentage during the most recent two years. However if it is agreed in the contract that the name of customers cannot be disclosed or the trading partners are individuals other than the related parties, the code shall be put instead.

Note 2: As of the publication date of this annual report, there has yet to be financial statements from the first quarter of 2025 that has been reviewed by CPAs

Note 3: The variation of the customer's ranking mainly results from the sales demand adjustment of the individual customers.

III. Employees:

Information of Employees during the Most Recent Two Years up to the Date of Publication of Annual Report

Year	2023	2024	up to April 30, 2025	
Employee No.	Male	400	411	408
	Female	50	47	47
	Total	450	458	455
Average Age	44.4	44.6	44.9	
Average Service Years	14.7 Years	14.7 Years	14.4 Years	
Distribution Rate of Education				
Ph. D.	0.22 %	0.00%	0.00%	
Master	7.56 %	7.43%	7.47%	
College & University	48 %	46.07%	46.15%	
Senior (Vocational High School)	36 %	33.84%	33.19%	
Below Senior High School	8.22 %	12.66%	13.19%	

IV. Information of Expenses for Environmental Protection:

- (1) During the most recent year up to the date of publication of annual report, the loss suffered from polluting the environment (including compensation and in case of violation items of the environmental protection law as a result of the environmental protection audit, specify the date of disposition, file no. of disposition, articles of law to be violated, contents of the law to be violated, and contents of disposition): Nil.
- (2) Estimated Amount and Countermeasures, which may occur for the present and in the future:
In addition to the preparation of the fixed expenses and expenditure of the environmental protection disposal, operation, maintenance and management each year, we would enhance the environment performance and reduce the environment loss in keeping with the compliance of the domestic related environment act as well as the international environment management tendency. We have obtained the certification of ISO14001:2015 edition of the environment management system.
- (3) Protection Measures for the Work Environment and Employees' Personal Safety:
The company has obtained the certification of ISO45001:2018 occupational safety and health management system.
- (4) Related Measures to respond to the implementation of the European Union's Directive on the Restriction of the Use of Certain Hazardous Substances (referred to as RoHS) and prevent the investors from the influence on their rights:
The company has implemented the relevant environmental protection measures in accordance with the regulations of the RoHS to meet its requirement, so the EU's RoHS does not make impact on our finance and sales.

V. Labor Relations:

- (I) Conditions of Various Employee Welfare Measures, Further Study, Training, Retirement System and its Implementation Status, Agreements between Capital and Labor and all Kinds of Employee Rights Protection Measures:
 1. Employee Welfare Measures:
 - (1) The company set up the Employee Welfare Committee on February 22, 1988, which takes charge of the welfare processing of the whole co-workers. Its measures include group insurance, birthday gift, travel subsidy, consolation allowance on festivals, consolation allowance for hospitalization of occupational injury and general injury and sickness, childbirth & abortion subsidy, funeral subsidy, scholarship for the employ himself/herself & children, subsidy for the activities of entertainment clubs, employee's emergency aid loan, etc. The budget, expenditure and arrangement of the welfare fund each year all depend on the discussion on meetings held by the committeemen of the Welfare Committee and the conditions of supervision and execution. It functions well for stabilizing the employee's work emotions.
 - (2) The company regards employees as one of the important assets. In addition to joining the labor & health insurance, the employees also join the group insurance and safety insurance for overseas trip, the coverage of which include the life insurance and safety insurance for domestic and overseas trips and the premium is all paid by the company in order to give more protection for the employee's work and life.
 - (3) In addition to the group insurance that the employees enjoy by themselves, they can also ensure the additional critical diseases/medical/cancer and accident insurance in the preferential premium for their immediate relatives/spouse at their own expenses, so that we can take good care of both the employees and their family.
 - (4) We plan and carry out the whole body health examination for employees each year in order to have initial control of their health.
 - (5) We cooperate with E-DA Hospital to appoint the physicians to provide the company's employees with such services as the health management, health symposiums and medical consultation, etc., based on the results of yearly health examination.
 - (6) In order to create a peaceful, healthy and fair work environment and make the employees take care of both work & family and keep physical, mental and spiritual health in balance, Yieh Hsing Enterprise Co., Ltd. implements the following measures:
 - ① Flexible Vacation System: provide the flexible vacation system, so that the employees can arrange their special vacations during one year and keep the work and family in balance. We give according to the law such 16 items of vacations as personal leave, family care leave, sick leave, recuperation leave for developing cancer or tocolysis, female menstrual leave, occupational injury leave, official leave, maternity leave, paternity leave, prenatal visit leave, childbirth parental leave, newborn baby parental leave, funeral leave, special leave, private leave, and compensatory leave. When the co-workers need taking a leave, we can let them carelessly
 - ② Unpaid Parental Leave System,
 - ③ Protect Work Opportunities for the Physically and Mentally Disabled
 - ④ Establish the "Sexual Harassment Prevention and Disposal Rules" and set up the sexual harassment prevention and punishment measures in the workplace.

2. Employee's Further Study and Training:

The educational training of the company aims to cultivate each-level personnel in order for them to fully display their functions in the organizational system; it is also designed to enlighten their knowledge and skill, further achieve the talent cultivation goal and raise their work efficiency. We establish the "Educational Training Implementation Rules" to initiate the training courses step by step, including the newcomers' educational training, and educational training on professional competency, general knowledge and management competency, etc. We anticipate to upgrade the knowledge and skill, required for the employees' function via the well-designed educational training system, so as to maintain the foundation of the company's sustainable operation and development. The company's educational training system is divided to the internal training, dispatch training, studying abroad and future development, etc. In 2024 is listed below total training hours were 2,799.2.

3. Employee Retirement System and its Implementation Status:

(1) Employee Retirement System:

The act we use as basis for the company's employees retirement processing is as follows:

- ① The new system of the "Labor Pension Act" applies to all employees who take their office on (including) July 1, 2005.
- ② For those employees who adopt the old system of the "Labor Standards Act", the service years before July 31, 1984 will be applied to the regulations in the "Factory Workers Retirement Rules", while the service years after August 1, 1984 will be applied to the "Labor Standards Act".

(2) Employee Retirement System:

The company institutes the definite welfare retirement rules according to the "Labor Standards Act", which apply to all official employees' service years before the implementation of the "Labor Pension Act" on July 1, 2005 as well as the following service years of those employees who choose to continue the application of the "Labor Standards Act" after the implementation of the "Labor Pension Act". For those employees who meet the retirement criteria, the payment and calculation of pension is based on their service years and average salary for 6 months before retirement; two bases are given for each full year of service rendered within (including) 15 years of service, while one base is given for each full year of service rendered over 15 years of service, limited to the highest 45 bases. The company appropriates 6% of the total salary amount as the pension fund per month and deposits into the individual account of the Bank of Taiwan in the exclusive name of the "Supervisory Committee of Labor Retirement Reserve". Effective July 1, 2005, the company sets forth the definite appropriation retirement rules in accordance with the "Labor Pension Act", which applies to our native employees. Respecting the labor pension system of the "Labor Pension Act", which the employees choose to adopt to be applied to, we appropriate 6% of the salary per month as the labor pension into the employee's individual account with the Labor Insurance Bureau; the payment of employee pension is subject to the amount of the employee individual pension account with the accumulated return, which can be received on a monthly basis or in the lump sum. Procedures and Criteria for Application of Employee Pension

Concerning the employee retirement, the criteria for the application of retirement is prescribed as follows:

Those employees who meet one of the following criteria can apply for retirement by their own:

- (A) The service years with the company are over 15 years and they are 55 years old or over.
- (B) The service years with the company are over 25 years.
- (C) The service years with the company are over 10 years and they attain to 60 years old or over.

Depending on the company's operation need, those employees who involve one of the following conditions shall apply for the mandatory retirement according to the law:

- (A) The employees are over 65 years old. However, for those employees who engage in the work of special nature, such as dangerous work in need of much physical strength, we would report with the central authority concerned and after approval, we would adjust the said age criterion, but it cannot under 55 years of age.
- (B) Those employees who are physically and mentally disable and ineligible for work.

Employee's retirement and procedures of application for retirement is stipulated as follows:

- (A) Self-retirement: The principal should submit the retirement application with the personnel sector within 30 days (on) before the intended date of retirement; on receipt of the said application, the personnel sector should sign it up, enclose the photocopy of the "personnel information card", along with the "Pension Estimation Table", and report with the founder for approval.
- (B) Mandatory Retirement: The personnel sector automatically submits the report, subject to the company decision-making. For handling the signing processing and process, please refer to the above- mentioned processing method.

4. Agreements between Capital and Labor and Measures of Employee Rights Protection:

- (1) In order to reinforce the improvement of the labor safety facilities and work environment, efficiently reduce the occurrence rate of occupational disaster, and protect the labor safety and health, the company establishes a variety of management and implementation rules, for example the occupational disaster prevention plan, work rules on labor safety and health, dangerous machinery & equipment management rules, plan of working safely in the condensed space, operation environment detection & management rules, etc.
- (2) Employee Behavior & Ethics Rules & Regulations
The company sets forth the "Employee Work Rules" to regulate the service code. We additionally stipulate the "Reward & Punishment Rules" to regulate employees' behavior, both of which are disclosed in the company's internal employee information website. Institute the capital and labor meetings for offering a platform for the mutual communication between them.
- (3) We establish the "Reward & Punishment Rules" inside the company to reward those who have excellent performance or make contributions. In addition to handling by signing and report the reward with major merit, merit and commendation, we distribute "bonus" as an encouragement, subject to the approved authorization level in the combined case.
- (4) In order to encourage the company's employees to bring forward the opinions in favor of the operation improvements to attain to the objective of upgrading performance, we set up internally the innovative proposal management rules and calculate & approve the benefits and bonus, depending on the improved benefits.

- (II) During the most recent year up to the date of publication of annual report, loss suffered from the labor disputes (including the violation items of the Labor Standards Act as a result of the labor inspection, specify the date of disposition, file no. of disposition, articles of law to be violated, contents of the law to be violated, contents of disposition) and disclose the estimated amount and countermeasures, which may occur for the present and in the future:

So far, the company has maintained a harmonious atmosphere between the capital and labor. Except that the employees can reflect problems with the chief officers, the company also sets up an appealing mailbox and irregularly holds the seminars for the conduction of face-to-face communication, in which we discuss and solve the problems together and protect the mutual rights of the capital and labor. Besides, all management regulations and systems comply with the "Labor Standards Act". The year-end bonus takes one month as a base and the additional bonus will be distributed, depending on the performance. For that sake, no labor disputes occur during the most recent two years. It is estimated that no loss resulting from the labor disputes will occur in the future, under the circumstances that the company continues, actively implements and realizes various employee welfare measures.

VI. Information disclosure of information security management

1. Strategy and structure of information security management:

(1) Information security risk management structure

The Company finished establishment of information safety responsible officers and one information safety person in charge on December 16, 2022, and the Company's general manager convened general manager office and information department to new established information safety responsible officers and exclusive personnel, and they coordinate and plan that the Company's all departments cooperate to exercise effectiveness of information safety management operation, and take in charge of information safety risk management, including operations, such as formulation of information safety policy, concrete information safety control and management solution, and expectation of contributing information safety software and hardware, etc., and in addition, information safety measures and exercising results shall be reviewed once a year, and submitted to the board of directors' meeting (Reported on January 25, 2024), and simultaneous announce on the Company's official website.

(2) Information security policy

① Strategy and structure of industrial information security management

To assure smooth implementation of the Company's information assets, information security and all relevant information assignments of the Company's operation, and the Company's general manager issued "information security policy" on June 29, 2019 for the staff's following. Except practically implementing all information security protection and management regulations, and meeting government's relevant policy and regulations of information security.

To effectively implement information security management, according to the management circulation system of Plan-Do- Check- Act (PDCA), the Company reviews applicability of information security policy and protection measures, and periodically audits, examines and reports implementation effect.

"Planning phase" emphasizes information security risk management, and decreases the threat of industrial information security from aspects of system, technology and procedure.

"Implementation phase" constructs multi-layered information security protection, continues to introduce new technology of information security defense, information security control and management mechanism is integrated into daily operating process, such as maintenance of software and hardware, etc., and monitoring information security systematization maintains confidentiality, completeness and availability of the Company's important assets.

"Audit phase" positively monitors management effectiveness of information security, periodically implements general information security control operation each year, audits implementing situation of all information security measures of information department and periodical operation of internal control self-check each year, and accepts all external certified audit, including ISO-9001.

"Action phase" is based on review and constant improvement, implements monitoring, auditing to assure constant efficiency of information security norm; when an employee violates relevant norms and procedures, and shall be punished in accordance with reward and punishment regulations, and personnel punishment (including employees' annual performance appraisal or adopting necessary legal actions) shall be implemented in accordance with circumstances of violation; and furthermore, periodical review and implementation, including improving actions, such as information security measures, education training and propaganda, etc., and assures the Company's important confidential information not breaching.

② Industrial information security risk management and constant improvement structure

Review and constant improvement	Information security risk management
Review and improvement of information security measures	Assessment of industrial information security risk
Information security threat and technology control	Information security risk management and countermeasure formulation

Violation and punishment of information security	
Education training and propaganda of information security	
Monitoring information security management effectiveness	Multi-layered information security protection
Constantly monitoring information security	Personnel and physical security
Periodical general information security control operation each year	Account and permission managing
Periodical internal control self-check operating	Information security monitoring and maintenance
	Device security
	Information security

③ Specific management plan

		Multi-layered information security protection
Internet security	<input type="checkbox"/> Protections, such as IPS installation, DDoS protection, spam filter, computer antivirus, illegal software control and web page filter, etc.	
	<input type="checkbox"/> Installation of anti-counterfeiting scam emails protection system, early discovering invasion, arrangement and implementation of scam scripts in counterfeiting scam emails.	
	<input type="checkbox"/> Records of firewall, internet history, email use track, all are recorded and saved in detail.	
Device security	<input type="checkbox"/> Implementing control of USB device of computer.	
	<input type="checkbox"/> According to protection measures of computer type and installation site, strengthening detection of malware behaviors.	
Information security	<input type="checkbox"/> Establishing file offsite backup structure.	
	<input type="checkbox"/> EIP important documents only can be read online.	
Facility security	<input type="checkbox"/> Establishing backup mechanism for important host, network switch, uninterruptible power system, power and air conditioning system, etc.	

	<input type="checkbox"/> Establishing real-time monitoring of computer room's temperature and humidity and firefighting system, and remote instant alert.	
	<input type="checkbox"/> Important facilities and signing maintenance contracts with external vendors, and periodically detecting reliability of facilities and mechanism of quick recovery of abnormal damage.	
		Review and constant improvement
Education training and propaganda	<input type="checkbox"/> Periodically having a drill of emergency response in computer room to deal with emergency, and being able to respond timely to achieve constant service of computerization.	
	<input type="checkbox"/> Providing irregular education trainings online of information security, and increasing employees' information security awareness.	

④ Resources of investing in information security management

(Promotion of information security):

to instill information security risk awareness in the Company's staff, periodically promoting relevant cases of information security in EIP (Enterprise Information Portal), strengthening employees' industrial information security awareness, knowing content and restriction of information service provided by the Company, and necessarily achieving employees' recognized cultivation of information security risk and threat. Irregular internal information security awareness campaigns are conducted within the company, such as phishing email alerts to help employees avoid falling into scam traps.

(Professional Training on Information Security):

In order to strengthen the professionalism of its information security management manpower, its information security supervisor, information security specialists, and information department staffs from time to time take relevant information security courses to enhance their professional skills. Participated in the Taiwan CERT/CSIRT Alliance Cybersecurity Training in October 2024, the TWCERT 2024 Taiwan Cybersecurity Incident Response Annual Conference in December 2024, and an online information security course by the Taiwan Academy of Banking and Finance.

(TWCERT/CC) :

Join in October 2023 to achieve the purpose of joint defense through the exchange and sharing of defense information and information security awareness/exercises.

2. Information security risk and countermeasures

(1) Risk and management measures of information technology security

- ① The Company established relevant information security protection measures of comprehensive internet and computer, however, it can guarantee the control and management, or that maintaining the computer system of important industrial functions, such as the Company's manufacturing operations and accounting, etc., can completely avoid internet attack risk of paralyzing system from any third party.

To aim at all possible risks of internet attack or invasion, the Company also assures the adequacy and effectiveness through constantly reviewing and assessing its information security regulations and procedures, and protects proprietary information of customers or other interested party and personal information of the Company's staff.

- ② As a malicious hacker tries to introduce computer virus, destructive software or ransomware in the Company's internet system risk for interfering the Company's operation or blackballing the Company.

The Company will also provide anti-virus preventive protection for all end points and all important information, strengthen methods of backup mechanism and offsite backup, and preclude computer virus or any illegal practice of blackmail.

- ③ Encountering various internet attack risks

To prevent and decrease damage caused by this type of attack, the Company also strengthens internet firewall and internet control and management, fully establishes end point antivirus measures, enhances phishing emails and early detection of counterfeiting mails, constantly strengthens protection measures of information security, and protects all computer resources of the Company from malware and hacker attack.

- ④ Any way of invasion risk from the preceding any internet attack or computer virus, destructive software or ransomware

The Company believes that footprints in the sand show where one has been, and makes important record for important facilities, in addition, particularly makes a backup for relevant track information, and after receiving unknown invasion or attack in the future, we can accurately master invasion or attack methods, establish effective protection measures, and prevent reoccurrence of illegal practices.

- ⑤ Data breach risk of personal information and important information

In the service contract signed by the Company and a service provider of the third party, it provides for requirements of following regulations of confidentiality and internet security, personal information or other information in the Company's computer facilities shall be forbidden copying, breaching, and confidentiality obligation and responsibility shall be fulfilled, when the violation is verified, the Company will make judicial proceedings for protecting the Company's and shareholders' equity from damage.

3. Important information security event:

The Company has no important information security event from 2024 to publication date of annual report.

VII .Important Contracts:

Nature of Contract	Parties Concerned	Date of Contract Started and Ended	Main Contents	Restriction Article
Material Supply Contract	Yieh Hsing Enterprise Co., Ltd. / Yieh United Steel Corp.	One term per month	To supply stainless steel and carbon steel small billet	Nil
Syndicated Loan	Yieh Hsing Enterprise Co., Ltd. / Mega International Commercial Bank	From August 5, 2022 to August 5, 2027	Syndicated Loan	Note 1
China Steel Corp.'s OEM Contract	Yieh Hsing Enterprise Co., Ltd. /China Steel Corp.	From January 1, 2024 to December 31, 2024	OEM of Carbon Steel Small Billet	Nil
Syndicated Loan	Yieh Hsing Enterprise Co., Ltd./ Hua Nan Bank.	From June 5, 2023 to June 5, 2028	Syndicated Loan	Note 2

Note 1: .To improve the Company's financial structure, in June 2022, the Company entered a joint credit agreement with 10 banks including Mega Bank, with a credit line of \$2,890,000 thousand. In August 2022, the Company used it to repay the old syndicated-loan and bought machinery. The loan period is 5 years, from August 5, 2022, to August 5 2027. According to the syndicated loan agreements, the Company needs to maintain several financial ratios, including current ratio, liability ratio and interest coverage ratio calculated based on the audited annual financial statements and the reviewed semi-annual financial statements for the duration of the contracts. In 2024, the Company complied with the provisions of the syndicated loan contract did all not meet the contract standard .In 2024 second quarter , the Company complied with the provisions of the syndicated loan contract except that the debt ratio and the interest coverage ratio did not meet the contract standard . In 2023 and 2023 second quarter, the Company complied with the provisions of the syndicated loan contract except that the interest coverage ratio did not meet the contract standard .The Company needed to pay a compensation at 0.125%, which was not deemed as a breach of contract.

Note 2: To improve the Company's establish a financial structure and enhance the medium-term working capital, and to meet related needs including capacity expansion, improvement of production quality and efficiency and construction of solar power generation equipment, in May 2023, the Company entered a joint credit agreement with 8 banks including Hua Nan Bank, with a credit line of \$2,500,000 thousand. In June 2023, the Company used it to repay the old Short term Loans and bought machinery. The loan period is 5 years, from June 5 2023, to June 5 2028. According to the syndicated loan agreements, the Company needs to maintain several financial ratios, including current ratio, liability ratio and interest coverage ratio calculated based on the audited annual financial statements and the reviewed semi-annual financial statements for the duration of the contracts. In 2024, the Company complied with the provisions of the syndicated loan contract did all not meet the contract standard .In 2024 second quarter , the Company complied with the provisions of the syndicated loan contract except that the debt ratio and the interest coverage ratio did not meet the contract standard . In 2023 and 2023 second quarter, the Company complied with the provisions of the syndicated loan contract except that the interest coverage ratio did not meet the contract standard . The Company needed to pay a compensation at 0.125%, which was not deemed as a breach of contract.

Chapter 5 Review and Analysis of Financial Status & Financial Performance and Risk Matters

I. Financial Status

Unit: NT\$ Thousands

Year Item	2024	2023 (restated)	Difference	
			Amount	%
Current Assets	2,081,875	2,169,101	(87,226)	(4.02)
Non-current Assets	10,588,478	10,637,195	(48,717)	(0.46)
Total Assets	12,670,353	12,806,296	(135,943)	(1.06)
Current Liabilities	3,353,523	2,355,951	997,572	42.34
Non-current Liabilities	3,992,045	4,098,322	(106,277)	(2.59)
Total Liabilities	7,345,568	6,454,273	891,295	13.81
Total Equity Attributable to Shareholders of the Parent	5,324,785	6,352,023	(1,027,238)	(16.17)
Non-controlling Equity	-	-	-	-
Total Equity	5,324,785	6,352,023	(1,027,238)	(16.17)
Varying analysis explanation of increase (decrease) ratio:				
In 2025, the Board of Directors resolved to change the accounting policy for investment property, shifting the subsequent measurement from the cost model to the fair value model. The Company applied this accounting policy retrospectively and adjusted the affected items in the financial statements for each respective period.				

II. Financial Performance

(1) Comparison and Analysis of Financial Performance

Unit: NT\$ Thousands

Year Item	2024	2023 (restated)	Difference	
			Amount	%
Operating Revenue	6,899,957	5,015,149	1,884,808	37.58
Operating Costs	7,427,223	5,482,820	1,944,403	35.46
Operating Gross Margin	(527,266)	(467,671)	(59,595)	(12.74)
Operating Expenses	202,601	172,639	29,962	17.36
Operating Net Income (Loss)	(729,867)	(640,310)	(89,557)	(13.99)
Non-operating Revenue & Expenses	(355,102)	(325,109)	(29,993)	(9.23)
Before-tax Net Income (Net Loss)	(1,084,969)	(965,419)	(119,550)	(12.38)
Income Tax Costs	850	3,828	(2,978)	(77.80)
Net Income (Net Loss) for this Term	(1,084,119)	(961,591)	(122,528)	(12.74)
Other Comprehensive Income & Loss (Net Amount)	28,273	11,357	16,916	148.95
Total Amount of Comprehensive Income & Loss for this Term	(1,055,846)	(950,234)	(105,612)	(11.11)

Note:
In 2025, the Board of Directors resolved to change the accounting policy for investment property, shifting the subsequent measurement from the cost model to the fair value model. The Company applied this accounting policy retrospectively and adjusted the affected items in the financial statements for each respective period.

Varying analysis explanation of increase (decrease) ratio: :

- Operating Revenue:**
During the current period, steel demand in the market gradually recovered, and with the resumption of operations at the Pingnan Plant, sales volume increased compared to the previous period.
- Operating Costs:**
Same as explanation in item 1.
- Net Income (Net Loss) for this Term :**
The decrease was due to a lower provision for deferred income tax compared to the previous period.
- Other Comprehensive Income & Loss (Net Amount) :**
The increase was mainly attributable to the remeasurement of the defined benefit plan and the higher share of other comprehensive income recognized under the equity method from associates and joint ventures during the current period.

(2) Analysis of Variation of Operating Gross Margin:

Overall steel market demand gradually recovered during the current period. Although raw material prices increased due to inflation, the company accepted some lower-priced orders in order to expand market scale and increase market share. As a result, the gross profit margin declined compared to the previous period.

III. Cash Flow

(1) Analysis of Variation of Cash Flow in the Most Recent Two Years

Unit: %

Year Item	2024	2023 (restated)	Ratio of Increase & Decrease
Cash Flow Ratio	0.00	0.00	-
Cash Flow Adequacy Ratio	52.75	61.13	(13.71)
Cash Reinvestment Ratio	0.00	0.00	-
Varying analysis explanation of increase (decrease) ratio: The changes in the current period did not exceed 20% and are therefore not subject to analysis.			

(2) Improvement Plan of Flow Deficit: Nil.

(3) Cash Flow Analysis for the Coming Year

Unit: NT\$ Thousands

Year	Cash Balance at the Beginning of the Period (1)	Estimated annual net cash flow from operating activities (2)	Estimated annual cash flow from investing activities (3)	Estimated annual cash flow from financing activities (4)	Estimated Cash Residual (Deficit) Amount (1)+(2)- (3)+(4)	Remedial Measures for Estimated Cash Deficit	
						Investment Plans	Financing Plans
2025	213,093	(455,339)	1,128,571	1,804,000	433,183	-	-

1. Analysis of Cash Flow Variation in the Current Year:

(1) Operating Activities: The projected cash outflow is NT\$455,339 thousand, primarily due to the purchase of raw materials resulting in a net cash outflow.

(2) Investment Activities: The projected cash outflow from investing activities is NT\$1,128,571 thousand, mainly due to capital expenditures related to the planned addition of production line equipment during the year.

(3) Financing Activities: The projected cash inflow is NT\$1,804,000 thousand, primarily resulting from the net cash inflow generated by short-term borrowings and the drawdown and repayment of mid- to long-term syndicated loans.

2. Remedial Measures for Estimated Cash Deficit: Not Applicable.

IV. Impact of Significant Capital Expenditure on Finance and Sales during the Most Recent Year: Nil.

V. Reinvestment Policy in the Most Recent Year, Main Causes for its Profit or Loss, Improvement Plans and Investment Plans for the Coming Year

1. Table of Analysis of Reinvestment in the Most Recent Year: **Nil.**
2. Investment Plan for the Coming Year:
We continue to seek the industry which is worthy of investment for further investment, in keeping with the group's entire development strategy.

VI. ITEMS OF ANALYSIS AND ASSESSMENT ON RISK MATTERS DURING THE MOST RECENT YEAR UP TO THE DATE OF PUBLICATION OF THE ANNUAL REPORT:

- (1) Effect upon the Company's Profit and Loss of Interest Rate & Exchange Rate Fluctuation and Inflation and Countermeasures to be Taken in the Future:

1. Effect upon the Company's Profit and Loss of Interest Rate Fluctuation:
The interest rate risk of the company mainly comes from the short-term & long-term loan which is used for the operational turnover; we improve the company's interest rate risk by seeking the interest-bearing project at the low interest rate and further creating the operating income. If the average loan interest rate is adjusted at 1%, it will affect our before-tax income at about NT\$63,018 thousands.

2. Effect upon the Company's Profit and Loss of Exchange Rate Fluctuation:
In terms of the company's turnover, the proportion of import and export is respectively 84% and 16%; in respect of the materials supply, the proportion of domestic supply and overseas supply is separately 56.90% and 43.10%; the import and export exchange rate is mutually adjusted, so the effect of the exchange rate fluctuation on our business is limited;

however the related personnel should do their best to pay attention to those noticeable matters in order to protect the company's rights from being harmed. In 2024, the exchange income of the company is NT\$6,020 thousands.

3. Effect of Inflation on the Company's Profit and Loss: It does not make significant impact on the company's profit and loss.

- (2) The Company's Policy regarding High-risk Investments, Highly-leveraged Investments, Loans to Other Parties, Endorsements, Guarantees, and Derivatives Transactions; Main Reasons for the Profit or Loss Generated thereby and Countermeasures to be Taken in the Future:

The company does not engage in the high-risk & highly-leveraged investments and derivative transactions. All of our endorsements and guarantees are handled in accordance with our "Procedures concerning Processing of Capital Loan to Others and Endorsements & Guarantees".

- (3) Future Research & Development Plan and Research & Development Expenditures Estimated to be Input in the Future: The company continues to develop new stainless steel types of high processing in order to expand the market.

The new techniques and products which are scheduled for research and development include:

1. Research and development of 300 series high value-added products and application & development of 400 series stainless steel product and research & development of 303CU free-cutting products, which are designed to respond to the customers' demands and the market trend. The development of new steel types would let the steel types be more complete and satisfy the needs of different clients.
2. Development of new steel types of alloy steel (10B21、10B33、SCM435) and carbon steel cold hitting wire rod, which are designed to correspond to the clients' requirements for upgrading the product's high added value, expand the niche market and raise the company's profit.
3. Develop and produce cold-drawn steel bars with a diversified product range to meet customer needs and enhance company profitability.
4. The company keeps developing new stainless steel types of high processing in order to expand the market.

- (4) Effect on the Company's Finance and Sales of Important Domestic & Foreign Policies and Changes in Law and Countermeasures: **Nil.**

- (5) Effect on the Company's Finance and Sales of Changes in Science and Technology as well as Industrial Changes, and Measures to be Taken in Response:

In the foreseeable future, the industry of ours would not suffer from any effect on the company's finance and sales due to the changes in science and technology as well as the material industrial changes.

- (6) Effect on the Company's Crisis Management of Changes in the Company's Corporate Image, and Measures to

be Taken in Response:

The company did not involve any material negative events, which affect our corporate image; besides, we continue to upgrade our corporate governance policy & information transparency and actively change our corporate image.

- (7) Expected Benefits and Possible Risks Associated with any Merger and Acquisition, and Countermeasures: **Nil**.
- (8) Expected Benefits and Possible Risks Associated with any Plant Expansion, and Countermeasures:
The Company, focusing on future trends in the steel market and aiming to expand its sales channels, is diversifying its product offerings in terms of steel grades and sizes to better meet customer needs and scale up operations. Expansion work is currently underway at the Pingnan Plant. At the same time, to optimize production line integration and reduce manufacturing costs for enhanced competitiveness, the Company plans to add various new facilities to achieve its operational goals. The capital required for the expansion of plant equipment will be financed through syndicated bank loans and internal funds. It is expected that the investment will be recovered through future operating profits, and the associated risk is considered to be limited.
- (9) Risks Associated with any Consolidation of Sales and Purchasing Operations, and Countermeasures:
The company's sales market covers all over the world and around our nation, so there is no consolidation of sales involved, while in terms of the purchase of materials, due to consideration of the inventory fund costs and the smooth schedule of the production process, Yieh United Steel Corp. is our main force of purchase of the stainless steel materials for the present; the said company has good relationship with our company, so there will be never the concern about the risk concentration.
- The Company reported total revenue of NT\$6.9 billion in 2024, marking an increase of NT\$1.885 billion from NT\$5.015 billion in 2023. However, the Company incurred a pre-tax net loss of NT\$1.085 billion, worsening from a pre-tax net loss of NT\$965 million in 2023. The revenue increase was driven by stronger global manufacturing momentum and a rise in steel demand. Despite this growth, profitability was impacted by several factors, including rising raw material prices and increased energy, transportation, and labor costs. In 2024, iron ore prices fluctuated downwards, and downstream industries experienced weak order volumes and falling prices, leading to a cautious outlook for future economic recovery. On the supply side, however, pressure remained high. In response to China's steel overcapacity and low-priced steel exports from Southeast Asia, the Company lowered its prices to maintain market share. While this strategy boosted sales volume, it further compressed profit margins.
- The global economic recovery remains sluggish, and while there are expectations that the U.S. Federal Reserve may lower interest rates, the high-interest rate environment continues to dampen investments in infrastructure and real estate, negatively impacting steel demand. At the start of 2024, iron ore prices temporarily dropped to the range of US\$90–100 per ton, which affected the sales market. However, coking coal prices remained stable at US\$180–190 per ton, and fluctuations in energy costs further increased manufacturing expenses. In the future, following the end of the Russia-Ukraine war, substantial reconstruction demand is expected, including large-scale construction projects such as residential buildings, commercial offices, schools, and hospitals. These projects will require large quantities of wire rods for rebar, steel structures, and connection materials, which is expected to drive overall steel market demand and positively influence the Company's business strategy.
- (10) Effect upon and Risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10% stake in the company has been transferred or has otherwise changed hands, and Countermeasures to be Taken: **Nil**.
- (11) Effect upon and Risk to the Company Associated with any Change in Management Rights, and Countermeasures: **Nil**.
- (12) For litigious and non-litigious matters, list major litigious, non-litigious or administrative disputes that involve the company and any company's director, supervisor, president, de-facto responsible person, any major shareholder holding a stake of greater than 10%, and any company controlled by the company, have been concluded by means of a final and unappeasable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the disputes, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: **Nil**.
- (13) Other Important Risks, and Countermeasures to be Taken: **Nil**.

VII. OTHER IMPORTANT MATTERS: **Nil.**

Chapter 6 Specially-specified Matters:

I. Information Related to the Company's Affiliates:

Please refer to the Market Observation Post System (MOPS).

The navigation path is as follows:

MOPS → Basic Information → E-Documents → Related Party Transactions (Three Books) Section.

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

II. Private Placement to be Carried out during the Most Recent Year up to the Date of Publication of the Annual Report: **Nil.**

III. Other Matters that require additional description: **Nil.**

Chapter 7 ANY OF THE SITUATIONS SPECIFIED IN SUBPARAGRAPH 2, PARAGRAPH 3, ARTICLE 36 OF THE SECURITIES AND EXCHANGE ACT, WHICH MIGHT MATERIALLY AFFECT SHAREHOLDERS' EQUITY OR THE PRICE OF THE COMPANY'S SECURITIES DURING THE MOST RECENT YEAR UP TO THE DATE OF PUBLICATION OF THE ANNUAL REPORT: **Nil.**

The Company's Internal Control Statement Yieh Hsing Enterprise Co., Ltd.
Statement of Internal Control System

Date: March 12, 2025

This Corporation makes the following statement according to the self-evaluation conducted of its internal control system of 2024:

- I. The Company acknowledges that the establishment, implementation and conservation of the internal control system are the responsibilities of the Board of Directors and the managerial officers of the Company. The Company has constructed such a system. The objectives of the internal control system include achieving various objectives in business benefits and efficiency (including profitability, performance, and protection of assets and safety); ensuring the reliability, timeliness, transparency, and regulatory compliance of reporting; and providing reasonable assurance.
- II. The internal control system has inherent constraints, and no matter how comprehensive its design may be, an effective internal control system is only capable of providing adequate assurance for achieving the above-mentioned objectives. Moreover, the effectiveness of the internal control system may be altered from changes in the environment and under different situations. Nevertheless, the Company's internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company assesses for the effectiveness of the internal control system's design and practices through the effectiveness of internal control system, as stated in the "Protocols and Measures for the Establishment of Internal Control System in Publicly Listed Companies" (hereinafter referred to as "the Protocols"). The criteria adopted by the Protocols identify five key components of managerial internal control: (1) Control Environment; (2) Risk Assessment; (3) Control Activities; (4) Information and Communication; and (5) Monitoring Activities. Each component includes a number of categories. Please refer to the "Protocols for The Aforementioned Categories".
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforementioned Protocols.
- V. Based on the aforementioned audit findings, the Company holds that within the aforementioned period, its internal control procedures of December 31, 2024 (including the procedures to monitor subsidiaries), effectiveness and efficiency of operations, reliability, timeliness, transparency of reporting, and compliance with relevant legal regulations, and design and enforcement of internal controls, are effective. The aforementioned goals can be achieved with reasonable assurance.
- VI. This Statement will be an integral part of the annual report and the prospectus of the Company and disclosed. If the aforementioned content contains illegal matters such as any fraudulent information, or some information is intentionally hidden, the Company will entail legal liability in breaching Articles 20, 32, 171, and 174 in the Securities and Exchange Act and face legal consequences.
- VII. The Statement has been resolved by the Company's Board of Directors on March 12, 2025. All of the seven Directors presented at the meeting approved the content of this statement.

Yieh Hsing Enterprise Co., Ltd.
Chairman of the Board: Wu, Lin-Maw (Signature)
President: Huang, Chuan-Hsiang (Signature)

Assurance Engagements on Greenhouse Gas Statement

To Yieh Hsing Enterprise Co., Ltd.

This practitioner has been engaged to perform a Limited Assurance Engagement for Category 1 Direct Greenhouse Gas Emissions and Category 2 Energy Indirect Emissions (hereinafter referred to as “Category 1 and Category 2”) of the Greenhouse Gas Inventory Report (hereinafter referred to as “GHG Statement”) of Yieh Hsing Enterprise CO., LTD. (hereinafter referred to as “the Company”) for the period from January 1 to December 31, 2024.

Company’s Responsibility for Greenhouse Gas Declaration

It is the responsibility of the Company to prepare the GHG Statement in accordance with “ISO 14064-1:2018 Specification for the Quantification and Reporting of Greenhouse Gas Emissions and Removals at the Organizational Level with Guidelines” published by the International Organization for Standardization (ISO) (hereinafter referred to as the “ISO 14064-1”) and to design, implement and maintain internal controls relevant to the preparation of the GHG Statement to ensure that no material misstatement, fraud or error has occurred.

As described in Note 6 to the Greenhouse Gas Statement, the quantification of greenhouse gases is subject to inherent uncertainties. These uncertainties primarily arise from limitations in the scientific knowledge used to determine emission factors, as well as the need to aggregate emissions from different types of greenhouse gases. The data and methodologies used to estimate greenhouse gas emissions may also introduce measurement uncertainties, as different measurement techniques can result in significantly different outcomes, thereby affecting the reliability of the quantified information in the Greenhouse Gas Statement.

Regulations on the Independence and Quality Control of Certified Public Accountants

The Certified Public Accountant (CPA) has complied with the provisions of the CPA Code of Ethics with respect to independence and other ethical standards, which are based on the principles of integrity, impartiality, objectivity, professional competence, and professional diligence, confidentiality, and professional conduct.

The Firm applies Standards on Quality Management TWSQM1, “Quality Management in Accounting Firm”, and therefore maintains a comprehensive quality management system consisting of written policies and procedures relating to compliance with the Code of Ethics, professional standards, and applicable laws and regulations.

The responsibility of the Certified Public Accountant

The responsibility of the Certified Public Accountant (CPA) is to perform the assurance engagement in accordance with the “Guidelines for Managing Assurance Providers of Sustainability Reports of TWSE/TPEX Listed Companies,” as issued by the Taiwan Stock Exchange (TWSE) and the Taipei Exchange (TPEX) and Assurance Standard No. 3410, “Assurance Engagements on Greenhouse Gas Statements.” Accordingly, we planned and performed procedures to obtain limited assurance as to whether the Greenhouse Gas Statement of YIEH HSING, as described in the first paragraph, is free from material misstatement, and to express a conclusion based on the evidence obtained.

In accordance with ISAE 3410, the work in this limited assurance engagement included assessing the appropriateness of the Company’s use of the ISO 14064-1:2018 Specification for the Guidelines for Quantification and Reporting of Greenhouse Gas Emissions and Removals at the Organizational Level” for the preparation of the GHG Statement, evaluating the risk of material misrepresentation of the GHG Statement as a result of fraud or error, and making any necessary responses to the assessed risk as appropriate, as well as Evaluate the overall presentation of the GHG Statement. The risk assessment process (including understanding of international controls) and the process for responding to assessed risks is significantly less extensive in limited assurance engagement than in reasonable assurance engagement.

The procedure performed by the CPA on the Company’s GHG Statement as described in the first paragraph were based on professional judgement and included inquires, process observations, document review, analytical procedures, evaluation of quantitative methods and reporting policies, as well as checking or reconciling with relevant records. In the circumstances of this case, the practitioner performed the above procedures:

1. An understanding of the Company’s control environment and information systems related to emissions and reporting has been obtained through inquires. However, it has not evaluated the design of specific controls, obtained an assessment of the implementation of those controls or tested their effectiveness.
2. The appropriateness and consistency of the Company’s estimation methodology has been assessed. However, the procedures performed did not include testing the information on which the estimation was based or establishing a separate practitioner’s estimation to evaluate the Company’s estimation.
3. Three sites were visited to assess the completeness of the emission sources, the data collection methods, the source information and the relevant assumptions applied to the sites. The selection of sites for conducting site visits took into account the contribution of emissions from these sites to total emissions, the nature of the sources, and the pr-selected sites. The procedures performed did not include testing of the information systems or controls used at the sites to collect and aggregate facility data.

Compared to the reasonable assurance engagements, the nature and timing of the procedures performed under the limited assurance engagements are different and its scope is smaller, therefore the degree of certainly obtained under the limited assurance engagement is significantly lower than that obtained under the reasonable assurance engagement. Accordingly, the CPA does not express a reasonable assurance opinion on whether the Company’s greenhouse gas statement has been prepared, in all material respects, in accordance with ISO 14064-1:2018.

Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained, the CPA is not aware of any instances of the Company's GHG Statement for the period January 1 to December 31, 2024, as described in paragraph 1, have not been prepared in accordance with ISO 14064-1:2018 in all material respects and any matters that would require adjustment.

Other Matters

After the issuance of this Assurance Report, the CPA will not be obligated to re-perform the Assurance Work with respect to any change in the Assurance Subject Information or the applicable Basis.

The CPA Limited Assurance Letter By Tsai, Shu-Man

Crowe (TW) CPAs Kaohsiung, Taiwan Republic of China April 24, 2025

Company seal: Yieh Hsing Enterprise Co., Ltd.

Company representative: Wu, Lin-Maw