



CHIEN SHING STAINLESS STEEL CO., LTD.

Annual General Meeting 2025

The Meeting Handbook

Time and Date: 10:30 a.m. on June 4, 2025 (Wednesday)

Venue: No. 47, Xinjian Rd., South Dist., Tainan City (Hotel
Château Anping)

Method: Offline shareholders' meeting

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Chien Shing Stainless Steel Co., Ltd.

Procedure for Annual General Meeting 2025

- I. Call the meeting to order
- II. Remarks of the chair
- III. Report Items
- IV. Acknowledgments
- V. Discussion
- VI. Election matters
- VII. Other discussions
- VIII. Extraordinary Motions
- IX. Meeting Adjourned

Annual General Meeting 2025 of Chien Shing Stainless Steel Co., Ltd.

Time and Date: 10:30 a.m. on June 4, 2025 (Wednesday)

Venue: No. 47, Xinjian Rd., South Dist., Tainan City (Hotel Château Anping)

Method: Offline shareholders' meeting

I. Call the meeting to order

II. Remarks of the chair

III. Report Items

- (I) Business Report 2024.
- (II) Report of the 2024 financial statements reviewed by the Audit Committee.
- (III) The implementation of the Company's plan of capital decrease to offset losses for sound operation in 2024, and the progress and effectiveness of the plan

IV. Acknowledgments

- (I) Motion to recognize the Company's 2024 business report and financial report.
- (II) Motion to recognize the Company's 2024 Statement of Deficit Compensation.

V. Discussion

- (I) Proposed amendments to certain provisions in the Company's "Articles of Incorporation".

VI. Election matters

- (I) Proposal of by-election for 4 directors (including 1 independent directors)

VII. Other discussions

- (I) Release of the Company's Directors from non-compete clauses.

VIII. Extraordinary Motions

IX. Meeting Adjourned

Report Items

Motion 1

(proposed by the Board of Directors)

Motion: The 2024 business report, please review.

Explanation: For the Company's 2024 business report, please refer to Attachment 1 on P. 7-10 in the Handbook.

Motion 2

(proposed by the Board of Directors)

Motion: Report of the 2024 financial statements reviewed by the Audit Committee, please review.

Explanation: The Company's 2024 financial statements reviewed by the Audit Committee and a review report issued. For the financial statements reviewed by the Audit Committee, please refer to Attachment 2 on P. 11 in the Handbook.

Motion 3

(proposed by the Board of Directors)

Cause: Please review the plan of capital decrease to offset losses for sound operation in 2024, and the progress and effectiveness thereof.

Description: conducted in accordance with the Letter Zheng-Bao-Fa-Zi No. 1130004170 dated October 16, 2024 of the Securities and Futures Investors Protection Center.

The Company's plan of capital decrease to offset losses for sound operation in 2024, shall be explained in the annual shareholders' meeting for its progress and effectiveness thereof, as required by the FSC. Please refer to Attachment 3 on page 12 of this Handbook for the plan of capital decrease to offset losses for sound operation in 2024, and the progress and effectiveness thereof.

Acknowledgments

Acknowledgement 1

(proposed by the Board of Directors)

Motion: Acknowledgment for the motion to recognize the Company's 2024 business report and financial report.

Details: 1. The Company's 2024 financial report audited by CPAs Hung-Ju Liao, Hi-Chien Li of Deloitte & Touche, along with the business report were reviewed by the Audit Committee, and is subject to recognition by the shareholders' meeting.

2. For the 2024 business report, Audit Committee's review report, CPAs' audit report and financial statements, please refer to Attachment 1 on P. 7-10, Attachment 2 on P. 11 and Attachment 4 on P. 13-22 in the Handbook.

Resolution:

Acknowledgement 2

(proposed by the Board of Directors)

Motion: Acknowledgment for the motion to recognize the Company's 2024 loss allocation, please review.

Explanation: 1. The Company's beginning losses to be offset of 2024 were NTD

1,085,067,266, and the capital decrease to offset losses was NTD 1,085,067,260. The net loss after tax in 2024 was NTD 245,954,396, and the defined benefit actuarial gains were NTD 36,177. The losses on disposal of equity instrument investment measured at fair value through other comprehensive income were NTD 11,428,139, and the ending losses of the period were NTD 257,346,364.

2. As the Company had accumulated losses as of December 31, 2024, bonuses to shareholders, remuneration to directors and employees are not distributed.
3. For the Company's 2024 Deficit Compensation Statement, please refer to Attachment 5 on P. 23 in the Handbook.

Resolution:

Discussions

Discussion 1 (proposed by the Board of Directors)

Cause: Proposed amendments to certain provisions in the Company's "Articles of Incorporation," please discuss.

Description: 1. In accordance with Paragraph 6, Article 14 of the Securities and Exchange Act, the Company has amended Article 25 and Article 27 of the "Articles of Incorporation".

2. For the Comparison of Table of Amendments to the "Articles of Incorporation," please refer to Attachment 6 on P. 24-25 in the Handbook.

Resolution:

Election matters

Election proposal 1 (proposed by the Board of Directors)

Cause: proposal of by-election for 4 directors (including 1 independent directors)

Explanation: 1. There are currently 7 seats of directors (including 3 independent directors). Due to the resignation of 4 seats of directors (including 1 independent director), the by-election of 4 seats of directors (including 1 independent director) is required by laws.

2. For the Company's Procedures for Election of Directors, please refer to Appendix 2 on p.33-35 in the Handbook.
3. In accordance with the Company Act, 4 directors (including 1 independent directors) shall be elected in the by-election at the regular shareholders' meeting this year on June 4, 2025, and the term of their office start from the meeting adjournment to June 13, 2027 as the term of current director's office.
4. In accordance with Article 192-1 of the Company Act and the Company's Articles of Incorporation, elections of directors (including independent directors) shall adopt the nomination system, where shareholders shall be

elected from a list of director candidates (including independent directors).
The academic (experience) of the directors (independent directors) and other relevant information are listed in the following table:

**Director candidate list (including independent directors) -nominated by
the Board of Directors.**

Title	Name	Shareholding	Current position	Education background	Work Experience	Reasons shall be explained for any independent director holding three terms of office consecutively
Director	Bao Li Do Investment Co., Ltd.	2,549,296 shares	Director, Quintain Steel Co., LTD Director, LUXE GREEN ENERGY TECHNOLOGY CO., LTD. Director, CONCORD INTERNATIONAL SECURITIES CO., LTD Director, Chateau Rich Hotel Co., Ltd. Director, HSIN-SHIH TEXTILE CO., LTD. Supervisor, ASAHI ENTERPRISES CORP.	Not applicable.	Director, Quintain Steel Co., LTD Director, LUXE GREEN ENERGY TECHNOLOGY CO., LTD. Director, CONCORD INTERNATIONAL SECURITIES CO., LTD Director, Chateau Rich Hotel Co., Ltd. Director, HSIN-SHIH TEXTILE CO., LTD. Supervisor, ASAHI ENTERPRISES CORP.	Not applicable
	Representative: Shu-Fen Chang	6,070 shares	Quintain Steel Co., LTD Vice President, Management Department,	MBA, National Central University	Quintain Steel Co., LTD Vice President, Management Department,	Not applicable
Director	Bao Li Do Investment Co., Ltd.	2,549,296 shares	Director, Quintain Steel Co., LTD Director, LUXE GREEN ENERGY TECHNOLOGY CO., LTD. Director, CONCORD INTERNATIONAL SECURITIES CO., LTD Director, Chateau Rich Hotel Co., Ltd. Director, HSIN-SHIH TEXTILE CO., LTD. Supervisor, ASAHI ENTERPRISES CORP.	Not applicable	Director, Quintain Steel Co., LTD Director, LUXE GREEN ENERGY TECHNOLOGY CO., LTD. Director, CONCORD INTERNATIONAL SECURITIES CO., LTD Director, Chateau Rich Hotel Co., Ltd. Director, HSIN-SHIH TEXTILE CO., LTD. Supervisor, ASAHI ENTERPRISES CORP.	Not applicable
	Representative: Ying-Chien Kuo	0 shares	Chien Shing Stainless Steel Co., Ltd Vice President, Sales Department	National Cheng Kung University National Central University	Quintain Steel Co., LTD Vice President	Not applicable

Director	Chun-Lang Huang	3,743,460 shares	RZ SHIN METAL CO., LTD. Person in Charge and Director	Chung Hwa Medical Junior College Department of Food Nutrition	RZ SHIN METAL CO., LTD. Person in Charge and Director	Not applicable
Independent Director	Wen-Hsiung Dai	0 shares	Tainan Plant, LUXE GREEN ENERGY TECHNOLOGY CO., LTD. Chief Consultant and CEO of Chairman's Office	National Cheng Kung University PhD, Department of Materials Science and Engineering,	Taiwan Shoufu University Professor of the President's Seminar Supervisor, Academia-Industry Consortium for Southern Taiwan Science Park	None

5. Please proceed with the election.

Election result:

Other discussions

Discussion 1 (proposed by the Board of Directors)

Cause: Release the Company's new Directors from non-compete clauses, please discuss.

Cause: 1. Pursuant to Article 209 of the Company Act, "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."

2. List of the proposed removal is as follows:

Title in the Company	Name	Name of company concurrently serving	Title concurrently serving
Corporate director	Bao Li Do Investment Co., Ltd.	LUXE GREEN ENERGY TECHNOLOGY CO., LTD. Quintain Steel Co., LTD Chateau Rich Hotel Co., Ltd.	Director Director Director
Representative of Corporate Director	Shu-Fen Chang	Quintain Steel Co., LTD	Vice President, Management Department,
Director	Chun-Lang Huang	RZ SHIN METAL CO., LTD.	Person in Charge and Director
Independent Director	Wen-Hsiung Dai	LUXE GREEN ENERGY TECHNOLOGY CO., LTD.	Chief Consultant and CEO of Chairman's Office

Resolution:

Extraordinary motions
Meeting Adjourned

Chien Shing Stainless Steel Co., Ltd.

Report to Shareholders

I. Business Report 2024

(I) Implementation result of the business plan:

The uncertainties in global economy and trade remained in 2024, resulting in a difficulty for significant increase in short-term demand. For the stainless steel price in the first half of the year, due to the riots in the Nickle mine areas, the nickel price soared significantly, which is supportive to the stainless steel price. However, with the rise of electricity tariffs and the oversupply in China, coupled with the uncertainties in the geopolitics, consumers have been doubtful and conserve to the market. Therefore, the stainless steel market is still in a bearish position. The steel coil price in Taiwan has been subject to the depreciated TWD, and the cost of steelmakers stays still high. However, in consideration of the international market competition, only by reducing the prices of domestic and exported products, the consumption may be attracted.

The Company's 2024 operating income totaled NT\$1,058,326 thousand, a decrease of 43.27% from NT\$738,691 thousand for 2023; the operating loss totaled NT\$204,950 thousand, an increase of NT\$49,116 thousand from NT\$155,834 thousand for 2023, resulting in a net loss after tax of NT\$245,954 thousand for 2024.

(II) Budget implementation status: Not applicable as the Company did not disclose financial forecast information to the public in 2024.

(III) Financial income and expenses, financial structure and profitability analysis

Analysis Item		2024	2023
Financial income and expenditure	Net operating income (NT\$ thousand)	1,058,326	738,691
	Operating profit (loss) (NT\$ thousand)	(204,950)	(155,834)
	Net profit (loss) after tax (NT\$ thousand)	(245,954)	228,218
Financial structure	Debt to assets ratio (%)	5.51	5.56
	Long-term capital to property, plant and equipment ratio (%)	409.72	464.23
Profitability	Return on assets (%)	(14.65)	13.74
	Return on equity (%)	(15.52)	14.39
	Ratio of net income before tax to paid-in capital (%)	(14.14)	8.66
	Net profit margin (%)	(23.24)	30.89
	Earnings per share (NT\$)	(1.42)	1.32

*Note: The EPS in 2023 is calculated based on the number of shares after the capital reduction as the capital reduction is retroactively applied.

(IV) Research and Development:

Through the efforts of the production unit of the cold rolling plant, the Company, with the real-time responding system and online monitoring, seeks to save labor and automate in the production and maintenance operations, while improving the stability of the stainless steel quality and the yield rate. In the future, the Company plans to improve the quality through the technology exchange of partnerships with third parties.

II. Summary of the 2025 Business Plan

(I) Business Policy:

Although the world is full of uncertainty, it seems that the prices of stainless steel and carbon steel have gradually stabilized. The overall economic situation of the steel industry this year is expected to be more stable compared to last year.

With the changes in the economy around the world, the Company not only increases the flexibility of order transfer but also continues to cultivate existing mature channels, consolidate existing customers, and actively develop markets. It is aiming to strengthen the upstream links and the stability of material sources and prices in the hope of expanding the sales market share. Due to the prevailing trade protectionism in the world, many countries have proposed anti-dumping and defensive measures on imports in recent years. Meanwhile, the confrontation between the US and China has intensified and the supply chain has been restructured. Sandwiched between the two powers highlights the relatively difficult situation for Taiwanese companies in global trade. Therefore, in addition to relying on the revitalization plan of the government, we will continue to reduce the cost of production and sales through the resource integration of upstream and downstream in the steel industry in order to improve the competitiveness of the Company and our customers in the steel market.

Furthermore, the Company's operating direction will also be adjusted according to the changes in the market. To seek growth, favorable preparation and plans will be drawn up based on the market evaluation in a bid to respond to the actual situation in the future steel industry. The Company will also uphold the spirit of stable quality, stable existing suppliers, flexible sales, and comprehensive services, and actively respond to changes in the situation to grasp the pulse of the market in order to achieve operational goals.

(II) Important production and marketing policies:

1. Apply the price difference of each regional market with flexibility to make the most favorable entry and conversion. We actively expand the export market. We hope that old markets can be replaced when there is a change in a single market, increasing flexibility of substitutability.
2. Carry out operational plans thoroughly and strengthen communication with customers while improving after-sales service. New customers will be developed by working closely with traders from all over the world so as to facilitate the deployment of new channels when production increases.
3. With quality being the priority of the Company, we adhere to the business philosophy of "Customer First" and "Quality First", and take "Reasonable Price" and "On-time Delivery" as the quality policy to strive to stabilize the source of customers. We will uphold the spirit of continuous improvement to enhance management.

Feedback from our customers will be gathered to improve the defects in the manufacturing process to further increase the quality of our stainless steel. At Chien Shing, we ensure our reputation by insisting on quality before price.

III. Future development strategy of the company

(I) Develop diverse domestic and overseas markets

1. Make good use of various channels to increase exports, receive more export orders through distributors and existing foreign trading companies, and actively seek opportunities for expansion of export markets to meet the order needs of overseas customers.
2. Expand domestic sales channels, stabilize existing customers and develop new domestic sales customers.
3. Continue to strengthen production and sales differentiation/customized niche products of high

added value, improve added value of products, increase sales of sheets and new products, and march toward the goals of high value and high quality; some efforts, for instance: 1-foot materials, 430 and other customized products.

(II) Raw material procurement

1. Establish a reasonable and secure inventory of raw materials, control the delivery period of raw materials, and reduce the backlog of inventory funds and the loss from price decline.
Risk.
2. Increase material suppliers and establish a market inquiry mechanism to keep abreast of market conditions.

(III) Enhancing ESG development

1. Promote corporate governance 3.0 in accordance with the regulations and schedules, and implement the preparation of the sustainability report and disclosure of information to improve corporate governance evaluation results.
2. In response to the climate change, pay attention to and act in line with government's laws and policies and sustainable development paths. Implement greenhouse gas inventory, verification, and reduction management, and move toward the vision of net zero carbon emissions.
3. Continue to improve the workplace environment and strengthen safety and health management. Strive to increase waste recycling channels and implement environmental protection measures such as pollution prevention.

IV. Impact from external competitive environment, regulatory environment and general business environment

- (I) The disorder in the nickel price in March 2022 has caused investors to lose confidence in nickel. The overall nickel market appears to be relatively fragile with unstable prices, which is not conducive to the long-term development of nickel and various industrial markets. Under the Russo-Ukrainian War, the price of energy and materials in Europe soared, production costs continued to rise, and inflation was serious, causing losses to European steelmakers. However, as the price of raw steelmaking materials for the main stainless steel product rises, the surcharge of stainless steel alloys in Europe and the United States continues to rise, which is helpful in supporting the future price of stainless steel. However, as the demand for stainless steel in various regions is still weak, whether the price can be raised smoothly in the market outlook remains to be seen.
- (II) The booming global economy results in the significant increase in demand for steel, driving the demand for the upstream raw materials. The price of raw materials has been soaring and hitting new highs due to the shortage. However, the recent geopolitical instability and fluctuations of exchange rate and raw material price, have greatly affected the steel industry. The overcapacity and the declining international steel prices have resulted in rather poor profits of steelmakers. Due to the shrinking domestic markets around Asia, many Asian countries have sold a large quantity of steel products at a low price to other countries, causing a strong objection from the local steelmakers. To protect the local steelmakers' business environment and survival, many governments have imposed a high anti-dumping tax on imported steel products to suppress the import of foreign steel products. The trade barriers such as dumping and anti-dumping are inevitable issues for the steelmakers.
- (III) For domestic and foreign markets, the domestic steelmakers prefer partnerships rather than competitions. However, with the global economy in decline and various countries' protectionism against dumping, the Company is facing tough competition in the market. Therefore, it is more important for the Company to strengthen the close cooperation and strategic alliances among the upstream, midstream, and downstream companies in the industry to promote the connection of the industry chain and improve its competitiveness in Taiwan.
- (IV) As the steel industry is a resource-intensive industry, the government has begun to formulate more and more environmental protection regulations, such as national energy policy, electricity tariff policy,

and carbon tax, among various environmental protection regulatory requirements, under the increasingly strict environmental protection regulations and growing public concern. As the regulations become increasingly stringent, the cost of steelmaking in Taiwan has been rising, which is expected to have a certain degree of impact on the international competitiveness of Taiwan's steel industry, as well as the capability of the steel industry to sustain operations. The steel industry must also improve the efficiency of energy and resource utilization to reduce operating costs and risks.

- (V) Our Company's sales are mainly focused on the domestic market, supported by export. In a fiercely competitive environment, we make every effort to stabilize downstream sectors, while being dedicated to promoting cost advantages, production automation, reducing manpower costs, shortening delivery times, reducing inventory costs, enhancing quality, reducing raw material consumption costs, saving energy and reducing fuel costs. We aim to expand business growth with the advantage of multi implemented cost reduction.
- (VI) Steel is the basic structure of buildings and one of the key materials in modern society. In the near future, steel will remain an irreplaceable and important raw material, especially in the construction and manufacturing industries. Therefore, forging more "green" steel will inevitably become the trend of the future. In particular, the production of iron and steel produces large amounts of greenhouse gases, which is a major cause of climate change. In response to the trend of carbon reduction in iron and steel, one of the future trends is to try to introduce carbon reduction technologies or new steel manufacturing processes to reduce the use of electricity and greenhouse gas emissions. We understand that there is only one Earth, and proactively commit ourselves to waste and resource reduction, energy efficiency improvement and water source recycling and reuse, so as to fully manage the environment while reducing the impact that production poses on the environment. By positively linking environmental improvement and economic benefits, we are a step closer to sustainable development.

Chairman:
Fu-Chuan Wei

Managerial Officer:
Li-Yun Chiu

Head of Accounting:
Li-Yun Chiu

Chien Shing Stainless Steel Co., Ltd. Audit Committee's Review Report

The Board of Directors has submitted the Company's 2024 financial report, which has been jointly audited by CPA Hung-Ju Liao and CPA Hi-Chien Li of Deloitte & Touche and an auditor report has been issued. These and the business report and loss allocation table have been reviewed by the Audit Committee with no discrepancy found. We have presented you the reports based on the provisions stipulated in Article 14-4 and Article 36 in the Securities and Exchange Act and Articles 219 and 228 in the Company Act.

Regards,

Annual General Meeting 2025 of Chien Shing Stainless Steel Co., Ltd.

Convener of the Audit Committee: Meng-Han Yang

March 14, 2025

Chien Shing Stainless Steel Co., Ltd.

Status of the Operational Improvement Plan Following Capital Reduction to Offset Losses and Its Implementation Results

I. Capital Reduction to Offset Losses:

On November 6, 2024, the Company resolved at an extraordinary shareholders' meeting to conduct a capital reduction to offset accumulated losses. The capital was reduced by NT\$1,085,067,260, with 108,506,726 issued shares being cancelled, representing a capital reduction ratio of 38.59152208%.

This capital reduction plan was approved by the Taiwan Stock Exchange via Letter No. 1131805524 dated December 3, 2024, and subsequently approved by the Ministry of Economic Affairs via Letter No. 11330217720 dated December 26, 2024. The reissuance of new shares following the capital reduction was completed and successfully listed on the stock exchange on February 12, 2025.

II. Status of the Operational Improvement Plan and Implementation Results:

The Company has submitted the operational improvement plan for review and oversight by the Board of Directors on a quarterly basis and hereby reports to the 2025 Annual Shareholders' Meeting as follows:

In order to enhance net asset value per share and strengthen the capital structure, the Company implemented the capital reduction to offset losses. As a result, the net asset value per share increased from NT\$5.52 as of September 30, 2024 (prior to the capital reduction), to NT\$8.48 as of December 31, 2024—an increase of NT\$2.96 per share.

In 2025, the Company will continue to uphold its principles of lean innovation and prudent management. While maintaining operational efforts, the Company is actively expanding its customer base to drive revenue growth. Simultaneously, it is strengthening partnerships with upstream suppliers to reduce raw material procurement costs, enhancing internal management to minimize unnecessary expenses and waste, and strictly controlling processing costs. The short-term objective is to reduce manufacturing costs and achieve break-even performance. The medium-term goal is to restore profitability and maximize shareholder value.

Looking ahead, the Company's Sales and Procurement Task Force will jointly develop and implement an integrated operational plan to accelerate business performance improvements. For details regarding the execution of the 2024 operational plan, please refer to the 2024 Annual Business Report.

CPAs' Audit Report

To Chien Shing Stainless Steel Co., Ltd.:

Audit opinion

We have audited the accompanying balance sheet of Chien Shing Stainless Steel Co., Ltd. (the “Company”) as of December 31, 2024 and 2023 and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (“FSC”).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Company for the year 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We decided the key audit matters are the followings:

Valuation of Inventories

The amount of inventory of the Company is material to the financial statements. The inventory is valued at the lower of the cost of inventory and the net realizable value. Since the management judgment is involved when deciding the net realizable value parameter assumptions, the inventory valuation is listed as a key audit matter. For the uncertainty of accounting policies, significant accounting judgments, estimation, and assumptions related to the valuation of inventories, and relevant disclosures, please refer

to Notes 4, 5 and 10 to the financial statements.

We have performed the main audit procedures against the said matters as below:

- I. Understanding and evaluating the appropriateness of the Company's policy for losses from inventory valuation decline and internal control.
- II. Obtaining the inventory valuation statement and check the accuracy and reasonableness of the net realizable value calculated by sampling.

Other Matters

The parent company only financial statements of the Company for the year ended December 31, 2023 were audited by other independent auditors, and an unqualified opinion was issued on March 14, 2024.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- I. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- II. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- IV. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- V. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Taiwan

CPA Hung-Ju Liao

CPA Chi-Chen Li

The Financial Supervisory Commission
R.O.C. Approval No. for the Certification:
Jing Guang Zheng Shen Zhi No.
0990031652

The Securities and Futures Commission
Approval No. for the Certification:
Tai-Cai-Zheng-Liu-Zi No. 0920123784

March 14, 2025

Chien Shing Stainless Steel Co., Ltd

Balance Sheet

December 31, 2024 and 2023

Unit: NTD thousand

Code	Asset	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 100,981	7	\$ 205,087	11
1110	Financial assets measured at FVTPL - current (Note 4 and 7)	82,520	5	278,225	16
1170	Account receivable (Note4, 9 and 18)	18,400	1	-	-
1200	Other receivables (Note 4)	840	-	-	-
130X	Inventories (Note4, 5 and 10)	646,620	42	566,233	31
1410	Prepayments (Note 24)	215,678	14	227,123	13
1470	Other current assets	370	-	514	-
11XX	Total current assets	<u>1,065,409</u>	<u>69</u>	<u>1,277,182</u>	<u>71</u>
	Non-current assets				
1517	Measured at fair value through other comprehensive income (Note 4 and 8)	-	-	51,574	3
1600	Property, plant and equipment (Note 4, 11, 24 and 25)	358,030	23	368,473	20
1760	Net investment property (Note 4 and 12)	95,049	6	96,793	5
1780	Intangible assets (Note 4)	22	-	42	-
1840	Deferred tax assets (Note 4 and 20)	473	-	2,399	-
1915	Prepayments for equipment	30,953	2	8,462	1
1920	Refundable deposits (Note 4)	10	-	2	-
15XX	Total non-current assets	<u>484,537</u>	<u>31</u>	<u>527,745</u>	<u>29</u>
1XXX	Total assets	<u>\$ 1,549,946</u>	<u>100</u>	<u>\$ 1,804,927</u>	<u>100</u>
C o d e	Liabilities and equity				
	Current liabilities				
2150	Note payable (Note 13)	\$ 12,265	1	\$ 8,961	1
2170	Accounts payable (Note 13)	36,429	3	1,774	-
2219	Other payables (Note 14)	33,968	2	23,451	1
2250	Provision for liabilities - current (Note 4 and 15)	-	-	59,959	3
2399	Other current liabilities	371	-	219	-
21XX	Total current liabilities	<u>83,033</u>	<u>6</u>	<u>94,364</u>	<u>5</u>
	Non-current liabilities				
2570	Deferred tax liabilities (Note 4 and 20)	-	-	116	-
2640	Net defined benefit liabilities - non-current (Note 4 and 16)	2,363	-	5,963	1
25XX	Total non-current liabilities	<u>2,363</u>	<u>-</u>	<u>6,079</u>	<u>1</u>
2XXX	Total liabilities	<u>85,396</u>	<u>6</u>	<u>100,443</u>	<u>6</u>
	Equity attributable to owners of the parent company (Note 17)				
3110	Ordinary share capital	1,726,605	111	2,811,673	156
3350	Deficit to be compensated	(257,346)	(17)	(1,085,068)	(60)
3400	Other equities	(4,709)	-	(22,121)	(2)
3XXX	Total equity	<u>1,464,550</u>	<u>94</u>	<u>1,704,484</u>	<u>94</u>
	Total liabilities and equities	<u>\$ 1,549,946</u>	<u>100</u>	<u>\$ 1,804,927</u>	<u>100</u>

The enclosed notes are an integral part of this financial report.

(Refer to the audit report from Deloitte Taiwan dated March 14, 2025)

Chairman: Fu-Chuan Wei

Managerial Officer: Li-Yun Chiu

Head of Accounting: Li-Yun Chiu

Chien Shing Stainless Steel Co., Ltd
Statement of Comprehensive Income
For the Years Ended December 31, 2024 and 2023

Unit: NTD thousand
but EPS in NTD

Code		2024		2023	
		Amount	%	Amount	%
4000	Net operating revenue (Note 18 and 24)	\$ 1,058,326	100	\$ 738,691	100
5000	Operating cost (Note 10, 19 and 24)	<u>1,263,276</u>	<u>119</u>	<u>894,525</u>	<u>121</u>
5900	Operating loss	(<u>204,950</u>)	(<u>19</u>)	(<u>155,834</u>)	(<u>21</u>)
	Operating expenses (Note 19 and 24)				
6100	Selling and marketing expenses	7,992	1	4,959	1
6200	Administrative expenses	<u>40,907</u>	<u>4</u>	<u>26,454</u>	<u>3</u>
6000	Total operating expenses	<u>48,899</u>	<u>5</u>	<u>31,413</u>	<u>4</u>
6500	Net other income and expenses (Note 19)	(<u>175</u>)	<u>-</u>	(<u>5</u>)	<u>-</u>
6900	Net operating loss	(<u>254,024</u>)	(<u>24</u>)	(<u>187,252</u>)	(<u>25</u>)
	Non-operating income and expense (Note 19)				
7100	Interest income	1,433	-	3,342	-
7010	Other income	11,799	1	13,628	2
7020	Other gains or losses	(3,115)	-	413,699	56
7050	Financial costs	(<u>246</u>)	<u>-</u>	<u>-</u>	<u>-</u>
7000	Total non-operating income and expenses	<u>9,871</u>	<u>1</u>	<u>430,669</u>	<u>58</u>
7900	Net income (loss) before tax of continuing operations	(244,153)	(23)	243,417	33
7950	Income tax expense (Note 4 and 20)	<u>1,801</u>	<u>-</u>	<u>15,199</u>	<u>2</u>
8200	Net profit (loss) for the year	(<u>245,954</u>)	(<u>23</u>)	<u>228,218</u>	<u>31</u>

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Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Re-measurement of the defined benefit plan	\$ 45	-	(\$ 644)	-
8316	Unrealized valuation gains (losses) on investments in equity instruments as at fair value through other comprehensive income	5,984	-	9,859	1
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	(9)	-	129	-
8300	Other comprehensive income, net after tax	<u>6,020</u>	-	<u>9,344</u>	<u>1</u>
8500	Total comprehensive income	<u>(\$ 239,934)</u>	<u>(23)</u>	<u>\$ 237,562</u>	<u>32</u>
	Earnings (net loss) per share (Note 21)				
9750	Basic earnings per share	<u>(\$ 1.42)</u>		<u>\$ 1.32</u>	
9810	Diluted earnings per share	<u>(\$ 1.42)</u>		<u>\$ 1.32</u>	

The enclosed notes are an integral part of this financial report.

(Refer to the audit report from Deloitte Taiwan dated March 14, 2025)

Chairman: Fu-Chuan Wei

Managerial Officer: Li-Yun Chiu

Head of Li-Yun Chiu

Chien Shing Stainless Steel Co., Ltd
Statement of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: NTD thousand

Code		Share capital		Deficit to be compensated	Other items of equity	Total Equity
		Number of shares (in thousands shares)	Amount		Unrealized valuation gain (loss) on financial assets measured at FVTOCI	
A1	Balance on January 1, 2023	281,167	\$ 2,811,673	(\$ 1,312,771)	(\$ 31,980)	\$ 1,466,922
D1	Net income of 2022	-	-	228,218	-	228,218
D3	Other comprehensive income of 2023 (after tax)	-	-	(515)	9,859	9,344
D5	Total comprehensive income of 2023	-	-	227,703	9,859	237,562
Z1	Balance on December 31, 2023	281,167	2,811,673	(1,085,068)	(22,121)	1,704,484
F1	Capital reduction to offset accumulated deficits	(108,507)	(1,085,068)	1,085,068	-	-
D1	Net loss of 2024	-	-	(245,954)	-	(245,954)
D3	Other comprehensive income of 2024 (after tax)	-	-	36	5,984	6,020
D5	Total comprehensive income of 2024	-	-	(245,918)	5,984	(239,934)
Q1	Disposal of investments in equity instruments as at fair value through other comprehensive income	-	-	(11,428)	11,428	-
Z1	Balance on December 31, 2024	<u>172,660</u>	<u>\$ 1,726,605</u>	<u>(\$ 257,346)</u>	<u>(\$ 4,709)</u>	<u>\$ 1,464,550</u>

The enclosed notes are an integral part of this financial report.
(Refer to the audit report from Deloitte Taiwan dated March 14, 2025)

Chairman: Fu-Chuan Wei

Managerial Officer: Li-Yun Chiu

Head of Li-Yun Chiu

Chien Shing Stainless Steel Co., Ltd
Cash Flow Statements
For the Years Ended December 31, 2024 and 2023

Unit: NTD thousand

Code		2024	2023
	Cash flow from operating activities		
A10000	Net income (loss) before tax for the year	(\$ 244,153)	\$ 243,417
A20010	Adjusted item:		
A20100	Depreciation expenses	38,814	37,406
A20200	Amortization expenses	20	51
A20400	Net gain on financial assets and liabilities measured at FVTPL	(1,502)	(69,864)
A20900	Financial costs	246	-
A21200	Interest income	(1,433)	(3,342)
A21300	Dividend revenue	(7,147)	(10,348)
A22500	Losses on disposals of property, plant and equipment	175	5
A22700	Gain on disposal of investment property	-	(394,777)
A23700	Losses from inventory valuation decline (gains on recovery)	4,047	(249)
A24100	Losses from foreign currency exchange	2,152	32
A29900	Loss on onerous purchase contract	-	59,959
A30000	Net changes in operating assets and liabilities		
A31150	Accounts receivable	(18,400)	-
A31180	Other receivables	(840)	587
A31200	Inventories	(84,434)	(306,113)
A31230	Prepayments	(51,577)	(115,873)
A31240	Other current assets	144	(343)
A32130	Note payable	3,304	2,930
A32150	Accounts payable	34,655	1,570
A32180	Other payables	9,658	(14,605)
A32230	Other current liabilities	152	(102)
A32240	Defined benefit liability	(3,555)	(151)
A33000	Cash used for operating activities	(319,674)	(569,810)
A33100	Interest received	1,433	3,342
A33300	Interest paid	(246)	-
A33500	Income tax paid	-	(15,099)
AAAA	Net cash inflows (outflows) from operating activities	(318,487)	(581,567)

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Code		2024	2023
	Cash flow from investing activities		
B00100	Acquisition of financial assets measured at FVTPL	(\$ 49,493)	(\$ 243,267)
B00200	Sales of financial assets measured at FVTPL	240,400	139,996
B00020	Sales of financial assets measured at FVTOCI	57,558	-
B02700	Acquisition of property, plant and equipment	(14,927)	(6,756)
B02800	Disposal of property, plant and equipment	714	173
B03700	Increase in refundable deposits	(10)	-
B03800	Decrease in refundable deposits	2	-
B05500	Disposal of investment property	-	418,845
B07100	Increase in prepayments for equipment	(33,586)	(11,947)
B07600	Dividends received	7,147	10,348
B09900	Share payment refunded from the capital decrease of financial assets measured at FVTPL	6,300	-
BBBB	Net cash inflow from investing activities	<u>214,105</u>	<u>307,392</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	276	(32)
EEEE	Decrease in cash and equivalents in the period	(104,106)	(274,207)
E00100	Cash and cash equivalents at the beginning of the year	<u>205,087</u>	<u>479,294</u>
E00200	Cash and cash equivalents at the end of the year	<u>\$ 100,981</u>	<u>\$ 205,087</u>

The enclosed notes are an integral part of this financial report.

(Refer to the audit report from Deloitte Taiwan dated March 14, 2025)

Chairman: Fu-Chuan Wei

Managerial Officer: Li-Yun Chiu

Head of Li-Yun Chiu

Attachment 5

Chien Shing Stainless Steel Co., Ltd.**Deficit Compensation Statement****2024**

Unit: NTD \$

Item	Amount
Deficit yet to be compensated – at the beginning of the period	\$ (1,085,067,266)
Plus: Capital reduction to offset accumulated deficits	1,085,067,260
Less: net loss after tax for 2024	(245,954,396)
Plus: Actuarial gains from the definite benefit	36,177
Less: disposal of investment in equity instruments	(11,428,139)
Measured at fair value through other comprehensive income	\$ (257,346,364)
Deficit yet to be compensated – at the end of the period	

Chairman:
Fu-Chuan Wei

Managerial Officer:
Li-Yun Chiu

Head of Accounting:
Li-Yun Chiu

Attachment 6

Chien Shing Stainless Steel Co., Ltd.

Comparison Table of Amendment to the “Articles of Incorporation”

Amended clause	Existing clause	Details
Article 25: If the Company makes a profit in a year, 2% - 3% of the profit shall be provided as remuneration to employees <u>(including no less than 1% as remuneration to non-executive employees) and no more than 1% as remuneration to directors as required by laws.</u> However, if the Company has accumulated losses, the amount for offsetting shall be reserved in advance. <u>The remuneration to employees and the remuneration to non-executive employees in the preceding paragraph may be paid in the form of stock or cash, and the recipients of payment may include employees of the controlling or subordinate companies who meet certain criteria, and directors can be only paid in cash.</u> <u>The preceding two paragraphs shall be implemented by a special resolution of the Board of Directors, and shall be reported to the shareholders’ meeting.</u>	Article 25: Annual profits concluded by the Company are subject to employee remuneration of 2%-3%, which the board of directors may decide to distribute in cash or in shares. Employees of subsidiaries who meet certain criteria are also entitled to receive this remuneration. Up to 1% of the aforementioned profit may be distributed as directors’ remuneration at the discretion of the board of directors. <u>Employee and director remuneration proposals are to be raised for resolution during shareholder meetings.</u> Profits must first be reserved to offset against cumulative losses, if any, before the remainder can be distributed as employee/director remuneration in the above percentages. <u>The annual profit mentioned in Paragraph 1 shall refer to pre-tax profit before employees’ and directors’ remuneration in the current year.</u>	Amendment to Paragraph 6, Article 14 of the Securities and Exchange Act

Article 27 The Articles of Incorporation were established on April 3, 1972 The 41st amendment was made on June 14, 2022 <u>The 42nd amendment was made on June 4, 2025</u>	Article 27 The Articles of Incorporation were established on April 3, 1972 The 40th amendment was made on June 11, 2020 The 41st amendment was made on June 14, 2022	Addition of the number and date of the amendment
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Articles of Incorporation of Chien Shing Stainless Steel Co., Ltd.

Chapter One General Provisions

Article 1: The Company is incorporated in accordance with The Company Act, and is named “CHIEN SHING STAINLESS STEEL CO., LTD.”

Article 2: The Company’s industry classifications are:

- (1) CA01010 Iron and Steel Smelt
- (2) CA01020 Iron and Steel Rolling and Extruding
- (3) CA01050 Steel Secondary processing
- (4) CA02990 Other Metal Products Manufacturing
- (5) CB01010 Mechanical Equipment Manufacturing
- (6) CC01080 Electronics Components Manufacturing
- (7) CO01010 Tableware Manufacturing
- (8) F113010 Wholesale of Machinery
- (9) F199990 Other Wholesale Trade
- (10) F401010 International Trade
- (11) H701010 Housing and Building Development and Rental
- (12) H701030 Funeral Places Lease Construction and Development
- (13) H701040 Specific Area Development
- (14) B201010 Mining of metal ores
- (15) F115020 Wholesale of Ores
- (16) CA01090 Aluminum Casting
- (17) CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery
- (18) CC01090 Manufacture of Batteries and Accumulators
- (19) CD01030 Motor Vehicles and Parts Manufacturing
- (20) CD01040 Motorcycles and Parts Manufacturing
- (21) CD01050 Bicycles and Parts Manufacturing
- (22) CD01990 Other Transport Equipment and Parts Manufacturing
- (23) CQ01010 Mold and Die Manufacturing
- (24) E603050 Automatic Control Equipment Engineering
- (25) E603100 Electric Welding Engineering

- (26) E604010 Machinery Installation
- (27) E605010 Computer Equipment Installation
- (28) JA02020 Motorcycle Repair
- (29) JA02030 Bicycle Repair
- (30) C901040 Manufacture of Ready-mix Concrete
- (31) C901050 Cement and Concrete Products Manufacturing
- (32) C901990 Other Non-Metallic Mineral Products Manufacturing
- (33) J101080 Resource Recycling
- (34) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

- Article 3: The Company may offer endorsement and guarantee to external parties as needed for business activities, subject to the Company's endorsement and guarantee procedures.
- Article 4: External business investments are subject to board of directors' approval, and the sum of investment can be exempted from the restrictions imposed under Article 13 of The Company Act (i.e. 40% of paid-up capital).
- Article 5: The Company is headquartered in Tainan City, and may establish domestic or foreign branches subject to board of directors' approval.
- Article 6: Public announcements shall be duly made in accordance with the methods described in Article 28 of The Company Act.

Chapter Two Shares

- Article 7: The Company has authorized capital of Five Billion New Taiwan Dollars in five hundred million shares. Each share has a face value of Ten New Taiwan Dollars. The board of directors is authorized to issue unissued shares in multiple offerings depending on the actual circumstances.
- Article 8: The Company issues owner-registered shares only. Every share certificate shall be issued with the signatures or seals of at least 3 directors.
- Article 8-1: When issuing new shares, the Company may print a single certificate to collectively represent all shares in the new issue. Shares of the Company may be issued in non-tangible form, subject to registration with the centralized securities depository.
- Article 9: Unless otherwise specified by law and securities regulation, issues concerning transfer of share ownership, pledge of shares, loss of share certificate, ownership inheritance, gifting, loss/change of seal, change of address, and share-related affairs shall be handled according to "Regulations Governing the Administration of Shareholder Services of Public Companies."
- Article 10: Transfer of share ownership shall be suspended during the 60 days prior to an

annual general meeting, or during the 30 days prior to an extraordinary shareholder meeting, or during the 5 days prior to the baseline date of dividend, bonus or rights distribution.

Chapter Three Shareholder Meetings

- Article 11: The Company convenes two types of shareholder meeting: the annual general meeting and extraordinary shareholder meetings. Annual general meetings (AGMs) are convened once a year within six months after the end of each financial year, and shall be advised to shareholders 30 days in advance. Extraordinary shareholder meetings may be held whenever deemed necessary, and shall be advised to shareholders 15 days in advance. The Company's shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.
- Article 12: If a shareholder is unable to attend the shareholder meeting in person, a proxy can be appointed by completing the Company's proxy form and by specifying the scope of delegated authority. The proxy form has to be effected with authorized signature or seal. Appointment of proxies shall also comply with Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
- Article 14: Except otherwise regulated by The Company Act, a shareholder meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and that the motion is voted in favor by more than 50% of all voting rights represented at the meeting.
- Article 15: AGMs are to be convened by the Chairman. If the Chairman is absent for any reason, the Chairman shall appoint one of the directors to act on behalf; if no one is appointed, the remaining directors shall appoint one among themselves to perform acting duty.
- Article 16: Shareholder meeting resolutions shall be compiled into detailed minutes, signed or sealed by the chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Meeting minutes may also be disseminated by way of public announcements. The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, and the proceeding and results of each motion. Minutes shall be retained for as long as the Company exists. Shareholders' attendance logs and proxy forms shall be retained for at least one year. However, should a shareholder raise a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents must be retained until the end of the litigation.

Chapter Four Directors and Audit Committee

Article 17: The Company shall have seven to eleven directors on the board, who are elected in shareholder meetings from persons of adequate capacity. The term of directorship is three years, and is renewable if re-elected. By-election of directors shall proceed according to Article 201 of The Company Act.

Article 17-1: Independent directors shall be included amongst the directors chosen above. There shall be no fewer than three independent directors and they must not represent less than one-fifth of the board. Directors of the Company shall be elected using the nomination system, in which shareholders will elect from the list of nominated director candidates. Methods for accepting nomination of director candidates shall be determined and announced according to The Company Act, the Securities and Exchange Act and relevant regulations. Independent directors shall be elected during the same voting session as non-independent directors, and have positions allocated separately. Restrictions concerning independent directors' eligibility, shareholding, concurrent employment, and all other compliance issues are governed by relevant rules of the securities authority.

Article 17-2: The Company shall assemble an Audit Committee that consists entirely of independent directors according to Article 14-4 of the Securities and Exchange Act. Matters concerning the Audit Committee, including its composition, duties, and authority, are governed by Securities and Exchange Act and related laws.

Article 18: The elected directors shall form a board and appoint one Chairman during a board meeting with more than two-thirds of directors present and with the support of more than half of all attending directors. The Chairman serves as the Company's representative to the outside world.

Article 18-1: Convention of board meeting must be advised to all directors at least 7 days in advance. However, meetings can be held in shorter notices in the case of emergency. Convention of board of directors meetings may be advised through written correspondence, E-mail, or fax.

Article 19: If the Chairman is unable to perform duties due to leave of absence or any reason, a delegate shall be appointed in accordance with Article 208 of The Company Act. Directors who are unable to attend board meeting for any reason may appoint other directors to attend on their behalf. Proxy arrangements must comply with Article 205 of The Company Act. If a board meeting is convened by way of video conference, those who participate in the meeting using video conferencing are considered to have attended the meeting in person.

Article 20: The elected directors shall form a board to perform the duties and exercise the authorities mentioned below:

- (1) Devise corporate policies.
- (2) Outline business strategies.

- (3) Review budgets and year-end accounts.
- (4) Approve key personnel arrangements.
- (5) Propose earnings appropriation or loss reimbursement.
- (6) Devise and approve deals for acquisition and disposal of key properties and real estate.
- (7) Devise fundraising and capital reduction plans.
- (8) Devise and approve other business investments.
- (9) Other duties and authority vested by laws and shareholders.

Article 22: The board of directors is authorized to determine the level of compensation for directors based on individual participation and contribution to the Company's operations, and in reference to industry peers.

Chapter Five Managers

Article 23: The Company may create managerial positions. Appointment, dismissal, and compensation of whom shall comply with Article 29 of The Company Act.

Chapter Six Accounting

Article 24: The board of directors is responsible for preparing the following statements and reports at the end of each financial year, which are to be presented for acknowledgment according to legal procedures at the annual general meeting.

- (II) Business reports.
- (III) Financial statements.
- (IV) Earnings appropriation or loss reimbursement proposals.

Article 25: Annual profits concluded by the Company are subject to employee remuneration of 2%-3%, which the board of directors may decide to distribute in cash or in shares. Employees of subsidiaries who meet certain criteria are also entitled to receive this remuneration. Up to 1% of the aforementioned profit may be distributed as directors' remuneration at the discretion of the board of directors. Employee and director remuneration proposals are to be raised for resolution during shareholder meetings.

Profits must first be reserved to offset against cumulative losses, if any, before the remainder can be distributed as employee/director remuneration in the above percentages. The annual profit mentioned in Paragraph 1 shall refer to pre-tax profit before employees' and directors' remuneration in the current year.

Article 25-1: Annual surpluses concluded by the Company are first subject to taxation and reimbursement of previous losses, followed by a 10% provision for legal reserve and provision or reversal of special reserve as the laws may require. Any surpluses remaining will be added to unappropriated earnings accumulated from

previous years, for which the board of directors will propose an earnings appropriation plan and seek resolution in a shareholder meeting before distribution.

The Company shall devise earnings appropriation plans for the amount of distributable earnings calculated above after taking into consideration prospects of the economic environment, future capital requirements, long-term financial plans, and shareholders' needs for cash inflow, and present the proposal for resolution at shareholder meeting. At least 10% of total shareholders' dividends shall be paid in cash, but the Company may choose to pay dividends in shares instead if cash dividends amount to less than NT\$0.5 per share.

Chapter Seven Supplemental Provisions

Article 26: Any matters that are not addressed in the Articles of Incorporation shall be governed by The Company Act.

Article 27: The Articles of Incorporation was established on April 3, 1972

The 1st amendment was made on April 26, 1972

The 2nd amendment was made on January 30, 1974

The 3rd amendment was made on November 13, 1978

The 4th amendment was made on May 27, 1980

The 5th amendment was made on November 27, 1981

The 6th amendment was made on October 1, 1982

The 7th amendment was made on March 23, 1983

The 8th amendment was made on March 23, 1984

The 9th amendment was made on June 28, 1984

The 10th amendment was made on November 15, 1984

The 11th amendment was made on June 20, 1985

The 12th amendment was made on November 15, 1986

The 13th amendment was made on August 15, 1987

The 14th amendment was made on August 15, 1988

The 15th amendment was made on September 23, 1988

The 16th amendment was made on December 12, 1988

The 17th amendment was made on June 26, 1989

The 18th amendment was made on September 8, 1989

The 19th amendment was made on June 28, 1991

The 20th amendment was made on June 20, 1992

The 21st amendment was made on June 7, 1994

The 22nd amendment was made on April 19, 1995

The 23rd amendment was made on June 28, 1996
The 24th amendment was made on May 8, 1997
The 25th amendment was made on October 14, 1998
The 26th amendment was made on May 28, 1999
The 27th amendment was made on June 15, 2000
The 28th amendment was made on June 28, 2001
The 29th amendment was made on September 3, 2002
The 30th amendment was made on April 24, 2003
The 31st amendment was made on June 10, 2004
The 32nd amendment was made on June 14, 2005
The 33rd amendment was made on June 19, 2009
The 34th amendment was made on June 17, 2010
The 35th amendment was made on March 23, 2012
The 36th amendment was made on June 19, 2014
The 37th amendment was made on April 21, 2015
The 38th amendment was made on June 7, 2016
The 39th amendment was made on March 29, 2018
The 40th amendment was made on June 11, 2020
The 41st amendment was made on June 14, 2022

Chien Shing Stainless Steel Co., Ltd.

Directors Election Policy

Article 1: Election of the Company's directors shall proceed according to this Policy unless otherwise specified in The Company Act, Securities and Exchange Act, or Articles of Incorporation.

Article 2: Election of the Company's directors shall proceed using the registered cumulative voting method. Each share is vested with voting rights equal to the number of directors to be elected. These voting rights may be concentrated on one candidate or allocated across multiple candidates.

Voters may be identified by the conference pass ID printed on ballot instead of real name.

Article 3: Directors of the Company shall be elected from persons of adequate capacity during a shareholder meeting. The election shall collectively elect the entire number of seats mentioned in the Articles of Incorporation and have votes counted separately for independent directors and non-independent directors. Candidates who receive the highest number of votes are assigned to the positions in the prescribed order. If two or more candidates receive the same number of votes but there are insufficient positions to accommodate them all, they shall draw for the remaining seats. The chairperson will draw on behalf of those who are absent during the meeting.

Election of the Company's directors shall proceed using the candidate nomination system described in Article 192-1 of The Company Act.

Eligibility and method of independent director election are subject to the terms outlined in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and Article 24 of "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies."

Article 4: Ballots shall be prepared by the Company with conference pass ID and the number of voting rights pre-printed on the ballot.

Article 5: Before the election begins, the chairperson shall appoint ballot examiners and ballot counters to perform various duties relating to the election.

Article 6: For director election, the board of directors shall prepare a ballot box and have it examined openly by the ballot examiner prior to voting.

Article 7: If the candidate is a shareholder, voters will have to specify both shareholder account name and number in the "candidate" field of the ballot. If the candidate is not a shareholder, the candidate's name and ID card number will

have to be specified instead. However, if the candidate is a government institution or a corporate shareholder, the name of the government institution or corporation and name of the representative shall be specified in the “candidate” field of the ballot. If there are multiple representatives, the names of all representatives shall be specified in the ballot. Meanwhile, voters are required to specify the number of voting rights to be allocated to the candidate.

Article 8: Ballots are considered void in any of the following circumstances:

1. Use of ballot that does not conform with the formats specified in this Policy.
2. Casting of blank ballot into the ballot box.
3. Illegible writing.
4. Where the candidate is a shareholder, the written identity and shareholder account number do not match the shareholder registry; or where the candidate is a non-shareholder, the written name and identity document number do not match the candidate’s identity proof.
5. Ballots that contain writings other than the candidate’s account name, shareholder account number (or ID card number), and allocated votes.
6. Where the candidate is a shareholder, another shareholder of the same name exists in the shareholder registry but the ballot only specifies the candidate’s name without shareholder account number.
7. The number of candidates written on ballot exceeds the number of directors to be elected under the Articles of Incorporation.
8. The number of voting rights exercised exceeds the voting rights printed on the ballot.
9. Ballot with modification to any details including the candidate’s name, shareholder account number (or ID card number), or allocated votes.
10. Ballots that do not specify the candidate’s account name or shareholder account number (or ID card number).

Article 9: Once voting has ended, the ballot examiner will open the ballot box and votes will have to be counted by ballot counters under the supervision of the ballot examiner.

Article 10: Once the ballot examiner has verified the number of valid and void ballots, the number of voting rights specified on valid and void ballots shall be updated to the record sheet. The chairperson then announces the election result including the names and shareholder account numbers (or ID card numbers) of elected parties.

Article 11: Chairperson of the shareholder meeting or the board of directors will issue confirmations to elected directors to certify their elected roles.

Article 12: This Policy shall take effect once approved during shareholder meeting; the same applies to all subsequent amendments.

Chien Shing Stainless Steel Co., Ltd.

Shareholder Meeting Conference Rules

1. Unless otherwise specified in law, shareholder meetings of the Company shall proceed according to the following rules.
2. Attending shareholders are required to wear conference passes and present attendance cards as proof of attendance. Attendance cards are used to calculate the number of shares represented in the meeting.
3. Attendance and votes in a shareholder meeting are calculated based on the number of shares represented.
4. Shareholder meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings must not commence anytime earlier than 9AM or later than 3PM.
5. Shareholder meetings that are convened by the board of directors shall be chaired by the Chairman. If the Chairman is on leave or is unable to exercise duties for any reason, the Vice Chairman will act on behalf; if there is no Vice Chairman or if the Vice Chairman is also on leave or is unable to exercise duties for any reason, the Chairman may appoint one managing director to assume acting duty; if there is no managing director, one of the directors shall be appointed to perform acting duty; if no delegate is appointed by the Chairman, one shall be appointed among managing directors or directors.

If the shareholder meeting is convened by any entitled party other than the board of directors, the convener will act as the meeting chairperson.

6. The Company may summon its lawyers, certified public accountants, and any relevant personnel to be present at shareholder meetings. Organizers of the shareholder meeting must wear proper identification or arm badges.
7. The entire proceeding of the Company's shareholder meetings shall be recorded in video or audio, and kept for at least 1 year.
8. The chairperson should announce commencement of meeting as soon as it is due. However, if current attendees represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. If attending shareholders still represent more than one-third but less than half of outstanding shares after two postponements, the attending shareholders may reach a tentative resolution according to Paragraph 1, Article 175 of The Company Act.

If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final voting according to Article 174 of The Company Act.

9. For shareholder meetings that are convened by the board of directors, the board of directors will determine the meeting agenda. The agenda can not be changed unless resolved during the shareholder meeting.

The above rule also applies to shareholder meetings that are convened by any entitled party other than the board of directors.

In either of the two arrangements described above, the chairperson can not dismiss the meeting while a motion (including special motions) is still in progress. Once a meeting is adjourned, shareholders may not elect to continue the meeting with another chairperson or at a different venue unless the chairperson is found to have dismissed the meeting in violation of the conference rules. In which case, attending shareholders may elect another chairperson with the support of more than half of voting rights represented to continue the meeting.

10. Shareholders may propose amendments or alternative solutions to the items listed on the agenda, and may raise new discussions by way of special motion, provided that such proposals are seconded by two or more shareholders. This requirement also applies to changes of agenda and adjournment. The proposer and seconders shall collectively hold more than 1% of outstanding shares.
11. Shareholders who wish to speak during the meeting must first produce an opinion slip detailing the topic and shareholder account number (or conference pass serial number). The order of shareholders' comments shall be determined by the chairperson. Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the opinion slip, only the confirmed comments shall be taken into record. While a shareholder is speaking, other shareholders can not speak simultaneously or interfere in any way unless agreed by the chairperson and the person speaking. The chairperson shall restrain any person who violates this process.
12. Shareholder cannot speak for more than two times, for 5 minutes each, on the same topic without consent of the chairperson. The chairperson may restrain shareholders who are in violation of the above rule or interrupt any comments that are irrelevant to the topics discussed.
13. Corporate entities may only appoint one representative to attend shareholder meetings. Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak per motion.
14. After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.
15. The meeting chairperson may announce to discontinue further discussions if the topic is considered to have been sufficiently discussed to proceed with the vote.
16. Ballot examiners and ballot counters shall be appointed by the meeting chairperson. The ballot examiner must be a shareholder. Outcome of a vote shall be documented and announced on site.
17. The chairperson may call the meeting into recess at a suitable time.
18. Unless otherwise regulated by The Company Act or stated in the Articles of Incorporation, a motion is passed when supported by shareholders representing more than half of total voting rights in the meeting. A motion is considered passed if the chairperson receives no objection from any attending shareholders upon inquiry. This voting method is deemed as effective as does the conventional ballot method.

Shareholders that wish to appoint proxy attendees for shareholder meetings shall do so in accordance with The Company Act and Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
19. In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which proposals are to be voted. If any proposal is passed, all other proposals shall be deemed rejected and no further voting is necessary.
20. The chairperson may instruct picketers or security staff to help maintain order in the meeting. While maintaining order in the meeting, all picketers (security staff) must wear arm badges that identify their role as "Picketeer."
21. The Rules shall take effect once approved during shareholder meeting; the same applies to all subsequent amendments.

Chien Shing Stainless Steel Co., Ltd.
Number of shares held by all directors and minimum number of shares required to be held

I. Number of statutory shareholding for the Company's current directors:

The Company issued a total of 172,660,536 common shares

Statutory shareholding for all directors 10,359,632 shares

II. As of the book closure date on April 6, 2025 for the 2025 annual general meeting, the shares held by all directors are as follows:

Title	Name	Number of shares held
Chairman	CHIA CHI SDRY ENTERPRISE CO., LTD.	4,093,489
Corporate Representative of the Chairman:	Fu-Chuan Wei	36,845
Director	Wei-Cheng Yang	0
Director		4,093,489
Independent Director	Yi-Hung Chen	0
Independent Director	Meng-Han Yang	563
Independent Director	Chien-Cheng Wei	0
Total shares held by independent directors		563
Total shares held by all directors		4,094,052

Appendix 5

Other Matters

Description of the acceptance of motions for the annual general meeting:

Explanation:

(1) Handling of Shareholder Proposals and Nominations for This Annual General Meeting:

1. According to the provisions stipulated in Article 172-1 of the Company Act, Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting in writing, provided that only one matter shall be allowed in each single proposal with a maximum of 300 words per proposal.
2. The Company's proposal acceptance period for the annual general meeting is March 30, 2025 through March 31, 2025, and is announced on the MOPS as required by the law.
3. As of the end of the proposal acceptance deadline, the Company did not receive any shareholders' proposals.

(2) Shareholder Nomination Process for This Annual General Meeting:

1. In accordance with Article 192-1 of the Company Act, shareholders holding 1% or more of the total issued shares may submit nominations for a total of four director candidates (including one independent director), by providing the required nomination documents as publicly announced by the Company.
2. For this year's Annual General Meeting, the Company accepted shareholder nominations during the period from March 20, 2025 to March 31, 2025. As of the nomination deadline, the Company had not received any nominations from shareholders.