Stock Code: 5011



2024 Annual Report

Published on May 20, 2025

URL of MOPS for annual report query: http://mops.twse.com.tw

Company website for annual report query: http://www.ofco.com.tw

I. Name, job title and contact number of spokesperson and deputy spokesperson

	Name	James Huang
Cu alta au ausa a	Title	Chairman
Spokesperson	Tel	(07) 6125899
	Email	jameshuang@ofco.com.tw
	Name	Wang, Mei-Yu
Deputy	Title	Assistant VP, Finance
	Tel	(07) 6125899
	Email	mei-yu@ofco.com.tw

II. Company and factory locations

Company registration	Address: 25F-3, No. 502, Jiuru 1st Road, Sanmin District, Kaohsiung City Tel: (07)3801688
Qiaotou Factory	Address: No. 299, Yulin Road, Qiaotou District, Kaohsiung City Tel: (07)6125899
Ziguan Factory	Address: No. 46, Ziqiang Lane, Siwei Road, Ziguan District, Kaohsiung City Tel: (07)6103757

III. Institutions handling stock transfers

Stock transfer institution	Capital Securities Corporation
Address	B2, No. 97, Section 2, Dunhua South Road, Da'an District, Taipei City
Tel	(02) 27035000
Website	www.capital.com.tw

IV. Concurring CPA for annual financial report in latest year

Accounting firm	PwC Taiwan
CPA Name	Tien, Chung-Yu CPA, Lin, Tzu-Yu CPA
Address	12F, No. 395, Linsen Road Section 1, Tainan City
Tel	(06) 2343111
Website	www.pwc.com/tw

- V. Name of trading venue where overseas securities are listed and traded and the name of overseas listed companies, and method of inquiring overseas securities: None.
- VI. Company website: http://www.ofco.com.tw

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One. Report for Shareholders

Affected by factors such as the global economic slowdown, inflation and supply chain disruptions, the international market demand has decreased. In 2023, the screw fastener industry was adversely affected, and the demand decreased sharply. The industrial chain from upstream coils and wires to terminal screw products has been hit hard. In addition, competition from other countries has led to a decline in market share. Due to the weak demand from European and American customers, the business did not show signs of recovering from rock bottom until the third quarter of 2024. However, due to the sluggish economy in the first half of 2024 and the vicious competition from international low-priced dumped products, orders from European and American customers have not yet been significantly recovered. In addition, due to the impact of Taiwan's geopolitical risks, European customers withdrew some orders. In 2024, the domestic export volume of screw fasteners reached 1.292 million tons, an annual increase of 1.25%, ending the two-year decline. However, even though the export volume has stopped falling and rebounded, the screw fastener industry continues to face the challenge of rising raw material and production costs and gradually declining product prices. Profits are getting lower and lower, and operations are quite difficult.

Looking back at 2024, according to statistics from the Metal Center, the export volume in 2023 declined significantly to only 1.276 million tons, far lower than 1.677 million tons in 2021 and 1.666 million tons in 2022. In 2024, it rebounded slightly to 1.292 million tons. Among them, the export growth of screw fasteners was most obvious in Europe in 2024, with an annual increase of 1.86%. The screw industry fell into a recession in 2024. The main reasons were the poor performance of the global economy and the continued war between Russia and Ukraine, which led to a decrease in European demand and reduced customers' willingness to replenish their inventory. The domestic screw fastener industry, which mainly relies on exports, could not get orders. Screw fasteners from mainland China and Southeast Asia frequently competed for market share at low prices. In 2024, the price of screw fasteners also fell due to the low-price competition from manufacturers in mainland China and Southeast Asia. The sales unit price decreased by 6.2% year-on-year, which put domestic operators in a difficult situation.

The Company's operational priorities for 2024 are as follows: (I) In response to the decrease in orders, the business department actively and flexibly adjusted its order-taking strategy. (II) The Group continues to adopt a joint procurement model, to set prices based on quantity, reduce costs and enhance competitiveness. (III) Cooperate with affiliated enterprises to increase production capacity and revenue through OEM.

The 2024 business results and the 2025 business plan report are as follows:

- I. 2024 business results
 - (I) Business plan implementation outcomes:

The Company's consolidated operating revenue for 2024 was NT\$4,135,922 thousand, a decrease of NT\$185,150 thousand or -4.28%, from NT\$4,321,072 thousand for 2023. This was

mainly due to the completion of inventory liquidation at customer end of the screw business. The performance was comparable to that of the previous year. The operating gross profit was NT\$-141,071 thousand, a decrease of NT\$226,459 thousand from the gross profit of NT\$85,388 thousand for 2023. The after-tax loss for 2024 was NT\$125,958 thousand, a decrease of NT\$276,328 thousand from the net profit for 2023, and the net loss per share after tax was NT\$0.36.

- (II) Budget implementation situation: Not applicable.
- (III) Financial income and expenditure analysis

Unit:	NT\$ thousand
-------	---------------

Period	202	24	202	23	Gro	wth
Item	Amount	%	Amount	%	Amount	%
Operating income	4,135,922	100.00%	4,321,072	100.00%	-185,150	-4.28%
Gross profit	-141,071	-3.41%	85,388	1.98%	-226,459	-265.21%
Operating Cost	173,642	4.20%	186,950	4.33%	-13,308	-7.12%
Net operating profit (loss)	-314,713	-7.61%	-101,562	-2.35%	-213,151	209.87%
Net non-operating income (expenditure)	113,859	2.75%	121,531	2.81%	-7,672	-6.31%
Net profit (loss) before tax	-200,854	-4.86%	19,969	0.46%	-220,823	-1106%
Income tax gain (expense)	74,896	1.81%	130,401	3.02%	-55,505	-42.56%
Net profit (loss) after tax	-125,958	-3.05%	150,370	3.48%	-276,328	-183.77%
Net income attributable to parent company	-36,012	-0.87%	150,839	3.49%	-186,851	-123.87%
Earnings per share	-0.36		1.51		-1.87	

(IV) Profitability analysis:

Item	2024	2023	Notes
Return on assets	-1.59%	3.60%	
Return on shareholders' equity	-4.83%	5.75%	
Operating income (loss)	-31.26%	-10.15%	Ratio to paid-in capital
Net profit before tax	-19.95%	2.00%	Ratio to paid-in capital
Net profit margin	-3.05%	3.48%	
Earnings per share (NT\$)	-0.36	1.51	

(V) Research development situation: Due to the impact from the pandemic since 2020, development of new products was halted, with the Company's current focus on production process improvement instead. From the third quarter of 2021, the 5G AIoT system was introduced to build 4.0 smart factory to improve product yield and reduce business costs. The Company started planning the development of new material products in 2024.

II. Overview of 2025 business plan:

- (I) Business policy:
 - 1. The factory and machinery equipment have been leased to Chun Yu since March 2025 to create resource sharing. In the future, we will adopt a cooperation model of order acceptance and production division with Chun Yu to integrate production and sales to enhance the interests of both parties.
 - 2. After taking office, US President Trump actively promoted a ceasefire between Russia and Ukraine. The reconstruction business opportunities after the ceasefire are huge, which will be of great benefit to future business orders.
- (II) Expected sales volume in 2025 and its basis

e company's estimated safes volume for 2025 is as follows.									
Product name	Sales volume	Unit							
Screws	22,340	Tons							
Wires and rods	0	Tons							
Others	0	Tons							

- 1. The Company's estimated sales volume for 2025 is as follows:
- 2. Basis

The Company's estimated sales volume is based on the industry environment and market supply and demand conditions, and takes into account the development of its own business. The World Steel Association (Worldsteel) released the latest shortterm steel demand forecast report on October 15, 2024. The global economy (excluding mainland China) has shown resilience, with easing inflation and increased government spending to support the economy. Regional political risks, elections in various countries and the progress of carbon neutrality promotion are estimated to be the main uncertainties in the global steel market in 2024 and 2025. According to the report, the demand forecast is 1,771.5 million tons in 2025, with a growth rate of 1.2%, which is 20.6 million tons more than 2024.

The World Steel Association believes that China's loose monetary policy has taken effect, and capital inflows have stimulated the recent strong recovery in the steel market; however, whether the policy strength can be sustained, whether the economy recovers, and the speed of clearing vacant houses and unfinished buildings will become key factors affecting China's future steel demand. In addition, regional political risks, elections in various countries and the progress of carbon neutrality promotion are estimated to be the main uncertainties in the global steel market in 2025 and 2026.

The IMF warned that the risks facing the global economic growth outlook are generally still tilted to the downside, with economic growth expected to be around 3% in the next five years. Uncertainty in economic policies in some countries will

affect the trend of the world economy. In addition, the economic policies of the Trump administration in the United States, especially the threat of additional tariffs, will also bring uncertainty to the global economy in 2025.

(III) Major production and sales policies:

- 1. Business sales strategy
 - (1) Establish long-term project agreements with clients.
 - (2) Continue developing sales in new markets such as North America and South America.
- 2. Production and shipping strategy
 - (1) Production capacity centralization: Centralization of production batches to improve machine utilization rates.
 - (2) Product manufacturing improvement: Control the loss, consumables and molds of each production process to achieve the goal of lowering costs.
 - (3) Quality improvement: Strictly implement various inspections at each inspection site for quality control and update inspection equipment to improve shipment quality.
- III. Future company development strategy:
 - 1. Manufacturers of "standard fasteners" as product positioning.
 - 2. Optimize and integrate company resources to create win-win situations.
 - 3. Since March 2025, the factory buildings and equipment have been leased to Chun Yu Works & Co., Ltd., and the production of both parties has been merged to reduce costs.
- IV. Impacts from external competitive environment, regulatory environment and overall business environment:
 - 1. External competitive environment: Due to the advantages of cheaper labor and cheaper raw materials in Southeast Asia (such as Vietnam and Thailand) and the mainland China, it seems that Taiwan's screw industry is difficult to compete with them. In fact, it is not the case. Setting up factories overseas has its risks, and the overall efficiency cannot be compared with Taiwan. Steel material costs and quality are the biggest key factors impacting the competitiveness of the screw industry, so finding a competitive source of materials remains the most important direction.
 - 2. Regulatory environment: In 2021, President Ing-Wen Tsai specifically declared on World Earth Day that Taiwan will achieve net zero emissions by 2050. The full version of "Taiwan's Pathway to Net-Zero Emissions in 2050" was proposed the following year. Energy conservation and carbon reduction are major issues that the steel industry will have to face in the future. In order to achieve the carbon neutrality goal in a few years, the future energy bills that will establish statutory green electricity quotas for large electricity users will increase the operating costs of steel mills.

In order to achieve net zero emission by 2050, the European Commission proposed the "Fit for 55 Package" in July 2021, and in June 2022, it passed the world's first Carbon Border Adjustment Mechanism (CBAM). In the future, all enterprises exporting to the European market must purchase CBAM certificates, thereby encouraging non-EU countries to reduce emissions and prevent the risk of carbon leakage.

3. Overall business environment: The International Monetary Fund (IMF) released its latest global economic forecast on January 17, 2025, and predicted that the global growth rate in 2025 could reach 3.3%, which was 0.1 percentage point higher than the estimate in October 2024 to reflect stronger-than-expected growth in the United States and slowing inflation around the world, allowing central banks to continue to cut interest rates.

The IMF predicts that the eurozone economy will be 1.0% in 2025 (revised down by 0.2%) and will rebound to 1.4% in 2026 (revised down by 0.1%). The reasons why the IMF lowered its forecast for eurozone economic growth in 2025 include weaker-than-expected manufacturing sentiment, increased political and policy uncertainty, low consumer confidence, and the continued negative impact of energy price shocks. Natural gas price in Europe is still about five times higher than in the United States, compared with just twice as much before the pandemic. The IMF also pointed out that there are some downside risks in the eurozone economy, which may lead to lower-than-expected economic growth. European economies could slow more than expected, especially if investors grow increasingly concerned about the sustainability of public debt in more vulnerable countries. Overall, the IMF expects the eurozone economic growth to maintain a moderate recovery, but face some downward pressure and need to pay attention to the impact of policy uncertainty and energy prices.

In 2024, in addition to continuing to accept orders and deliver goods efficiently, the screw business will continue to adjust its product sales mix and focus on niche products to meet customer needs when the economy recovers. Two major business strategies are formulated for 2025: (I) Expand orders outside Europe and further develop customer base. (II) The first extraordinary general meeting of shareholders in 2025 approved that the Company would lease its factory buildings and equipment to Chun Yu. The two parties would divide the production and sales responsibilities. OFCO would take the orders and Chun Yu would combine the production to expand the production scale to reduce costs and increase profits for both parties.

It is estimated that in 2025, the global manufacturing performance will still be bipolar, with strong demand for high-end semiconductor processes and servers, while the recovery of traditional product demand will be limited. There have been many positive news in the steel market recently. For example, the wars between Russia and Ukraine and Israel and Hamas may end this year. According to statistics from China Steel, the steel demand for post-war reconstruction between Russia and Ukraine alone is at least 40 million tons. The reconstruction after the conflict between Israel and Hamas will also have a large demand

for steel, which will play a significant role in boosting global steel demand. The operations team will maintain a cautious attitude, make adjustments flexibly in accordance with changes in the external environment and break through bottlenecks to reshape into a positive, persistent and innovative corporate culture, and actively implement various business strategies, with the hope of demonstrating business performance and achieving the goals of 2025 in a prudent and optimistic manner.

Finally, we wish all shareholders Good health and best wishes

Chairman James Huang

Two. Corporate Governance Report

I. Information on directors, general manager, deputy general manager, senior managers, and heads of departments and branches:

(I) Director Information

			-		-				-		-						Ma	urch 3	1,202	.5
Title	Title Name	Gender	Nation ality or place of	Date of initial	Date of appointment/	Term duration	Shares held at appointme		Number o currently	1 11	Shares cu held by sj minor chi	ouse and	Shares he other nam		Main experience and	De de como de la la data	or supe Compa spouse within degree	tives, dire ervisors i any who or relati the seco of kinsh the Civil	n the is a ve nd ip	Remarks
The	ivanie	Age	registrati on	appointment	service	uration	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	academic qualifications	companies	Title	Name	Relationship	Kemarks
	Taiwan Steel Group United Co., Ltd. Representative: James Huang	Male 51-60 years old	R.O.C.	June 14, 2023	June 14, 2023	3 years	12,000,000	11.95%	10,000,000	9.93%	0	0	0	0	Management, National Kaohsiung First	Primary titles: None Other: Director of Jia Jie Biomedical Co., Ltd., General Manager of Kings Asset Management	None	None		None
Director's legal	Taiwan Steel Group United Co., Ltd. Representative: Chen, Cheng- Wen	Male 41-50 years old	R.O.C.	December 16, 2024	December 16, 2024	2 years	12,000,000	11.95%	10,000,000	9.93%	0	0	0	0	science, National Sun Yat- sen University 2. Lecturer at Kaohsiung National Open University, Executive Director of the Southern Loint Service	Primary titles: None Other: Director of the Chinese Professional Baseball League, Director of the Board of Directors of Taiwan Steel University of Science and Technology, Director of Kuei Tien Cultural, Director of King House Co., Ltd.	None	None		None
Director's legal representative	Taiwan Styrene Investment Co., Ltd. Representative: Wu, Mei-Hui	Female 51-60 years old	R.O.C.	June 14, 2023	June 14, 2023	3 years	177,000	0.18%	177,000	0.18%	0	0	0	0	 Master of Communication Management, Ming Chuan University; PhD, Finance, Xiamen University Assistant Professor of the Department of Journalism of Ming Chuan University, Editor-in- Chief of Investor, Deputy Editor-in-Chief of Today Magazine, and Deputy Editor-in-Chief of Business Weekly. 	Primary titles: None Other: Director of Chun Yu Works & Co., Ltd., Director of D-Link Technology Co., Ltd., Chairman of King House Co., Ltd.	None	None	None	None

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		Date of initial	Date of appointment/	Term d	Shares held at time of appointment		Number of shares		Shares cu held by sj minor chi	ouse and	Shares he other nan		Main experience and	Posts currently held at the Company and other	under the Civil Code			Remarks		
Inte	Name	Age	registrati on	appointment	service	1 duration	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	academic qualifications	companies	Title	Name	Relationship	Kemarks
Director's legal representative	Rong Gang Investment Co., Ltd. Representative: Chen, Hsiang- Lin	Male 61-70 years old	R.O.C.	June 14, 2023	June 14, 2023	3 years	2,000	0	2,000	0	0	0	0	0	 Graduated from the Department of Mechanical Engineering, Kunshan University of Science and Technology Maintenance Consultant of Formosa Plastics Fujian Fuxin Special Steel Co., Ltd., Assistant Vice President of OFCO Industrial Corporation; Project Engineer of Walsin Lihwa Co., Ltd., Chief Engineer and Acting Plant Manager of Kuei Hung Industrial Co., Ltd., and Engineer of Samsung Technology Co., Ltd. 	Primary titles: None Other: Chairman of TSG Engineering Corporation	None	None	None	None
Director		Male 71 years old and above	R.O.C.	June 23, 2011	June 14, 2023	3 years	500,000	1.22%	698,163	0.70%	0	0	0	0	 Graduated from Tainan Commercial Vocational School Director, Universal Cement 	Primary titles: None Other: Chairman of Chun Yu Works & Co., Ltd., Chairman of Baijiayuan Investment Co., Ltd., Director of Chun Zu Machinery Industry Co., Ltd., Director of Quintain Steel Co., Ltd.	None	None	None	None
Independent Director		Male 61-70 years old	R.O.C.	June 22, 2017	June 14, 2023	3 years	0	0	0	0	0	0	0	0	 Graduated from Department of Land Economics, National Chung Hsing University Regional Manager, Ta Chong Bank, Vice President, Taishin Securities Investment Trust Co., Ltd., Vice President, Taiwan Indigena Botanic Co., Ltd. 	Primary titles: None Other: Supervisor, Hearts & Mirrors Investment Co., Ltd.	None	None	None	None

Titla			Date of initial	Date of	Term duration	academic qualific		Main experience and	Posts currently held at the Company and other	under the Civil Code			Remarks							
nue	Ivallie	Age	registrati on	appointment	appointment/ service	uration	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	academic qualifications	companies	Title	Name	Relationship	Remarks
Independent Director	Chang, Wen- Huai	Male 51-60 years old	R.O.C.	June 20, 2018	June 14, 2023	3 years	0	0	0	0	0	0	0	0	 Master's degree, Institute of China Studies, Tamkang University Assistant to the Chairman's Office, Chung Houng Construction Co., Ltd. Special Assistant to the Chairman's Office, 85 Sky Tower Hotel Co., Ltd. 	Primary titles: None Other: None.	None	None	None	None
Independent Director	Wang, Bing- Chuan	Male 41-50 years old	R.O.C.	June 14, 2023	June 14, 2023	3 years	0	0	0	0	0	0	0	0	 Bachelor's degree, Department of Justice, National Taipei University, and studied at Law School, National Taiwan University Independent Director of Allied Fiber Optic Communications Co., Ltd., Chief Legal Officer of D-Link Corporation, Legal Manager of Taiwan Steel & Minerals Co., Ltd., 	Primary titles: None Other: Independent Director of Amigo Technology Inc., Independent Director of King House Co., Ltd., Independent Director of Golden Win International CORP.	None	None	None	None
Former director's legal person representative	Taiwan Steel Group United Co., Ltd. Representative: Yan, Ching-Li	Male 61-70 years old	R.O.C.	June 14, 2023	June 14, 2023	3 years	12,000,000	11.95%	10,000,000	9.93%	0	0	0	0	 Department of Industrial Engineering, Feng Chia University Chairman of E-TOP Metal Co., Ltd., Chairman of TMP Steel Corporation 	Primary titles: None Other: Chairman of E- TOP Metal Co., Ltd., Chairman of E-Sheng Steel Co., Ltd., Chairman of TMP Steel Corporation, Director of Quintain Steel Co., Ltd., Director of Chun Yu Works, Chairman of Taiyu Investment Co., Ltd.	None	None	None	None

Title	Title Name Gender Nation ality or Date of init		Date of initial	Date of appointment/	Term d	Shares held at appointme		Number o currentl	of shares	Shares cu held by s minor ch	pouse and	Shares he other nan		Main experience and	Posts currently held at the Company and other	or supe Compa spouse within degree	tives, dir ervisors i any who or relati the seco of kinsh the Civil	in the is a ve nd iip	Remarks	
nue	Name	Age	place of registrati on	appointment	service	duration	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	Shares	Percentage of Shareholding %	academic qualifications	companies	Title	Name	Relationship	Kemarks
Former director's legal person representative	Taiwan Styrene Investment Co., Ltd. Representative: Wu, Ju-Yan	Male 39-40 years old	R.O.C.	July 21, 2023		3 years	177,000	0.18%	177,000	0.18%	0	0	0	0	 Master of Business Administration, Indiana University, Bloomington Assistant Vice President of OFCO Industrial Corporation, and Vice President of Sales Department, Chun Yu Works & Co., Ltd. 	Primary titles: President Other: Chairman of TSG Transport Corp.; Director of Yung Fu Co., Ltd.	None	None	None	None
Director	Taiwan Steel Group United Co., Ltd.	omitted	R.O.C.	June 25, 2008	June 14, 2023	3 years	12,000,000	11.95%	10,000,000	11.95%	0	0	0	0	None	None	None	None	None	None
Director	Taiwan Styrene Investment Co., Ltd.	omitted	R.O.C.	June 14, 2023	June 14, 2023	3 years	177,000	0.18%	177,000	0.18%	0	0	0	0	None	None	None	None	None	None
Director	Rong Gang Investment Co., Ltd.	omitted	R.O.C.	June 14, 2023	June 14, 2023	3 years	2,000	0	2,000	0	0	0	0	0	None	None	None	None	None	None

1-1 Main shareholders among corporate shareholders

March 31, 2025

Corporate shareholder name (Note 1)	Major shareholders among corporate shareholders (Note 2)
Taiwan Steel Group United Co., Ltd.	Kings Asset Management (100%)
Co., Ltd.	Huang, Shih-Chen (9.46%), Yi Tong Yuan Investment Co., Ltd. (36.23%), Huang, Chun-Jen (10.51%), James Huang (9.78%), Hsu, Hsin- Hsuan (4.71%), Hsu, Hsin-Yu (4.71%), Yen, Ming-Ling (4.71%), Chen, Chun- Wen (4.71%), Huang, Chun-Yen (4.71%), Lin, Fang-Ching (3.62%)
Rong Gang Investment Co., Ltd.	Huang, Shu-Yen (100%)

Note 1: If a director or supervisor is a representative of a corporate shareholder, please fill in the name of the corporate shareholder.

1-2 Main shareholders among the main corporate shareholders

March 31, 2025

	· · · · · · · · · · · · · · · · · · ·
Legal person's name (note 1)	Major shareholders of the legal person (note 2)
Kings Asset Management	James Huang (45%); Wang, Jiong-Fen (36%); E-TOP
	Metal Co., Ltd. (19%)
Yi Tong Yuan Investment Co., Ltd.	E-Sheng Steel Co., Ltd. (100%)

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

Note 2: Fill in the names of the major shareholders of the legal person (top 10 by shareholding ratio).

(II) Information of Directors - II

- 1. Information disclosure of directors' professional qualifications and independent directors' Independence:
 - (1) Professional qualifications of directors

Title	Name	Professional qualifications and experience (Note 1)	Number of concurrent independent director posts to other public companies
Chairman	Representative of Taiwan Steel Group Co., Ltd. James Huang	 Institute of Financial Management, National Kaohsiung First University of Science and Technology Currently serves as General Manager of Kings Asset Management, Supervisor of Taiwan Network Group United Co., Ltd., Supervisor of 	0

Note 2: Fill out the names of the main shareholders (whose shareholding proportion exceeds 10% or is among the top 10 highest) among the corporate shareholders. If the major shareholder is a legal person, please fill in the following table.

Title	Name	Professional qualifications and experience (Note 1)	Number of concurrent independent director posts to other public companies
Director	Representative of Taiwan Steel Group Co., Ltd. Chen, Cheng-Wen	 Science, National Sun Yat-sen University Director of the Chinese Professional Baseball League, Director of the Board of Directors of Taiwan Steel University of Science and Technology, Kuei Tien Cultural & Creative 	0
		 Entertainment Co., Ltd.Director, Director of King House Co., Ltd. 3. There was none of the items specified in Article 30 of the Company Act. 	
Director	Representative of Taiwan Styrene Investment Co., Ltd. Wu, Mei-Hui	 Master of Communication Management, Ming Chuan University; PhD, Finance, Xiamen University Currently serves as an Assistant Professor of Journalism at Ming Chuan University, Director of Chun Yu Works & Co., Ltd., Director of D- Link Corporation, and Chairman of King House Co., Ltd. There was none of the items specified in Article 30 of the Company Act. 	0
Director	Chen, Hsiang-Lin, Representative of Rong Gang Investment Co., Ltd.	 Graduated from the Department of Mechanical Engineering, Kunshan University of Science and Technology Maintenance Consultant of FUJIAN FUXIN SPECIAL STEEL CO., LTD., Senior Manager of OFCO Industrial Corp., Project Engineer of Walsin Lihwa Corporation, Chairman of TSG Engineering Corporation There was none of the items specified in Article 30 of the Company Act. 	0
Director	Chen, Chi-Tai	 Graduated from Tainan Commercial Vocational School Chairman of Chun Yu Works & Co., Ltd., Chairman of Baijiayuan Investment Co., Ltd., Director of Chun Zu Machinery Industry Co., Ltd., Director of Quintain Steel Co., Ltd., and Director of Taiwan Styrene Monomer Corporation. There was none of the items specified in Article 30 of the Company Act. 	0

Title	Name	Professional qualifications and experience (Note 1)	Number of concurrent independent director posts to other public companies
Former Director	Representative of Taiwan Steel Corporation, Yan, Ching-Li	 Department of Industrial Engineering, Feng Chia University Chairman of E-TOP Metal Co., Ltd., Chairman of E-Sheng Steel Co., Ltd., Director of Quintain Steel Co., Ltd., Chairman of Taiyu Investment Co., Ltd., Chairman of TMP Steel Corporation, Director of Chun Yu Works & Co., Ltd., Director of Quintain Steel Co., Ltd. There was none of the items specified in Article 30 of the Company Act. 	0
Former Director	Representative of Taiwan Styrene Investment Co., Ltd. Wu, Ju-Yan	 Master of Business Administration, Indiana University, Bloomington Deputy General Manager of Chun Yu Works & Co., Ltd., Senior Manager of OFCO, General Manager of OFCO, Chairman of TSG Transport Corp., Director of Yung-Fu Co., Ltd. There was none of the items specified in Article 30 of the Company Act. 	0

(2) Professional qualification and independence of independent directors

Name	Pro	fessional qualifications and	Situation of independence (Note 2)	Number of
		erience (Note 1)	1 ()	concurrent
	члр			independent
				director
				posts to other
				public .
I CCII	1			companies
Jeff Huang	1.	Graduated from Department of	The conditions for independence	0
		Land Economics, National	include but are not limited to the	
		Chung Hsing University	following: the individual, his/her	
	2.	Regional Manager, Ta Chong	spouse, or relatives within the second	
		Bank, Vice President, Taishin	degree of kinship do not serve as	
		Securities Investment Trust Co.,	directors, supervisors, or employees of	
		Ltd., Vice President, Taiwan	the Company or its affiliated	
		Indigena Botanic Co., Ltd.	companies; do not hold a certain	
		Supervisor, Hearts & Mirrors	number of the Company's shares; do	
		Investment Co., Ltd.	not serve as a director, supervisor, or	
	3.	There was none of the items	employee of a company with a specific	
		specified in Article 30 of the	relationship with the Company; and do	
		Company Act.	not receive any remuneration for	
			providing business, legal, financial,	
			accounting, and other services to the	
			Company or its affiliated companies in	
			the past two years.	
Chang,	1.	Graduated from Graduate	The conditions for independence	0
Wen-Huai		Institute of China Studies,	include but are not limited to the	
		Tamkang University	following: the individual, his/her	

Name		fessional qualifications and erience (Note 1)	Situation of independence (Note 2)	Number of concurrent
	CAP			independent director posts to other public companies
	2.	Assistant to the Chairman's Office, Chung Houng Construction Co., Ltd., Special Assistant to the Consultant of the Chairman's Office, 85 Sky Tower Hotel Co., Ltd. There was none of the items specified in Article 30 of the Company Act.	spouse, or relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or its affiliated companies; do not hold a certain number of the Company's shares; do not serve as a director, supervisor, or employee of a company with a specific relationship with the Company; and do not receive any remuneration for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	
Wang, Bing- Chuan	1.	Bachelor's degree, Department of Justice, National Taipei University, and studied at Law School, National Taiwan	The conditions for independence include but are not limited to the following: the individual, his/her spouse, or relatives within the second	3
	2.	Independent Director of King House Co. Ltd.	degree of kinship do not serve as directors, supervisors, or employees of the Company or its affiliated companies; do not hold a certain number of the Company's shares; do not serve as a director, supervisor, or employee of a company with a specific relationship with the Company; and do not receive any remuneration for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.	

Note 1: Professional qualifications and experience: Describe the professional qualifications and experience of individual directors and supervisors. If they are members of the audit committee and have accounting or financial expertise, their accounting or financial background and work experience should be described. In addition, it should be stated whether they have met the requirements of Article 30 of the Company Act. Note 2: Independent directors should state the circumstances that meet the requirements of independence, including but not limited to whether they, their spouse, or their relatives within the second degree of kinship serve as directors, supervisors, or employees of the Company or its affiliated companies; the number and proportion of the Company's shares held by them, their spouse, or their relatives within the second degree of kinship (or using the names of others); whether they serve as directors, supervisors, or employees of companies with specific relationships with the Company (refer to Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); the amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the past two years.

2. Diversity policy and independence of the Board of Directors

Diversity policy of the Board of Directors

(1) On March 12, 2015, the Board of Directors of the Company approved the formulation of the "Corporate Governance Best Practice Principles". In Chapter 3, the Company strengthened the functions of the Board of Directors and established a diversity policy. It clearly stated that the abilities that the Board of Directors should possess as a whole include professional competence, accounting and financial analysis ability, business management ability, crisis management ability, industry knowledge, international market perspective, leadership ability and decision-making ability. The composition of the Board of Directors should take diversity into consideration and formulate appropriate board diversity policies based on its own operations, business model and development needs, including basic conditions and values (gender, age, nationality and culture), professional knowledge and skills (such as law, accounting, industry, finance, marketing or technology), etc. The specific management objectives and achievement of the Company's diversification policy are as follows:

Diversify the specific management goals	Status of achievement
The Board of Directors should include at	One female director has been appointed, which
least one female director.	has achieved the goal of gender equality.
The number of directors who also serve as	No such situation
company managers should not exceed	
one-third of the Board seats.	
At least one-third of the directors must	Among the Board members, four have
have industry, marketing or technology	financial accounting backgrounds, two have
expertise.	legal backgrounds, and all have experience in
	industry-related management positions.
At least one-third of the independent	Among the independent directors, one has a
directors must have legal, accounting or	financial accounting background and two have
technical expertise.	a legal background.

(2) Diversity of the 18th Board of Directors (took office on June 14, 2023)

There are 9 directors on the current Board of Directors, including 3 independent directors. All directors possess abundant experience and expertise in the fields of finance, commerce, legal affairs and management. The directors of the Company are all Taiwanese nationals, with 3 independent directors (accounting for 33% of all directors). In addition, the Company also attaches importance to gender equality in the composition of the Board of Directors. Currently, there is 1 female director among the 9 directors, accounting for 11%, which is less than one-third of the seats for directors of any gender. This is due to insufficient arrangements for directors, which will be supplemented in the future. All independent directors have served no more

than 3 consecutive terms, and all independent directors have met the requirements of the Securities and Futures Bureau, FSC.

The relevant implementation is as follows:

				Leng serv inde direc	ice o pend	f	Part-time	Prof	essic	onal	skill	Pro	ofess	iona	l kno	owle	dge
Title	Name	Nationality	Gender	Under 3 y	$3 \sim 9$ years	Over 9 years	Part-time employee	Leadership and decision-making	Asset Management	Industrial knowledge	Business management	Finance and accounting	Laws	Securities investment	Information technology	News media	Risk management
Chairman	James Huang	R.O.C.	Male					\checkmark	\checkmark			\checkmark		\checkmark			
Former director	Yan, Ching-Li	As above	Male					\checkmark	\checkmark								\checkmark
Former director	Wu, Ju- Yan	As above	Male				\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark			\checkmark		\checkmark
Director	Wu, Mei-Hui	As above	Female					\checkmark	\checkmark							\checkmark	
Director	Chen, Hsiang- Lin	As above	Male					\checkmark		\checkmark	\checkmark						
Director	Chen, Chi-Tai	As above	Male					\checkmark	\checkmark	\checkmark	\checkmark	\checkmark					\checkmark
Director	Chen, Cheng- Wen	As above	Male								V		V				
Independent Director	Jeff Huang	As above	Male		\checkmark			\checkmark	\checkmark			\checkmark					\checkmark
Independent Director	Chang, Wen- Huai	As above	Male		\checkmark			\checkmark	\checkmark				\checkmark				\checkmark
Independent Director	Wang, Bing- Chuan	As above	Male	\checkmark									\checkmark		\checkmark		\checkmark

Note: (1) Director Wu, Ju-Yan resigned on September 23, 2024

(2) On December 16, 2024, Taiwan Steel Corporation appointed new legal representatives, Director Chen, Cheng-Wen took office and Director Yan, Ching-Li was dismissed

Independence of the Board of Directors

The members of the Board of Directors shall not hold more than half of the seats as specified in Article 26-3 of the Securities and Exchange Act, shall not be spouses or relatives within the second degree of kinship, and the Chairman and general manager shall be different persons. In addition, the Regulations Governing Procedure for Board of Directors Meetings of the Company clearly stipulate that "any person who has a vested interest in the Company or the legal person he represents shall not participate in discussions or votes". There are 3 independent directors, which complies with the requirement of Article 14-2 of the Securities and Exchange Act that the number of directors shall not be less than 2 and shall not be less than one-fifth of the Board seats. Independent directors account for 33.3%, and all independent directors maintain independence in the performance of their duties and have no direct or indirect vested interest in the Company. All directors of the Company shall comply with the above regulations to ensure the independence of the Board of Directors. II. Information on the general manager, deputy general manager, senior managers, and heads of departments and branches

March 31, 2025

Title	Title Nationality Name Gen	Gender	Date of appointment/service		ares held	spous	res held by e and minor hildren		held in other names	Main academic qualifications	Posts currently held at other	who i with	is a spo in the s nship u	the Company ouse or relative second degree under the Civil ode		
					Shares	Percentage of Shareholding	Shares	Percentage of Shareholding	Shares	Percentage of Shareholding		companies	Title	Name	Relationship	
President	RUL	Huang, Mei-Ling	Female	January 2, 2025	0	0%	0	0	0	0	 Department of Cooperative Economics, Feng Chia University General Manager of Argo Yachts Development Co., Ltd., Deputy General Manager of Engineering Center of Gloria Material Technology Corp. 	Chairman, TSG Power Corp.	None	None	None	None
Former CEO	As above	Wu, Po- Cheng	Male	January 2, 2025	0	0	0	0	0	0	1. PhD, Department of Materials Science and	Chairman of the Board of Directors of Taiwan Steel Aerospace Technology Corporation, General Manager of China Fine Blanking Technology Co., Ltd.	None	None	None	None
Business Project Manager		Yu- Cheng Huang	Female	November 8, 2023	30,000	0.03%	0	0	0	0	 Bachelor of Economics/Business Administration, University of North Texas, USA 	None	None	None	None	None

Title	Nationality	Name	Gender	Date of appointment/service		ares held	spous	res held by e and minor hildren		held in other names	Main academic qualifications	Posts currently held at other	who i	s a spo in the s nship u	the Company use or relative econd degree nder the Civil ode	
					Shares	Percentage of Shareholding	Shares	Percentage of Shareholding	Shares	Percentage of Shareholding		companies	Title	Name	Relationship	
											 (University of North Texas) Overseas Business Associate of Arden Electric Co., Ltd., Senior Project of Classic PR Consultation Co., Ltd., Overseas Business Associate of Guanxi Electronics Co., Ltd. 					
Accounting Supervisor	As above	Wang, Mei-Yu	Female	May 10, 2004	41,426	0.04%	0	0	0	0	 Department of Accounting, Tunghai University; Financial Supervisor, Grand Hi-Lai Hotel 	Supervisor, TSG Transport Corp.	None	None	None	None
Previous General Manager	R.O.C.	Wu, Ju- Yan	Male	October 19, 2020	0	0%	0	0	0	0	 Master of Business Administration, Indiana University Bloomington Vice President, Department of Business, Chun Yu Works & Co., Ltd. 	Chairman of TSG Transport Corp., Director of Yung Fu Co., Ltd.	None	None	None	None
Previous Deputy General Manager	As above	Yun-Ling Li	Female	May 7, 2020	0	0%	0	0	0	0	 Graduated from Tainan University of Technology Factory Affairs Department and Procurement Supervisor, OFCO 	Director, TSG Transport Corp.	None	None	None	None

Note: Former General Manager Wu Chu-Yen resigned on September 30, 2024, former Deputy General Manager Li, Yun-Ling resigned on May 31, 2024, and former CEO Wu, Po-Cheng resigned on March 12, 2025

(III) Remuneration to directors (including independent directors), the president, and vice presidents

1-1 Remuneration to directors (including independent directors)

_							U	1		,					D	ecemb	er 31,	2024		Unit	NTD th	ousands
		Remune	ration paid	Retireme	Directors' rent Pension	Dire	ctor's		execution	D as a r	A, B, C and atio of net	Salaries	neration pai , bonuses, Illowances		tors concur		U		-	C, D, E,	n of A, B, F and G portion in	Whether the Company receives
			A) ote 2)	(F) B)		ration (C) ote 3)	1	(D) (Note 4)		after tax Note 10)	etc	. (E) ote 5)		F)	Linpio	(Not	te 6)		net profi		remuneration from
Title	Name	The Company	All companies in the financial	The Company	All companies in the financial	The Company	All companies in the financial	The Company	All companies in the financial			(No		The Company	All companies in the financial	investment businesses other than subsidiaries or the parent						
	_		statements		statements		statements		statements		statements		statements		statements	1	amount					company (H)
Chairman	James Huang	2,943	3,565	0	0	0	74	30	90	2,973 -8.26%	3,729 -2.96%	0	0	0	0	0	0	0	0	2,973 -8.26%	3,729 -2.96%	None
Former director	Yan, Ching-Li	0	0	0	0	0	0	30	30	30 -0.08%	30 -0.02%	0	0	0	0	0	0	0	0	30 -0.08%	30 -0.02%	None
Director	Wu, Mei- Hui	0	0	0	0	0	0	30	30	30 -0.08%	30 -0.02%	0	0	0	0	0	0	0	0	30 -0.08%	30 -0.02%	None
Former director	Wu, Ju- Yan	0	0	0	0	0	148	20	70	20 -0.06%	218 -0.17%	1,898	3,283	0	0	0	0	120	0	1,918 -5.33%	3,621 -2.87%	None
Director	Chen, Hsiang- Lin	0	0	0	0	0	195	30	30	30 -0.08%	225 -0.18%	0	0	0	0	0	0	0	0	30 -0.08%	225 -0.18%	None
Director	Chen, Chi- Tai	0	0	0	0	0	0	30	30	30 -0.08%	30 -0.02%	0	0	0	0	0	0	0	0	30 -0.08%	30 -0.02%	None
Director	Chen, Cheng- Wen	0	0	0	0	0	0	0	0	0 0%	0 0%	0	0	0	0	0	0	0	0	0 0%	0 0%	None
Independent Director	Jeff Huang	390	390	0	0	0	0	30	30	420 -1.17%	420 -0.33%	0	0	0	0	0	0	0	0	420 -1.17%	420 -0.33%	None
Independent Director	Wen-Huai	360	360	0	0	0	0	30	30	390 -1.08%	390 -0.31%	0	0	0	0	0	0	0	0	390 -1.08%	390 -0.31%	None
Independent Director	Wang, Bing- Chuan	360	360	0	0	0	0	30	30	390 -1.08%	390 -0.31%	0	0	0	0	0	0	0	0	390 -1.08%	390 -0.31%	None
Corporate Director	Taiwan Steel Group United Co., Ltd.	0	0	0	0	0	0	0	0	0 0%	0 0%	0	0	0	0	0	0	0	0	0 0%	0 0%	None
Corporate Director	Taiwan Styrene Investment Co., Ltd.	t O	0	0	0	0	0	0	0	0 0%	0 0%	0	0	0	0	0	0	0	0	0 0%	0 0%	None

]	Directors' r	emunerati	on			Sum of /	A, B, C and	Remu	neration pa	id to direc	tors concur	rently s	erving a	s emplo	yees	The sum	n of A, B,	Whether the
			1	Retireme	ent Pension				execution	D as a r	atio of net	Salaries	, bonuses, llowances	Retireme	nt Pension	Employ	vees' rei	nunerati	ion (G)		, F and G portion in	Company receives
		· · · · · · · · · · · · · · · · · · ·	A) ote 2)	((F) (B)		ration (C) ote 3)	expense	(D) (Note 4)		e after tax Note 10)	etc	. (E) ote 5)		F)	1.	(Not			net profi		remuneration from
Title	Name	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies	Company	financial statements	Cash	Stock	All com in the fi stater (Not Cash amount	nancial nents te 7) Stock	The Company	financial	investment businesses other than subsidiaries or the parent
Corporate Director	Rong Gang Investment Co., Ltd.	0	0	0	0	0	0	0	0	0 0%	0 0%	0	0	0	0	0	0	0	0	0 0%	0 0%	None

. The Company's payment policy, system, standard and structure for remuneration of independent directors, and explain the relationship with the remuneration payment according to the job duties handled, risks and time invested, etc.:

 According to the Articles of Incorporation of the Company, the remuneration of the directors of the Company is authorized to be determined by the Board of Directors based on their level of participation and contribution to the Company's operations and in consideration of the normal standards of the industry, but not exceeding the highest salary level set forth in the Company's salary regulations.

(2) The Articles of Incorporation have also explicitly specified that an amount not higher than 3% of the profit of the current year is to be appropriated as the directors' remuneration.

(3) Since independent directors concurrently act as members of the Audit Committee and Remuneration Committee, and are required to participate in discussions and resolutions of relevant committee meetings according to the provisions of each committee charter, consequently, their remuneration is higher than the remuneration of general directors.

In addition to the above disclosure, the remuneration received by the directors of the Company for providing services to all companies in the financial report (such as serving as consultants for the parent company/all companies in the financial report/invested businesses who are not employees, etc.) in the most recent year: None

Note 2: Refers to the remuneration of directors in the most recent year (including director salary, position allowance, severance pay, various bonuses, incentives, etc.).

Note 3: Fill in the amount of directors' remuneration distributed by the Board of Directors in the most recent year.

Note 4: Refers to the relevant business execution expenses of the directors in the most recent year (including travel expenses, special expenses, various allowances, dormitories, cars and other physical provisions, etc.).

- Note 5: Refers to the remuneration received by directors and employees who also serve as directors (including general manager, deputy general manager, other managers and employees) in the most recent year, including salaries, position allowances, severance pay, various bonuses, incentives, travel expenses, special expenses, various allowances, dormitories, cars and other in-kind provisions, etc. When providing housing, cars and other means of transportation or personal expenses, the nature and cost of the assets provided, the actual or fair market value of the rent, gas and other payments should be disclosed. If there is a driver, please provide a note indicating the relevant remuneration paid by the Company to the driver, which shall not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share-based Payments", including employee stock options, employee restricted shares and participation in cash capital increase for subscription of shares, should also be included in remuneration.
- Note 6: Refers to directors who are also employees (including general manager, deputy general manager, other managers and employees) and have received employee remuneration (including stocks and cash) in the most recent year. They should disclose the amount of employee remuneration distributed by the Board of Directors in the most recent year. If it is impossible to estimate, the proposed distribution amount for this year shall be calculated based on the proportion of the actual distribution amount last year.

1-2 Table of remuneration levels

		Name o	of Director	
Tiers of remuneration paid to directors of	Sum of the four re	emunerations above	Sum of the seven i	remunerations above
the Company	(A+B	+C+D)	(A+B+C+	D+E+F+G)
une company	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Under NT\$1,000,000	Chen, Chi-Tai, Yan, Ching-Li, Wu, Mei-Hui, Chen, Hsiang-Lin, Wu, Ju-Yan, Jeff Huang, Chang, Wen-Huai, Wang, Ping-Chuan, Chen,	Chen, Chi-Tai, Yan, Ching- Li, Wu, Mei-Hui, Chen, Hsiang-Lin, Wu, Ju-Yan, Jeff Huang, Chang, Wen- Huai, Wang, Ping-Chuan, Chen, Cheng-Wen	Chen, Chi-Tai, Yan, Ching- Li, Wu, Mei-Hui, Chen, Hsiang-Lin, Jeff Huang, Chang, Wen-Huai, Wang, Ping-Chuan, Chen, Cheng- Wen	Chen, Chi-Tai, Yan, Ching- Li, Wu, Mei-Hui, Chen, Hsiang-Lin, Jeff Huang, Chang, Wen-Huai, Wang, Ping-Chuan, Chen, Cheng- Wen
NT\$1,000,000 (inclusive) – NT\$2,000,000 (not inclusive)	Cheng-Wen None	None	Wu, Ju-Yan	None
NT\$2,000,000 (inclusive) – NT\$3,500,000 (not inclusive)	James Huang	None	James Huang	None
NT\$3,500,000 (inclusive) to NT\$5,000,000 (not inclusive)	None	James Huang	None	James Huang, Wu, Ju-Yan
NT\$5,000,000 (inclusive) to NT\$10,000,000 (not inclusive)	None	None	None	None
NT\$10,000,000 (inclusive) to NT\$15,000,000 (not inclusive)	None	None	None	None
NT\$15,000,000 (inclusive) to NT\$30,000,000 (not inclusive)	None	None	None	None
NT\$30,000,000 (inclusive) to NT\$50,000,000 (not inclusive)	None	None	None	None
NT\$50,000,000 (inclusive) to NT\$100,000,000 (not inclusive)	None	None	None	None
Over NT\$100,000,000	None	None	None	None
Total	10 persons	10 persons	10 persons	10 persons

2-1 Supervisor's remuneration: None (an audit committee has been established by the company as replacement for a supervisor)

3-1 President and Vice President's remuneration

Unit: NT\$ thousand Sum of A. B. C and D Related Employee Earnings Distribution (D) Retirement pension Bonuses and as a ratio (%) of net Salary (A) profit **(B)** Allowances (C) (Note 2) income after tax sharing All companies in from The Company earnings the financial from statements All All All All Title companies Name investees companies companies companies The The The The included in other than in the in the in the Company Company the Company Company the Cash Stock Stock financial financial financial Cash financial subsidiaries statements statements statements amount amount amount amount or the statements parent company Rosalind 0 0 0 0 0 0 0 0 0 0 0 0 President None Huang Wu. Po-Former 0 0 0 0 0 0 0 0 0 0 0 0 None CEO Cheng Previous James 0 0 0 0 0 0 0 0 0 0 0 0 General None Huang Manager Previous Wu, Ju-1.671 4.187 General 1.485 3.369 0 0 186 670 0 0 148 0 None 3.23% Yan 2.26% Manager Previous Deputy Yun-Ling 772 846 695 695 0 0 77 77 0 0 74 0 None General Li 1.69% 1.69% Manager

Note 1: Former General Manager Wu, Ju-Yan resigned on September 30, 2024, former Deputy General Manager Li, Yun-Ling resigned on May 31, 2024, General Manager Huang, Mei-Ling took office on January 2, 2025, former CEO Wu, Po-Cheng took office on January 2, 2025 and resigned on March 12, 2025. Chairman James Huang did not receive any general manager's remuneration during his tenure as deputy general manager.

Note2: The Board of Directors approved the 2024 employee remuneration (operating loss for 2024, no employee remuneration and director remuneration).

3-2 Table of remuneration levels

	Name of Presi	ident and Vice President
Tiers of remuneration paid to the President and	The Company (Note 7)	All companies in the financial
Vice Presidents of the Company	The Company (Note 7)	statement (Note 8) D
Under NT\$1,000,000	Yun-Ling Li	Yun-Ling Li
NT\$1,000,000 (inclusive) – NT\$2,000,000	None	None
NT\$2,000,000 (inclusive) – NT\$3,500,000	Wu, Ju-Yan	Wu, Ju-Yan
NT\$3,500,000 (inclusive) – NT\$5,000,000	None	None
NT\$5,000,000 (inclusive) – NT\$10,000,000	None	None
NT\$10,000,000 (inclusive) – NT\$15,000,000	None	None
NT\$15,000,000 (inclusive) – NT\$30,000,000	None	None
NT\$30,000,000 (inclusive) – NT\$50,000,000	None	None
NT\$50,000,000 (inclusive) – NT\$100,000,000	None	None
Over NT\$100,000,000	None	None
Total	2 persons	2 persons

		Salar	y (A)		nt pension B)		es and nces (C)	Employe	ee Earning	gs Distribı	ution (D)	· · · · ·	net income	Related profit sharing from earnings
Title	Name	The	All companies in the	The	All companie s in the	Ine	All companies in the	The Co	ompany	in the fi stater All con	nents	The	All companies included	other than the
		Company	financial statements	Company	financial statements	Company	financial statements	Cash amount	Stock amount	Cash amount	Stock amount	Company	in the financial statements	subsidiaries or the parent company
President	James Huang	2,640	3,262	0	0	330	330	0	0	0	0	2,970 -8.24%	3,262 -2.59%	None
Previous General Manager	Wu, Ju- Yan	1,485	2,870	0	0	186	186	0	0	120	0	1,671 -4.64%	3,176 -2.52%	None
Previous Deputy General Manager	Yun-Ling Li	695	695	0	0	77	77	0	0	0	0	772 -2.14%	772 -0.61%	None
Assistant VP, Business	Yu-Cheng Huang	1,074	1,074			120	120	0	0	0	0	1,194 -3.32%	1,194 -0.95%	None
Accounting Supervisor	Wang, Mei-Yu	1,312	1,312	0	0	164	164	0	0	0	0	1,476 -4.10%	1,476 -1.17%	None

4-1 Remuneration of executives with the top five highest levels of remuneration

Note: Chairman James Huang served as acting general manager from September 30, 2024 to January 2, 2025

				5 0111. 141	D mie wount	
	Title	Name	Stock amount	Cash amount	Total	Proportion of net income after tax (%)
	Previous General Manager	Wu, Ju-Yan				
Managan	Previous Deputy General Manager	Yun-Ling Li	0	0	0	00/
Manager	Business Project Manager	Yu-Cheng Huang	0	0	0	0%
	Accounting Supervisor	Wang, Mei- Yu				

March 31 2025 Unit: NTD thousands

4-2 Name of manager distributing employee remuneration and situation of distribution

Note: Due to operating loss in 2024, the Board of Directors resolved not to distribute employee remuneration.

- (IV) Analysis of the proportion of total remuneration paid to the Company's directors, President and Vice Presidents in the last two years in relation to net profit after tax of individual financial reports, and the policy, standards and methods of remuneration paid, and the procedures for determining remuneration and correlation between business performance and future risks:
 - 1. Analysis of the proportion of total remuneration paid to the Company's directors, supervisors, President and Vice President by the Company and all companies in the consolidated statements in the last two years in relation to the net profit after tax of the individual or their individual financial reports:

					Unit: NT\$ thousand			
	The Company				Consolidated Financial Statements (All Companies)			
	2024		2023		2024		2023	
		Proportion		Proportion		Proportion		Proportion
	Total	of net	Total	of net	Total	of net	Total	of net
	amount	profit after	amount	profit after	amount	profit after	amount	profit after
		tax %		tax %		tax %		tax %
Directors' remuneration	6,211	-17.25%	9,883	6.55%	8,865	-24.62%	11,935	7.91%
Remuneration paid to Presidents and Vice Presidents	2,443	-6.78%	5,950	3.94%	5,033	-13.98%	7,413	4.91%
Net profit after tax	-36,012		150,839		-36,012		150,839	

Description: (1) The Company's profit in 2024 decreased compared to 2023, and directors' remuneration decreased.

(2) Due to the operating loss in 2024, the Board of Directors resolved not to distribute directors' remuneration and employee compensation.

- The policy, standards and combination of remuneration payment, the procedure for setting remuneration, and its relationship with business performance and future risks:
 (1) The policy, standard and combination of remuneration:
 - Article 18 of the Company's Articles of Incorporation states that when Company directors perform their duties, the Company must pay remuneration regardless of whether the Company makes a profit or loss. The remuneration paid to all directors is based on their level of participation in the Company business and the value of their contribution, with reference to normal industry levels, with the Board of Directors authorized to make the decision. In addition, if the Company makes a profit in the current year, according to Article 23 of the Company Policy: The Company may allocate not more than 3% of the abovementioned profit as directors' remuneration as determined over a board meeting. The Company regularly evaluates the remuneration paid to directors in accordance with the "Performance Evaluation Method for Board of Directors". The relevant performance appraisal and the rationality of remuneration are reviewed by the salary and remuneration committee and board of directors.
 - 2 For remuneration paid to the Company's managers, various work allowances and bonuses are stipulated according to the Company's "Method of Salary Management" to reward employees for their hard work. The relevant bonuses are awarded based on the Company's business performance, financial situation, business situation and individual work performance of the year. In addition, if the Company makes a profit in the current year, according to Article 23 of the Company's Articles of Incorporation: If the Company makes a profit in the current year, 1% to 3% is allocated as remuneration paid to employees, and a board meeting will determine if the remuneration is paid in stocks or cash. The Company's performance evaluation results based on the "Method of Salary Management" will be a reference basis for allocating manager bonuses, and the categories of manager performance evaluation are divided into: (A) Financial indicators: Based on the Company's management profit and loss report, such as quantity of shipments, orders, production, cost savings and other contribution allocations to Company profits, and with reference to the rate of goal accomplishment by the manager; (B) Non-financial indicators: Two major aspects of practicing Company core values and business management skills, and participation in sustainable business, such as the number of major work safety incidents or cases of process improvement, for calculating remuneration based on business performance, and the remuneration system may be reviewed at any time based on the actual operating situation and relevant legal requirements.
 - 3 The methods of Company remuneration is determined in accordance with the organizational regulations of the Remuneration Committee, and include cash remuneration, stock options, retirement or unemployment benefits, various

allowances and other measures with actual rewards, and the scope aligns with the remuneration paid to directors and managers in the standards for items to be recorded in the annual reports of listed companies.

(2) Process for determining remuneration:

1 To regularly assess the remuneration of directors and managerial officers, the Company bases its evaluations on the results of assessments conducted in accordance with the "Rules for Performance Evaluation of Board of Directors" for directors, and the "Regulations for Salary Administration" applicable to managerial personnel and employees. The Board performance evaluation includes metrics such as the level of participation in the Company's operations and oversight and assessment of risk management. The remuneration of the Chairman and the general manager is determined with reference to industry standards and is linked to the achievement of the Company's performance indicators. The proposed remuneration is submitted to the Board of Directors for approval. To fully reflect the attainment of performance indicators, the chairman's performance evaluation is based on the Company's annual operational indicators related to business, governance, and financial results. The evaluation scope includes 23 indicators such as pre-tax net profit, credit ratings (including those from Taiwan Ratings), and oversight of financial plan implementation. The general manager's performance evaluation scope includes key responsibilities such as pre-tax net profit, operational safety management, revenue management, promotion of inhouse maintenance capabilities, strengthening of internal controls, and implementation of quality assurance and management.

2 The performance self-assessment results of the 2023 board of directors, members of the board, and members of various functional committees have all significantly exceeded the standards. The 2023 manager performance assessment results show that all the managers' performance have surpassed the expected objective requirements. The company's annual business performance assessment results have also reached ideal standards.

The performance evaluation and reasonableness of remuneration for directors and managers of the Company are evaluated and reviewed regularly by the Remuneration Committee and the Board of Directors every year. In addition to referring to the individual's performance achievement rate and contribution to the Company, the overall operating performance of the Company, future risks and development trends of the industry are taken into consideration. The remuneration system is reviewed in a timely manner based on the actual operating conditions and relevant laws and regulations. In addition, reasonable remuneration is given after comprehensively considering the current corporate governance trends in order to strike a balance between the Company's sustainable operation and risk control. The actual distribution of the 2023 directors' and mangers' remuneration

was reviewed by the Remuneration Committee and submitted to the board of directors for finalization.

(3) The Correlation between Business Performance and Future Risks

The review of the Company's remuneration policy and payment standards and systems is based on the Company's overall operating conditions, and the payment standards are approved based on the performance achievement rate and contribution, in order to improve the overall organizational team effectiveness of the Board of Directors and the management department. In addition, in reference to the industry's remuneration standards, coupled with various reasonable remuneration and welfare plans to ensure the company's remuneration for the management level demonstrates industrial competitiveness, thereby retaining outstanding management talents.

2 The performance targets of the Company's managers are all associated with "risk control" to ensure that the possible risks within the scope of responsibilities can be managed and prevented. The results of the evaluation are assessed based on actual performance, which is linked to relevant human resources and related salary and remuneration policies. The important decisions of the management are made after balancing out the various risk factors. The performance of related decisions reflect the Company's profitability, as well as the relevance with management remuneration ad risk control performance.

3 The remuneration paid by the Company to managers includes long-term incentives in the form of employee stock options, which are not paid in full in the year of profit. The actual value is related to the future stock price. It encourages employees to stay for a long time and share future business risks and operating results with the Company.

(4) The performance targets of the Company's Chairman, general manager and other senior managers are incorporated into ESG sustainability indicators. Their assessment results are also linked to short-term compensation, employee stock options, annual salary increases, etc. Since 2023, ESG indicators have been gradually extended to managers at all levels and ultimately to all employees. The performance targets for 2023 are as follows:

The remuneration to the Company's managers covers the achievement of the Company's business goals and personal annual goals. The Company's goals include financial and non-financial indicators, and individual annual goals include operational goals and ESG indicators (focusing on green manufacturing, creating a diverse and inclusive workplace, establishing a responsible supply chain, cultivating talents, and caring for the disadvantaged). The amount of remuneration each manager receives depends on his or her position, contribution, and performance. The managers' remuneration includes employee restricted shares, which have a vesting period of three years (for information on employee restricted

shares, please refer to "4.6.1 Handling of Employee Restricted Shares" of this annual report, pages 86-91), and is adjusted by the achievement of the Company's operating performance indicators (the Company's total shareholder return (TSR) indicator relative to the S&P 500 IT Index TSR) and the Company's ESG results. Through these two clear quantitative indicators, management can be strengthened to create shareholder value in the long term and continuously while improving the performance of achieving ESG goals, which is highly correlated with the Company's operating performance. The correlation between compensation and future risk: In addition to referring to the relevant industry standards and the Company's operating performance, the remuneration of the Company's general manager and managers will also be reviewed and adjusted in a timely manner based on actual operating conditions and changes in relevant laws and regulations. Managers will not be guided to engage in behaviors that exceed the Company's risks in pursuit of remuneration, so as to ensure a balance between the Company's sustainable operation and risk control.

3. Implementation Status

The Company's profit decreased in 2024 mainly due to the poor weather in Europe and the high inventory of screw customers, which affected the willingness to place orders and shipments, as well as the operating losses of subsidiaries. However, the Board of Directors understands the hard work of employees in the overall economic recession and thanked the employees for their hard work by increasing employee remuneration by 2%. The amount of managers' bonus was reduced due to the operating losses in 2024. However, there has been progress in improving corporate image, energy conservation and carbon reduction, and greenhouse gas reduction compared to the previous year, so salaries will not be adjusted for the time being, but entry-level employees will still receive a 3% to 5% salary increase based on performance evaluation.

III. Status of Corporate Governance Operations

- (I) Operation of the Board of Directors
 - 1. In the most recent year (2024), the Board of Directors held 6 meetings, and the attendance of directors was as follows:

Title	Name	Number of actual attendance	Attendan ces by proxy	Actual attendance (presiding) rate %	Remarks
Chairman and legal representative	Representative of Taiwan Steel Group Co.,	6	0	100%	
of directors Legal representative of directors	Ltd. Representative of Taiwan Steel Corporation, Chen, Cheng-Wen	0	0		Assumed office on December 16, 2024
Legal representative of directors	Wu, Mei-Hui, Representative of Taiwan Styrene Investment Co., Ltd.	6	0	100%	
Legal representative of former director	Wu, Ju-Yan, Representative of Taiwan Styrene Investment Co., Ltd.	4	0	80%	Resigned on September 9, 2024
Legal representative of directors	Chen, Hsiang-Lin, Representative of Rong Gang Investment Co., Ltd.	6	0	100%	
Director	Chen, Chi-Tai	6	0	100%	
Independent Director	Jeff Huang	6	0	100%	
Independent Director	Chang, Wen-Huai	6	0	100%	
Independent Director	Wang, Bing-Chuan	6	0	100%	
Legal representative of former director	Yan, Ching-Li, Representative of Taiwan Steel Group Co., Ltd.	6	0	100%	Dismissed on December 16, 2024

2. Other Matters to be Recorded:

²⁻¹ If the operation of the Board of Directors has any of the following circumstances, the date, period, content of the proposals, opinions of all independent directors and the Company's handling of the opinions of the independent directors shall be stated:2-1-1 Matters listed in Article 14-3 of the Securities and Exchange Act:

Time	Motions	The	The
			company's handling of independent directors' opinions.
January 29, 2024 5th meeting of the 18th term	• Participated in the private placement of common shares of Ensure Global Corp. Ltd.	No dispute	None
March 13, 2024 6th meeting of the 18th term	 Propose to present the 2023 statement of internal control to the Board of Directors for approval. The Company's purchase or sale of goods, and provision of labor or technical services with related parties in 2024. Assessment of the independence and suitability of the appointed CPAs for 2024. Amendment to the "Procedures for Acquisition or Disposal of Assets". 	No dispute	None
May 7, 2024 7th meeting of the 18th term	 The Company's participation in the cash capital increase of the subsidiary TSG TRANSPORT CORP. Cash capital increase for subsidiary TSG POWER CORP. The motion for the Company to dispose of the subsidiary TSG ENGINEERING CORP. 	No dispute	None
June 20, 2024 8th meeting of the 18th term	• No matters listed under Article 14-3 of the Securities and Exchange Act	No dispute.	None
August 9, 2024 9th meeting of the 18th term	 Amendment to some provisions of the "Regulations Governing the Implementation of Endorsements/Guarantees". Amendment to some provisions of the "Internal Control and Internal Audit System" of the procurement cycle 	No dispute.	None
November 6, 2024 10th meeting of the 18th term	 Propose to formulate the 2025 internal audit plan. Provision of endorsements/guarantees to banks for subsidiaries. 	No dispute.	None

- 2-1-2 In addition to the above matters, other matters that have been opposed or reserved by independent directors and have records or written statements: No such situation.
- 2-2 The implementation of the directors' recusal of the resolutions in which they have an interest shall state the director's name, the resolution content, the reason for the recusal and the voting status:

Board meeting	Conflict of	Motions	Reasons for recusal	Voting results
time	interest		iccusons for recusal	roung roouto
unite	Name of Director			
541		Duou o not four the	The content involves	The director listed on the
5th meeting of the		Proposal for the distribution of 2023		
18th term on	Huang and Former Director		matters concerning	left who recused due to
January 29, 2024	Wu, Ju-Yan.	year-end bonus to	the personal interests of directors, who	conflict of interest did
	wu, ju-ran.	managerial officers and salary adjustment	· ·	not participate in the
		for 2024.		discussion and voting sessions, and the acting
		101 2024.	matters and	chairman consulted the
			appointed Director	directors present, and the
			Chen, Chi-Tai as	proposal was approved
			Acting Chair.	as proposed without
			Acting Chain.	objection.
6th meeting of the	Director Chen	Transactions with	The content involves	The director listed on the
18th term on	Chi-Tai	related parties in	the personal interests	left who recused due to
March 13, 2024		2024, such as	of the director, and	conflict of interest did not
10101113, 2021		purchase and sale of	the director should	participate in the
		goods, labor services		discussion and voting
		or technical services,	of interest.	sessions, and the acting
		etc.		chairman consulted the
				directors present, and the
				proposal was approved as
				proposed without
				objection.
May 7, 2024	• Former Director	 Proposal for the 	The content involves	The director listed on the
7th meeting of the	Wu, Ju-Yan	distribution of	the personal interests	left who recused due to
18th term	• Director Chen,	remuneration to	of the director or the	conflict of interest did not
	Hsiang-Lin	directors and	companies to which	participate in the
	• Former Director	employees for 2023	the directors belong,	discussion and voting
	Wu, Ju-Yan	 Remuneration for 	and the director	sessions, and the acting
	• Director Chen,	the legal	should recuse due to	chairman consulted the
	Hsiang-Lin	representative	conflict of interest.	directors present, and the
	Chairman James	director of a		proposal was approved as
	Huang and	subsidiary company.		proposed without
	Director Chen,	 Cash capital 		objection.
	Hsiang-Lin	increase for		
		subsidiary TSG		
		Transport Corp.		
		 Cash capital 		
		increase for		

Board meeting	Conflict of	Motions	Reasons for recusal	Voting results
time	interest			
	Name of Director			
		subsidiary TSG		
		Power Corp.		
		• Re-appointment of		
		directors of		
		subsidiary TSG		
		Power Corp.		
August 9, 2024	Chairman James	• Remuneration to the	The content involves	The director listed on the
9th meeting of the	Huang and	corporate director	the personal interests	left who recused due to
18th term	Former Director	representative of a	of the director, and	conflict of interest did not
	Wu, Ju-Yan.	subsidiary company	the director should	participate in the
			recuse due to conflict	discussion and voting
			of interest.	sessions; the chairman
				consulted the directors
				present, and the proposal
				was approved as
				proposed without
				objection.
10th meeting of	Chairman James	• Appointment of the	The content involves	The director listed on the
the 18th term on	Huang	general manager and	the personal interests	left who recused due to
November 6,		spokesperson	of the director, and	conflict of interest did not
2024		 Provide bank's 	the director should	participate in the
		endorsement	recuse due to conflict	U
		guarantee to	of interest.	sessions; the chairman
		subsidiaries.		consulted the directors
				present, and the proposal
				was approved as
				proposed without
				objection.

2-3 Evaluation of the goals and implementation status of strengthening the functions of the Board of Directors in the current year and the most recent year:

Strengthening board	The Assessment of Implementation Status
function and objectives	
The Designation of	Three independent directors were elected at the 2023 general
Independent Directors	shareholders' meeting, and the 2nd term of the Audit Committee
	was established.
Establish the Remuneration	Assist the Board of Directors in implementing and evaluating the
Committee.	Company's overall remuneration and welfare system, and
	regularly review whether the remuneration of directors and
	managers is reasonable.
Continue to enhance	The Company shall assign a dedicated person responsible for the
information transparency.	disclosure and update of company information.
Take the initiative to	There are a spokesperson and an acting spokesperson for the
communicate with	Company. This can serve as a communication channel for
stakeholders.	stakeholders. Shareholders with the right to submit proposals can
	present proposals during the acceptance period. As stipulated, the
	Company will submit it to the board of directors for discussion.
	The relevant communication with related parties has been reported
	to the Board of Directors on November 6, 2024.
Improve the operational	1. The Company has established the "Rules of Procedure for
efficiency and decision-	Board Meetings" to strengthen the implementation of the
making ability of the board	functions of the Board of Directors and promote the healthy
of directors	development of the Board of Directors' participation in
	decision-making.
	2. The company has established the Rules for Performance
	Evaluation of Board of Directors in order to periodically
	evaluate board performance and improve board performance.
	The Company completed the 2024 Board of Directors
	performance evaluation at the beginning of 2025 and
	submitted it to the board meeting on March 12, 2025.
Strengthening Professional	The Company encourages directors and supervisors to conduct
Knowledge	advanced training on the functions and professional knowledge of
	directors and supervisors, as well as publicize the board of
	directors meeting in accordance with legal requirements.

2-4 Attendance of independent directors at each board meeting in 2024:

1					U	
	1/29	3/13	5/7	6/20	8/9	11/6
Jeff Huang	Ø	Ø	Ø	O	0	0
Chang, Wen-Huai	Ø	Ø	Ø	Ø	O	Ø
Wang, Bing-Chuan	Ø	Ø	Ø	Ô	O	Ô

©: Attending in person; ☆: Attending by proxy; *: Not attending

Assessment	Period of	Scope of	Evaluation	Evaluation contents
cycle	evaluation	evaluation	methods	
Once per year	The evaluation of the performance of the Board of Directors from January 1, 2024 to December 31, 2024 was conducted.	The Company's	 The internal self-assessment of the board of directors The self-assessment of the board members Self-evaluation of the members of the functional committees 	Company's operations, the quality of board decision-making, the composition and structure of the board, the election and continuing

3. The self-assessment execution status of the board of directors

Assessment	Period of	Scope of	Evaluation	Evaluation contents
cycle	evaluation	evaluation	methods	
				of participation in the Company's operations, awareness of functional committee responsibilities, quality of functional committee decision-making, composition of functional committees and election of members, internal control, etc.

- 4. The evaluation of the objectives and the implementation status of strengthening the board's functions for the current year and the most recent year:
 - (1) The Company's Board of Directors exercises its powers in accordance with laws, the Company's Articles of Incorporation, and resolutions of shareholders' meetings. In addition to having the necessary professional knowledge, skills and qualities to perform their duties, all directors shall act in good faith and with due diligence to create the greatest interests for all shareholders.
 - (2) In order to strengthen corporate governance, the Company added one independent director during the 2020 re-election of the Board of Directors. The current number of Board seats is 9 (including 3 independent directors). The Company's Board of Directors has diverse backgrounds, including those from different industries, academia and law, and includes one female director. In order to establish a good board governance system for the Company, improve supervisory functions and strengthen management functions, and in accordance with the regulations of the securities regulatory authorities, the Remuneration Committee was established on November 25, 2011.
 - (3) The Company established the performance evaluation method for the Board of Directors on November 10, 2015, and revised it on March 25, 2021. In addition to establishing performance targets to enhance the efficiency of the Board of Directors' operations, internal auditors also prepare audit reports on the Board of Directors' operations to comply with the regulations of the securities regulatory authorities.

- (II) The Audit Committee's operational status or the involvement of the supervisors in board meetings
 - 1. The operational status of the Audit Committee
 - (1) The Company established the Audit Committee on June 11, 2020 to replace the supervisors' duties. The Audit Committee is made up of three independent directors. In June 2023, the term of directors expired and three independent directors were elected to form the second Audit Committee.
 - (2) The Audit Committee held 5 meetings in the most recent year (2024). The attendance of independent directors was as follows:

Title	Name	Number of actual attendance	Attendances by proxy	Actual attendance (presiding) rate %	Remarks
Independent Director (convener)	Jeff Huang	5	0	100%	
Independent Director	Chang, Wen-Huai	5	0	100%	
Independent Director	Wang, Bing- Chuan	5	0	100%	

⁽³⁾ Annual work priorities in 2024

1.	Financial report auditing and	2.	Internal control system and relevant
	accounting policies and		policies and procedures
	procedures.		
3.	Major assets or derivatives trading	4.	Legal compliance
5.	Status of Audit Committee duty	6.	Information security
	fulfillment		
7.	Company risk management	8.	Whether there are related party
9.	Anti-fraud plan and fraud		transactions and possible conflicts of
	investigation report		interest between managers and
			directors

(4) Operation of the Audit Committee in 2024:

As of December 31, 2024, the Audit C	Committee held a total of 5 meetings.
	sommetee here a total of 5 meetings.

		1	31, 2024, the Audit Committee held			
Number of times	Meeting time		Topics discussed	Matters stipulated in Article 14-5 of Securities and Exchange Act	Audit results	Matters not approved by the Audit Committee, but approved by more than two-thirds of the board of directors.
1	January 29, 2024	1.	Participation in the subscription of		The	None
	3rd meeting of the 2nd term		the private placement of common stock of Ensure Global Corp. Ltd.		proposal has been approved.	
2	March 13, 2024	1.	The Company's 2023 business		The	None
	4th meeting of the 2nd term	2.	report and financial statements Propose the Board of Directors to approve the issuance of the 2023 Statement of Internal Control System. The Company's 2024 transaction	\checkmark	proposal has been approved.	
		4.	reports on the purchase/sale of goods, labor service or technical services with related parties. Assessment of the independence and suitability of the appointed CPAs for 2024.			
		5.	Proposal to amend to the partial articles of the "Operational Procedures for the Acquisition and Disposal of Assets."	V		
3	May 7, 2024	1.	The Company's 2024 first quarter	\checkmark	The	None
	5th meeting of the 2nd term	2.	financial report. Cash capital increase for subsidiary TSG Transport Corp.	\checkmark	proposal has been approved.	
		3.	Cash capital increase for subsidiary TSG Power Corp.	\checkmark		
		4.	The Company's disposal of the subsidiary TSG Engineering Corporation.	\checkmark		
4	August 9, 2024 6th meeting of	1.	The Company's 2024 second quarter financial report.	V	The proposal	None
	the 2nd term	2.	Amendment to some provisions of the "Regulations Governing the Implementation of Endorsements/Guarantees".	· √	has been approved.	
		3.	Amendment to some provisions of the internal control and internal audit system of the procurement cycle	\checkmark		

Number of times	Meeting time	Topics discussed	Matters stipulated in Article 14-5 of Securities and Exchange Act	Audit results	Matters not approved by the Audit Committee, but approved by more than two-thirds of the board of directors.
		 Updated internal control and internal audit systems for sustainable information management. 	V		
5	November 6, 2024 7th meeting of the 2nd term	 The Company's 2024 third quarter financial report. Appointment of new general manager and spokesperson Formulation of the 2025 internal audit plan. Provide bank's endorsement guarantee to subsidiaries. 		The proposal has been approved.	None

Financial report review

The Board of Directors has prepared the Company's 2023 annual financial statements and financial statements for the first to third quarter of 2024, which have been audited (or reviewed) by PwC Taiwan, and issued the auditors (or review) report with unqualified opinion. As determined by the Audit Committee, the aforementioned financial statements contain no inconsistencies.

Evaluation of CPA's Independence and suitability

Pursuant to the "Corporate Governance Best-Practice Principles", it is necessary to select professional, responsible and independent certified public accountants, and regularly evaluate the independence and suitability of the hired accountants with reference to the Audit Quality Indicators (AQIs), and report the results of the evaluation to the Board of Directors.

According to the regulations above, the Company has completed a questionnaire evaluating the independence and competence of accountants, and has not found any circumstances that may affect the independence and competence of accountants. After confirmation, the accountants and their company have no other financial interests or business relationships except for certification and financial and tax case expenses. The accountants' family members also do not violate independence requirements. With reference to the AQI indicators, it is confirmed that the accountants and their firm have better audit experience and training hours than the industry average. The results of the most recent year's evaluation were discussed and approved at the 10th meeting of the 2nd Audit Committee on March 12, 2025, and submitted to the 13th meeting of the 18th Board of Directors on the same day, which approved the resolution on the independence and assessment of suitability.

Significant asset transactions

•The Company is optimistic about the operating prospects of its subsidiaries and increased the capital of its subsidiary, TSG Transport Corp, in 2024. The Company reviewed the use of the capital increase funds and the expected benefits, and the Audit Committee believes that it is reasonable and feasible.

• The Company's disposal of 100% equity interest in TSG Engineering is reasonable and feasible for the Company's overall operational planning. The Audit Committee believes that this is reasonable and feasible.

• In order to diversify investments and spread investment risks, the Company participated in the private placement for cash capital increase of several listed companies and reviewed their operating prospects and expected benefits. The Audit Committee believes that they are reasonable and feasible.

Provide endorsement guarantee and capital loan to subsidiaries

The subsidiary Yung Fu requested the Company for an endorsement guarantee in order to obtain funds for the recent maintenance of the incinerator. After reviewing the necessity and rationality of the request, the Audit Committee believes that it is reasonable.

Other Matters to be Recorded:

(1) The following must be reported if the following occur during the course of the Audit Committee's operations: date, term, proposal content, Audit Committee resolutions, and the company's handling of the Audit Committee's opinions.

① Items listed in Article 14-5 of the Securities and Exchange Act: Please see the table on page 44 for details.

⁽²⁾Matters not approved by the Audit Committee but approved by more than two-thirds of all directors, other than the above-mentioned matters: None.

- (2) The independent director's recusal of a proposal in which he/she has a conflict of interest should state the director's name, proposal content, reason for his/her recusal and voting participation: No such situation.
- (3) Discussions of independent directors with the internal audit supervisor and CPAs (including major matters, methods, and results of discussions on the Company's finance and business conditions):
- ① Communication between independent directors and internal audit officers
 - a. Every month, the Company's internal audit supervisor will submit to the independent directors for review a written summary of audit deficiencies found from the audit in the previous month, as well as a followup on the improvement and correction. The independent directors will give instructions based on the report and provide other suggestions.
 - b. The Company's internal audit supervisor will hold quarterly meetings with the Audit Committee to report on auditing undertakings and share audit results with independent directors.

- c. The Company will convene board meetings at least once per quarter, and the audit supervisor will report to the board of directors on internal audit undertakings.
- d. In conclusion, the audit unit's periodic reports provide independent directors with information about the Company's operational status (including financial and business conditions) and the implementation status of the internal control system.
- Summary of discussions between independent directors and audit supervisors in the most

recent year		
Date		Matters for reporting and discussion
January 29, 2024	1.	Explained the audit undertakings and audit results
4th meeting of the 2nd term		to the independent directors.
of Audit Committee		
May 7, 2024	1.	Explained the audit undertakings and audit results
5th meeting of the 2nd term		to the independent directors.
of Audit Committee		
August 9, 2024	1.	Explained the audit undertakings and audit results
6th meeting of the 2nd term		to the independent directors.
of Audit Committee		
	1.	The audit supervisor shall explain to the audit
November 6, 2024		undertakings and audit results to the independent
7th meeting of the 2nd term		directors.
of Audit Committee	2.	The audit officer explained the 2025 audit plan to
		the independent directors.

(2) Communication between independent directors and CPAs.

The certifying CPA shall report to the independent directors on the Company's business conditions, the subsidiaries' financial and overall operational status, and the subsidiaries' internal control audit status. During board meetings, the CPA must also share with the independent directors the impact of major recent events, changes and responses as well as regulatory updates.

Summary of discussions between independent directors and CPAs in the most recent year

Date	Participants	M	atters to be communicated	Discussion results
August 9, 2024	• Independent Director Jeff Huang	1.	This report is to	No
6th meeting of	(convener)		communicate the review	dispute.
the 2nd term of	• Independent Director Chang, Wen-		results of the consolidated	
Audit	Huai		financial statements for the	
Committee	•Independent Director Wang, Bing-		second quarter of 2024: A	
	Chuan		review report with an	
	•CPA Tien, Chung-Yu, PwC Taiwan		unqualified opinion was	
	•Senior Manager Wu, Tung-Chieh,		issued.	
	PwC Taiwan	2.	Other communication	

Date	Participants	Ma	atters to be communicated	Discussion
				results
	• Accounting Supervisor, Wang, Mei-		matters with the Audit	
	Yu		Committee.	
	•Chief Auditor, Chen, Yi-Jie	3.	Sharing of legal updates.	
November 6,	 Independent Director Jeff Huang 	1.	This report is to	No
2024	(convener)		communicate the review	dispute.
7th meeting of	• Independent Director Chang, Wen-		results of the consolidated	
the 2nd term	Huai		financial statements for the	
ofAudit	•Independent Director Wang, Bing-		third quarter of 2024: A	
Committee	Chuan		review report with an	
	•CPA Lin Tzu-Yu, PwC Taiwan		unqualified opinion was	
	•Senior Manager Wu, Tung-Chieh,		issued.	
	PwC Taiwan	2.	Other communication	
	• Accounting Supervisor, Wang, Mei-		matters with the Audit	
	Yu		Committee.	
	• Chief Auditor, Chen, Yi-Jie	3.	Sharing of legal updates.	
March 13,	• Independent Director Jeff Huang	1.	Report on the audit	No
2024	(convener)		implementation results from	dispute.
4th meeting of	•Independent Director Chang, Wen-		January to February 2024.	
the 2nd term	Huai	2.	This report is to	
ofAudit	•Independent Director Wang, Bing-		communicate the audit	
Committeeand	Chuan		results of the consolidated	
report meeting	•CPA Lin, Tzu-Yu, PwC Taiwan		financial statements for the	
of the internal	•Senior Manager Wu, Tung-Chieh,		fourth quarter of 2023: An	
audit project	PwC Taiwan		auditors' report with an	
1	•Chief Auditor, Chen, Yi-Jie		unqualified opinion was	
			issued.	
		3.	Auditors' report and	
			discussion of key audit	
			matters.	
		4.	Information on Audit Quality	
			Indicators (AQIs)	
		5.	Communicate with the Audit	
			Committee on other matters	
			and share legal updates.	
		6.	Before the meeting is	
			adjourned, the CPAs shall	

Date	Participants	Matters to be communicated	Discussion results
		hold a closed-door meeting with the independent	
		directors.	

(II)-2 Participation of the supervisors in the operation of the Board of Directors: None (the company has set up an Audit Committee to replace all the supervisors)

(III) The implementation of the corporate governance and its deviation from the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons

				The State of Operations	Deviation from the
	Evaluation items	Yes	No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
I.	Has the Company formulated and disclosed its corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?"	\checkmark		The Company has formulated the "Corporate Governance Best Practice Principles" and has it disclosed on the Market Observation Post System and the Company's website. (The company's website: www.ofco.com.tw)	The Company will substantiate the relevant provisions of the "Corporate Governance Best Practice Principles" according to actual needs.
II.	The company's equity structure and shareholders' equity				No major
(I)	Has the company established internal operating procedures to handle shareholders' recommendations, doubts, disputes, and litigations, and implemented them according to the procedures?	\checkmark		 (I) The company designates a spokesperson or acting spokesperson or the head of the relevant department as the contact window according to the nature and method of inquiries from shareholders to provide answers by telephone. 	5
(II)	-	\checkmark		(II) The company has contracted a professional stock affairs agency to manage the relevant rights and interests of shareholders. The relevant list of major shareholders and those who ultimately have control over the major shareholders are	
(III)	Has the Company established and implemented risk control and firewall mechanisms between the company and the affiliated enterprises?			disclosed in accordance with regulations.(III) The company and its affiliated enterprises operate in a financially independent manner, and the business and financial transactions with affiliated	

				The State of Operations	Deviation from the
	Evaluation items		No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
(IV) Has the company formulated internal regulations to prevent insiders from trading securities using undisclosed market information?	V		 enterprises is managed the same as that of with other suppliers. (IV) The Company has formulated the "Regulations Governing Insider Trading" to strictly prevent company employees from using unpublished market information to buy and sell securities or disclosing such information to others. 	
III. (I)	Composition and responsibilities of the Board of Directors Does the Board of Directors formulate a diversity policy and implementation for the composition of board directors?	V		 (I) The board meeting approved the formulation of the "Corporate Governance Best Practice Principles" on March 12, 2015. The policy of diversification is stipulated in Chapter 3 "Strengthen the Functions of the Board of Directors". Please refer to page 59 for the diversity of the current Board of Directors. The policy of board diversity is disclosed on the company's website and Market Observation Post System. 	No major differences.
	Composition and responsibilities of the Board of Directors Does the company voluntarily establish functional committees in addition to the Remuneration Committee and the Audit Committee?	V		(II) In order to implement the Company's sustainable development goals and strengthen sustainable governance, the Sustainable Development Committee was established in June 2024 to be responsible for formulating, promoting and	No major differences.

			The State of Operations	Deviation from the
Evaluation items		No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
(III) Does the company formulate the "Rules for Performance Evaluation of Board of Directors" and other performance evaluation methods, conduct a performance evaluation annually and regularly, and report the performance evaluation results to the Board of Directors and apply it as a reference for the consideration of remuneration and nomination of each director?	1		strengthening the Company's sustainable development policies, annual plans and strategies. (III) The Company has established the "Regulations Governing the Board Performance Evaluation" in accordance with regulations and uses it as the basis for indicator evaluation. At the beginning of 2025, the Finance Department conducted a performance evaluation of the Board of Directors' operations in 2024. The evaluation report was submitted to the Board of Directors on March 12, 2025. Evaluation indicators include the degree of participation in the company's operations, the decision-making quality of the Board of Directors, the composition and structure of the Board of Directors, the selection and appointment	
(IV) Does the company regularly evaluate the independence of the attesting CPAs?	\checkmark		 of board directors, the continuing education of board directors, and internal control. The evaluation result was rated as Excellent in 2024. (IV) The company refers to the Audit Quality (AQIs) indicators, and the Audit Committee conducts annual independence and competence evaluations of CPAs based on whether there are significant indirect financial interests, close business relationships or potential employment relationships, whether they serve as defense 	

			The State of Operations	Deviation from the
Evaluation items		No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
IV. Whether the Company has assigned qualified and appropriate number of corporate governance personnel, and has designated a corporate governance supervisor to be responsible for corporate governance related matters (including but not limited to providing directors and supervisors with information required to perform their duties, assisting directors and supervisors in complying with laws and regulations, and conducting board meetings and operations in accordance with the law)			counsel, and interaction with the management and the internal audit supervisor. The evaluation results are then submitted to the Board of Directors. The most recent assessment was approved by the Audit Committee on March 12, 2025, and submitted to the Board of Directors for approval on March 12, 2025. The CPAs of the Company (Tien, Chung-Yu and Hsu, Hui-Yu of PwC Taiwan) meet the Company's evaluation standards. (Please refer to page 61 for the evaluation details) The Company's Board of Directors resolved on August 11, 2021 to appoint the head of the Finance Department as the head of Corporate Governance in order to protect the rights and interests of shareholders and to strengthen the functions of the Board of Directors. Manager Wang of the Finance Department has more than 3 years of experience in the position of accounting supervisor in a public company. The main responsibility of the head of Corporate Governance is to handle matters related to the board meetings and shareholders meetings lawfully. Including but not limited to providing necessary information to directors to perform responsibilities, handling matters related to board meetings and	No major differences.

			The State of Operations	Deviation from the
Evaluation items	Yes	No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
			 shareholders, assisting directors and supervisors to take the officer and complete the continuing education, and assisting directors in complying with laws and regulations. The implementation of business in 2024 was as follows: 1. Assist independent directors and directors in performing duties, provide necessary information, and arrange the continuing education for directors and supervisors. (1) Provide Board members with information on the latest statutory and regulatory developments related to the Company's business operations and corporate governance upon appointment and update them regularly. (2) Review the confidentiality level of relevant information required by the directors to maintain smooth communication between the directors and the Company's business (3) When the independent directors have individual meetings with the internal audit director and the CPAs to understand the Company's financial and business needs, 	

			The State of Operations	Deviation from the
Evaluation items	Yes	No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
			 they shall assist in arranging meetings. I 2024, seminars for independent directors and CPAs were arranged on March 13, August 7, and November 6. (4) Arrangement of continuing education programs and courses for directors: All directors completed the mandatory continuing education courses in 2024. 2. Assist in the board meeting and shareholders meeting procedures and compliance with resolutions. 3. Prepare the agenda for the Board of Directors notify all directors and supervisors 7 days bet the meeting, and provide meeting materials. I any issue has conflict of interest, give a remin in advance. Complete the minutes of the Board director within 20 days after the meeting. 4. Registered the date of the shareholders' meeting notice, agenda handbook, annual report and minutes of the shareholders' meeting notice, agenda handbook, annual report and minutes of the shareholders' meeting within t statutory period. 	n fore f der d ng ng

Evaluation items			The State of Operations	Deviation from the
		No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.), special section for stakeholders on the company's website, and responded appropriately to important corporate social responsibility issues that are of concern to stakeholders?	\checkmark		 Company registration and change registration: The Company completed several capital change registrations in 2024. Before the first quarter of each year, the Board of Directors will conduct an internal performance evaluation of the operations of the entire board and functional committees in the previous year and submit the evaluation results to the Board of Directors. The 2024 performance evaluation report was completed on March 12, 2025. The Company's communication with stakeholders such as employees, banks, suppliers and communities is handled by the respective business unit. In addition, the Company entrusts a stock affairs agency to handle institutional shareholder related matters. The Company has a special section for stakeholder setup on the Company's website with the contact information of spokespersons and relevant business departments provided to respond to relevant issues that are of concern to stakeholders, including corporate social responsibility, in a timely manner. The communication with stakeholders in 2024 was submitted to the Board of Directors on November 6, 2024. For relevant information and communication 	No major differences.

				The State of Operations	Deviation from the
	Evaluation items		No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
				details, please visit the Stakeholders section of the Company's website (www.ofco.com.tw).	
	Has the company entrusted a professional stock affairs agency to handle shareholders meetings related matters?	\checkmark			No major differences.
(I) (II)	Information disclosure Has the company set up a website to disclose finance and business matters and corporate governance information? Has the company adopted other means of information disclosure (such as setting up an English website, appointing dedicated personnel responsible for the collection and disclosure of company information, implementing a spokesperson system, posting the company's investors conference on the website, etc.)? Does the Company announce and file its		1	 (I) The company has disclosed financial, business, corporate governance, and other relevant information on the website. The Company's website: www.ofco.com.tw. 	The company has the collection and disclosure of information on the website enhanced at any time depending on the actual business practice. No major differences.
	annual financial report within two months after the end of the fiscal year, and announce			annual financial report before March 15, 2025, in accordance with the relevant laws and	

		The State of Operations			Deviation from the
Evaluation items		No		Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
and file its first, second and third quarter financial reports and monthly operating results in advance of the prescribed deadline?				regulations, which requires that the financial report must be filed within 75 days after the end of the fiscal year. The first, second, and third quarter financial reports for 2024 were announced and filed within the time limit prescribed by the laws and regulations.	
VIII. Does the company have any other important information that helps understand the corporate governance operation (including but not limited to employee rights and interests, employee care, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, the acquisition of the liability insurance by the company for directors and supervisors, etc.)?			(II) (III) (IV)	Employee rights: The Company aims to create an ideal working environment for employees with the goal of "environmental improvement and safety first" and to protect the legal rights of employees in accordance with the Labor Standards Act. Employee care: The Company has opened up multiple channels for employees to express opinions. Investor relations: The Company has appointed a spokesperson to handle shareholders' suggestions. Supplier relations: Suppliers are required to comply with codes of conduct related to corporate responsibility, which mainly include environmental safety and health, environmental protection and other issues. Rights of stakeholders: Stakeholders may communicate with the Company and make	

			The State of Operations	Deviation from the
Evaluation items		No	Summary description	"Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons
			suggestions to safeguard their legitimate rights and interests.	
			 (VI) Further education for directors of the Company: The Company does not require directors to take professional knowledge courses, but actively encourages directors and supervisors to participate. All directors have completed continuing education in 2024. Please refer to the MOPS and this annual report for the disclosure of the continuing education (please refer to page 101 of this annual report). (VII)Implementation of customer policy: The Company's customers are mostly export customers. We maintain a stable and good relationship with customers through email contacts, or take advantage of overseas exhibitions to visit customers, or invite customer representatives to visit the Company to promote exchanges between the two parties and understand customer needs. We also conduct technical discussions with customers from time to time to increase the Company's profits. (VIII) Circumstances in which the Company has purchased liability insurance for directors: The 	

Evaluation items Yes			The State of Operations	Deviation from the
		Yes No Summary description		"Corporate Governance Best Practice Principles fo TWSE/TPEx Listed Companies" and the reasons
			Company has purchased directors' liability insurance.	
IX. Please explain the improvements that have been made based on the corporate governance evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the most recent year, and propose priority improvement items and measures for those that have not yet been improved.	1		 Improvements proposed for the 11th term (2024) corporate governance evaluation results: Improvements proposed for those that have improved or are expected to improve in 2025, or for those that have not yet improved: Indicator 2.14, Indicator 4.1 and Indicator 4.2: The Company established a Sustainable Development Committee in June 2024. Indicator 4.1: The Company plans to set up a full-time (or part-time) unit to promote sustainable development in 2025 Indicator 4.2: The Company plans to set up a full-time (or part-time) unit to promote ethical corporate management in 2025. 	No major differences.

Board Diversity

1. On March 12, 2015, the Board of Directors of the Company approved the establishment of the "Corporate Governance Best Practice Principles". In Chapter 3, the functions of the Board of Directors are strengthened, and a diversity policy is established, which clearly states that the abilities of the Board of Directors as a whole should include accounting and financial analysis ability, business management ability, crisis management ability, industry knowledge, international market perspective, leadership ability and decision-making ability. The composition of the Board of Directors should take diversity into consideration and formulate appropriate board diversity policies based on its own operations, business model and development needs, including basic conditions and values (gender, age, nationality and culture), and professional knowledge and skills (such as law, accounting, industry, finance, marketing or technology), etc.

The specific management objectives and achievement status of the Company's diversity policy are as follows:

Diversify the specific management goals	Status of achievement
The Board of Directors should include at	One female director has been appointed, which has
least one female director.	achieved the goal of gender equality.
The number of directors who also serve as	There is one director who also serves as a manager
company managers should not exceed	of the Company, accounting for 1.11%, which
one-third of the Board seats.	meets the requirement that directors who also
	serve as managers do not exceed one-third of the
	seats.
At least one-third of the directors must	Among the Board members, four have financial
have industry, marketing or technology	accounting backgrounds, two have legal
expertise.	backgrounds, and all have experience in industry-
	related management positions.
At least one-third of the independent	Among the independent directors, one has a
directors must have legal, accounting or	financial accounting background and two have a
technical expertise.	legal background.

2. Diversity of the 18th Board of Directors (took office on June 14, 2023)

The Company's current Board of Directors consists of 9 directors, including 3 independent directors, with extensive experience and expertise in finance, business, law and management. All directors of the Company are nationals, and the composition of the directors includes three independent directors (accounting for 33% of all directors). In addition, the Company pays attention to gender equality in the board composition, and currently one of the nine directors is female among the nine directors, with a ratio of 11%.

All independent directors have served no more than 3 consecutive terms, and all independent directors have met the requirements of the Securities and Futures Bureau, FSC.

The relevant implementation is as follows:

				serv inde	gth of vice of epende ectors		Part-time employee	Pr	ofes sk		al	Pro	fess	iona	l kno	owle	dge
Title	Name	Nationality	Gender	Under 3 years	3 to 9 years	Over 9 years	bloyee	Leadership and decision-making	Asset Management	Industrial knowledge	Business management	Finance and accounting	Laws	Securities investment	Information technology	News media	Risk management
Chairman	James Huang	R.O.C.	Male					\checkmark	\checkmark			\checkmark					\checkmark
Director	Chen, Cheng- Wen	As above	Male					\checkmark			\checkmark		\checkmark				\checkmark
Director	Wu, Mei-Hui	As above	Female						\checkmark							\checkmark	
Director	Chen, Hsiang- Lin	As above	Male					\checkmark		\checkmark	\checkmark						
Director	Chen, Chi-Tai	As above	Male					\checkmark	\checkmark	\checkmark	\checkmark	\checkmark					\checkmark
Independent Director	Jeff Huang	As above	Male		\checkmark			\checkmark	\checkmark			\checkmark		\checkmark			\checkmark
Independent Director	Chang, Wen- Huai	As above	Male		\checkmark			\checkmark	\checkmark				\checkmark				\checkmark
Independent Director	Wang, Bing- Chuan	As above	Male	\checkmark									\checkmark		V		
Former director	Wu, Ju- Yan	As above	Male				\checkmark			\checkmark	\checkmark	\checkmark					\checkmark
Former director	Yan, Ching- Li	As above	Male					\checkmark	\checkmark	V	\checkmark						\checkmark

Note: Director Wu, Ju-Yan resigned on September 23, 2024, and Director Yan, Ching-Li was dismissed on December 16, 2024 due to the change of representatives appointed by the corporate director.

Evaluation of CPA's Independence and Suitability

One.	Independence evaluation				
		Ple	ase c	heck	Whether
Item	Evaluation content	Yes	No	N/A	the compliance of independen ce is met?
01	The CPAs or the auditing members and their family members (including spouses, cohabitants, and minor children), the attesting CPA firm, and the affiliated enterprises of the attesting CPA firm do not have a direct or material indirect financial interest relationship with the company.	\checkmark			Yes
02	The attesting CPA firm and the affiliated enterprises of the attesting CPA firm do have a financing or guarantee operation conducted with the company.	\checkmark			Yes
03	The CPAs, the attesting CPA firm, and the affiliated enterprises of the attesting CPA firm do not provide any non-audit service to the company that may affect their independence.	\checkmark			Yes
04	The CPAs or the auditing members have not served as directors or managerial officers of the company or assume positions that have a material impact on audit cases currently or in the last two years.	\checkmark			Yes
05	The CPAs or the auditing members have not promoted or brokered the shares or other securities issued by the company.	\checkmark			Yes
06	The CPAs or the auditing members have not represented the company in legal defense or other disputes except for the business services permitted by law.	\checkmark			Yes
07	The CPAs and the attesting CPA firm have no business relationship or potential employment relationship with the company.	\checkmark			Yes
08	The CPAs or the auditing members have no relationships such as spouses, lineal blood relatives, lineal relatives by marriage, or relatives within the second degree of kinship with the company's directors, managerial officers, or personnel in the positions that have a significant impact on the audit cases.	\checkmark			Yes
09	The co-location CPA has not served as the director or managerial officer of the company, or assumed a position that has material impact on the audit cases within one year after resigning from the CPA firm.	\checkmark			Yes
10	The CPAs or the auditing members have not accepted valuable gifts or special offers from the company, directors, managerial officers, or major shareholders.	\checkmark			Yes
11	The CPAs have not provided audit services to the company for	\checkmark			Yes

	seven consecutive years.				
	Have the CPAs had their substantial independence maintained at				
12	the time of providing audit, inspection, review, or special	\checkmark			Yes
	review of financial reports with an opinion formed?	v			
	Are the auditing members, co-location CPA or shareholders of				
	incorporated CPA firm, CPA firm, affiliated enterprises of the				
13	CPA firm, and joint CPA firm operated independently from the	\checkmark			Yes
	company?				
	Has the CPA maintained a fair and objective position when				Var
14	performing professional services, and avoided prejudice,	\checkmark			Yes
17	conflicts of interest or stake affecting professional judgment?	v			
Two.	Competence evaluation				
Two.		Dla		heck	Whether
		Yes	No	N/A	the
Item	Evaluation content				compliance
					of
					suitability
					is met?
01	Do senior auditing members have sufficient audit experience to	\checkmark			Yes
	perform the review work?				
^	Have the CPAs and senior auditing members received sufficient				
02	education and training every year to obtain professional	\checkmark			Yes
	knowledge and skills continuously?				
03	Has the CPA firm maintained experienced human resources?	\checkmark			Yes
04	Has the CPA firm had sufficient professionals (such as	\checkmark			Yes
	appraisers) to support the audit team?	•			
05	Are CPAs free from overloading at work?	\checkmark			Yes
06	Are the auditing members engaging in each audit phase	\checkmark			Yes
00	adequately?	v			105
07	Are the CPAs responsible for "Engagement Quality Control	\checkmark			Yes
07	Review" (EQCR) spent enough time to review the audit cases?	v			105
08	Does the CPA firm have sufficient quality control manpower to	\checkmark			Yes
	support the audit team?				
09	Is the ratio of non-audit fees influential to the independence?	\checkmark			Yes
10	Is the audit case influential to the independence of the CPA firm in the cumulative financial reports audited?	\checkmark			Yes
	For the external inspection deficiencies and punishments, is the				
11	CPA firm's quality control and audit cases properly handled in	\checkmark			Yes
	accordance with relevant laws and regulations and standards?				
		r	Г — — — — — — — — — — — — — — — — — — —		
	For the corrective actions requested by the competent				
	For the corrective actions requested by the competent authorities in writing, is the CPA firm's quality control and audit	1			Ves
	For the corrective actions requested by the competent authorities in writing, is the CPA firm's quality control and audit case properly handled and responded to in accordance with	\checkmark			Yes
	For the corrective actions requested by the competent authorities in writing, is the CPA firm's quality control and audit case properly handled and responded to in accordance with relevant laws and regulations and standards?	V			Yes
12	For the corrective actions requested by the competent authorities in writing, is the CPA firm's quality control and audit case properly handled and responded to in accordance with	V			Yes Yes

	Committee) of any significant issues and developments in risk				
	management, corporate governance, financial accounting, and				
	related risk control in a timely manner?		0.11		
Three.	Audit performance evaluation (those who tick "No" for any of	the	follo	wing	items
should	further understand the specific facts)				
Item	Evaluation content			heck	Remarks
nem	Evaluation content	Yes	No	N/A	Kelliarks
	Have the CPAs completed the review of the company's				
01	quarterly reports and annual reports in a timely manner with the	\checkmark			
	first draft of the audit opinion formed?				
	Have the CPAs interacted adequately with the company's	,			
02	management (internal auditors, etc.) with records kept?	\checkmark			
	Have the CPAs interacted with the Audit Committee				
03	appropriately with records kept while reporting the audit plans?	\checkmark			
	Have the CPAs interacted with the Audit Committee				
04	appropriately with records kept before issuing the audit	\checkmark			
04	pinion?				
	Have the CPAs made positive suggestions with records kept on				
05	the company's accounting system or internal control system?	\checkmark			
	Have the CPAs regularly kept the company updated on the				
06	relevant laws and standards that should be followed in the	\checkmark			
00		v			
07	preparation of financial reports?	\checkmark			
07	Are the independent auditors rotated frequently?	\checkmark			
	Are the CPAs able to promptly and adequately assist the				
08	company in answering the questions raised by the competent	\checkmark			
	authorities, and assist in the communication and coordination				
	between the company and the competent authorities?				
09	Are the fees of the CPAs reasonable enough for them to perform	\checkmark			
	their duties adequately?	Ť			
Four.	Other supplementary matters: None				

Five. Assessment results are as follows:

1. Through the above assessment, it is confirmed that the CPAs and the Company have no other financial interests and business relationships except for the fees for audit engagement and financial and taxation, and the CPAs and its firm members do not violate the independence requirements. With reference to the AQI indicator information, it is confirmed that the CPAs and the firm have better audit experience and training hours than the industry average. In addition, in recent years, they have continued to introduce digital audit tools to improve audit quality. The professional backgrounds of Tien, Chung-Yu and Hsu, Hui-Yu of PwC Taiwan are appropriate for the position, and their relationship with the Company does not violate the principle of independence.

The independence between the CPAs and the Company complies with the Accounting Act in the Republic of China, the Code of Ethics for Professional Accountants, and the relevant regulations of the U.S. SEC and PCAOB.

- 2. Declaration of independence issued by the CPAs was acquired.
- 3. The results of the most recent annual assessment of the independence and competence of the CPAs were submitted to the Audit Committee for review on March 12, 2025, and submitted to the Board of Directors for discussion and approval on March 12, 2025.

(IV) The composition, duties and operation of the Remuneration Committee:

1. Information on the Remuneration Committee members

1.	Information on the Remune	eration Committee members	
Conditions Name Identity	Professional qualifications and experience	Independence	Number of concurrent independent director posts to other public companies
Jeff Huang /Independent Director, Convener	Ltd. Supervisor, Hearts & Mirrors Investment Co., Ltd.3. There was none of the situations specified in Article	(1) The director or supervisor is not an employee of the Company or its affiliated enterprises. (2) The director or supervisor is not a director or supervisor of the Company or its affiliated enterprises (except for concurrent independent directors of the Company and its parent company, subsidiaries, or subsidiaries of the same parent company set up in accordance with this Act or local laws and regulations). (3) The director or supervisor does not hold more than 1% of the total issued shares of the Company in his/her or his/her spouse's or minor children's or another person's name, nor is a top ten individual shareholder. (4) A person who is not a	0
Huai/ Independent	 30 of the Company Act. Graduated from Graduate Institute of China Studies, Tamkang University Assistant to the Chairman's Office, Chung Houng Construction Co., Ltd., Special Assistant to the Consultant of the Chairman's Office, 85 Sky Tower Hotel Co., Ltd. There was none of the situations specified in Article 30 of the Company Act. 	 manager listed in (1) or a spouse, relative within the second degree of kinship, or a direct blood relative within the third degree of kinship of a person listed in (2) or (3). (5) A director, supervisor or employee of a corporate shareholder who does not directly hold 5% or more of the total issued shares of the Company, or who is one of the top five shareholders or has designated a representative to serve as a director or supervisor of the Company according to Article 27, Paragraph 1 or 2 of the Company Act (but this does not apply to independent directors appointed by the Company and its parent company, subsidiary, or subsidiary of the same parent company in accordance with this Act or local laws and regulations). (6) A director, supervisor or employee of another 	0
Wang, Bing- Chuan/ Independent Director	 Bachelor's degree, Department of Justice, National Taipei University, and studied at Law School, National Taiwan University Independent Director of United Fiber Optic Communication Inc., Chief Legal Officer of D-Link Corporation, Legal Manager of Taiwan Steel & Mining Corporation, Independent 	company whose director seats or voting shares with the Company are not controlled by the same person (but this does not apply to independent directors appointed by the Company or its parent company, subsidiary or subsidiary of the same parent company in accordance with this Act or local laws and regulations). (7) A director (council member), supervisor (auditor), or employee of another company or organization who is not the same person or spouse of the Company's Chairman, general manager, or person of equivalent position (however, this limitation does not apply to independent directors appointed by the Company and its parent company, subsidiary, or subsidiary of the same parent company in accordance	3

Conditions Name Identity	Professional qualifications and experience	Independence	Number of concurrent independent director posts to other public companies
	Director of AMIGO	with this Act or local laws and regulations). (8) A	
	TECHNOLOGY INC.,	director (council member), supervisor (auditor), manager	
	Independent Director of King	or shareholder holding 5% or more of the shares of a	
	House Co., Independent	specific company or institution that does not have	
	Director of Golden Win	financial or business dealings with the Company	
	International CORP.	(however, if a specific company or institution holds more	
	3. There was none of the	than 20% but not more than 50% of the total issued	
	situations specified in Article	shares of the Company, and is an independent director	
	30 of the Company Act.	appointed by the Company and its parent company,	
		subsidiary or subsidiary of the same parent company in	
		accordance with this Act or local laws and regulations,	
		this restriction does not apply). (9) Professionals, sole	
		proprietors, partnerships, owners, partners, directors,	
		supervisors, managers and their spouses of companies,	
		corporations or institutions that do not provide audit	
		services to the Company or its affiliated companies or	
		that have received remuneration for business, legal,	
		financial, accounting or other related services of which	
		the cumulative amount in the last two years does not	
		exceed NT\$500,000. However, this does not apply to	
		members of the Remuneration Committee, Public	
		Acquisitions Review Committee, or M&A Special	
		Committee who perform their duties in accordance with	
		the relevant laws and regulations of the Securities and	
		Exchange Act or the Business Mergers And Acquisitions	
		Act. (10) The director or supervisor has no spouse or	
		second-tier relative relationship with other directors.	
l	Demonsihilition and nerven	a of the Domain or of the Committee	

- 2. Responsibilities and powers of the Remuneration Committee:
 - (1) Regularly review the "Remuneration Committee Charter" and propose recommendations for amendments.
 - (2) Formulate and regularly review the annual and long-term performance targets and remuneration policies, systems, standards and structures of the Company's directors and managers.
 - (3) Regularly evaluate the achievement of performance targets by the Company's directors and managers, and determine the content and amount of their individual remuneration.
- 3. Information on the operation of the Remuneration Committee:
 - (1) The Company's Remuneration Committee consists of 3 members.

- (2) The term of office for the 4th committee members: July 21, 2020 to June 10, 2023. The term of office of the 5th-term Remuneration Committee members: from August 9, 2023 to June 13, 2026.
- (3) The Remuneration Committee held three meetings (A) in the most recent year (2024). The membership and attendance of the committee members were as follows:

	10110 005.				
Title	Name	Actual attendances (B)	Attendances by proxy	Attendance in person (%) (B/A) (Note)	Remarks
Convener	Jeff Huang	3	0	100%	Independent Director
Committee Member	Chang, Wen-Huai	3	0	100%	Independent Director
Committee Member	Wang, Bing- Chuan	3	0	100%	Independent Director

4. The Remuneration Committee held meetings, reviewed and evaluated the Company's remuneration information in the past year as follows

10111411014	tion information in the past y		1
Term and time of	Motion content and	Resolutions	The company's
the meeting	subsequent actions		handling of the
			opinions of the
			Remuneration
			Committee
3rd meeting of the	•Proposal for the 2023	Approved by the	Approved by the
5th term	distribution of year-end	Committee	board directors present
January 29, 2024	bonus to managerial officers	members	unanimously.
	and salary adjustment for	unanimously.	
	2024.		
4th meeting of the	•Propose the 2023	Approved by the	Approved by the
5th term	distribution of remuneration	Committee	board directors present
May 7, 2024	to directors and employees.	members	unanimously.
		unanimously.	
5th meeting of the	•Remuneration to the	Approved by the	Approved by the
5th term	directors and supervisors of	Committee	board directors present
August 9, 2024	the subsidiary.	members	unanimously.
		unanimously.	

Other Matters to be Recorded:

- 1. If the Board of Directors declines to adopt or amend the recommendation of the Remuneration Committee, it shall state the date, period, content of the proposal, resolution of the Board of Directors, and the Company's handling of the opinion of the Remuneration Committee (if the remuneration approved by the Board of Directors is better than the recommendation of the Remuneration Committee, the difference and reason shall be stated): No such situation.
- 2. If any member objects to or reserves an opinion on a resolution of the Remuneration Committee and there is a record or written statement, the date, term, content of the resolution, opinions of all members, and the handling of the opinions of the members should be stated: No such situation.
- (V) The composition, responsibilities and operation of the Sustainable Development Committee are as follows:
 - 1. Establishment of the committee

In order to implement the sustainable development goals, strengthen sustainable governance, and promote corporate social responsibility and implement sustainable business philosophy, the Board of Directors approved the appointment of three independent directors as members of the Sustainable Development Committee on June 20, 2024 to form the first Sustainable Development Committee. The term of office of the members is from June 20, 2024 to June 13, 2026.

- 2. Duties of the committee
 - (1) Formulate, promote and strengthen the Company's sustainable development policies, annual plans and strategies.
 - (2) Review, track and revise the implementation status and effectiveness of sustainable development.
 - (3) Supervise the disclosure of sustainable information and review the sustainability report.
 - (4) Supervise the implementation of the Company's sustainable development best practice principles or other sustainable development related works approved by the Board of Directors
- 3. Sustainable Development Committee

The Sustainable Development Committee ensures the promotion of the Company's sustainable development-related work and sets up a part-time unit for sustainable development - the Sustainable Development Promotion Group to assist the Sustainable Development Committee in implementing various plans. The Sustainable Development Promotion Group shall have one chairman who shall be the Chairman of the Board of Directors. The Sustainable Development Promotion Group covers the following group tasks and reports the implementation of sustainable development to the committee:

- (1) Corporate Governance Team: Responsible for compliance with corporate governance laws, establishing reasonable compensation policies and employee performance evaluation systems, education and training, and stakeholder communication mechanisms to achieve the Company's goal of sustainable development.
- (2) Sustainable Environment Team: Responsible for the environmental management system, compliance with environmental laws and international standards, evaluation of sustainable transformation, improvement of resource utilization, climate change response mechanism, and establishment of dedicated environmental management units or personnel to achieve the goal of environmental sustainability.
- (3) Social Welfare Team: Responsible for human rights management policies and procedures, compliance with human rights-related laws and international standards, establishing internal and external communications among all members of the organization (such as employees, subsidiaries, etc.) and key members of the value chain, assessing relevant risks and management mechanisms, and promoting community and cultural development to achieve the goal of sustainable operations.
- (4) Sustainability Information Disclosure Team: Responsible for the sustainability information management policy, compliance with relevant laws and regulations and international standards for sustainability information disclosure, and fully disclosing relevant and reliable sustainability information to enhance the transparency of sustainability information.

Name and identity	Professional qualifications and experience
Independent	1. Graduated from Department of Land Economics, National Chung
Director	Hsing University
Jeff Huang	2. From 1985 to 1987, he worked for a real estate appraisal company.
(convener)	From 1987 to 2005, he worked for several commercial banks. From 1999 to
	2005, he was a regional manager of the Ta Chong Bank Co., Ltd. From
	2010 to 2014, he was the deputy general manager of Taishin Securities
	Investment Trust Company Limited. In April 2016, he was the deputy
	general manager of Taiwan Indigena Botanica Co., Ltd. He is currently the
	supervisor of Hearts & Mirrors Investment Company Limited.
	3. Possess professional capabilities in accounting, finance, investment,
	risk management, etc.
Independent	1. Graduated from Graduate Institute of China Studies, Tamkang
Director	University
Chang, Wen-Huai	
	of EVERGREEN CONSTRUCTION CORPORATION LTD. and from
	2013 to 2018, he served as a consultant and special assistant to the
	Chairman's office of 85 Sky Tower Hotel Co., Ltd.
	3. Possess professional capabilities in law, risk management, etc.
Independent	1. Bachelor's degree, Department of Justice, National Taipei University,
Director	and studied at Law School, National Taiwan University
Wang, Bing-	2. Independent Director of United Fiber Optic Communication Inc. From
Chuan	April 2004 to May 2006, he served as a clerk in the Legal Affairs
	Department of Chunghwa Commercial Bank. From January 2007 to May

4. Committee members

Name and identity	Professional qualifications and experience					
	2007, he served as a legal specialist at Presicarre Corporation. From July					
2020 to September 2021, he served as the Chief Legal Officer of D-						
	Corporation. From May 2011 to June 2012, he served as the Legal Manager					
	of Taiwan Steel & Mining Corporation.					
	3. Possess professional capabilities in law, risk management, etc.					

5. Attendance of the 2024 Committee

The Sustainable Development Committee held two meetings in 2024. The attendance was as follows:

Title	Name	Number of actual attendance	Attendances by proxy	Actual attendance rate (%)	Remarks
Convener	Jeff	2	0	100%	
	Huang				
Committee	Chang,	2	0	100%	
Member	Wen-				
	Huai				
Committee	Wang,	2	0	100%	
Member	Bing-				
	Chuan				

6. Committee meeting information for 2024

Term and time of	Motion content and	Resolutions	The Company's Board of	
the meeting	subsequent actions		Directors' handling of the	
			committee's opinions	
1st meeting in the	• Completed the preparation	Approved by the	Approved by the board	
1st term	of 2023 Sustainability Report.	Committee	directors present	
August 9, 2024	Regarding the sustainability	members	unanimously.	
	report	unanimously.		
2nd meeting in the	 Sustainable development 	Approved by the	Approved by the board	
1st term	related forecasts for 2025.	Committee	directors present	
November 6, 2024		members	unanimously.	
		unanimously.		

- 7. Supervision and reporting of the Board of Directors
 - (1) The Company reported to the Board of Directors on January 2, 2025 on the implementation of sustainable development in 2024, and the preparation of the 2024 sustainable report and the schedule of the greenhouse gas inventory.

The Board of Directors listens to reports from the management team (including ESG reports) from time to time and urges the management team to make adjustments when necessary.

(2) Promotion and implementation of sustainable development

✦Risk assessment of ESG major issues

OFCO follows the GRI standards issued by the Global Reporting Initiative (GRI), discloses information in accordance with the general standards and thematic standards, and responds to the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies", the United Nations Sustainable Development Goals (SDGs) and the Task Force on Climate-related Financial Disclosure (TCFD) and the industry standards of the Sustainability Accounting Standards Board (SASB) and other domestic and international standards and specifications, identifies topics related to operations and sustainable development goals, and identifies possible annual sustainability issues. Through discussions with key management on the impact and probability of the three major sustainability issues of society, environment and corporate governance on the Company, and incorporating feedback from external stakeholders on the level of concern about each sustainability issue, we determine the major topics for the year, formulate risk management policies for effective identification, measurement, evaluation, supervision and control, and take specific action plans to reduce the impact of related risks. There was no major change in the Company's operations in 2024, so the major topics in 2023 were continued as the major topics for this vear.

Evaluation period: From January 1, 2024 to December 31, 2024

Assessment boundaries: The environmental and social boundaries mainly included operations and activities related to OFCO screw's core business, including Qiaotou Plant and Ziguan Plant, but not included four subsidiaries.

(VI) Composition, responsibilities and operation of the Nomination Committee: The Company has not yet established a Nomination Committee.

(VI) Implementation of sustainable development and deviation from the Corporate Sustainability Best Practice Principles for TWSE/TPEx Listed Companies and the reasons:

Promotion items	Implementation status			Deviation from
	Yes	No	Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
I. Has the Company established a governance structure to promote sustainable development, and designated a full-time (part-time) unit to promote sustainable development, which is to be handled by the senior management with the authorization of the Board of Directors, and the actual supervision of the Board of Directors?	\checkmark		 The Board of Directors of the Company approved the establishment of the Sustainable Development Committee on June 20, 2024, consisted of three independent directors who were responsible for promoting corporate social responsibility and implementing the concept of sustainable operation. The Sustainable Development Committee consists of four cross- departmental functional groups responsible for different businesses and annual projects, so that sustainable development actions can be implemented in the Company's daily operations. The committee is responsible for regularly tracking the results and proposing optimization or improvement plans for the next year. For the composition, operation and implementation of the corporate governance and Sustainable Development Committee for the current year, please refer to pages 67-70. On January 2, 2025, the Sustainable Development Committee reported to the Board of Directors: (1) Sustainable Development 	No material difference

Promotion items				Implementation status	Deviation from
		Yes	No	Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
				 Implementation Report for 2024. (2) 2024 Sustainability Report Preparation and Greenhouse Gas Inventory Plan. 5. The Board of Directors listens to reports from the management team from time to time and urges the management team to make adjustments when necessary. 6. On November 6, 2024, the Company reported to the Board of Directors on the communication with stakeholders in 2024. 7. Supervision and reporting of the Board of Directors, please refer to pages 69.0-70. 	
II.	Does the company conduct risk assessment on environmental, social and corporate governance issues related to the company's operation in accordance with the principle of materiality, and formulate relevant risk management policies or strategies? (The principle of materiality is about the material impact of environmental, social,	V		 The Company's 2023 Sustainability Report covers the Company's sustainable development performance at its major locations from January to December 2023. The boundary of risk assessment is mainly based on the Company. 2. Based on the GRI standards, the United Nations Sustainable Development Goals (SDGs) and reference to issues of concern in the steel industry, we summarize sustainable development issues from the three aspects of economy, society and environment, and analyze them according to the materiality principle of the sustainability report. We communicate with internal and external stakeholders, consider the degree of organizational impact and the degree of concern of stakeholders, and evaluate the significant ESG 	No material difference

	Promotion items			Implementation status	Deviation from
		Yes	No	Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
	and corporate governance issues on the Company's investors and other stakeholders.)			issues accordingly. We also formulate risk management policies for effective identification, measurement, evaluation, supervision and control, and take specific action plans to reduce the impact of related risks. 3. Based on the principle of materiality, we conduct risk assessments on environmental, social or corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies. Please refer to page 87.	
III. (I)	Environmental issues Has the company set up an appropriate environmental management system based on the industrial characteristics?	V		The Company prohibits the use of legally regulated hazardous substances during production to reduce the impact on the environment. The Company continues to obtain the ISO14001 environmental management system certification and is committed to the promotion of quality and environmental management systems. The Company introduced the 5G AIoT system in 2021 Q3 to build a 4.0 smart factory, improve product yield, and reduce raw material loss. The Company has completed the 2014 ISO 14064-1 greenhouse gas emissions inventory and verification in April 2025, in the hope of striving to achieve the short and long-term goals of low-carbon production and environmental sustainability. The filing, cleanup and transportation of air pollution, wastewater and waste in the factory are handled in accordance with various government regulations. The Company's Qiaotou Plant and Ziguan Plant have obtained ISO 14001:2015	No material difference

Promotion items			Implementation status	Deviation from
	Yes	No	Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
			Environmental Management System Certification and continue to pass third-party verification. The certificate is valid until December 18, 2025.	
(II) Is the Company committed to improving energy efficiency and using recycled materials with low impact on the environment?	\checkmark		The company for the purpose of having resources used effectively has water resources on site recycled, and enhances garbage sorting and processing to have resources reused and to minimize the impact on the environment. TSG Environmental Technology Corp., the subsidiary, has a professional waste disposal license for a main business operation of iron and steel waste removal, recycling, and reuse, and that is how it makes contribution to the efficient use of renewable energy.	No material difference
(III) Does the company evaluate the potential risks and opportunities of climate change to the company now and in the future, and adopt relevant countermeasures?	1		 The climate change policy is to manage carbon emission for the achievement of "carbon neutrality" and set the carbon reduction objective of the future factory for a low-carbon economy in order to reduce the impact of the Company's operating activities on climate change. The Company's subsidiary TSG Environmental and second-tier subsidiary TSG Power each have their own expertise in resource recycling and green energy research and development, providing corporate waste recycling and removal services. (1) Water resources: Water resources are relatively uncontrollable due to abnormal climate. It is necessary to plan for the improvement of the efficiency of water resources in use in order to achieve the objective 	No material difference

Promotion items				Implementation status	Deviation from
	Yes	No		Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
			(2)	of zero waste water discharge. Air pollution: Various air pollution prevention and control measures are planned for the screw production line according to the characteristics of its exhaust gas. Set up multiple dust collection equipment to reduce fugitive emissions, reduce discharges, and enhance environmental protection treatment facilities in order to prevent polluting water, air, and land. Total weight of waste: With the goal of reducing waste and recycling waste, we actively reduce the total amount of waste by reducing environmental pollution through source management measures such as computer monitoring during the production process and reducing the loss of raw materials.	
 (IV) Does the company make statistics on greenhouse gas emissions, water consumption, and the total weight of waste for the last two years and formulate policies for greenhouse gas reduction, water consumption reduction, or other waste management? 			1. 2. 3.	Greenhouse gas The Company conducted ISO 14064-1:2018 greenhouse gas inventory for three consecutive years in 2022, 2023 and 2024 and obtained third-party verification from the British Standards Institution (BSI). Greenhouse gas emissions in the last two years: Scope 1 to Scope 4 in 2023 and 2024, covering the entire company and major processes (Qiaotou Plant + Ziguan Plant) The Company has calculated the greenhouse gas emissions, water	No material difference

Promotion items			Implementation status	Deviation from
	Yes	No	Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,"
 IV. Social issues (I) Has the company formulated relevant management policies and procedures according to the governing laws and regulations and the International Bill of 	√		 consumption and total weight of waste in the past two years and verified them by a third party. It has also formulated policies for energy conservation and carbon reduction, greenhouse gas reduction, water reduction or other waste management. For details, please refer to page 86 or the Company's website (www.ofco.com.tw) In order to fulfill corporate social responsibility and implement human rights protection, the Company recognizes and voluntarily follows internationally recognized human rights, such as the "United Nations Universal Declaration of Human Rights," "United Nations Global Compact," "United Nations Guiding Principles on Business and Human 	and the reasons No material difference
Human Rights?			Rights," and "United Nations Guidnig Hinciples on Busiless and Human Rights," and "United Nations International Labor Organization". standards, respect the protections stipulated in the Covenant on Human Rights, and formulate the human rights policy applicable to the Company. At the same time, the Company treats employees and personnel of collaborators with dignity with dignity, and eliminates any behaviors that violate or violate human rights. The "Human Rights Policy," "Work Rules" and "Social Responsibility Management Manual" are all clearly stated to protect and human rights are disclosed on the Company's website.	

Promotion items			-	Implementation status	Deviation from
	Yes	No		Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
(II) Does the company formulate and implement reasonable employee welfare measures (including salary and remuneration, vacation and other benefits, etc.), and properly reflect business performance or results in employee salary and remuneration?	V		1. 2. 3.	The Company has established comprehensive personnel management measures such as salary, attendance, vacation, etc., implemented reasonable employee welfare measures, and established a "Remuneration Committee" to review the salary remuneration and salary structure of the Company's directors and managers. Adequately reflecting business performance or results in employee remuneration: It is clearly stipulated in the Company's "Articles of Incorporation" to "appropriate an amount equivalent to 1%~3% of the profits, if any, as employees' remuneration. In 2024, the demand for the steel industry was sluggish, the screw business incurred operating losses, and no provisions were made for employee compensation. Diversification and equality at the workplace: We substantiated the "equal pay for equal work" salary conditions and equal promotion opportunities for male and female employees. Considering gender equality, female employees are entitled to the same promotion opportunities as male employees. Please refer to the description on page 146 for other employee welfare measures and their implementation in 2024.	No material difference
(III) Has the company provided employees with a safe and healthy	\checkmark		1.	Occupational safety and health management system: In accordance with the provisions of the Occupational Safety and Health Act, the	No material difference

Promotion items			Implementation status	Deviation from
	Yes	No	Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
working environment, and arranged safety and health education regularly for the employees?			 Company establishes and promotes the implementation of an occupational safety and health management system, provides safe and healthy working conditions, complies with occupational safety and health related laws and requirements, eliminates hazards and reduces occupational safety and health risks, and promotes employee occupational safety and health consultation and participation. The Company's Qiaotou Plant completed for ISO 45001:2018 certification in April 2023, and the current validity period is April 29, 2026. Safety and health education and training: In accordance with the Labor Standards Act, the Company provides safety and health conducts health checks on employees every year to understand their health conditions. In 2024, 12 labor safety and health education courses were implemented, with a total of 78 participants. For the Company's other employee safety and health measures and their implementation, please refer to page 150. 	
(IV) Does the company have an effective career development training program planned for employees?	1		The company implements internal and external training according to the annual training plan every year. The Company has established an effective professional training plan for employees to enhance their career development capabilities. For more information on various employee education and training courses in 2024, please see page 148.	No material difference

	Promotion items			Implementation status	Deviation from
		Yes	No	Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
(V)	Does the company comply with relevant laws and international standards, and formulate relevant right and interest protection policies and grievance procedures for issues such as customer health and safety, customer privacy, and marketing and labeling of products and services?	V		The company formulates industry-related regulations in accordance with government laws and international standards to ensure the quality of products and services without committing any deceit, misleading, fraud, or any act that is detrimental to consumer rights. The Company has formulated relevant protection policies and grievance procedures for customers' rights and interests, and there is an obstacle-free channel available for customers to file a complaint.	No material difference
(VI) Has the company formulated supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, and labor rights with the implementation monitored?	V		The Company for complying with the related substance regulations has clearly communicated to the suppliers the requirements of the environmental protection related substance regulations. The suppliers are requested to promise not to directly or indirectly deliver materials that violate this regulation to the company through a third-party. In 2023 and 2024, there were no complaints filed through the supplier's formal complaint mechanism, indicating that the Company has good cooperation and communication with suppliers and continues to move towards creating a stable, win-win and sustainable supply chain.	No material difference
V.	Does the company refer to the internationally accepted reporting standards or guidelines to prepare	V		The Company has completed the preparation of the 2023 Sustainability Report in accordance with the International Reporting Standards or Guidelines, and obtained the assurance opinion from the third-party	The Company plans to obtain the assurance or

Promotion items			Implementation status	Deviation from
	Yes	No	Summary description	the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," and the reasons
the sustainability reports for			verification agency (PwC Taiwan).	guarantee
disclosing the company's non-				opinion of a
financial information? Are the				third-party
aforementioned sustainability				verification unit
reports with the assurance or				in the coming
guarantee opinions of a third-party				year.
verification unit obtained?				
1		-	nt best practice principles formulated in accordance with the "Sustainable Dev	-
-			npanies," please describe the differences between its operation and the princip	
			Development Best Practice Principles" and implemented them without devia	tion.
1	1		and the promotion of sustainable development:	
	-	•	or the sake of fulfilling the social responsibility in protecting the Earth enviro	-
		-	luction that are regulated by laws and regulations, and conveys the relevant in	
1			npany's products meet customer requirements. The Company continues to im- rce conservation, waste reduction, and other hazards and resistance prevention	-
			-	
reduce potential environmental risks. The company has obtained ISO14001 certification since April 2011 successively; also, many employees have obtained Class A (or Class B) air pollution prevention and control certificates and Class A waste treatment technician				
1	```		maged air, waste, and other environmental issues to reduce its impact on the	
	-	-	ving environment for the company's employees and nearby residents in order	
company's sustainable operatio				
1 2 1	5		sors the neighborhood office where it is located to organize community activity	ties (Mother's

	Promotion items		Implementation status							
		Yes	No	Summary description	the "Sustainable					
					Development					
					Best Practice					
					Principles for					
					TWSE/TPEx					
					Listed					
					Companies,"					
	// / _ / /				and the reasons					
(-)				ates daily necessities to elderly people living alone.						
(3)	e			re international manufacturers. We provide after-sales consultation services, ct liability insurance to protect the rights of our customers.	defective product					
(4)			-	• • •	ns with 78					
(1)	•	Ifety and health: We hold regular labor safety and health training sessions for employees. In 2024, we held 12 sessions with 78 rticipants for a total of 234 hours. Each plant conducts fire drills twice a year to enhance employees' self-protection capabilities and								
	1 1			ointly protect the safety of residents' lives and properties.	cupuomnes una					
(5)	Social welfare:	,5505, 50	us to j	onity protect the surety of residents investing properties.						
(5)		donated	a tota	l of NT\$90 000 in scholarships to help students from remote areas to study y	with peace of					
	mind.	In 2024, the Company donated a total of NT\$90,000 in scholarships to help students from remote areas to study with peace of mind.								
	(2) This was the third bloc	This was the third blood donation event held in 2024. We invited neighboring businesses and residents to join in the charity								
	effort and collected a t									
	③ In May 2024, 50 empl	oyees and	t their	families were invited to clean up the beach and reduce plastic waste at Kez	ailiao Harbor in					
	Kaohsiung, which was	led by th	ne Cha	airman. A total of 71 kg of waste was collected, including plastic bottles, sty	rofoam,					
	cigarette butts, etc., wi	cigarette butts, etc., with an average of 1.42 kg of garbage collected per person.								
	④ In order to promote the	e concept	ofen	ergy conservation and carbon reduction and respond to the government's en	vironmental					
	protection policy, the (Company	dona	ted to subsidiaries of the Kaohsiung Environmental Protection Bureau, Nam	Yin					
	Community and Kaoh	Community and Kaohsiung Lingya District Office, to replace LED light tubes in August 2024, helping the replacement units								
	reduce carbon emissio	educe carbon emissions by 3,358 (kgCO2e) per year.								
				ce to strengthen corporate disaster prevention						
	In June 2024, we signe	d a mem	orand	um of understanding with the Qiaotou District Office to strengthen corporat	e disaster					
	prevention cooperation	. Both pa	arties	will participate in each other's disaster drills to enhance residents and the Co	ompany's					
	employee disaster prev	ention av	waren	ess and escape skills, and improve the safety of life and property of both par	ties.					

()	(II) Implementation of climate-	
Item	l	Implementation status
I.	Describe the Board and management's oversight and governance of climate-related risks and opportunities	The Company's Board of Directors serves as the highest supervisory unit for climate change risk governance and is responsible for reviewing and formulating climate strategies. The Sustainability Development Committee is the highest decision-making unit and has appointed the general manager to lead the heads of relevant departments to implement climate risk management operations and regularly track the achievement of environmental sustainability goals.
II.	Describe how the identified climate risks and opportunities will affect the Company's business, strategy and finances (short-term, medium-term and long-term).	The general manager of our Company, together with the heads of relevant departments, reviewed regulations, studied research reports, and reviewed information from peers and the market, and summarized 7 transformation risks and 4 opportunity issues. For related information, please refer to page 92.
III.	Describe the financial impacts of extreme climate events and transformation actions.	The Company uses the very high emission scenario of the Shared Socioeconomic Pathway SSP5-8.5 of Sixth Scientific Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC) of the United Nations as a reference scenario, supplemented by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Disaster Prevention Technology Platform's 3D Disaster Potential Map Projection to consider changes in risk at operating locations. In the future, the Company will continue to refine its analysis of physical risk scenarios and strengthen the Company's climate adjustment management and strategies. Frequent occurrences of extreme climates have affected suppliers' normal production or distribution and shipments, which will result in the interruption of factory operations and reduce the Company's revenue.
IV.	Describe how the climate risk identification, assessment and management process is integrated into the overall risk management system.	The Company has adopted the TCFD framework to identify the risks and opportunities of climate change. The heads of relevant departments consider the Company's current operating conditions and available resources, and formulate specific, feasible and effective climate change risk management policies for projects with significant risks.
V.	If scenario analysis is used to assess resilience to climate change	Under planning.

(VII) Implementation of climate-related information

Item	Implementation status
risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	
VI. If there is a transformation plan to manage climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transformation risks.	To reduce carbon emissions per product unit and the impact on the environment, the Company continues to research methods to reduce energy and resource consumption and aims to reduce direct emissions from operating activities (scope 1) and indirect emissions from energy use (scope 2). The Company has set targets for saving electricity and water to ensure that the intensity of greenhouse gas emissions meets expectations. The implementation content includes 1. Eliminating and replacing old equipment, simplifying the process to reduce waste, and lowering the carbon intensity of the manufacturing stage 2. Complying with regulations, planning and building of solar power generation equipment, and using renewable energy to identify risks and opportunities.
VII. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	The Company has not yet planned for internal carbon pricing.
VIII. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, the annual progress achieved and other information should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon reduction credits or the number of renewable energy certificates	

Ite	em	Implementation status
	(RECs) used should be explained.	
IX	. Greenhouse gas inventory and	Please refer to the following table (page 85)
	assurance status and reduction	
	targets, strategies and concrete	
	action plans	

Greenhouse gas emissions and assurance, water consumption and total waste in the last two years

(Greenhouse gas emissions (ton CO2		
Item	2024	2023	
Category I	798	350	
Category II	10,242	7,698	
Total volume	11,040	8,048	
Emissions per unit of revenue (t CO2e/NT\$ million)	7.97	7.46	
Water consumption (tons)	23,190	29,753	
Total household waste (tons) (harmless substances)	113.85	126.17	
Waste oil sludge (tons) (harmless substances)	445.69	294.28	

1. Greenhouse gas inventory information, water consumption and total waste

2. Greenhouse gas assurance (verification) information

	2024	2023
Assurance scope	Qiaotou Plant, Ziguan Plant	Qiaotou Plant, Ziguan Plant of
	of the Company	the Company
Assurance institution	British Standards Institution	British Standards Institution
	(BSI)	(BSI)
Assurance standards	ISO14064-1:2018	ISO14064-1 : 2018
	ISO14064-3 : 2019	ISO14064-3 : 2019
Assurance	Reasonable assurance	Reasonable assurance
(verification) opinion		

3. The greenhouse gas emissions information of the company and subsidiaries

Unit : Greenhouse Gas Emissions : metric tons CO2e

Carbon Intensity : metric tons CO2e/Sales value NT\$ million

		2024		2023		
		Greenhouse	Carbon	Greenhouse	Carbon	
	-	Gas Emissions	Intensity	Gas Emissions	Intensity	
The	Scope 1	798		350		
Company Scope 2		10,242		7,698		
	Subtotal	11,040		8,048		
Subsidiaries	Scope 1	508,470				
Scope 2 Subtotal		1,546				
		510,016				
Total		521,056	125.9830	8,048	7.4632	

4 Explanation of the principle of materiality regarding significant impact of environmental, social and corporate governance issues on the Company's investors and other stakeholders

Material	Risk assessment	Description
issues	items	
	Environmental impact and management	 The company has realized the best use of water resources through sewage treatment and recycling, that is, the water consumed by the machine in production is recycled and reused after purification. The company conducts pre-planning and evaluation, implementation and operation through the management system, and performs audits and corrective actions afterwards to ease the impact on the environment continuously. The company formulates environmental policies such as compliance with environmental protection laws and regulations, commitment to pollution prevention, and continuous improvement to promote environmental protection laws and regulations, reduction of on-site oil fume, and noise reduction to monitor at any time and strive to achieve the objectives. Through the implementation of process safety management and institutionalized management cycles, pollution emissions can be effectively reduced and the impact on the environment can be reduced. Industrial waste shall comply with relevant laws and regulations, and shall be entrusted to qualified waste disposal companies approved by the competent authorities regularly to ensure the accurate understanding of waste flow.
Society	Occupational safety	 Hold fire drills and work safety education and training regularly twice a year to cultivate employees' ability in responding to emergencies and self-safety management. Employees must wear safety helmets, safety shoes, and other safety protection gears at the worksite to reduce occupational injuries of employees. The Company has obtained the ISO 45001 Occupational Health and Safety Management System certification. Conduct employee health check once a year to improve the physical and mental health of employees.
	Product Safety	The Company's products are in compliance with the governing laws and regulations of the government without containing any

	Ι			
		hazardous substance. Also, a customer service hot line and a		
		communication website have been set up for ensuring the customer		
		service quality and for enhancing the cooperative relationship with		
		customers.		
Corporate governance	Enhance board director's functions.	1. Provide directors with the latest laws, economics, corporate governance, and other related continuing education topics to help directors understand the latest regulations and policies of competent authorities.		
		2. Obtain liability insurance for directors to protect them from lawsuits or claims.		
	Information	1. Set up firewalls and quarantine areas for internal and external		
	security risk	network services, and strictly monitor the control and use of		
		communication access protocols.		
		2. Plan and construct a data protection mechanism to reduce the		
		risk of user data leakage.		
		3. Organize education and training programs to promote information security.		
	Regulatory compliance	 Ensure that all personnel and operations of the company truly comply with relevant laws and regulations by establishing a governance organization and implementing an internal control mechanism. 		
		2. Update and publicize relevant regulatory information from time to time.		
	Communication	Establish various communication channels, communicate actively,		
	with stakeholders	and reduce conflicts and misunderstandings. Set up an investor		
		mailbox to be managed and answered by the spokesperson.		

Energy saving and carbon reduction, greenhouse gas reduction, water consumption reduction, or other waste management policies

Quantitative management of energy conservation and carbon reduction

I. Current energy saving policy

The company's main energy consumption is electricity. Therefore, in terms of energy conservation, the mission is to reduce the power consumption in production per unit and to achieve effective use of energy through continuous monitoring systems and independent management of production unit.

The Company has updated its machines since the fourth quarter of 2021, using Chunghwa Telecom's 5G network to create a 4.0 smart production line, which not only improves production efficiency but also saves electricity consumption.

Reduction target: In 2023 and 2022, electricity consumption can be reduced by approximately 1% compared to the previous year. Starting from fiscal year 2023, the reduction rate will be increased to 2%, and the reduction rate will be increased year by year thereafter.

Comparison of electricity consumption in recent years: Taking 2022 as the base year, electricity consumption in 2024 decreased by 12% and carbon emissions per unit of production decreased by 3%.

Year	Electricity usage	Carbon emission	Emission per unit of production (tCO2e/kg)
2024	20,733,513	10242.3557	0.494
2023	15,550,671	7,697.58	0.495
increase/decrease	5,182,842	2,545	0

Description: In 2024, due to the completion of inventory liquidation of European and American clients, the Company's orders gradually increased, resulting in a 47% increase in production compared to 2023, and an increase in electricity consumption and carbon emissions. The unit production emission in 2024 (tCO2e/kg) was 0.494, a decrease of 3% from 0.509 in 2022.

III. Future carbon reduction objective

The Company's future quantitative management goal for energy conservation and carbon reduction is to reduce carbon intensity by 20% by 2030 compared to 2022.

Water resource management

A stable water supply in response to global climate change has become a challenge to many nations. In order to fulfill our social responsibility and respond to the issue of global water shortage, the Company has set a target of reducing its overall water intensity (total water use/USD million output value) by 20% by 2025, with 2022 as the base year. The Company hopes to take concrete actions and jointly confront the challenges of climate change with global companies. Specific operations

- 1. Production line: Through sewage treatment and recycling, the water consumed by the machine is purified and then recycled to achieve the best use of water resources.
- 2. Office: If there is a water leak, please ask the engineering department to handle it immediately.

3. With 2022 as the base year, water intensity increased by 120% in 2024.

			Unit: Million liter
	2023	2024	increase/decrease
Total water withdrawal	29.75	30.41	7.22
Water withdrawal intensity	0.0003	0.0002	0.0001

Water withdrawal in the past two years

Waste management

All of the Company's waste is non-hazardous industrial waste. The total amount of waste in 2024 was 645.85 metric tons. As shipments in 2024 increased compared to 2023, production also increased, resulting in an increase in waste generation. In the future, we will continue to introduce waste management plans to reduce waste generation.

Waste disposal methods include incineration and recycling. The non-hazardous waste recycling rate in 2024 was 82%. All waste is outsourced to qualified waste disposal companies for removal. We sign contracts with qualified waste removal companies every year to confirm relevant management methods and practices. The waste removal companies will clean up regularly according to the waste output situation. We will inspect waste removal companies at least once a year. Environmental safety personnel will monitor and understand the operation and management of the entrusted waste storage, removal, treatment, and recycling. During the removal, there will be a three-part form to ensure that the waste is handed over to legal operators for treatment, and records will be kept. There were no breach of contract by waste disposal companies in 2023.

Total volume of waste in the last 3 years

					Unit: Metric ton
	Waste details	2022	2023	2024	Method of handling
	Domestic waste (D- 1801)	119.38	126.17	113.85	Incineration (non-energy recovery)
Non-	Non-hazardous sludge (D-0903)	112.6	36.24	0	Recycled and physically processed into solid fuel
hazardous waste	Waste oil mixture (D- 1799)	428.55	258.04	445.69	Recycled and physically processed into solid fuel
	Waste lubricant (R- 1703)	66.65	27.52	86.31	Recycling
	Total	727.18	447.97	645.85	

Description: The production volume and number of employees in 2024 increased compared to 2023. The amount of domestic waste decreased due to recycling, but the amount of waste oil sludge increased due to the increase in production volume.

Environmental management

The Company obtained ISO 14001 Environmental Management System Certification in 2015, and has continued to obtain ISO 14001 Environmental Management System Certification through external auditing units every year since then.

The Company conducts pre-planning and evaluation, implementation and operation through the management system, and performs audits and corrective actions afterwards to ease the impact on the environment continuously. The company formulates environmental policies such as compliance with environmental protection laws and regulations, commitment to pollution prevention, and continuous improvement to promote environmental management and improvement plans. Also, formulates the indicators such as compliance with environmental protection of on-site oil fume, and noise reduction to monitor at any time and strive to achieve the objectives.

- 1. Employees are encouraged to participate in resource recycling, including recycling of plastics, waste paper, glass bottles and cans, to reduce the amount of waste.
- 2. The production line is equipped with dust hoods or large air purifiers to reduce air pollution
- 3. Regularly (once every six months) entrust external units to test the working environment, including noise and temperature, to maintain the safety and health of employees' working environment

Implementation of the policies

- 1. Occupational safety and health management
 - (1) The Company maintains occupational safety and health for all employees, including holding regular labor safety and health seminars to enhance employee safety and health management at work. Identify health and safety risks and reduce the occurrence of accidents with a systematic management approach to protect the safety of employees and to comply with government regulations.
 - (2) The Company has obtained ISO 45001 certification, which improves the efficiency of overall management.
- 2. Education and training

OFCO Industrial Corp. appreciates the importance of all employees' functional and occupational training. The Company provides a variety of training courses for new employees, full-time staff, and management, and continuously improves the core functions of all employees through internal and external training resources.

3. Health examination consultation

The Company cares about the physical and mental health of every employee. In addition to holding health checks once a year, it also provides health consultation and follow-up management to ensure the health of all employees. At the same time, it promotes health promotion and provides all employees with information on activities to enhance physical and mental development and relieve stress. In 2024, a weight loss competition was held to encourage employees to lose weight in a healthy and moderate way within one year, improve their physical health, and encourage employees to pay attention to weight management.

- 4. More than 90% of our products are exported. We do not issue domestic uniform invoices. All delivery documents given to customers are sent in electronic forms to reduce paper consumption.
- 5. The Company's human resources system (leave, attendance, etc.) and procurement system use electronic forms for approval to reduce paper usage.
- 6. Encourage employees to engage in waste sorting and resource recycling to reduce the amount of waste.
- 7. Encourage employees to use reusable containers instead of single-use plastic packaging

Assessment of climate change and countermeasures

2024 officially became the hottest year on record, with the global average temperature exceeding 1.5° C above pre-industrial levels for the first time, setting a new record. Based on six international data sets, the World Meteorological Organization (WMO) confirmed that the global average surface temperature was 1.55° C ($\pm 0.13^{\circ}$ C) higher than the average for 1850-1900, declared 2024 to be the hottest year on record, and that the past decade (2015-2024) was in the top ten. In response to the impact of climate change on corporate operations and the disclosure of information that specifically presents climate change, various departments of the Company have also begun to conduct business inventory and risk identification for climate change, including analysis of risks and opportunities caused by direct or indirect impacts of extreme climate, the impact of transformation in regulations, technology or market demand, and other human and social aspects on the Company's operations. Form a risk management strategy plan according to the analysis results as the core of responsive actions to a climate change in order to estimate the management cost and financial impact. Apply the data collected in the preceding paragraph to enhance the company's climate change governance, and to evaluate the financial connection systematically in order to reduce risks and grasp opportunities.

Classification of	Identification of risks	Identification of	Possible business development	
risks derived from climate		opportunity derived from	for company operations	
	change	climate change		
Energy	Policy rewards and	Replace outdated and	The Company's production	
	penalties	energy-intensive	process consumes much	
		equipment.	electricity. The Group plans to	
			promote the use of solar power	
			in the next few years in order to	
			reduce carbon emissions by	
			then.	
Products and	Low carbon products	The company plans to	The Company and the customers	
services	and services	introduce green energy	in Europe and the USA concern	
		power generation in the	about the negative impact on the	
		next few years to reduce	environment during the	
		the impact of energy	production and sales process,	
		consumption on the	and intend to use solar power for	
		environment.	the protection of the Earth.	

In 2024, the Company identified major climate-related risks and major climate-related <u>opportunities.</u>

(I) Climate risks

Classification	Contents of risks	Time	Mitigation/Adaptation Response	Financial
of risks			Measures	impact
Transformation risks	Policies and regulations - carbon tax/carbon fee regulations are	Short-term	In 2023 and 2024, the Company completed greenhouse gas inventory and third-party verification, and formulated	Operating costs
	gradually being formulated and applied in various countries		feasible reduction plans based on the inventory results to achieve low-carbon production goals.	
Transformation risks	Policies and regulations - government encourages the increase of renewable energy use	Mid-term	Expand the use and installation of solar energy and other renewable energy facilities and set renewable energy use targets	Operating costs
Transformation risks	Policies and regulations - in response to the trend of low-carbon manufacturing of products, it may be necessary to adjust the process or change the cooperating supplier	Mid-term	Suppliers are required to disclose their greenhouse gas emissions and set carbon reduction targets and schedules, and a supplier environmental assessment and screening mechanism is implemented.	Procurement
Transformation risks	Energy-saving equipment investment - in response to the low- carbon trend, energy- saving production equipment must be replaced.	Mid-term	Assess the procurement of energy- saving production equipment, and plan the feasibility and supporting measures.	Capital expenditure R&D expenditure
Transformation risks	Changes in customer behavior - rising demand for low-carbon products	Long-term	Develop and provide customers with low-carbon steel products, and work with major supply chain partners to jointly establish carbon reduction targets and timelines. This will effectively reduce the	Operating income

Classification	Contents of risks	Time	Mitigation/Adaptation Response	Financial
of risks			Measures	impact
			carbon footprint of products,	
			meeting customer demands and	
			aligning with low-carbon trends.	
Physical risks	Immediacy - the	Long-term	Strengthen the control of safety	Operating
	probability of extreme		stock days for raw materials and	income
	weather increases and		develop contingency measures for	
	intensifies, affecting		diversified procurement from	
	supply chains and		suppliers.	
	transportation			
Physical risks	Immediacy - climate	Long-term	Redefine the factory's water safety	Operating
	change leads to an		inventory and water truck	income
	increased likelihood of		deployment response plan, and set	Operating
	water shortages or		a goal for reducing water intensity.	costs
	floods		Or	

(II) Climate Opportunities

Details of	Time	Mitigation/Adaptation Response Measures	Financial
opportunity			impact
Launch low-carbon	Mid-term	Collaborate with major supply chain partners to	Operating
products		jointly establish carbon reduction targets and	income
		timelines, effectively reducing the carbon footprint of	
		products to meet customer demands and align with	
		low-carbon trends.	
Use of renewable	Short-term	Expand the use and installation of solar energy and	Cost of
energy		other renewable energy facilities and set renewable	energy use
		energy use targets.	
Use of more	Long-term	The project of R&D of low-carbon production	Production
efficient production		technology.	cost
methods			
Use equipment to	Mid-term	Assess the performance and procurement of energy-	Cost of
improve energy		saving production equipment, and plan the feasibility	energy use
efficiency		and supporting measures in line with the Company's	
		expansion plans.	

(VIII) The implementation of ethical management and the deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reason

				Deviation From the "Ethical Corporate		
	Evaluation items		No		Summary description	Management Best Practice Principles for TWSE or TPE Listed Company," and the Reasons
I.	Establishment of ethical corporate management					
	policy and proposal					No major
(I)	Has the company formulated an ethical corporate			(I)	The Company's Board of Directors resolved on March 12,	differences.
	management policy approved by the Board of				2015 to formulate the ethical corporate management related	
	Directors, disclosed the policy and practice of				regulations. The contracts with external party had been	
	ethical corporate management in the company's				signed in accordance with the principle of good faith and	
	regulations and external documents, and the				reciprocity, the contractual terms and conditions had been	
	implemented the policy by the Board of				negotiated reasonably, and the contractual commitments had	
	Directors and the senior management actively?				been fulfilled actively.	
(II)	Does the Company have established a mechanism for assessing the risk of unethical conduct, regularly analyze and assess business activities within the scope of business with a higher risk of unethical conduct, and establish a program to prevent unethical conduct accordingly, and at least cover the preventive measures for the behaviors in Paragraph 2, Article 7 of the "Ethical Corporate Management	\checkmark		(II)	The company has established relevant systems or plans to prevent unethical conduct. We always promote the importance of the principle of good faith to our employees. When we encounter employees who engage in unethical conduct, we will punish them depending on the circumstances and the severity of the impact.	

	Evaluation items			The State of Operations	Deviation From the "Ethical Corporate
			No	Summary description	Management Best Practice Principles for TWSE or TPEx Listed Company," and the Reasons
	Best Practice Principles for TWSE/TPEx Listed Companies"?				
	Has the company clearly defined the operating procedures, guidelines for conduct, disciplinary acts, and complaint systems in the plan to prevent unethical conduct, and implemented the plan as well as regularly reviewed and amended it?	\checkmark		(III) The Company has established relevant systems to prevent unethical behavior, and through the prevention mechanism of internal control and the review mechanism of internal audit, it prevents unethical business activities. The Company has established the "Procedures for Handling Material Inside Information" and conducts education on preventing insider trading and ethical operations to insiders every year. On November 29, 2024 this year, classes were conducted for 31 people, including current directors, independent directors, managers, and general employees.	
II.	Implementation of Ethical Corporate Management				No major
(I)	Does the company evaluate the ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties?	V		(I) Before the Company interacts with a manufacturer, it considers its legality and its credit status among its peers, conducts credit investigations when appropriate, and specifies the rights and obligations of both parties in detail when entering into a contract with them.	differences.

			-	The State of Operations	Deviation From the "Ethical Corporate
	Evaluation items		No	Summary description	Management Best Practice Principles for TWSE or TPEx Listed Company," and the Reasons
II.	Implementation of Ethical Corporate				
	Management				No major
(II)	Does the Company have a dedicated unit under	\checkmark		(II) The Company has designated the Administration	differences.
	the Board of Directors to promote ethical			Department as the responsible unit to formulate and	
	corporate management, and does it regularly (at			supervise the implementation of ethical corporate	
	least once a year) report to the Board of Directors			management policies and prevention plans, assist in	
	on its ethical corporate management policy and			integrating ethics and moral valuesinto the Company's	
	plan to prevent unethical behavior and the status			business strategy, and formulate relevant anti-fraud	
	of supervision of its implementation?			measures to ensure ethical corporate management in	
				accordance with laws and regulations. The implementation	
				status of 2024 has been reported to the Board of Directors	
				on January 2, 2025.	
(III)	Does the company have the policy formulated to			(III) The company's employees may report matters related to	
	prevent a conflict of interest, provide appropriate			conflicts of interest to the department head or directly to the	
	channels for communication, and implement it?			President.	
(IV)	Has the company established an effective			(IV) The Company has established accounting systems and	
	accounting system and internal control system			internal control systems. Internal auditors perform various	
	for the implementation of ethical corporate			audits according to the audit plan. For business activities	
	management, and the internal audit unit drawn up			with high risks, the audit frequency is increased according	
	relevant audit plans based on the risk of unethical			to their needs.	
	conduct identified in an evaluation, and audited				
	the compliance of the audit plan in preventing				

					The State of Operations	Deviation From the
	Evaluation items		No		Summary description	"Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Company," and the Reasons
	unethical conduct, or entrusted a CPA to perform the audit plan?					
(V)	Does the company regularly organize internal and external education and training programs on ethical corporate management?	~		(V)	On November 29, 2024, the Company organized a two-hour anti-insider trading education campaign for four current directors, managers, and 31 general employees. The course content included the relevant laws and regulations on short- term trading under Article 157 of the Securities and Exchange Act, the constituent elements and legal liabilities of insider trading, and examples of profitable short-term trading. The briefing files were distributed to all directors and employees before the meeting and were placed in the internal file area after the meeting for reference by those who did not attend in person.	
III. (I)	The operation of the company's whistleblower reporting system Has the Company formulated a specific whistleblower reporting and reward system and a convenient reporting channel, and designated appropriate personnel to deal with the reported individuals?	\checkmark		(I)	The Company has set up an e-mail and telephone hotline, established a complaint mechanism, and has a dedicated person to handle it, and set up a reward and punishment plan.	No major differences.

Evaluation items			The State of Operations	Deviation From the
		No	Summary description	"Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Company," and the Reasons
(II) Has the company formulated standard operating	\checkmark		(II) The company's reporting procedure is equipped with a	
procedures for the investigation of the reported			confidentiality mechanism. The unit responsible for	
matters, follow-up measures to be taken after the			handling any reported event should keep the identity of the	
completion of the investigation, and the relevant			whistleblower in confidence.	
confidentiality mechanisms?				
(III) Does the Company take measures to protect the			(III) The company's reporting procedure is equipped with a	
whistleblowers from suffering any consequences			confidentiality mechanism to protect the whistleblowers	
due to their whistleblowing?			without malicious intent from retaliation.	
IV. Intensification of disclosure				No major
Does the company disclose the content and			The Company has announced the establishment of the "Ethical	differences.
effectiveness of its "Ethical Corporate			Corporate Management Best Practice Principles" on the website	
Management Best Practice Principles" on its			and the Market Observation Post System to disclose information	
website and the Market Observation Post			on corporate culture, business policies, etc. Company	
System?			website:https://www.ofco.com.tw/sites/default/files/pdf/creditma	
			nagement.pdf	
V. If the company has the "Ethical Corporate Manage	emei	nt Be	st Practice Principles" formulated in accordance with the "Ethical	Corporate
Management Best Practice Principles for TWSE/C	GTSI	M Li	sted Companies," please state the deviation of the operation from	the formulated

Principles:

The Company has established the Ethical Corporate Management Best Practice Principles which are duly enforced. It is handled in compliance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and relevant laws and regulations.

				The State of Operations	Deviation From th
Evaluation items			No	Summary description	"Ethical Corporat Management Bes Practice Principle for TWSE or TPE Listed Company, and the Reasons
VI.	. Other important information that helps to	understand t	he Co	ompany's ethical corporate management:	
	(1) Comply with the Company Act, Sec	urities and Ex	xchar	ge Acct, Business Entity Accounting Act, and relevant laws	and regulations for
	TWSE/TPEx Listed Companies as t	he basis for in	mplei	nenting ethical corporate management.	
	(2) The system of "Recusal Due to Con	flict of Intere	st" is	stipulated in the Rules of Procedure for Board of Directors I	Meetings. Directors or
	the juridical persons they represent	who have an i	intere	st in the proposals to be discussed in the board meeting shou	ld explain the importa
	content of their interests at the curre	nt board mee	ting.	Those who are detrimental to the interests of the company sh	all have themselves
	recused from the discussions and vo				
	(3) Based on business needs, we will also	so invite supp	oliers	to participate in employee education and training, such as fin	re safety drills, work
	matters and life management promo	tion for foreig	gn en	nployees, etc.	
	(4) The Company's Ethical Corporate M	lanagement H	Best F	ractice Principles was submitted to the Board of Directors for	or approval and revision
	on May 3, 2023, and was also subm	itted to the 20)23 sl	nareholders' meeting for reporting.	
	(5) The "Procedures for Handling Mate	rial Inside Inf	forma	tion" has been established, which clearly stipulates that the	Company's directors,
	managers and employees, or other p	ersons who h	ave l	earned of the Company's internal material information due to	their status, occupatio
	or control relationship, shall not inq	uire about or	colle	et the Company's undisclosed internal material information t	hat is not related to the
	personal duties from persons who ha	ave learned of	f the	Company's internal material information, and shall not disclo	ose to others the
	Company's undisclosed internal mat	erial informa	tion t	hat is not learned for business purposes.	
(6)) The Company has established the "Proce	dures for Har	ndling	Material Inside Information", which clearly stipulates that o	directors, managers and
	employees shall not disclose internal mat	erial informa	tion k	mown to others, shall not inquire about or collect the Compa	ny's undisclosed
	internal material information that is not re-	elated to their	r pers	onal duties from people who know the Company's internal n	naterial information, an
	shall not disclose to others the Company' execution.	s undisclosed	inter	nal material information that is not obtained through busines	SS

- (IX) The Company's corporate governance principles and related regulations, and their query methods:
 - 1. Related regulations and regulations that have been established:
 - (1) Rules of Procedures for Shareholders Meetings
 - (2) Regulations Governing the Supervision and Management of subsidiaries
 - (3) Procedures for the acquisition and disposal of assets
 - (4) Procedures for loaning of funds and making of endorsements/guarantees
 - (5) Rules of Procedure for Board of Directors Meetings
 - (6) Regulations Governing the Election of Directors
 - (7) Procedures for Handling Material Inside Information
 - (8) Remuneration Committee Charter
 - (9) Audit Committee Charter
 - (10) Sustainable Development Committee Charter
 - (11) Corporate Governance Best Practice Principles
 - (12) Ethical Corporate Management Best Practice Principles of the Company
 - (13) Corporate Social Responsibility Best Practice Principles
 - (14) Regulations governing the reporting of illegal, immoral, or unethical conducts
 - (15) Regulations Governing Financial Transactions among Related Parties
 - (16) Risk management policies and procedures
 - 2. Inquiry method: Disclosed in the "MOPS" and the Company's website (company website: http://www.ofco.com.tw)
- (X) Other important information that helps to understand the corporate governance operation of the Company:
- 1. In order to manage important information within the Company, we have developed the "Procedures for Handling Material Inside Information" and have informed all directors, managers and employees to avoid improper information leakage and ensure the consistency and accuracy of information released to the outside world.
- 2. When taking office, directors, managers and other insiders are given the latest version of "Taipei Exchange Listed Company Insider Trading and Insider Shareholding Laws and Regulations" compiled by the Taipei Exchange to facilitate compliance by insiders. Insiders also issue a statement to confirm that they are aware of the matters regulated by the Securities and Exchange Act and comply with various regulations.
- 3. The implementation of the directors' and supervisors' continuing education and training, and managerial officers' participation in corporate governance related continuing education and training

3-1 Directors' continuing education and training in 2024

Title	Name	Organizer	Continuing education courses	Number of hours in continuing education	Whether the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" is complied with
		Taiwan Institute of Directors	Legal Responsibilities of Directors and Supervisors of Public Companies	3	Yes
Representative of corporate director	James Huang	Taiwan Institute of Directors	Understanding circular economy and governance	3	Yes
Representative of corporate director	Wu, Mei-Hui	Taiwan Investor Relations Institute	Practical Analysis of the 2024 New Version of Corporate Governance and Board Performance Evaluation	3	Yes
Representative of corporate director	Wu, Mei-Hui	Taiwan Corporate Governance Association	Practical issues of irregular transactions and false financial statements that directors and supervisors should pay attention to	3	Yes
Representative of corporate director	Chen, Hsiang- Lin	Taiwan Institute of Directors Taiwan Institute	Legal Responsibilities of Directors and Supervisors of Public Companies	3	Yes

Title	Name	Organizer	Continuing education courses	Number of hours in continuing education	Whether the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" is complied with
		of Directors	created by circular and low-carbon innovation - Understanding circular economy and governance		
		Taiwan Corporate Governance Association	Practical analysis of Corporate Governance 3.0 "Sustainability Report"	3	Yes
Director	Chen, Chi-Tai	Taiwan Corporate Governance Association	Practical issues of irregular transactions and false financial statements that directors and supervisors should pay attention to	3	Yes
		Taiwan Institute of Directors	Legal Responsibilities	3	Yes
Independent Director	Jeff Huang	Taiwan Institute of Directors	The real value created by circular and low-carbon innovation - Understanding circular economy and governance	3	Yes
Independent Director	Chang, Wen- Huai	Taiwan Institute of Directors	Legal Responsibilities of Directors and Supervisors	5	Yes

Title	Name	Organizer	Continuing education courses	Number of hours in continuing education	Whether the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" is complied with
			of Public		
		Taiwan Institute of Directors	Companies The real value created by circular and low-carbon innovation - Understanding circular economy and governance	3	Yes
	Wang, Bing- Chuan	Taiwan Institute of Directors	Legal Responsibilities of Directors and Supervisors of Public Companies	3	Yes
Independent Director		Taiwan Institute of Directors	The real value created by circular and low-carbon innovation - Understanding circular economy and governance	3	Yes
		Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6	Yes
Representative of corporate director	Chen, Cheng- Wen	Taiwan Corporate Governance Association	Legal issues concerning management of insider shareholding and stock transactions	3	Yes
		Taiwan Institute of Directors	Legal Responsibilities of Directors and Supervisors	5	Yes

Title	Name	Organizer	Continuing education courses	Number of hours in continuing education	Whether the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" is complied with
			of Public Companies		
Previous representative of corporate director		Taiwan Institute of Directors	Legal Responsibilities	3	Yes
	Wu, Ju-Yan	Taiwan Institute of Directors	The real value created by circular and low-carbon innovation - Understanding circular economy and governance	3	Yes
Descious		Taiwan Corporate Governance Association	Practical analysis of Corporate Governance 3.0 "Sustainability Report"	3	Yes
Previous representative of corporate director	Yan, Ching-Li	Taiwan Institute of Directors	The real value created by circular and low-carbon innovation - Understanding circular economy and governance	3	Yes

Title	Name	Organizer	Date in continuing education	Continuing education courses	Number of hours in continuing education
			June 27, 2024	Corporate ESG: Environment, Society, Governance - Analysis of Related Judicial Cases and Legal Liabilities	3
Accounting	Wang,	Accounting Research and	June 27, 2024	Strategic thinking and practice of "Group Enterprise Restructuring"	3
Supervisor	-	Development Foundation	June 28, 2024	Creating new corporate value with ESG: Operational challenges, responses and layout	3
			June 28, 2024	The competent authority reviews the financial reports and material information/practical analysis	3
Internal Audit	dit Chen, of Internal		April 22, 2024	What you should know about IFRS S1/S2 and its impact on internal control and internal audit	6
Supervisor	Yi-Jie	Auditors	November 19, 2024	Practical self-evaluation	6
		Taiwan Institute of Directors	August 6, 2024	The real value created by circular and low-carbon innovation - Understanding circular economy and governance	3
Head of corporate	Wang, Mei-Yu	Accounting Research and Development Foundation	-	ESG development trends and regulations on disclosure of sustainable information	3
governance		Accounting Research and Development Foundation	July 9, 2024	The latest "Annual Report Preparation" related to ESG sustainability policies and laws and net zero carbon emissions on financial statements practical analysis	6

3-2 Managers' participation in corporate governance-related further studies and training in 2024

- (XI) Regarding the implementation of the company's internal control system, please disclose the following matters
 - 1. Internal Control Declaration:

OFCO INDUSTRIAL CORP.

Statement of Internal Control System

Date: March 12, 2025

Based on the findings of a self-assessment, OFCO INDUSTRIAL CORP. states the following with regard to its internal control system during the year 2024:

- I. The Company's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system and have already established it. Its purpose is to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets); for the reliability, timeliness and transparency of the report; iii. to comply with applicable rulings, laws and regulations.
- II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its three stated objectives above. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The assessment items adopted by the Principles for the internal control system are based on the process of management and control, and shall comprise the following constituent elements: 1. control environment, 2. risk assessment, 3. control activities, 4. information and communications, and 5. monitoring activities. Each element contains several items. For the aforementioned items, please refer to the Principles.
- IV. The Company has adopted the aforementioned items to assess the design and operating effectiveness of the internal control system.
- V. Based on the findings of such evaluation, the Company believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations VI. This Statement is an integral part of the Company's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act. VII. This statement was passed by the Board of Directors in their meeting held on March 12, 2025, with none of the 8

attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

OFCO INDUSTRIAL CORP.

Chairman: James Huang General Manager: Rosalind Huang

- 2. When entrusting CPAs to conduct a special audit of the internal control system, the audit report should be disclosed: None.
- (XII) Important resolutions of the shareholders' meeting and the Board of Directors in the most recent year and up to the date of publication of the annual report:

1. Regular shareholders' meeting			
Material resolutions			
• Approved the 2023 business report and financial statements.			
Implementation status: Voted to approve the 2023 annual business report			
and financial statements, including full-year consolidated revenue of			
NT\$4,321,072 thousand, net profit after tax of NT\$150,370 thousand,			
and earnings per share of NT\$1.51.			
• Approved the 2023 profit distribution plan.			
Implementation status: The voting was approved and a cash dividend of			
\$1.0 per share was distributed, which was fully paid on August 11, 2024.			
• Proposal to amend to the partial articles of the "Regulations Governing the			
Acquisition and Disposal of Assets."			
Implementation status: The voting was approved and uploaded to the			
MOPS and the Company's website.			
2. Extraordinary shareholders' meeting:			
Material resolutions			

1. Regular shareholders' meeting

2. Extraordinary shareholders meeting.				
Time	Material resolutions			
February 20, 2025	•The Company intends to lease assets to related parties.			
	Implementation status: The resolution was approved by voting and the			
	Company has been implementing it since March 1, 2025.			
3 Board meeting				

3.	Board meeting			
Time		Material resolutions		
	1.	Allocation of 2023 year-end bonus to managers and salary adjustment for 2024		
	2.	Business plan and budget for 2024		
	3.	Participated in the subscription of the private placement of common stock of		
		Yuan Sheng International Industrial Co., Ltd.		
	4.	Amendments to Corporate Social Responsibility Best Practice Principles.		
	5.	Amendments to the Corporate Governance Best Practice Principles.		
	6.	Establish the base date for the conversion of fourth domestic unsecured		
		convertible corporate bonds into common shares and the issuance of new shares		

Time		Material resolutions
		by employees exercising employee stock options issued in 2020 from the fourth
		quarter of 2023 to January 15, 2024.
	7.	Renewal of the financing limit for domestic and foreign purchase of materials
		from Hua Nan Bank.
	8.	Proposal to change the renewal of the credit facility of Shin Kong Bank.
	9.	Apply for renewal of the comprehensive loan facility from Entie Commercial
		Bank upon expiration.
March 13,	1.	Payment of the 2023 remuneration to directors and employees.
2024	2.	The Company's 2023 business report and financial statements.
6th	3.	Propose the 2023 earnings distribution proposal.
meeting of the	4.	Propose the Board of Directors to approve the issuance of the 2023 Statement of
18th term		Internal Control System.
	5.	The Company's transaction reports on purchase or sale of goods, and provision
		of labor or technical services with related parties in 2024.
	6.	Assessment of the independence and suitability of the appointed CPAs for 2024.
	7.	Proposal to amend to the partial articles of the "Operational Procedures for the
		Acquisition and Disposal of Assets."
	8.	Amendments to the "Rules of Procedure for Board of Directors Meetings".
	9.	Convening of the 2024 shareholders' meeting.
	10.	Proposals from shareholders are accepted in accordance with Article 172-1 of
		the Company Act.
May 7,	1.	The Company's 2024 first quarter financial report.
2024	2.	Application for renewal of credit line from First Commercial Bank.
7th meeting	3.	Relocation of the Company.
of the	4.	Propose the 2023 distribution of remuneration to directors and employees.
18th term	5.	Proposal for remuneration for subsidiary corporate director representatives.
	6.	Cash capital increase for subsidiary TSG Transport Corp.
	7.	Cash capital increase for subsidiary TSG Power Corp.
	8.	The Company's disposal of subsidiary TSG Engineering.
	9.	Re-appointment directors of subsidiary TSG Power.
June 20,	1.	The Company has established the Sustainable Development Committee and the
2024 8th		"Sustainable Development Committee Charter".
meeting	2.	Appointed independent directors Mr. Jeff Huang, Mr. Chang, Wen-Huai and Mr.
of the		Wang, Ping-Chuan as members of the Sustainability Development Committee.
18th term	3.	The Company intends to change the stock affairs agency to handle stock affairs
		matters.
	4.	Determination of the distribution date of 2023 cash dividends to shareholders.

Time		Material resolutions						
August 9,	1.	The Company's 2024 second quarter financial report.						
2024 9th	1. 2.	Proposal for remuneration for subsidiary corporate director representatives.						
	2. 3.							
meeting	5.	convertible corporate bonds into common shares and the issuance of new shares						
of the		-						
18th term		from January 16, 2024 to June 30, 2024 when employees exercise their 2020						
		employee stock options.						
	4.	Renewal of credit facility with Mega Bills Finance Co., Ltd. upon expiration						
	5.	Renewal of credit facility with Bank SinoPac upon expiration.						
	6.	New application for financing facility from Shanghai Commercial Bank.						
	7.	Amendment to some provisions of the "Regulations Governing the						
		Implementation of Endorsements/Guarantees".						
	8.	Amendment to some provisions of the internal control and internal audit system						
		for the procurement cycle.						
	9.	Updated internal control and internal audit systems for sustainable information						
		management.						
	10.	The 2023 Sustainability Report was completed.						
November	1.	The Company's 2024 third quarter financial report.						
6, 2024	2.	Appointment of new general manager and spokesperson						
10th	3.	Propose the establishment of the 2025 internal audit plan.						
meeting	4.	Provide bank endorsement guarantee to subsidiaries.						
of the 18th term	5.	The base date for the issuance of new shares when employees exercised their						
		2020 employee stock options was between July 1, 2024 and October 20, 2024.						
	6.	Taiwan Bank's application for renewal of domestic and foreign letters of credit						
		loan quotas and short-term secured loan quotas.						

(XIII) In the most recent year and up to the date of publication of the annual report, if the directors have different opinions on important resolutions passed by the Board of Directors and there are records or written statements, the main contents are: No such situation.

Unit: NT\$ thousand

CPA Firm	CPA Name	Period covered by CPA's audit	Professional audit fee	Non- professional audit fee	Total	Remarks
PwC Taiwan	Chung-Yu Tien Tzu-Yu Lin	January 1, 2024 - December 31, 2024	2,400	660	3,060	None

Note 1: The non-audit fees include: Transfer pricing report fee of NT\$130,000, sustainability report assurance fee of NT\$280,000, deposit of NT\$250 thousand for greenhouse gas guidance for subsidiaries

- 1. If the accounting firm has changed and the audit fees paid in the year of change are less than the audit fees in the year before the change, the amount of audit fees before and after the change and the reason should be disclosed: No such situation.
- 2. If the audit fees are reduced by more than 10% compared with the previous year, the amount, proportion and reason of the reduction in audit fees should be disclosed: No such situation.
- V. Information on replacement of CPAs: None.
- VI. Any of the Company's Chairman, President, or any managers involved in financial or accounting affairs have been employed by the certifying CPA's firm or any of its affiliates in the most recent year: None.

VII. Changes in equity transfers and equity pledges by directors, managers, and shareholders holding more than 10% of the shares in the most recent year and up to the date of publication of the annual report

	ownersnip	20	24	As of March 31, 2025		
Title	Name	Number of shares held	Number of shares pledged	Number of shares held	Number of shares pledged	
		Increase (decrease)	Increase (decrease)	Increase (decrease)	Increase (decrease)	
C1 :	Taiwan Steel Group United Co., Ltd.	-2,000,000	0	0	0	
Chairman	Representative: James Huang (Note 1)	0	0	0	0	
	Taiwan Steel Group United Co., Ltd.	-2,000,000	0	0	0	
Director	Representative: Chen, Cheng-Wen (Note 4)	0	0	0	0	
Director	Taiwan Styrene Investment Co., Ltd.	0	0	0	0	
Director	Representative: Wu, Mei-Hui (Note 2)	0	0	0	0	
Director	Rong Gang Investment Co., Ltd.	0	0	0	0	
Director	Representative: Chen, Hsiang-Lin (Note 3)	0	0	0	0	
Director	Chen, Chi-Tai	0	0	0	0	
Independent Director	Jeff Huang	0	0	0	0	
Independent Director	Chang, Wen-Huai	0	0	0	0	
Independent Director	Wang, Bing-Chuan	0	0	0	0	
Directors, shareholders with 10% shareholding	Taiwan Steel Group United Co., Ltd.	-2,000,000	0	0	0	
Director	Taiwan Styrene Investment Co., Ltd.	0	0	0	0	
Director	Rong Gang Investment Co., Ltd.	0	0	0	0	
President	Huang, Mei-Ling (Note 5)	0	0	0	0	
CEO	Wu, Po-Cheng (Note 6)	0	0	0	0	
Accounting Supervisor	Wang, Mei-Yu	0	0	0	0	
Former director	Wu, Ju-Yan (note 7)	0	0	0	0	
Former director	Yan, Ching-Li (note 8)	0	0	0	0	

1. Changes in shareholdings of directors, managerial officers, and shareholders with more than 10% ownership

		202	24	As of March 31, 2025		
Title	Name	Number of shares held	Number of shares pledged	Number of shares held	Number of shares pledged	
		Increase	Increase	Increase	Increase	
		(decrease)	(decrease)	(decrease)	(decrease)	
Previous General Manager	Wu, Ju-Yan (note 9)	0	0	0	0	
Previous Deputy General Manager	Li, Yun-Ling (Note 10)	0	0	0	0	
Former Business Associate	Jas Huang (Note 11)	0	0	0	0	

(Note 1) The holder is the representative of Taiwan Steel Group, and the shares listed are his personal holdings.

(Note 2) The holder is the representative of Taiwan Styrene & Styrene Investment Co., Ltd., and the shares listed are his personal holdings.

(Note 3) The holder is the representative of Rong Gang Investment Co., Ltd.; the shares are personal shareholding.

(Note 4) Took office on December 16, 2024.

(Note 5) Newly appointed on January 2, 2025

(Note 6) Newly appointed on January 2, 2025 and dismissed on March 12, 2025.

(Note 7) Dismissed on September 30, 2024

(Note 8) Dismissed on December 16, 2024

(Note 9) Dismissed on September 23, 2024

(Note 10) Dismissed on May 31, 2024

(Note 11) Dismissed on January 6, 2025

- 2. Information on share transfer: none.
- 3. Information on share pledge: none.

VIII. Information on the relationships among the top ten shareholders in terms of shareholding ratio

							April 14	l, 2025;Unit: S	hares; %
Name	Shares owned by the person		Current shareholdings of spouse/minor children		Shares held in the names of others		Title, name and relationship of the top ten shareholders who have mutual relationship as interested persons or as spouse or blood relative within the second degree.		Remarks
	Shares	Percentage of Shareholding	Shares	Percentage of Shareholding	Shares	Percentage of Shareholding	Name	Relationship	
Taiwan Steel Group United Co., Ltd.	10,000,000	9.93%	0	0	0	0	None	None	None
Representative Wang, Jiong- Fen	259,000	0.26%	0	0	0	0	None	None	None
E-Top Metal Co., Ltd.	5,000,000	4.97%	0	0	0	0	E-Sheng Steel Co., Ltd.	Same representative	None
Representative: Yan, Ching-Li	0	0%	0	0	0	0	None	None	None
E-Sheng Steel Co., Ltd.	5,000,000	4.97%	0	0	0	0	E-Top Metal Co., Ltd.	Same representative	None
Representative: Yan, Ching-Li	0		0	0	0	0	None	None	None
Lai, Fu-Min	3,280,000								
Tsung-Han Yang	2,073,315		0				None	None	None
Hua, Lei-Che Xxentria Technology Materials Co., Ltd	2,000,000		0				None	None None	None
Representative: Cheng, Xian-De	0	0%	0				None	None	None
Tsai, Teng-Tsai	1,374,553		0				None	None	None
Fu-Tsai Liu	1,300,000		0				None	None	None
He, Yen-Wen	1,189,586	1.18%	0	0	0	0	None	None	None

IX. The Company, its directors, managers and any business directly or indirectly controlled by the Company

Number of shares held by the investment business and the consolidated shareholding ratio are calculated as follows:

As of March	31	2025	Unit	Shares ^{, o}	%
	51,	2025	Unit.	Shares,	νυ

)	,	
Reinvestment	Inves	sted by the	Held by Directors,		Comprehensive		
business	Com	npany	Managerial Officers,		investment		
(Note)			and Direct	ly/Indirectly			
			Controlled Businesses				
		Percentage		Percentage	March en of	Percentage	
	Shares	of	Shares	of	Number of	of	
		shareholding		shareholding	shares	shareholding	
TSG							
Transport	34,700,000	100%	0	0	34,7000,000	100%	
Corp.							
TSG							
Environmental	4 000 000	1000/	0	0	1 000 000	1000/	
Technology	4,000,000	100%	0	0	4,000,000	100%	
Corp.							
Yung Fu	40 (21 022	54.000/	(22.721	0.000/	50 245 (54	55 500/	
Co.,Ltd.	49,621,933	54.89%	623,721	0.69%	50,245,654	55.58%	
TSG							
Environmental	10 200 000	1000/	0	0	10 200 000	1000/	
Technology	19,300,000	100%	0	0	19,300,000	100%	
Corp.							

Note: Investments accounted for using the equity method by the Company.

Three. Financing Status

- I. Capital and outstanding shares:
 - (I) Source of capital stock:
 - 1. Capital increase/decrease in the most recent year

		Authoriz	zed capital	Paid-i	n Capital	R	emarks	
Year/Month	Issue Price	Shares (share)	Amount (NT\$)	Shares (share)	Amount (NT\$)	Capital Source	Paid in properties other than cash	Others
February 2022	10	400,000,000	4,000,000,000	89,049,571	890,495,710	Conversion of convertible corporate bonds for NT\$5,277,700	None	Note 1
June 2022	10	400,000,000	4,000,000,000	89,410,035	894,100,350	Conversion of convertible corporate bonds for NT\$3,604,640	None	Note 2
September 2022	10	400,000,000	4,000,000,000	99,410,035	994,100,350	Cash capital increase of NT\$100,000,0 00	None	Note 3
February 2023	10	400,000,000	4,000,000,000	99,590,035	995,900,350	Conversion of employees' warrants for NT\$1,800,000	None	Note 4
April 2023	10	400,000,000	4,000,000,000	99,708,738	997,087,380	Conversion of employee stock options into NT\$1,150,000. Conversion of convertible corporate bond into NT\$37,030.	None	Note 5
September 2023	10	400,000,000	4,000,000,000	100,058,738	1,000,587,380	Conversion of employee	None	Note 6
March 2024	10	400,000,000	4,000,000,000	100,402,738	1,004,027,380	Conversion of employee stock options into NT\$2,120,000. Conversion of convertible corporate bond into NT\$1,320,000.	None	Note 7
September 2024	10	400,000,000	4,000,000,000	100,509,738	1,005,097,380	Conversion of employee	None	Note 8

						Conversion of convertible corporate bond into NT\$80,000.		
November 2024	10	400,000,000	4,000,000,000	100,669,738	1,006,697,380	Conversion of employee stock options into NT\$1,600,000.	None	Note 9

- Note 1: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11101017530 dated February 21, 2022.
- Note 2: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11101090010 dated June 7, 2022.
- Note 3: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11101169400 dated September 22, 2022.
- Note 4: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11230013280 dated February 4, 2023.
- Note 5: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11230057670 dated April 11, 2023.
- Note 6: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11230164130 dated September 1, 2023.
- Note 7: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11330025610 dated March 13, 2024.
- Note 8: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11330156760 dated September 30, 2024.
- Note 9: Letter of the Department of Commerce, MOEA for registration approval referenced Zi No. 11330204090 dated November 22, 2024.

2. Types of shares

April 14, 2025 Unit: Shares

Truessof					
Types of shares	Outstanding	Un-issued Total		Remarks	
shares	shares	shares	Total		
	TPEx listed:				
Registered	88,169,738	299,330,262	400,000,000	Nono	
common shares	Non-TPEx-listed:	299,550,202	400,000,000	None	
5114105	12,500,000				

Note: The outstanding shares included 150,000 shares not processed for change registration.

- 3. Information Relating to the Shelf Registration System: none.
- (II) Shareholder structure:

					April 1	4, 2025
Composition of shareholders Quantity		Financial institutions	Other Juristic Persons	Domestic Natural Persons	Foreign institutions and foreigners	Total
Number of people	0	0	217	29,587	37	29,841
Number of shares held	0	0	28,923,321	70,458,650	1,287,767	100,669,738
Percentage of shareholding	0	0	28.73%	69.99%	1.28%	100.00%

(III) List of major shareholders

of major shareholders		
	April 14, 2	2025 Unit: Share
Account name	Number of	Percentage of
Account name	shares held	shareholding
Taiwan Steel Group United Co., Ltd.	10,000,000	9.93%
E-Top Metal Co., Ltd.	5,000,000	4.97%
E-Sheng Steel Co., Ltd.	5,000,000	4.97%
Fu-Min Lai	3,280,000	3.26%
Tsung-Han Yang	2,073,315	2.06%
Lei-Che Hua	2,000,000	1.99%
Xxentria Technology Materials Co., Ltd	1,526,107	1.52%
Teng-Tsai Tsai	1,374,553	1.37%
Fu-Tsai Liu	1,300,000	1.29%
Yen-Wen He	1,189,586	1.18%

(IV)The Company's dividend policy and implementation status

- 1. the dividends policy specified in the Articles of Incorporation:
 - (1) If there is any surplus in the Company's annual accounts, the Company shall first pay taxes and make up for accumulated deficits, and then set aside 10% as legal reserve (except when the legal reserve has already reached the total capital) and the remainder, in addition to dividends, shall be distributed as dividends to shareholders if there is any surplus. The Company shall distribute dividends and bonuses or all or part of the capital surplus and legal reserve in cash with the consent of more than half of the directors present at a board meeting attended by more than two-thirds of all directors; this shall be reported to the shareholders' meeting, the provision in the preceding paragraph that a resolution shall be adopted by the shareholders' meeting does not apply.
 - (2) The Company considers a balanced and stable dividend policy and, depending on the demand for investment capital and the dilution of earnings per share, dividends to shareholders should be 50% to 100% of accumulated distributable earnings and should be paid in the form of appropriate stock dividends or cash dividends, with cash dividends to be distributed at no less than 50% of shareholders' dividends.
- 2. Dividends distributions proposed at the most recent shareholders' meeting:

The Board of Directors of the Company has approved the distribution of cash dividends of NT\$0.2 per share in 2024, accounting for 50.40% of the total distributable earnings for that year.

- (V) Impact of the proposed free allotment of shares at this shareholders' meeting on the Company's operating performance and earnings per share: No such situation (no free allotment of shares in 2024)
- (VI) Remuneration to employees and directors
 - The percentages or ranges with respect to employee and director compensation, as set forth in the Company's Articles of Incorporation.
 Employee remuneration and directors and supervisors' remuneration shall be pursuant to Article 235-1 of the Company Act and the Company's Articles of Incorporation. The Company shall allocate 1% to 3% of the profits of the current year as employees' remuneration and no more than 3% as directors' remuneration.
 - 2. The basis for estimating the amount of employee and director remuneration for the current period, the basis for calculating the number of shares for employee remuneration distributed in the form of stock, and the accounting treatment when the actual amount distributed differs from the estimated amount:

In accordance with Article 23 of the Company's Articles of Incorporation, the Company's Board of Directors approved a resolution on March 12, 2025 not to pay directors' remuneration and employees' compensation due to operating losses in 2024.

- 3. Distribution of remuneration approved by the Board of Directors:
 - If the amount of employee compensation and director compensation distributed in cash or stock differs from the estimated amount recognized as an expense for the year, the difference, reason and treatment are as follows: The Company posted an operating loss in 2024. After a resolution by the Board

of Directors on March 12, 2025, the Company did not distribute remuneration to directors and employees. No stock-based compensation was distributed to employees or directors in 2024.

- (2) Amount of employee compensation distributed in the form of stock and its proportion to the total net profit after tax and total employee compensation in the current period or individual financial statements: No employee compensation was distributed in the form of stock.
- 4. Distribution of remuneration and results reported at the shareholders' meeting: As the remuneration to directors and employees was not paid in 2024, a report will be submitted to the shareholders' meeting. The remuneration to directors and employees for 2023 has been reported in the 2024 general shareholders' meeting.
- 5. Actual distribution of employees and directors remuneration in the previous year: Director remuneration of NT\$3,406,238 and employee remuneration of NT\$3,406,238 for 2023 were distributed on May 30, 2024.
- (VII) Repurchase of the Company's shares: No such situation in 2023.
- II. Corporate bonds:

	,
Item	The 4th unsecured domestic convertible corporate bonds
Date of issuance	September 30, 2022
Par value	NT\$100,000
Place of issuance and	Not applicable
trading (Note 1)	
Issue Price	Issued at 100.5% of par value
Total amount	NT\$350,000,000
Interest rate	0%
Term	3 years, maturity date: September 30, 2025
Guarantee agency	None
Trustee	Bank SinoPac Co.Ltd.
Underwriting agency	Mega Securities Co., Ltd.
Attorney	Not applicable
CPA	Not applicable
Repayment method	Except for the holders of the convertible corporate bonds

As of March 31, 2025

Item		The 4th unsecured domestic convertible corporate bonds		
		(hereinafter referred to as "bondholders") who converted the		
		bonds into the Company's ordinary shares in accordance with		
		Article 10 of these Rules, or those repurchased and canceled by		
		the security firm appointed by the Company, the Company will		
		make a repayment in cash in a lump sum within ten business		
		days (including the tenth business day) after the bonds mature at		
		the face value of the bonds, plus interest compensation		
		(102.2669% of the face value and 0.75% of the real interest		
		rate).		
Outstand	ling principal	NT\$346,400,000		
	f redemption or	Redemption right to the convertible corporate bond		
early set	tlement	(I) From the day following the end of three months after the		
		date of issuance (December 31, 2022) to 40 days before the		
		end of the issuance period (August 21, 2025), if the closing		
		price of the Company's ordinary shares is 30% or more of		
		the present conversion price for 30 consecutive business		
		days, the Company may make a request to redeem the		
		outstanding bonds within the following 30 business days in		
		cash at the face value.		
		(II) From the day following the end of three months after the		
		date of issuance (December 31, 2022) to 40 days before the		
		end of the issuance period (August 21, 2025), if the		
		outstanding balance of the bonds is lower than 10% of the		
		initial total amount of the bonds issued, the Company may		
		make a request to redeem the outstanding bonds in cash at		
		the face value.		
Restricti	ve clauses	Please refer to the Company's 4th domestic unsecured		
		convertible corporate bonds issuance and conversion regulations		
	f the credit rating	Not applicable		
agency,	date of the rating,			
and corp	orate bond rating			
results	1			
Other	Amount of	As of March 31, 2025, 143,703 common shares have been		
rights	ordinary shares,	converted, with a conversion value of NT\$1,437,030.		
attached	overseas			
	depository			
	receipts or other			
	securities already			
	converted			
	(swapped or			
	subscribed to) as			
	of the publication			
	date of this			
1	annual report			

Item	The 4th unsecured domestic convertible corporate bonds
Issuance and	In accordance with the OFCO 4th issuance and conversion rules
conversion (swap	set by the Company.
or subscription)	
method	
Issuance and conversion,	In terms of the potential dilution equity, before the bondholders
swap or subscription	make a request to execute the conversion right, the equity will
method, potential dilution	not be diluted and the bondholders can choose a more favorable
of equity due to issuance	time point for conversion within the conversion period and
conditions, and impact on	therefore there is a deferred effect on equity dilution.
existing shareholders'	In terms of the impact on existing shareholders' equity, although
equity	corporate bonds will increase the Company's liabilities before
	being converted, when the corporate bonds are converted into
	ordinary shares, it will increase shareholders' equity in addition
	to reducing liabilities, thereby increasing the net asset value per
	share. Thus, the existing shareholders' equity will be better
	protected in a long term, without a major impact caused.

Note 1: List the overseas corporate bonds.

Types of con-	Types of convertible The 4th unsecured domestic convertible corporate bonds			e corporate bonds		
bonds						
Year		2023	2024	As of March 31,		
				2025		
Market price	Highest	102.70	112.00	104.50		
of corporate	Lowest	97.50	97.50 99.55 100.35			
bonds	Average	103.94	105.75	101.70		
Conversion p	onversion price NT\$23.90					
Issuance date	e and	Issuance date: Sept	ember 30, 2022			
conversion p	rice at the	Conversion price up	pon issuance: NT\$2	.7		
issuance						
Method of fu	lfilling	Issuance of new shares				
conversion obligations						
Remarks	narks None					

Information on convertible bonds

- III. Preferred shares: None.
- IV. Global depository receipts: None.
- V. Employee share subscription warrants
 - (I) Unexpired employee subscription warrants issued by the company in existence as of the date of publication of the annual report, and the effect of such warrants upon shareholders' equity:

Type of employees' warrants	First (period) employee stock option certificates
Effective date of reporting and total	4,000 units on September 14, 2020
number of units	
Issuance date	October 21, 2020
Number of issued units	By the end of the issuance period, 3,000 units were actually issued.
Number of units available for issuance	0
Number of issued shares to be subscribed to total issued shares	2.98%
Duration of subscription	5 years
Performance approach	Issuance of new shares
Period of subscription restriction and ratio	Ratio or stock option exercisable after two years:
(%)	50%
	Ratio or stock option exercisable after three
	years: 100% (cumulative)
Number of executed obtained shares	1,116,000 shares
Executed subscribed amount	NT\$20,097,800
Unexecuted subscribed quantity	349 units
Subscription price per share for these who	NT\$16.6
not yet executed subscription	
Ratio of unexercised stock options to total	0.35%
issued shares (%) (note 1)	
Effect upon shareholders' equity	The employee stock options issued this time can be used to subscribe for 3,000,000 common shares, accounting for 2.98% of the total number of issued shares, which will have a limited impact on equity dilution.

Note 1: The employees' warrants had been provided for more than a year at the end of 2021, and the unissued 1,000 units became invalid.

(II) Names of managers who have obtained employee stock options as of the publication date of the annual report and the top ten employees in terms of the number of shares that can be subscribed by the certificates, as well as their acquisition and subscription conditions:

					Executed				Unexecuted			
	Title	Name	Quantity of subscribed shares (thousand shares)	Ratio of quantity of obtained subscribed shares to the total issued shares (Note 1)	Number of shares subscribed	Subscription price		Percentage of number of shares subscribed to total number of shares issued (Note 1)	Quantity of obtained subscribed		Amount of subscription	Ratio of subscribed shares to the total issued shares (note 1)
		Wang, Mei-Yu	70	0.07%	0	17.3	0	0.00%	70	16.6	1,162	0.07%
	CEO of a subsidiary Project manager	Feng-Shuen Li Yu-Cheng Huang	160	0.16%	160	18.7 17.3	2,880	0.16%	0	18.7 17.3	0	0.00%
Employees	Resigned employees among the top 10 holders	Sun, Cheng- Chiang Sun, Cheng-Hua Chen-Chung Yang Mok, Yi-Hwa Chang, Geng- Rong, Lin, Hsien- Chang Cheng, Ren-Wei Wu, Ju-Yan	1,650	1.64%	630	18.7 17.30	9,596	0.63%	1,020	Not applicable	0	0.00%
	Other current employees		240	0.24%	80	18.7	1,430	0.08%	160	16.6	2,656	0.16%
	Resigned employees		880	0.87%	246	18.7	6,192	0.24%	634	Not applicable	0	0.00%
Total			3,000	2.98%	1,116		20,098	1.11%	1,884		3,818	0.23%

March 31, 2025 Unit: NTD thousand/thousand shares

Note 1: The "total issued shares" refers to the share number listed in the change registration at the MOEA.

- VI. Issuance of new shares with restricted employee rights: None.
- VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.

VIII. Implementation of the company's capital allocation plans:

- (I) As of the quarter before the date of publication of the annual report, any previous issuance or private placement of securities that has not yet been completed: None.
- (II) Plans for cash capital increase and issuance of convertible corporate bonds during 2022
 - Approval date and document number by the competent authority: Jin-Guan-Zheng-Fa Zi No.1110347323 (cash capital increase) and Jin-Guan-Zheng-Fa Zi No.11103473231 (convertible corporate bonds), dated July 1, 2022.
 - 2. The total amount of funds required for the project: NT\$611,750 thousand.
 - 3. Source of capital:
 - (1) The 4th unsecured domestic convertible corporate bonds were issued for 3,500 lot with the par value of NT\$100 thousand per lot, and issued at 100.50% of the par value; the coupon rate was 0% and issued for three years. The amount raised was NT\$351,750 thousand.
 - (2) For the cash capital increase, 10,000,000 common shares were issued with the par value NT\$10. The issue price was a premium at NT\$26. The amount raised was NT\$260,000 thousand.

			Unit: NT\$ thousand	
Item	Expected completion date	Total funds required	Expected progress of fund utilization	
	completion date	required	Q3 2022	
Repayment of loans from financial institutions	Q3 2022	254,000	254,000	
Replenishment of working capital	Q3 2022	357,750	357,750	
Total		611,750	611,750	

4. Plans and the expected progress of fund utilization

5. Expected benefits

(1) Repayment to financial institution borrowings

To strengthen the financial structure, this fundraising plan used NT\$254,000 thousand to repay borrowings from financial institutions. Assuming that all holders of the convertible corporate bonds converted the bonds, it was expected to effectively save interest expenses. Based on the amount of borrowings and its borrowing interest rates, it was estimated to save NT\$4,498 thousand per year in the future.

(2) Replenishment of working capital In this plan item, NT\$357,750 thousand was used to replenish the working capital, mainly the funds needed for business growth. If bank borrowings were completely replaced, based on the Company's current average short-term borrowing interest rate of about 1.8%, it is estimated not only to reducing the interest burden resulted from bank borrowings for NT\$6,440 thousand every year, but also stabilize the financial structure and increase the flexibility of fund utilization.

Four. Operational Highlights

- I. Business activities
 - (I) Main scope of business
 - 1. The scope of the Company's business is as follows:
 - (1) CA01030 Iron and Steel Casting
 - (2) CA01040 Aluminum Casting
 - (3) CA01060 Steel Wires and Cables Manufacturing
 - (4) CA02020 Aluminum and Copper Products Manufacturing
 - (5) CA02030 Screw, Nut and Rivet Manufacturing
 - (6) CA03010 Metal Heat Treatment.
 - 2. Sales percentage of major products:

Unit: NT\$ thousand

	~ 1 1 1	<u> </u>	
Product	Sales volume in	Operating	
Tioddet	2024	weight	
Revenue from screws	1,063,908	25.72%	
Revenue from scrap iron	846,760	20.47%	
Contracting revenue	442,180	10.69%	
Revenue from construction	105,727	2.56%	
Logistics and transport	495 501	11.74%	
revenue	485,591	11./470	
Income from electricity sales	278,960	6.74%	
Revenue from operations	36,647	0.89%	
Other income	442,524	10.70%	
Concession agreements			
Revenue from construction	68,983	1.67%	
Waste disposal	137,594	3.33%	
Income from electricity	204 200	4.95%	
sales	204,809	4.93%	
Revenue from operations	22,239	0.54%	
Total	4,135,922	100.00%	

3. Current products (services) of the Company

Company	Main products	Product specs
OFCO Industrial	Bolt and combination	Hexagon bolts, hexagon socket
Corp.	products	bolts, flange bolts, carriage bolts,
		special bolts, etc.
TSG Transport	Freight transportation,	None
Corp.	scrap iron trading	
TSG Environmental	Waste removal	None
Technology Corp.		
Yung Fu	Operation of incinerator	None
TSG Power Corp.	Solar power generation	None
	equipment construction	

4. New products (services) planned to be developed:

Company name	New products (services) planned for
	development
OFCO Industrial Corp.	In the short term, the Company will focus on improving the
	process and quality of existing products, and plan to develop
	new products with raw materials produced in-house by the
	Group in the future.
TSG Transport Corp.	In addition to undertaking the internal transportation needs of
	the Group, the Company will also actively develop new
	customers outside the Group.
TSG Environmental	Oxidized ballast, reduced ballast and dust collection ash
Technology Corp.	recycling.
Yung Fu	Actively participated in the successive domestic tenders for
	incinerator rectification (ROT) and BOT
TSG Power Corp.	Set up the renewable energy plants of waste-to-energy.

(II) Industry Overview

- 1. Current status and development of the industry
 - A. Screw and nut industry

The development of screw products in Taiwan has a history of more than 40 years. In the early stage of development, the domestic market was the major force. Due to the rapid development of the industry and the improvement of manufacturing technologies, the Taiwanese screw industry has grown greatly in terms of both quantity and quality; the excellent quality and accurate delivery time won the trusts from the western customers, making Taiwanese screws and nuts to become export-oriented and the direct export ratio accounts for nearly 90%. Generally, screw manufacturers are only engaged in the screw forming and processing in the screw manufacturing process; for processing processes such as wiring and heat treatment that require huge investment in equipment, procurement or outsourcing are often adopted.

The domestic screw industry has been in a continuous downturn since 2023, and the market conditions have not improved significantly in 2024. Some small factories have withdrawn from the market due to losses. In 2025, due to economic and geopolitical risks in Europe and the United States, the overall situation remains unclear. In 2024, the domestic export volume of screw fasteners reached 1.292 million tons, an increase of 1.25% year-on-year and ending two consecutive years of decline. Among them, the export volume to Europe gradually recovered. However, even if the export volume stopped falling and rebounded, the screw fastener industry continued to face rising raw material and production costs, while product prices gradually declined, profits were shrinking, and operations were quite difficult.

The International Monetary Fund (IMF) released its latest global economic forecast on January 17, 2025, slightly revising up its global economic growth

forecast for 2025 to reflect stronger-than-expected growth in the United States. Slowing inflation around the world has allowed central banks to continue cutting interest rates. The IMF said that the global growth outlook is still facing risks, and the overall outlook tends to decline, with the global growth rate in five years of about 3%. The IMF pointed out that after Trump took office, his economic plans created uncertainty, which may impact economic growth.

The World Steel Association (Worldsteel) released its latest Short-Term Demand Outlook (SRO) in October 2024, pointing out that the bottom of global steel demand has passed and global steel demand further declined by 0.9% to 1.751 billion tons in 2024. After three consecutive years of decline, global steel demand will rebound by 1.2% to 1.772 billion tons in 2025. The World Steel Association is optimistic about 2025 and expects steel demand in developed countries to grow by 1.9%. The recovery depends on a long-awaited rebound in steel demand in the European Union and a modest recovery in the United States and Japan.

Looking into the future, with the slowdown of interest rate hikes in Europe and the United States, the international economic situation is gradually improving, and stimulated by the promotion of infrastructure construction in various countries, orders for export screws are expected to improve, and there may be another wave of screw export.

B. Transportation service industry

In 2024, the global shipping industry faced multiple challenges: the Red Sea crisis forced shipping companies to detour around the Cape of Good Hope in Africa, causing a surge in transportation costs; labor-management negotiations at ports in the eastern United States were once close to breaking down, threatening the stability of the supply chain. Meanwhile, freight rates have dropped significantly due to market competition and overcapacity, squeezing the profit margins of shipping companies. However, with the gradual recovery of the Red Sea shipping route, the acceleration of infrastructure investment in Africa, and the launch of European port upgrade plans, the shipping industry is seeking new opportunities to recover from the predicament in 2025. With President Trump taking office in the United States, the Middle East crisis is expected to be resolved. By then, shipping in the Red Sea will gradually resume, releasing about 30% of the shipping capacity. The short-distance route of the Suez Canal is also expected to become the mainstream again, making global trade more efficient. The operating performance of the subsidiary TSG Transport will also return to its previous glory.

According to the Company's operational plan, the short-term goal of TSG Transport is to integrate the freight forwarding business of related companies within Taiwan Steel Group to make the transportation routes of raw materials and products smoother and create economies of scale. The transportation will then be combined with scrap iron and metal recycling and trading to recycle waste as raw materials for the Group's related industries, further maximizing the benefits of integration. In the fourth quarter of 2024, TSG Transport completed the

establishment of its own fleet as the main axis of operation. In addition to relying on related companies within the Group as its basic customer base, it also aims to attract general companies to actively expand its operating base.

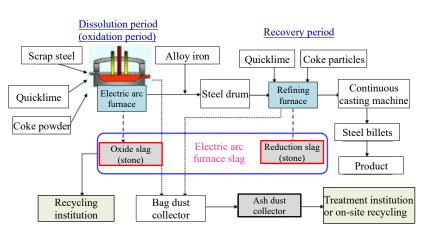
The Company's long-term development plan is to expand related services to become a professional "forwarder". The contractor is responsible for the contracting, customs declaration, warehousing and truck freight services of sea and air import and export goods, and consolidates the scattered goods from different owners into FCLs, and then gives them to the actual transport operator (airline or shipping company) to arrange the import and export of the goods Transportation. In other words, a freight forwarder is located between the transporter and the cargo owner. It is entrusted by the cargo owner to handle import and export cargo handling and surface transportation in its own name and collect freight and handling charges in return.

C. Circular economy and waste disposal industry

a. Circular economy industry

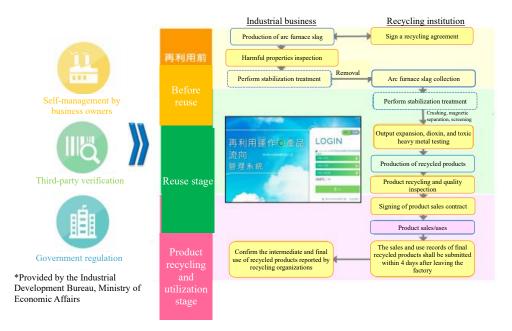
The Company's subsidiary TSG Environmental Technology Corp. initially focused its operations on the removal and treatment of waste generated from the operations of the steel plant of the Taiwan Steel Group. Recycling of iron and steel as the main raw material is a typical resource reuse industry. Among them, oxidized slag and reduction slag are the waste items with the largest output.

There are currently 19 electric arc furnace steelmaking plants in Taiwan. Due to the complexity of the source of scrap iron and steel materials, except for a few companies that have scrap iron and steel pre-treatment equipment, most of the materials are melted directly without pre-treatment or preheating. In addition to iron, iron and steel scrap also contains non-ferrous metals such as zinc, lead, chromium, aluminum, cadmium, copper, and nickel. Depending on the period of ballast removal, the Environmental Protection Administration defines "stone" as two types of ballast (stone) from oxides in the electric arc furnace (code: R-1209) and from reduction (code: R-1210) and include the waste under the industrial waste management mechanism. Please refer to the table below for the related production process and waste related table.



EAF steelmaking process diagram

In order to solve the difficulty of removing slag from steel, which affected the normal operation of the industry, the Executive Yuan later invited the Ministry of Economic Affairs, the Environmental Protection Administration, the Public Works Commission and other relevant ministries to learn from the past deficiencies and lessons learned, and with reference to the practical regulations of advanced countries, To study the amendment of the law and related supporting measures, the Public Works Committee will formulate strategies, promote education to various public sector organizations, and promote the application of recycled aggregates in public works, hoping to lead the normal development of the circular economy industry with business opportunities.



Source: Briefing material on "Strategies for Promoting the Application of Recycled Aggregate in Public Engineering" issued by the Technology Department of the Public Works Commission of the Executive Yuan in September 2019.

b. Waste disposal industry

In June 2020, the Company acquired 99% of the equity of Yung Fu Company, which therefore became a entity in the consolidated report. Yung Fu was founded in 1982 as a joint venture between the Employee Welfare Association of Taiwan Power Company and the Counsellors Association of the Executive Yuan. The scope of services covers the design and construction of mechanical and electrical engineering, transmission and distribution engineering, and environmental protection. By the end of 2024, we obtained the contract for the renovation of Kanding incinerator in Pingtung and its subsequent 20-year operation, as well as a new 20-year operation contract for Hsinchu incinerator.

Statistics period	Total production (metric tons)	General waste (metric tons)	Resource waste (metric tons)	Kitchen waste (metric tons)	Average daily general waste generation per person (kg)
2015	7,229,290	3,236,389	3,383,195	609,706	0.844
2016	7,461,342	3,133,582	3,751,828	575,932	0.867
2017	7,870,896	3,130,735	4,188,829	551,332	0.915
2018	9,740,671	4,317,339	4,828,340	594,992	1.132
2019	9,812,418	4,290,856	5,023,517	498,045	1.139
2020	9,869,675	4,062,029	5,278,079	529,567	1.144
2021	10,049,062	3,895,153	5,666,869	487,041	1.173
2022	11,238,654	4,799,426	5,950,352	488,876	1.320
2023	11,579,543	4,827,044	6,273,722	478,777	1.359
2024	11,839,965	4,828,113	6,506,546	505,306	1.382

The amount of general waste generated nationwide in the past 10 years

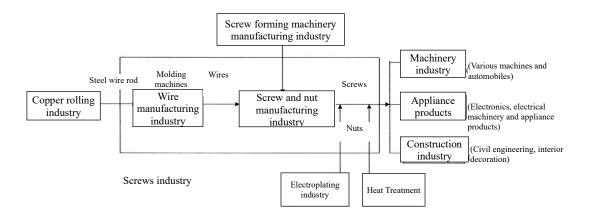
Source: Environmental Resources Database, Environmental Protection

Agencyhttps://erbb.epa.gov.tw/

The garbage that must be incinerated does not only include the general waste (living garbage) produced by households. Some of the general industrial waste generated by profit-making businesses are also disposed of in incinerators, increasing the capacity burden of existing large-scale incineration plants. The table above summarizes the waste into incineration plants and incineration treatment operations.

- 2. The links between the upstream, midstream and downstream segments of the industry <u>Screw and nut industry</u>
 - (1) Upstream raw materials: The main raw materials for screws and nuts are readymade wire rods. China Steel is the largest wire rod manufacturer in Taiwan. Other manufacturers such as Yieh Hsing, Tycoons, Feng Hsin, Guantian and Wei Chih Steel, etc., require wire drawing before the wire rods can be made into screws and nuts. After the fastener manufacturers purchase the steel wire rods, to deliver to a professional wiring plant for processing or wire by itself; the above-mentioned raw material suppliers and wiring processors are the upstream of the fastener business.
 - (2) Midstream of the fastener industry: manufacturing and the production includes forming, thread rolling, heat treatment, surface treatment and multi-piece assembly of finished products for screws, bolts, nuts, rivets and washers.
 - (3) The downstream is the distribution channel: Fields such as machinery, automobiles, electronics, electrical machinery, aerospace, and construction are all downstream application industries. Generally speaking, the higher the degree of industrialization, the greater the demand for fastener products. The consumption of fastener products can be deemed as an important indicator to measure the degree of industrial development of a country. The relationship

between the up-, mid- and downstream of the fastener industry in Taiwan is listed as in the following chart:



2. Development trends of products

Screw and nut industry

- In the future, the screw industry will still focus on improving process technology to reduce production costs, establish a consistent operating system, increase efficiency and transform to high value, for the development trend of establishing market segmentation.
- >Improve process technology to reduce production costs

The competitive pressure of the business model has led to continuous R&D and innovation of the product technologies by market players, to simplify the raw materials, the diameter of the wire and the wiring; the automation machinery equipment and the ERP computer system are also updated to improve product quality in line with customer requirements and recognition and to widen the gap from competitors.

Establish a consistent operating system to increase efficiency

While the supply chain of the fastener industry is mature, most of the industrial clusters are concentrated in Kaohsiung and Tainan. Most of the commissioned processing manufacturers are small enterprises. In case of emergency, it is difficult for them to control and cooperate for Q (quality), C (cost), and D (delivery time), and thus they tend to lose business opportunities. Therefore, vertical integration of manufacturers for the establishment of a consistent operating system will help to secure the safe supply, strengthen competitiveness and reduce costs.

≻High-value transformation to establish market segment

Competition from manufacturers of China and Southeast Asia is the driving force for the industry growth. To reduce costs, the western companies continue to release high-value-added orders to Asian companies, prompting domestic companies to actively transform and develop high-value-added fasteners, such as aerospace fasteners, automotive fasteners, electronic fasteners, among other things and thus the transformation of Taiwanese fastener industry are elevated.

4. Competitions of products

Taiwan enjoys the reputation of "Screw Kingdom" in the world; with good quality and fast delivery, Taiwan occupies a place in the global screw and nut supply market. According to the analysis of Taiwanese screw and nut market by the Metal Industries Research & Development Centre, the current annual production volume of screw products in Taiwan is about 1.4 million tons and nearly 80% of which are direct exporters, making Taiwan one of the largest suppliers of screws and nuts in the world. After years of development, Taiwanese fastener industry has formed the industrial clusters with a fine division of labor. The upstream and downstream structures are complete, which reduces the proportion of material costs to the total cost and lower the impact of material price fluctuations. In addition, domestic screw products have actively developed toward the market of high value-added applications in recent years, and expanded the fields such as aerospace, automotive and medical application, with the increased average unit price of exports, the upgrading and transformation of screw and nut industry in Taiwan has been accelerated and secured the position of Taiwanese screw products in the global supply market.

(III) Overview of technologies and R&D

Research and development expenses in the most recent year and up to the date of 1. publication of the annual report: The Company established a research and development department in October 2010 and has been actively expanding its research and development manpower. In order to meet the needs of the Company's future development, research and development funds will be allocated annually. However, due to the impact of the pandemic in 2020, massive orders were lost, so the development of new products was suspended and the focus of research and development was shifted to improving the process and quality. In 2021, to improve the deficiencies of manual operations, reduce waste, and reduce costs, the 5G AIoT system was introduced to build a 4.0 smart plant, improve product yield and reduce operating costs. New products will not be developed in the short term. New product development began in the second quarter of 2024, but the Company's factory equipment was rented to Chun Yu Works & Co., Ltd. in March 2025, so the estimated R&D expenditure for 2025 is only NT\$500 thousand.

	: NT\$ thousand		
Item/Year	2023	2024	As of March 31, 2025
R&D budget	88	2,929	1,258
to sales amount	0.01%	0.21%	0.33%

Technologies and/or products successfully developed
 In 2020, the Company suspended the development of new products due to the impact of the pandemic. The main research and development work is to improve the process

and enhance production technology, etc., in order to expand the production scale and improve production efficiency. The technologies or products successfully developed in recent years are as follows:

Year	Technologies and/or products successfully developed
2021	Adopting Chunghwa Telecom's 5G private network, supplemented with the application of RFID and QR code, to build an automatic reply platform for production machines, to manage the inventory of raw materials and finished product logistics,
	and the deficiencies of 5G AIoT system have been continuously improved, to expand the AIoT to all processes.

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

- 1. Short-term development plans
 - A. Production policy
 - Business orders are converted into "production notices", and BY LOT production and shipment make the production management system smooth.
 - Continuing to move towards the goal of "consistency" operations, heat treatment furnace and electroplating equipment have been added to lower costs and improve market competitiveness.
 - B. Operational management strategies

The concept of cost, machine capacity, and profit optimization is required for are established taking orders; long-term project contracts with customers.

C. Finance strategies

Leverage foreign exchange hedging tools to reduce exchange losses or lock in profits.

- D. Marketing strategies
 Participate in fastener exhibitions, actively expand new clienteles and new markets, to increase operation volume.
- 2. Long-term development plans
 - A. Production policy and product R&D
 Leverage and integrate the Group's resources to create win-win outcomes.
 - B. Operational management strategies
 Adjust the balance of capacity of each process and vertically integrate each process to achieve the consistent operations.
 - C. Finance strategies

To cope with the growth of long-term operation scale, the Company will strengthen the Company's financial structure and by adopting sound and diversified financing channels, the most appropriate combination of capital needs will be built.

D. Marketing strategies

- · Establishment of diversified marketing channels.
- · Efforts for brand marketing.

II. The production and marketing situation:

- (I) Market analysis
 - 1. Geographic areas where the main products (services) of the company are provided (supplied)

	Year	202	23	2024			
Area/Amount		Amount	Ratio	Amount	Ratio		
Domestic sales		3,252,744	75.30%	3,156,887	76.54%		
	Asia	0	0.00%	81	0.00%		
Export	Europe	932,691	21.56%	843,245	20.18%		
sales	Americas	135,637	3.14%	135,709	3.28%		
	Others	0	0.00%	0	0.00%		
Total		4,321,072	100.00%	4,135,922	100.00%		

Unit: NT\$ thousand

2. Market share

The export value of screws, nuts and rivets in Taiwan in 2024 and 2023 was US\$4.488 billion and US\$4.773 billion, respectively. If we estimate based on the Company's turnover of approximately US\$43 million and US\$35 million in 2024 and 2023, the proportion of the total sales value of screw, nut and rivet industry was 0.96% and 0.73%, respectively. In the future, the Company will continue to improve the process technologies and effectively reduce production costs to achieve the benefits of economies of scale, for the gradual expansion of the operation scale.

- 3. Demand and supply conditions for the market in the future, the market's growth potential and the competitive edges
 - (1) Future market supply and demand and growth

The World Steel Association (WSA) released the latest short-term steel demand forecast report on October 14, 2024. The report shows that global steel demand is forecast to be 1,750.9 million tons in 2024 and 1,771.5 million tons in 2025, an increase of 1.2% or an increase of 20.6 million tons from 2024. In 2024, the high interest rate and high inflation environment has begun to cool down, governments have begun to increase spending, and the construction industry has gained momentum. The World Steel Association expects that global steel demand will gradually pick up in 2024 and 2025. The outlook for the global steel market outside the mainland China is positive, and the recovery momentum is increasing. In particular, green industries such as wind power and solar energy are expected to contribute more than 14 million tons of demand growth, which is one of the main sources of momentum.

Taiwan is the third largest exporter of the fastener industry in the world; even during the pandemic in 2021 and 2022, it still maintained good production efficiency. Taiwanese screw and nut industry has been affected by environmental factors such as inflation and interest rate hikes, regional economies, and pressure from customers' inventory closeout after the pandemic. Since to the third quarter of 2022, the industry faced a decrease in export orders. Looking back at 2024, according to statistics from the Metal Center, exports in 2023 declined significantly to only 1.276 million tons, far lower than 1.677 million tons in 2021 and 1.666 million tons in 2022. In 2024, it rebounded slightly to 1.292 million tons. Among them, the export growth of screw fasteners was most obvious in Europe in 2024, with an annual increase of 1.86%. The screw industry fell into a recession in 2024. The main reasons were the poor performance of the global economy and the continued war between Russia and Ukraine, which led to a decrease in European demand and reduced customers' willingness to replenish their inventory. The domestic screw fastener industry, which mainly relies on exports, could not get orders. Screw fasteners from mainland China and Southeast Asia frequently competed for market share at low prices. In 2024, the price of screw fasteners also fell due to the low-price competition from manufacturers in mainland China and Southeast Asia. The sales unit price decreased by 6.2% year-on-year, which put domestic operators in a difficult situation.

(2) Competitive edges

Since the third quarter of 2021, the Company has started planning to expand its production capacity. In addition to purchasing molding machines and thread rolling machines, we also use Chunghwa Telecom's 5G private network and cooperate with the use of RFID and QR code to build an automatic reporting platform for production machines to conduct inventory management of raw materials and finished product logistics. In order to monitor the entire production process, we have successfully introduced the 5G AIoT system to create a 4.0 smart factory, improve product yield, and reduce operating costs.

- 4. Positive and negative factors for future development and the response to such factors:
 - 4-1 Positive factors:
 - 4-1-1 The products have a wide range of usages and strong market potential. Screws and nuts are indispensable fasteners for various industrial and construction equipment, with a rather wide scope; and there is no substitute for these products, nor the issues like product life cycle. As the economy grows, the demand continues to increase, with very strong market potential.
 - 4-1-2 The supply of raw materials is gradually abundant and the quality is good The main raw material for screws and nuts is steel wire rod which is mainly supplied by China Steel Corporation. In recent years, private steel manufacturers have successively entered the market, and the prices of raw materials have been

stable. Therefore, as the raw materials, prices and sources are easy to control, it is conducive for the production planning, cost control and production capacity increase, to strengthen the international competitiveness.

- 4-1-3 The industrial system is complete, conducive to the development of the industry The production technologies and experience are mature, with healthy upstream and midstream manufacturers to provide high-efficiency production equipment and molds, and a timely processing system at the downstream. They complement each other to form a complete and powerful industrial chain.
- 4-1-4 Stable quality, well received by customers-

The Company values product quality very much, and has established the quality policy requiring "strengthening quality and quantity, implementing management capabilities, and improving customer satisfaction," to establish a complete quality inspection system and testing laboratory; after long-term efforts, the stable quality has been recognized by customers.

4-2 Negative factors:

4-2-1 Difficulties in hiring manpower and rising costs year by year

The labor supply and demand of domestic traditional industries are unbalanced, and it is difficult to recruit workers. Facing this trend, in addition to improving employee benefits, the Company will strengthen the introduction of automation and improve the working environment in the future. Meanwhile, the Company also introduces foreign laborers and provides them with professional and intensive training, to prepare them in the shortest time and maximize production capacity.

4-2-2 Price competitions among market players

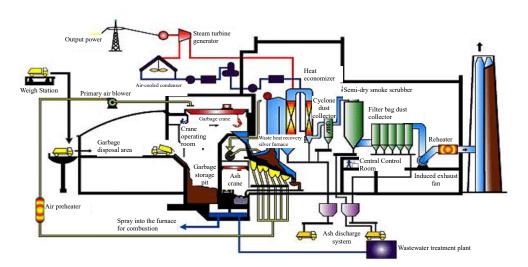
Screw and nut manufacturers from Southeast Asia and China have taken advantage of their cheap labor and land costs, and mass production, to seize the global market with low-price product strategies. On top of that, there are more than a thousand screw manufacturers in Taiwan and most of them are small enterprises. Limited by the scale and financial resources, they cannot effectively improve their research and development and international marketing capabilities. Therefore, to maintain a certain growth, they also adopt the competition pattern by seizing orders with low prices and thus affect the order of production and sales in the industry.

- 4-3 Response
 - 4-3-1 Fully leverage the commonality of manufacturing technology to reduce development costs.
 - 4-3-2 We continuously develop and innovate product technology, simplify the use of raw materials, wire diameters, and wire drawing; and update automated machinery and equipment and ERP computer systems to improve product quality, meet customer requirements and recognition, and widen the gap with competitors.

- 4-3-3 Although the fastener industry supply chain is mature, most of the industrial clusters are concentrated in Kaohsiung and Tainan. Most of the commissioned processing manufacturers are small enterprises. If they encounter unexpected situations, they are unable to grasp and cooperate in terms of Q (quality), C (cost), and D (delivery time), so they are prone to losing business opportunities. Therefore, the vertical integration for the establishment of a consistent operating system will secure the safe supply, strengthen competitiveness, and reduce costs.
- 4-3-4 Strengthen training and enhance talent quality: With the relocation of industries and the gradual loss of talent in traditional industries, it is necessary to actively cultivate outstanding talents while upgrading industries, transforming and developing high value-added products.
- (II) Usage and manufacturing processes for the company's main products:
 - 1. Main uses of main products: It can be widely used in fastening various industrial products such as industrial machinery, motors, electrical appliances, construction, transportation equipment, and petrochemical industry. It is also widely used in public engineering, especially bridges.
 - Steel wire rod
 Molding machines
 Thread rolling machine
 Screws and nuts

 Copper rolling industry
 Wiring
 Head forming
 Thread rolling
 Screws and nuts

 Wiring
 Head forming
 Thread rolling
 Screws and nuts
 Packaging and shipment
 - 2. Production process: Screw and nut industry



Flow chart of incineration factory's waste treatment

(III) Supply of main raw materials:

The key raw materials are billet steel, coils, and wires supplied by Chun Yu Works & Co., Ltd. and Russian plants in the most recent year, and we have purchase contracts with Chun Yu and other companies. The price of raw materials is mainly affected by the trend of international steel prices. Unless the Company does not pay as agreed, the supplier will not cancel orders without a reason. In addition to domestic procurement, the Company imports raw materials from China and Russia, so the sources of raw materials are abundant. The Company maintains good long-term cooperative relations with major suppliers, and actively manages production costs and enhances the added value of products, in order to effectively control the risks caused by fluctuations in raw material prices.

(IV) Customers accounting for 10 per cent or more of the company's total procurement (sales) amount in either of the two most recent years, the amounts bought from (sold to) each, the percentage of total procurement (sales) of each, and the reason for increases or decreases.

1. Information on Major Suppliers for the Most Recent 2 Years

										U	nit: NT\$ thousa	nd
			2023		2024			As of March 31, 2025				
			Percentage				Percentage				Percentage of	D 1 1.
T	NT	•		Relationship		A <i>i</i>		Relationship		. .	net purchases of	
Item	Name	Amount	net	with the	Name	Amount	net	with the	Name	Amount	the current year	with the
			purchases	issuer			purchases	Issuer			up to March 31	issuer
			(%)				(%)				(%)	
1	Chun Yu	448,456	43%	Related	Chun Yu	590,418	82%	Related	Chun Yu	83,070	100%	Related
1	Chun 1u ++0,+3	J 70	Parties	Chun 10 590,418	Parties		05,070	10070	Parties			
	KC Cottrell Taiwan	41,297	4%	None	Quattro LLC	305,433	18%	None				
3	Others	507,727	51%	None	Others	131,502	0%	None				
	Net purchase	997,480	100%		Net purchase	1,027,353	100%		Net purchase	83,070	100%	

2. Information on Major Customers for the Most Recent 2 Fiscal Years

									Ur	it: NT\$ tho	usand	
		202			2024				As of March 31, 2025			
Item	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer
1	Company A	980,648	17%	None	Company A	935,869	23%	None	Company A	638,141	45%	None
2	Company B	739,251	10%	None	Company B	481,309	12%	None	Company B	120,901	9%	None
3	Company C	325,858	4%	None	Company C	452,705	11%	None	Company C	89,224	6%	None
	Others	2,275,315	69%	None	Others	2,266,039	55%	None	Others	557,303	40%	None
	Net sales	4,321,072	100%		Net sales	4,135,922	100%	None	Net sales	1,405,569	100%	

Unit: NT\$ thousand

III. Employees information for the past 2 fiscal years and up to the date of publication of the annual report

Year		2023	2024	For the year ended March 31, 2025
Normali an a f	Direct personnel	396	374	314
Number of employees	Indirect personnel	228	160	174
	Total	623	534	488
Average age		44.35	41.97	42.33
Average year of service		2.11	2.18	3.12
	Masters or above	1.36%	6.78%	1.50%
Education	Bachelor's	52.35%	59.95%	58.86%
distribution	High School	39.76%	26.40%	32.13%
	High school and below	6.53%	6.88%	7.52%

March 31, 2025

IV. Information on environmental protection expenditure

(I) Possible losses due to environmental pollution incidents (including any compensation paid) during the current fiscal year up to the date of publication of the annual report:

Year	2023	2024	As of March 31, 2025
Pollution status (type, degree)	None	None	None
Agency imposed disposition	None	None	None
Disposition status	None	None	None
Other losses	None	None	None

- (II) Process of environmental pollution improvement in the most recent year: none.
- (III) Information of response to the Restriction of Hazardous Substances (RoHS): not applicable (the Company is not subject to RoHS).
- (IV) Establishment of dedicated environment management unit or personnel

1.	Establishment of personnel for air pollution prevention
	Grade A dedicated personnel for air pollution prevention: Bo-Gong Hsiao (105)
	Huan-Shu-Xun-Zheng-Zi No. FA240187
	Class A air pollution control specialist: Hsiao, Chun-Ting (106) Environmental
	Protection Agency Training Certificate No. FA280234
2.	Establishment of personnel for waste disposal
	Grade A technician for waste disposal: Bo-Gong Hsiao (96) Huan-Shu-Xun-Zheng-
	Zi No. HA051237
	Class A waste treatment technician: Hsiao, Chun-Ting (97) Environmental
	Protection Administration Training Certificate No. HA370190

V. Labor relations

(I) Various benefit measures, continuing education, trainings, retirement system and the implementation thereof, labor-management agreements and various protective measures for employees' rights and interests

[Overall remuneration policy]

1. Employee compensation

Article 23 of the Company's Articles of Incorporation stipulates that the Company shall provide 1% to 3% of the current year's profit as the employees' remunerations; the abovementioned profit status for the year refers to the income before taxation before the distribution of employees' remuneration and directors' remuneration. In March 2024, the Company's Board of Directors approved a plan to distribute 2% of employee remuneration, which was paid out in May 2024.

2. The Company provides the performance-oriented rewarding system, to motivate the departments and employees with outstanding performance. The Company pays performance bonuses and production bonuses based on business conditions and performance of departments and individuals and adjusts wages based on the relevant laws and regulations such as the Labor Standards Act. Each unit calculates the wages according to the following indicators:

• The production department is based on its monthly production volume and yield performance indicators

•Business departments are based on their order volume and price

- Management department will decide based on the nature of the work and performance
- 3. A monthly bonus system was introduced many years ago to allow employees to share results, effectively and immediately motivating employees. In addition to measuring the above indicators, the monthly bonus system also combines various indicators (such as work safety indicators, environmental pollution discharge, carbon reduction, quality indicators, etc.) to continuously integrate sustainable development into the Company's operations to achieve sustainable management.
- 4. In addition to achieving the Company's established work goals, a company-wide promotion of environmental friendliness is made to the Company's employees from top to bottom and the concept of taking nature as the core and social benefits is introduced into the incentive reward system to feed back to hard working employees.

[Equal wages and compensation]

1. In order to achieve equal pay for equal work and equal promotion opportunities for male and female, implement a friendly workplace, promote gender equality and develop sustainable and prosperous operating performance, the Company's promotions, rewards and penalties, and remuneration are not gender-specific. Due to the nature of our industry, the gender ratio of the Company's employees in 2024 was 63%:37%, but the gender ratio of supervisory positions was 31%:69%. The salary conditions for male and female employees are the same, and there is no gender difference. Based on the Company's personnel management regulations, the Company employs the selected personnel according to the qualifications of each grade and pays wages based on the standards set in the employee wages and job grade schedule. The wages of personnel at each level does not differ due to gender, to establish a working environment with equal pay for equal work and truly implement the concept of gender equality in the workplace.

2. For employees who need a longer period of leave due to childcare, serious injuries, major accidents, etc., they can also apply for leave without pay, and apply for reinstatement after the period expires or in advance to take into account both personal and family care needs.

[Workplace Diversity and Promotion of Gender Equality Policies]

The Company is committed to providing an equal and safe working environment, implementing employment diversity, fair compensation and promotion opportunities, and ensuring that employees will not suffer discrimination, harassment or unequal treatment due to race, gender, religious beliefs, age, political inclinations or any other status protected by applicable laws and regulations. We value employee diversity and employ employees with disabilities in accordance with legal requirements. There were no violations of labor rights and human rights in 2024. In 2024, we hired two disabled employees, meeting the statutory standards.

• Employee ethnicity indicators

Nationality	Percentage
Taiwanese nationality	52.94%
Foreign nationals	47.06%
Indigenous people	0.00%
Total	100.00%

Description: Due to the characteristics of the industry, the Company has introduced a large number of foreign employees.

• Job level comparison

Gender	Rank	%
Male	High-end	0.49%
	Intermediate	1.47%
	General	60.78%
Female	High-end	0.00%
	Intermediate	4.41%
	General	32.84%
Total		100.00%

Description: The ratio of female mid-level managers in the Company is higher than that of male mid-level managers.

• Gender diversity indicators

Gender	Percentage
Male	62.75%
Female	37.25%

Description: The Company is a labor-intensive industry, and the majority of employees are male.

3. Application for parental leave in the last two years

Description	Male/people	Female/people	Total
Actual reinstatement from the parental leaves in 2023	0	2	2
Still employed 12 months after returning from parental leave in 2023	0	2	2
Employees who actually applied for parental leave in 2023	1	3	4
Expected reinstatements after parental leaves in 2024	1	2	3
Actual reinstatements after parental leaves in 2024	1	3	4
Employees retained after 12 months from reinstatement after parental leaves in 2024	0	2	2

[Welfare measures]

To establish a management system and solidify organizational functions, the Company formulates employee welfare policies in accordance with the Labor Standards Act and relevant laws and regulations, and establishes the Employee Welfare Committee in the organization, to plan employee benefit measures, seeking to stabilize employees' lives and protect employees' rights and interest, and to further enhance the labor-management harmony.

Benefit item Content To reward employees for their hard work, year-end bonuses are provided Year-end bonus depending on the Company's profitability, employee performance, and their seniority. Already issued at the beginning of 2024 Every year, based on the Company's profit, employee remuneration is Employee provided pursuant to the Company's Articles of Incorporation, and distributed compensation to employees. 2% of employees' remuneration was paid in May 2024. Employee Employees are insured with the labor insurance, national health insurance and group insurance from the day they go onboard. insurance Employee Foreign employees are provided with dormitory to satisfy their dormitory accommodation needs. Establishment of Staff who cater to childcare needs nursery rooms Year-end party The year-end party is coordinated by the management department, for all employees to gather to dine and have fun, with various programs, competitions, lucky draw and other activities to form the loyalty of employees. Provide employees with summer and winter uniforms every year Employee uniforms Health check In addition to the physical check required for new employees, a free physical check is provided to employees every year. A hospital is contacted to send medical staff to the plants, to provide medical consultation and inspection for employees (the physician visit is once a quarter, and the nurse visit is twice a month). As of October 2024, a total of 180 employees underwent health checks for the year. Employees are arranged to watch various ball games to improve their physical Recreational activities and mental health. In 2024, the Company organized four professional basketball and baseball games. Tickets, round-trip transportation, and meals were all paid for by the Company. A total of 160 employees and their families participated. We have established a stock option program as a long-term incentive. All Employees' subscription employees of the Company and its subsidiaries with outstanding work warrants performance are included in the incentive plan. Depending on the operating conditions and employee retention plan, we will issue a certain amount of employee stock options and distribute them to eligible employees. In 2020,

Welfare measures directly handled by the Company

Benefit item	Content
	the Company was approved by the competent authorities to issue 3,000
	employee stock options, which can be converted into and subscribed for the
	Company's common shares starting from October 2022. In 2024, a total of 11
	employees of the Company and its subsidiaries exercised the conversion into
	351,000 common shares.

Welfare measures conducted by the Employee Welfare Committee

Benefit item	Content
Subsidies for	•Employees may apply for subsidies according to regulations for their weddings,
weddings and	childbirths or death of family members.
funerals	• Subsidies to encourage employees to get married and have children: Wedding
	bonuses: 5 people actually applied in 2024, with a total subsidy of NT\$30,000;
	Childbirth subsidies: 5 people actually applied in 2024, with a total subsidy of
	NT\$15,000.
Gift money	The Employee Welfare Committee provides gift money for Chinese new year,
for festivals	Dragon Boat Festival, Mid-Autumn Festival and Labor Day.
	A total of NT\$2.02 million in cash and gift certificates were issued in 2024.
Travelling	Depending on the operating conditions, we arrange employee travel to promote their
	physical and mental health and enhance the friendship among employees. In 2024,
	we held domestic and international travel and family amusement park activities,
	with approximately 242 employees and their families participating enthusiastically.
Employees'	Employees are encouraged to organize groups to participate in sports and other
clubs	leisure activities, and the relevant expenses will be subsidized by the welfare
	committee.
Promote the	©Weight loss competition
prevention	After the employee physical examination in 2023, the Company found that the
and treatment of obesity,	employees' weight and other related data were on the high side. In order to improve the health of employees, a weight loss competition was held for one year to
high blood	encourage employees to lose weight in a healthy and gentle way. After the employee
sugar and	physical examination in 2024, the top five employees with the most weight loss
high	were selected based on the weight difference between the previous two years and
cholesterol	were awarded bonuses ranging from NT\$2,000 to NT\$10,000. Those who lost 3kg
among	or more were also awarded NT\$500 to NT\$1,000. The top three employees lost a
employees	total of 23kg, a remarkable achievement.
	©Health seminars
	In order to encourage employees to pay attention to their health, two health lectures
	were held at Qiaotou Plant and Ziguan Plant on April 16, 2024. The lectures were
	titled "Tips for Intestinal Health: A Healthy Stomach Keeps You Young", with a total
	of 45 employees participated.

- 2. Continuing education and trainings
 - 2-1 Complete orientation for new comers

The Company provides orientations for all new recruits, so that employees will understand the plant environment and work requirements through the planning of a series of courses. For administrative and engineering personnel, professional training contents related to manufacturing process and operations have been added, seeking to have them better understand the production, manufacturing process and product services.

2-2 Implementation of systematic trainings for each dedicated system

All dedicated personnel carry out training operations based on the relevant certification system; each year, the relevant personnel are provided with a series of training courses with themes based on their functions and on the annual training themes. In addition to dedicated personnel, each management level also conducts training for each level based on the requirements of their duties.

- 2-3 Education and training methods
 - 2-3-1 Continuing education and training for internal staff: internal officers lecture various professional skills.
 - 2-3-2 Participate in advanced training and training organized by external units

Item	Times of	Total	Total	Total expense
Item	class	attendees	hours	(NT\$)
Safety and health trainings	12	78	234	0
Professional function trainings	18	50	257	56,329
Talent trainings of officers	3	9	27	10,911
Total	33	137	518	67,240

2-4. Statistics of various training and further studies in 2024

3. Retirement system and its implementation:

To take care of employees and stabilize their lives after retirement, the Company has formulated labor retirement regulations in accordance with the provisions of the Labor Standards Act. Pursuant to the regulations, 2% of the total salary paid is contributed to the retirement reserve fund every month (the full amount has been provided and the provision has been suspended upon the approval of the competent authority). For the employees applicable to the new system of retirement methods, 6% of the monthly salaries are provided as their pension in accordance with the regulations.

	New pension system	Old pension system
Specific	The Company takes care of its	For employees who opted to apply
content	employees	the old pension system, 2% of the
	In order to stabilize their life after	total salary paid is contributed to the
	retirement, the order stipulates that	retirement reserve fund every month
	starting from July 1, 2005, 6% of	to the pension account with Bank of

	the retirement pension of new employees and employees who choose to apply for the new retirement system will be paid into their personal accounts on a monthly basis.	Taiwan.
Implementation	Paid on time as required by laws Total pension payments for the new system amounted to NT\$4,314 thousand in 2024.	 This pension has been fully provided and has been suspended upon the consent of the competent authority. Local employees with years of service under the old system have had their pensions fully settled by the end of 2023. As of the end of December 2024, the balance in the special account was NT\$5,419 thousand.

- 4. Other important agreements: the Company values the opinions of employees and holds labor-management meetings regularly (at least four times a year).
- 5. Employee rights and benefits protection:
 - 5-1 The Company complies with the Labor Standards Act and other relevant laws and regulations for the matters related to employees' rights and interests. There is also the Employee Welfare Committee in place; for the employee's welfare measures, discussions in depth between the labor and management are conducted to enhance harmony between the two parties.
 - 5-2 Employee's Code of Ethical Conduct

To have employees to understand the conducts, integrity and ethics of employees, the Company has formulated relevant regulations, and announced such on the intranet or on the bulletin board, for all employees of the Company to comply with the regulations.

5-3 Rules of hierarchical responsibility and approval authority

The Company adopts the hierarchical responsibility, each position has a deputy; each department complies with the approval authority to ensure the normal operation of the Company's various businesses.

5-4 The Company encourages employees to keep the environment clean and tidy, and has labor safety and health management personnel who hold labor safety and health seminars from time to time to familiarize all employees with safety and health regulations and provide employees with a healthy, comfortable and safe working environment. A total of 12 events were held in 2024, with 78 participants and 234 hours of time.

- 5-5 In order to prevent occupational safety accidents, provide a friendly working environment, and protect the safety of employees and employees of contractors (suppliers), we have introduced an occupational safety and health management system since 2020 and obtained the ISO 45001 certification in 2020, which is valid from April 30, 2023 to April 29, 2026.
- 5-6 For the manufacturing machines, forklift, cranes and other machinery equipment used in the workplace, personnel are sent to receive operating training from time to time, with the protective equipment such as gloves, masks, earmuffs and safety shoes provided to reduce occupational injuries. The education and training or protective equipment purchased in 2024 were as follows:

Training	Number of	Amount
Courses/protective	participants/number	(NT\$)
equipment	of supplies	
Fire management	4 person	11,428
personnel training		
Gloves and masks	7,872 dozen/564	363,591
	boxes	
Safety shoes	155 pairs	86,180
Helmets	61 pieces	5,585

5-7 Employee's complaint procedures for illegal (Including corruption) and unethical conducts

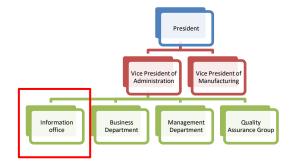
The Company has set up a complaint box for employees' illegal or unethical behavior, and employees can also report it directly to their supervisors via e-mail or in person. Complaints by employees should state the whole incident, evidence and the whistle blower's name. When an officer receives a complaint, the complaint shall be forwarded to the Management Department or the President or the chairman. After finding out the facts, the disciplinary action will be taken toward the employees with illegal or unethical conducts accordingly.

- 5-8 An employee health checkup is held once a year at the Company's expense to ensure the physical and mental health of employees.The annual employee health checkup was completed in October 2024, with a total of 180 employees completing the checkup.
- 5-9 The Company has complete fire-fighting facilities and reports for inspection regularly in accordance with the law. Employees conduct fire drills every six months to familiarize with fire-fighting concepts and the use of equipment, giving them additional protection in disasters. In 2024, fire drills were held in Ziguan Plant and Qiaotou Plant in June and December, respectively. Each department sent about 20

to 30 employees to participate in each drill, which included fire-fighting training, notification training, and evacuation guidance training, etc.

- 5-10 The Company hires a security company to maintain 24-hour access control for the Company and factory area and security management of the environment surrounding the factory area.
- (II) Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: none.
- VI. Cyber security management
 - (I) Information security risk management framework

The responsible unit for information security of the Company is the Information Office, which has an information director and an information security officer. They are responsible for formulating internal information security policies, planning and executing information security operations and promoting and implementing information security policies, as well as communicating and coordinating with outsourced companies and employees, and regularly reporting the Company's information security governance status to the Board of Directors. The Audit Office is the supervisory unit of information security supervision. There is one chief audit officer in this office to supervise the implementation of internal information security. If there are any deficiencies found after the audit, the audited unit will be required to propose relevant improvement plans and concrete actions immediately, and regular follow-up tracking is conducted for improvements, in order to reduce internal information security risks.



(II) Response procedures for external attacks on the information systems



(III) Information security policy

- 1. System specifications: Establish the Company's information security management system and regulate the work behavior of personnel.
- 2. Technology application: Establish information security management equipment and implement information security management measures.
- 3. Personnel training: Conduct information security education and training to enhance the information security awareness of all employees.
- (IV) Specific management plan for information security

When the information system is improperly used or deliberately damaged by internal or external personnel, the obstacles are to be removed according to the following procedures.

- 1. The meeting is convened by the head of the Information Office and attended by the heads of relevant departments.
- 2. For technical issues, the information staff in the information room will propose solutions and subsequent preventive improvement measures.
- 3. and the Audit Office conducts internal audits on a regular basis.
- (V) External and internal risk management
 - 1. Personnel at all levels who have official access to any company information must abide by confidentiality regulations and must not disclose the information to others.
 - 2. If the information required for official business involves other people's personal information or confidential information, it must be approved by the responsible supervisor before it can be provided.
 - 3. Important documents and contracts must be kept properly. If there are documents to be passed around, the folders must be tightly sealed to prevent unauthorized persons from accessing them.

- 4. Computer passwords must be changed every six months. It is prohibited to use the same password and avoid posting passwords in places where they can be easily leaked.
- 5. If leaving the seat for more than 5 minutes, the computer account must be locked or logged out to prevent others from operating the computer.
- 6. It is prohibited to install unauthorized software on the computer. If any legal action is involved, the computer user shall be responsible for it.
- 7. Software, files and websites from unknown sources are often the source of spreading viruses. To ensure the safety of computer use, they should not be installed or used.
- 8. Computer systems and data security must be managed and maintained by users themselves. If there is any system infection or abnormality, the information room staff should be informed immediately for processing.
- 9. All data should be backed up and stored regularly to avoid data damage caused by equipment failure or human factors that may affect business.
- 10. When getting off work, keep important documents properly and shut down computer systems and their peripheral devices that are not in use.
- (VI) Resources invested in information security management
 - Information security has become an important issue for the Company's operations. The corresponding information security management matters and the resources invested are planned as follows:
 - •Dedicated manpower: The Company has established a dedicated "Information Office" to be responsible for the Company's information security planning matters, in order to maintain and continue to strengthen information security.
 - •Customer satisfaction: There were no major information security incidents, and no complaints of customer privacy violation or loss of customer information.
 - Invested resources: In 2024, two host vulnerability scan tests were performed.
 - In December 2024, the Company commissioned CHT Security Co., Ltd. to use system automation tools, combined with its professional knowledge and information security technology, to scan the vulnerabilities of our internal server hosts and provide exclusive test reports and system reinforcement suggestions.
 - •Education and training: In 2024, a total of 20 person-times/hour of information security training courses were completed for general employees through online courses. The main course content included the concept of personal privacy information, cyber attack threats, and the necessary knowledge of personal privacy information protection.
- (VII) Losses incurred due to major information security incidents in the most recent two years and up to the date of publication of the annual report, possible impacts, and response measures. If it is impossible to reasonably estimate, an explanation of the fact that it is impossible to reasonably estimate: None.

VII. Important contracts:

		Commenceme nt dates	X · 1 ·	Restrictiv
Contract type	The party	Expiration dates	Main businesses	e clauses
Lease the land and plant for of	HSIN CHAN WOODEN CO.,	July 1, 2021 to February		
Ziguan Plant	LTD Huang Long Chang Brick Manufacturing Co., Ltd. Zhen Yu Yang Co., Ltd.	28, 2025	Lease the land and plant for of Ziguan Plant	None
Lease contract for the factory and equipment of Qiaotou Plant	CHUN YU WORKS & CO., LTD.	March 1, 2025 - February 29, 2028	Leasing of the equipment of Qiaotou Plant	None
Transaction contracts	CHUN YU WORKS & CO., LTD.	From 103	Purchase coils and wires and entrust wire drawing processing	None
Domestic and foreign L/C for loan of purchasing materials/short- term lending contracts	Taiwan Shin Kong Commercial Bank Company, Ltd. Bank of Taiwan Hua Nan Bank First Bank Bank SinoPac Co.Ltd. Union Bank of Taiwan	Renewal every year	Purchase of raw materials is paid by domestic and foreign L/C or working capital borrowings	None
Contract awarded	Bureau of Environmental Protection of Hsinchu City	February 16, 2022 - February 15, 2042	Contract operation and management of garbage recycling plant in Hsinchu City	None
Contract awarded	Bureau of Environmental Protection of Hsinchu City	December 5, 2024 - November 30, 2026	Upgrade and Maintenance Turnkey Project of Hsinchu City Waste Resource Recycling Plant	None

Contract type	The party	Commenceme nt dates Expiration dates	Main businesses	Restrictiv e clauses
Contract awarded	Environmental Protection Bureau of Taitung County	January 1, 2021 - January 31, 2025	Performance Improvement Turnkey Project of Taitung County's Waste-to- Energy Resource Center	None
Contract awarded	Environmental Protection Bureau of Pingtung County	December 22, 2021~ December 21, 2041	Renovate, operate, transfer (ROT) project of Kanding Waste Incineration Plant in Pingtung County	None

(Note): the contract entered by the subsidiary, Yung Fu

<u>Five. Review and Analysis of Financial Status and Financial</u> <u>Performance and Assessment of Risk Issues</u>

I. Comparison and analysis of consolidated financial position

Analysis basis: changes between two consecutive periods are more than 20%, and the amount reached NT\$10,000 thousand

	Unit: NT\$ thousand							
Year	2024	2023	Difference		Changes			
Item	2024	2023	Amount	%	Analysis			
Current assets	2,301,483	2,370,006	-68,523	-2.89%				
Property, Plant and Equipment	1,130,201	1,091,951	38,250	3.50%				
Other non-current assets	2,245,343	1,741,341	504,002	28.94%	1			
Total assets	5,677,027	5,203,298	473,729	9.10%				
Current liabilities	1,848,966	1,773,380	75,586	4.26%				
non-current liabilities	1,226,195	815,701	410,494	50.32%	2			
Total liabilities	3,075,161	2,589,081	486,080	18.77%				
Share capital	1,006,697	1,003,983	2,714	0.27%				
Additional paid-in capital	1,110,464	1,095,632	14,832	1.35%				
Unappropriated earnings	101,642	234,625	-132,983	-56.68%	3			
Other equity	-10,568	-14,827	4,259	-28.72%				
Non-controlling equity	393,631	294,804	98,827	33.52%	4			
Net shareholders' equity	2,601,866	2,614,217	-12,351	-0.47%				

Description of the main reasons of changes, the effect thereof, and the future responding plans

- 1. Other non-current assets: Mainly due to the increase in private placement of stocks of listed companies acquired by OFCO
- 2. Non-current liabilities: In 2024, the subsidiary's long-term bank loans increased, resulting in an increase in non-current liabilities.
- 3. Retained earnings: Operating losses in 2024 led to a decrease in retained earnings.

4. Non-controlling interests: The adjustment for non-controlling interests' participation in cash capital increase.

*Explanation of the impact of the changes and future response plans: In 2024, due to poor weather in Europe and slow inventory liquidation by customers, the gross profit margin of the screw business decreased. The subsidiary Yung Fu continued to repair the incinerator and had an urgent need for funds, resulting in an increase in liabilities such as bank loans. In the future, we will continue to assist subsidiaries in improving their financial structure.

II. Consolidated financial performance

- (I) Comparative analysis of operating results
 - 1. Analysis basis: changes between two consecutive periods are more than 20%, and the amount reached NT\$10,000 thousand

	Unit: NT\$ thousand				
Year	2024	2023	Increase (decrease)	Change ratio	Analysis of
Item	4 125 022	4 221 072	195 150	(%)	changes
Operating Revenue	4,135,922		-185,150		
Operating costs	4,276,993	4,235,684	41,309		
Gross profit	-141,071	85,388	-226,459	-265.21%	1
Operating Cost	173,642	186,950	-13,308	-7.12%	
Net operating profit (loss)	-314,713	-101,562	-213,151	209.87%	2
Non-operating income and expenditure	113,859	121,531	-7,672	-6.31%	
Net profit (loss) before tax	-200,854	19,969	-220,823	-1106%	3
Income tax gain (expense)	74,896	130,401	-55,505	-42.56%	4
Net income for the year	-125,958	150,370	-276,328	-183.77%	5
Other comprehensive income, net	7,798	32,530	-24,732	-76.03%	6

Description of the main reasons of changes, the effect thereof, and the future responding plans

- 1. Gross profit: The decrease in the unit price of screws and the increase in Yung Fu's operating costs led to a decrease in gross profit.
- 2. Net operating profit: Net operating profit decreased due to the decrease in gross profit.
- 3. Net profit before tax: Mainly due to the decrease in revenue and the increase in operating costs.
- 4. Income tax gain(expense): Mainly due to the decrease in income tax benefits of subsidiaries.
- 5. Net profit for the current period: Mainly due to the decrease in revenue and the increase in operating costs.
- 6. Other net comprehensive income for the current period: Mainly due to the increase in unrealized gains on equity instrument investments measured at fair value through other comprehensive income.

Impact of the changes and future response plans: In 2024, the Company's screw business had high inventory levels at the customer end, which led to lower unit sales prices and reduced profits. The subsidiary Yung Fu increased its losses as the furnace repairs continued. The screw business has leased its factory equipment to Chun Yu Works & Co., Ltd. since March 2025. The future operating model will be that OFCO accepts orders and entrusts Chun Yu with OEM production. The two parties will cooperate to reduce costs. After the maintenance of Yung Fu incinerator is completed, future maintenance costs will

be reduced, and the consolidated profit and loss forecast for 2025 will be better than that of 2024.

2. Expected sales volume and the basis for the forecast

The Company's expected sales volume for 2025 is compiled based on the Company's business strategy, the operating objectives and budgets of each unit, and reasonable assumptions such as the overall industry outlook and development trends.

Expected sales quantity is as below:

Product name	Expected sales quantity	Unit
Screws	22,340	Tons

- 3. Possible effect on the future finance and business, and the response plan
 - (1) Possible effect

The International Monetary Fund (IMF) released the World Economic Outlook on January 30, 2024.

The forecast for global economic growth was raised by 0.2% to 3.1%, the same as the economic growth rate in 2023, and will remain unchanged at 3.2% in 2025. The global overall inflation rate is expected to drop from 6.8% in 2023 to 5.8% in 2024 and 4.4% in 2025, reflecting the unexpected decline in inflation.

In its updated report, the IMF affirmed that the global economy has shown unexpected robustness and self-healing ability, and the disconnected and decoupled supply and industrial chains have been reconnected, providing continuous support and momentum for economic recovery. However, the report also reminds people to pay attention to the capital outflow and currency volatility caused by the divergence of policies, and calls for global collaboration to deal with the difficult problems of the world economy. The global economic outlook is still full of challenges. The negative impact of de-globalization and geopolitical tensions and conflicts on the global economy should not be underestimated.

- (2) Response plan
 - (a) The 5G AIoT system was introduced since 2021 to build a 4.0 smart factory, improve product yield, and reduce raw material costs.
 - (b) For raw material procurement, we continue to jointly purchase with the Group's affiliated companies to effectively reduce costs, enhance competitiveness, further reduce costs and increase gross profit margin
 - (c) Since March 2025, production has been outsourced to Chun Yu Works & Co., Ltd.. Both parties have merged production to reduce costs and create a win-win situation.
- (II) Analysis of changes for gross operating profit

The Russia-Ukrainian war continued in 2024, people's consumption capacity decreased, raw material prices fell sharply, and the decline in sales prices was greater than the decline in costs, resulting in a decrease in gross profit margin.

III. Cash Flow

(I) Liquidity analysis for the recent two years

	Unit: %					
Year	2024	2023	Increase/ decrease percentage (%)			
Cash flow ratio (%)	-41.07	-17.04	141.02%			
Cash flow adequacy ratio (%)	0	11.73	100%			
Cash reinvestment ratio (%)	-23.48	-15.72	-106.62%			

Analysis of increase/decrease percentage:

- 1. Cash flow ratio: The profit in 2024 decreased, and the net cash flow from operating activities decreased, resulting in a decrease in the cash flow ratio.
- 2. Cash flow adequacy ratio: Mainly due to the decrease in net cash flow from operating activities and the increase in cash dividends.
- 3. Cash reinvestment ratio: Due to the decrease in net cash flow from operating activities.
- (II) Analysis of the cash liquidity for the coming year consolidated

Unit:	NT\$	thousand

			OIII	tt. 1410 thousan	u	
Cash balance	Net cash flow	Cash inflow	Estimated	Remedy for	cash shortage	
at the	from operating	(outflow) for	amount of	Investment	Financing	
beginning of	activities	the whole	cash surplus	plans	plans	
the year		year				
175,967	1,232,000	(1,117,500)	290,467	None	None	
Analysis of changes in cash flows in 2025						

(1) Business activities: The Company expects that the scale of business will increase slightly compared with the previous year, and it is expected that the turnover and profit will increase slightly.

(2) Investment activities: The factory and equipment have been rented out and there will be no significant capital expenditure in the coming year.

IV. Material capital expenditures in the last year and impacts on the financial position and business performance

- 1. Utilization of major capital expenditures and source of funds:
 - (1) The major capital expenditures in the most recent year (purchase of machinery and equipment, routine maintenance of equipment and factory buildings) totaled NT\$74,267 thousand, with the funds coming from the Company's own funds.
 - (2) No significant capital expenditure is expected in 2025.
- 2. Impact on finance and business: In 2024, as the customer's inventory reduction came to an end, shipments gradually recovered, production volume increased, and the Company's financial structure gradually improved, capital expenditures in recent years had little impact on the Company's finance.

V. Investment policy in the most recent year, causes of profit or loss incurred, and any improvements or investments planned for the next year

	Watch 51, 2025 Ohn. NTD thousands						
Investing Company	Investee's	Investment policy	Percentage of Shareholding	Profit and loss of the investees in 2024	Main reason of profit or loss	Improvement plan	Investment plan for the coming year
OFCO Industrial Corp.	TSG Transport Corp.	Diversified operations	100%	30,122	Favorable operation and marketing policies	None	None
OFCO Industrial Corp.	TSG Environmental Technology Corp.	Diversified operations	100%	10,066	Increased profit from increased trading of scrap iron	None	None
OFCO Industrial Corp.	Yung Fu Co., Ltd.	Diversified operations	67.15%	-149,592	The Kang-Ding Incinerator in Pingtung is old, and has been shut down many times due to broken pipes, resulting in repair costs	None	None
OFCO Industrial Corp.	TSG Environmental Technology Corp.	Diversified operations	100%		Favorable operation and marketing policies	None	None

March 31, 2025 Unit: NTD thousands

VI. Analysis of risks during the most recent fiscal year and as they stood on the date of publication of the annual report

(I)The impact of interest rate, exchange rate changes and inflation on the Company's profit and loss and future response measures

				Unit. N i și ultusaliu
	Effect on the C	Company's l	oss and profit	
Item	Accounts	2023	2024	Future countermeasures
	Bank Loans	678,902	1,573,907	The Company's bank loans increased
Interest rate	Bonds payable	340,843	348,356	in 2024 compared to 2023, mainly due to the increase in funds required for the rectification project of its
	erest expenses	22,972	49,541	subsidiary Yung Fu. In 2024, the central bank raised interest rates once, interest rate fluctuations remained stable, and the impact of interest rate risk on future profits and losses gradually decreased.
ctuation of exchange rate	t gain (loss) from exchange	12,607	8,686	Appreciation of NT\$ makes the operation of foreign currency hedging more difficult.

Unit: NT\$ thousand

lation	Operating	1. Most of the movements of raw material
	costs Operating Cost	prices can be reflected in the sales prices. 2. Saving expenses, and reducing costs and expenses.

- 1. Interest rate changes: The Company's 2024 financial assets and liabilities with cash flow risk of interest rate changes were NT\$371,660 thousand and NT\$1,573,907 thousand, respectively. If the market interest rate changes, the effective interest rate of such financial products will change accordingly. If the market interest rate increases/decreases by 10%, the Company's net profit after tax will increase/decrease by NT\$303 thousand.
- 2. Exchange rate fluctuations: The Company has export business denominated in foreign currencies. At the end of 2024, the net financial assets with exchange rate fluctuation risk were USD1,280 thousand and EUR8,183 thousand. If the market exchange rate changes, the fair value of such financial products will change accordingly. If the market exchange rate appreciates/depreciates by 1%, while other factors remain unchanged, the Company's profit will increase/decrease by NT\$2,571 thousand.
- 3. Inflation: The inflation rate in 2024 was 2.18%, and the inflation rate exceeded the 2% warning line for three consecutive years. Most of the Company's raw materials are purchased domestically. Based on the raw material purchase amount of NT\$1,027,353 thousand in 2024, a 1% increase in the inflation rate will increase the raw material cost by approximately NT\$10,273 thousand.
- (II) Policies for high-risk, high-leverage investments, lending funds to others, endorsements and guarantees, and derivatives trading, the main reasons for profits or losses, and future response measures:

The Company has not engaged in high-risk and high-leverage investments, loaning of funds to others, or making endorsements/guarantees in 2024 up to the publication date of the annual report, and the risk is relatively low.

(III) Future R&D plans and estimated R&D expenses:

Due to the impact of the epidemic, new product development has been suspended from 2020 to 2023. The R&D focus has been on process improvement and quality enhancement. In the next few years, the Company will invest in the 5G AIoT system introduced in the fourth quarter of 2021 to create a 4.0 smart factory, improve product yield, and reduce operating costs. The company started developing new products in the second quarter of 2024, but has been renting out its factory facilities since March 2025, and will suspend product research and development in the future.

(IV) The impact of major domestic and international policy and legal changes on the Company's financial business and the corresponding measures:
Description:

During the most recent year, the Company's finance and business have not been affected by any change in key policies and laws home and abroad. The Company's main markets for sales are Europe, the United States and Taiwan. Although the EU has recently implemented the RoHS regulations, the Company's products are not yet applicable to the regulations and other laws and major policies are relatively stable.

In recent years, climate change has intensified and the climate crisis is imminent. More than 130 countries around the world have announced their promotions to achieve net zero emissions by 2050. In July 2021, the European Commission proposed 12 related measures to implement the "Fit for 55 package." The most important mechanism in the Fit for 55 is the Carbon Border Adjustment Mechanism (CBAM). The EU has decided to gradually implement the CBAM from October 2023. The initial scope of control is limited to the five high-carbon emission industries, namely cement, power, fertilizer, steel, and aluminum. It is expected that a considerable impact will be applied to the export of fastener products to Europe in the future. The Company has completed the greenhouse gas inventory and third-party inspection in 2023 and 2024. In the future, it will strive to save energy and reduce carbon emissions and improve towards the goal of low-carbon manufacturing.

- (V) The impact of technological changes (including information security risks) and industry changes on the Company's financial business and the corresponding measures: The Company is able to timely grasp and analyze the technological developments in the industry and has not had any significant impact on financial operations due to technological changes. In the face of crises triggered by information security issues, the Company not only established protection and emergency contingency measures, but also releases anti-virus alerts from time to time to strengthen internal protections, reduce external attacks, and establish a defensive corporate information safety net. There were no major financial impacts on the Company's financial operations due to information security incidents in 2024.
- (VI) The impact of changes in corporate image on corporate crisis management and corresponding measures:

The Company's operating conditions have grown steadily in recent years and it is committed to improving the stability of product quality and accuracy of delivery dates. At the current stage, in term of the operation, on top of stabilizing old customers, the Company also develops new customer sources from all aspects, to achieve business goals.

- (VII)Expected benefits and possible risks of the merger and acquisition: None.
- (VIII)Expected benefits and possible risks of factory expansion: There is no plan to expand the factory in 2025.
- (IX) Possible risks of concentrated purchase or sales:
 - (1) Sales: The Company's largest sales customer in 2024 only accounted for approximately 22% of net revenue, and the remaining 78% of sales revenue was dispersed among more than 90 manufacturers. There was no particular concentration of sales.
 - (2) Procurement: The largest supplier in 2024 accounted for approximately 57% of the total purchase amount. This was because the Company adopted joint procurement

strategy to obtain more favorable prices. The steel industry is a fully competitive industry. In addition to domestic steel mills, we can also purchase raw materials from foreign steel mills. There are many channels for purchasing materials. Unless the Company fails to pay according to the contract, the steel mills will not cancel the orders without reason. Therefore, although the purchase is slightly concentrated, the risk is not high.

- (X) Impact and risks on the Company caused by large-scale transfer or replacement of shares by directors, supervisors or major shareholders holding more than 10% of the shares: No such situation.
- (XI) Impact and risks associated with any change of management rights: None.
- (XII) Any material impact on shareholders' equity or prices for the company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving a company director, President, de facto responsible person, or major shareholders with a stake of more than 10 percent, and the matter was finalized or remained pending; disclose the facts in dispute, amount of the subject matter, litigation commencement date, main parties involved, and current status of the case as of the date of publication of the annual report: None.

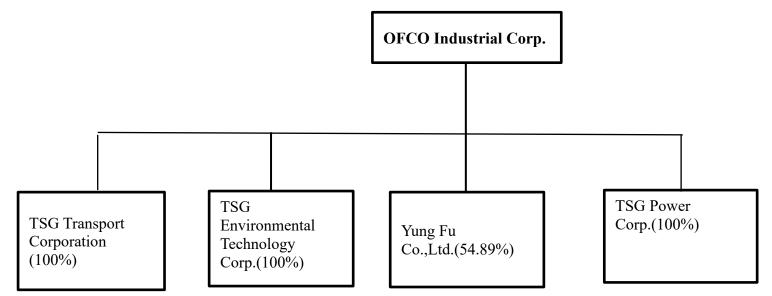
(XIII)Other major risks and countermeasures: None.

VII. Other important matters:

For information disclosure on major accounting policies, accounting principles and other significant accounting judgments, estimates, asset and liability valuation principles, etc., please refer to the 2024 financial statements.

Six. Special Disclosure

- I. Information of affiliated companies in the most recent year
 - (I) Consolidated business report of affiliated companies
 - 1. Organizational chart of affiliated companies:



Company name	Unified	Responsible	President	Contact	Address
	number	person		number	
TSG Transport Corp.	85048700	Wu, Ju-Yan	Wu, Ju-Yan	07-2692183	25F-2, No. 502, Jiuru 1st Road, Sanmin
					District, Kaohsiung City
TSG Environmental	83532643	Shen, Yi-Te	David Wang	07-2692263	6F-3, No. 47, Zhonghua 4th Road, Lingya
Technology Corp.			_		District, Kaohsiung
Yung Fu Co.,Ltd.	30974465	James	Lou, Chung-Chou	06-2225528	11F-2, No. 307, Section 2, Minsheng Road,
		Huang	_		West Central District, Tainan City
TSG Power Corp.	83089212	Rosalind	None	06-2225528	11F-2, No. 307, Sec. 2, Minsheng Rd., West
		Huang			Central Dist., Tainan

2.Profile of affiliated companies

Unit: NT\$ thousand

Investee's	estee's Location		Paid-up	Main Businesses and		
	Establishment		capital	Products		
TSG Transport Corp.	August 23, 2019	Kaohsiung City, Taiwan	347,000	Sea and airway freight, custom declaration, and transactions of scrap iron and recycled metal		
TSG Environmental Technology Corporation	January 14, 2020	Kaohsiung City, Taiwan	40,000	Recycling parts and materials, and disposal of waste		
Yung Fu Co.,Ltd.	May 11, 1982	Tainan, Taiwan	903,943	Operation of incinerator on others' behalf		
TSG Power Corp.	October 20, 2020	Tainan, Taiwan	193,000	Renewable energy		

3. The identical shareholders information for companies presumed to have a relationship of control and subordination: none.

4. Industries covered by the overall related enterprise's business operations: Please refer to the above table.

			Number of	D î
Company name	Title	Name or name of representative		Percentage of
		-	shares held	Shareholding
	Chairman	Representative of OFCO Industrial Corporation: Wu, Ju-Yan	34,700,000	100%
TSG Transport	Director	Representative of OFCO Industrial Corporation: James Huang	34,700,000	100%
Corp.	Director	Representative of OFCO Industrial Corporation: Li, Yun-Ling	34,700,000	100%
	Supervisor	Representative of OFCO Industrial Corporation: Wang, Mei-Yu	34,700,000	100%
TSG				
Environmental Technology Corp.	Chairman	Representative of OFCO Industrial Corporation: Shen, Yi-Te	4,000,000	100%
	Chairman	Representative of OFCO Industrial Corporation: James Huang	49,621,933	54.89%
	Director	Representative of OFCO Industrial Corporation: Kuo, Jen-Hao	49,621,933	54.89%
	Director	Representative of OFCO Industrial Corporation: Wu, Ju-Yan	49,621,933	54.89%
Yung Fu Co. I td	Vice Chairman	Representative of Taiwan Green Energy Corporation: Liu, Fu-Tsai	2,088	0.002%
Co.,Ltd.	Director	Representative of Taiwan Green Energy Corporation: Shen, Yi-Te	2,088	0.002%
	Director	Representative of Taiwan Green Energy Corporation: Wang, Ta-Wei	2,088	0.002%
	Director	Chen, Chi-Tai	0	0%
	Supervisor	Representative of Gloria Material Technology Corporation: Hsu Chieh	43,412	0.05%

5. Information on directors and supervisors of each affiliates

March 31, 2025

Company name	Title	Name or name of representative		Percentage of Shareholding
	Supervisor	Fang-Tsai Chiu	0	0%
TSG Power Corp.	Chairman	Representative of OFCO Industrial Corporation: Rosalind Huang	19,300,000	100%

6. The overview of the operations of the affiliates

Unit: NT\$ thousand except that NT\$ for EPS										
Investee's	Paid-up capital	As of December 31, 2024			2024					
		Asset	Liabilities	Net Value	Operating income	Operating profit	Current Profit and Loss	Earnings per share		
TSG										
Transport Corp.	347,000	705,360	309,816	395,544	1,307,738	34,323	30,122	0.87		
TSG Environmental Technology Corp.	40,000	110,584	48,989	61,595	618,574	12,524	9,930	2.48		
Yung Fu Co., Ltd.	903,943	2,443,959	1,553,536	890,423	817,103	-312,037	-239,539	-3.38		
TSG Environmental Technology Corp.	193,000	409,223	211,894	197,329	39,430	5,223	1,809	0.094		

- (II) Consolidated Financial Reports of Affiliated Enterprises: the entities to be included in the consolidated financial reports are identical the those to be included in the consolidated financial statements of parent and subsidiaries pursuant to the IFRS 10; therefore no separate consolidated financial reports are prepared.
- (III) Affiliation report: None.
- II. Private placement securities during the current fiscal year up to the date of publication of the annual report: None.
- III. Other required supplementary information: None.
- IV. In the most recent year and up to the date of publication of the annual report, have any events occurred that have a significant impact on shareholders' equity or securities prices as specified in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act: No such situation.



Chairman : James Huang

May. 2025