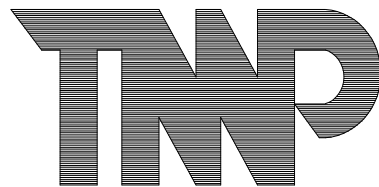


Stock Code : 6248



TMP Steel Corporation

2023 Annual Meeting of Shareholders

Meeting Handbook

Time : 10:00 a.m., May 12 Friday, 2023

**Place :No.3,Jingjian 11th Rd., Lukang Township, Changhua
County 505, Taiwan (R.O.C.)**

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TMP Steel Corporation
2023 Annual Shareholders' Meeting
Meeting Procedure

- I. Call Meeting to Order
- II. Chairman's Address
- III. Reported matters
- IV. Acknowledged matters
- V. Matters for Discussion
- VI. Extemporaneous motions
- VII. Meeting Adjourned

TMP Steel Corporation
2023 Annual Shareholders' Meeting
Meeting Agenda

Meeting type : Physical shareholders meeting

Time : 10:00 a.m. Friday, May 12, 2023

Location : No.3,Jingjian 11th Rd., Lukang Township, Changhua County 505,
Taiwan (R.O.C.)

I. Chairman's Address

II. Reported matters

1. 2022 Business Report.
2. Audit Committee's Review Report on the 2022 year-end report.
3. 2022 Report on the Distribution of Remuneration to Employees and Directors.
4. 2022 Report on cash dividends from earnings.
5. The status of issuance of the fourth tranche of unsecured convertible corporate bonds in Taiwan by the Company.
6. Established "Sustainable Development Best Practice Principles".
7. 2022 Report on the Remuneration of Directors.

III. Acknowledged matters

1. Adoption of the 2022 Business Report and Financial Statements.
2. Adoption of the 2022 Earnings Distribution Proposal.

IV. Matters for Discussion

1. Amendment for some articles of the "Articles of Incorporation".
2. Amendment for some articles of the "Director Election Method".
3. Amendment for some articles of the "Procedures for the Acquisition or Disposal of Assets".

V. Extemporaneous Motions

VI. Meeting Adjourned

Reported Matters

- I. 2022 Business Report, please review.
Description: The 2022 Business Report, attached in Attachment I of the Meeting Handbook, pages 8~10.
- II. Audit Committee's Review Report on the 2022 year-end report, please review.
Description: The Audit Committee's Review Report, attached in Attachment II of the Meeting Handbook, page 11.
- III. 2022 Report on the Distribution of Remuneration to Employees and Directors, please review.
Description: The Company has passed the board of directors' resolution on March 10, 2023 regarding to the employee and director remuneration distribution related matters according to the Company's Articles of Incorporation as follows:
 - (I) Employee remuneration cash distribution: NT\$3,500,000.
 - (II) Director remuneration cash distribution: NT\$2,277,000.
 - (III) Distributed in cash.
- IV. 2022 Report on cash dividends from earnings, please review.
Description:
 - (I) The Company has passed the board of directors' resolution on March 10, 2023, intends to appropriate a cash dividend of NT\$123,116,108, with a distribution of NT\$ 2 per share, from distributable earnings. The amount will be rounded down to the nearest whole number, and the fractional balance of all dividends less than NT\$1 will be summed up and recognized in other income of the Company.
 - (II) If the number of total shares outstanding changed, such that the cash dividends ratio per share should be adjusted, authorize the chairman of the board of directors to deal with it in accordance with the company law or related laws and regulations.
- V. The status of issuance of the fourth tranche of unsecured convertible corporate bonds in Taiwan by the Company, please review.
Description:
 - (I) The fourth tranche of unsecured convertible corporate bonds in Taiwan of NT\$200 million was issued on October 26, 2022.
 - (II) The fund raised from the plan totaled NT\$201 million,

which has been invested in the repayment of the principals and interests of the second secured convertible corporate bond and the third unsecured convertible corporate bonds of the Company in Taiwan that fall due and enriching our working capital according to the plan initially formulated, and the execution was entirely completed in Q4 2022.

(III) As of March 14, 2023, 1,372,086 shares had been converted, and the conversion price was NT\$21.5.

VI. Established the company's "Sustainable Development Best Practice Principles" , please review.

Description: Refer to "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", Established "Sustainable Development Best Practice Principles", attached in Attachment V of the Meeting Handbook, pages 33~44.

VII. 2022 Report on the Remuneration of Directors, please review.

Description: Remuneration received by directors, including remuneration policy, content, and amount of individual remuneration, attached in Attachment VI of the Meeting Handbook, page 45.

Acknowledged Matters

Proposal 1 (Proposed by the Board of Directors)

Cause of Action: Adoption of the 2022 Business Report and Financial Statements.

Description:

- I. The Company's 2022 Business Report, Earnings Distribution Proposal, and Financial Statements have been approved by the Board of Directors. Among them, the Financial Statements have been reviewed and verified by CPA Tien, Chung-Yu and CPA Lin, Tzu-Shu of PricewaterhouseCoopers Taiwan, and the verification report has been issued.
- II. The aforesaid reports and statements had been delivered to the audit committee, which has completed the audit and issued the audit report.
- III. For Business Report, CPA Verification Report, and Financial Statements, attached in Attachment I of the Meeting Handbook, pages 8~10 and Attachment III of the Meeting Handbook, pages 12~31
- IV. Please ratify.

Resolution:

Proposal 2 (Proposed by the Board of Directors)

Cause of Action: Adoption of the 2022 Earnings Distribution Proposal.

Description:

- I. The Company's distributable earnings for 2022 is NT\$180,487,232. The proposed cash dividend is NT\$123,116,108 or NT\$2 per share.
- II. This cash dividend is calculated according to the distribution ratio to the nearest dollar, and fractions that do not amount to a full NT\$1 shall be summed and recognized by the Company as other income.
- III. If the Company's share capital changes subsequently affect the number of shares outstanding and cause the shareholder dividend rate to change and require corrections, it is proposed to authorize the chairman of the board to make adjustments and set the dividend base date and other related matters.
- IV. 2022 Distribution Table of Net Profit is attached in Attachment IV of the Meeting Handbook, page 32.
- V. Please ratify.

Resolution:

Matters for Discussion

Proposal 1 (Proposed by the Board of Directors)

Cause of Action: Amendment for some articles of the "Articles of Incorporation," please discuss.

Description:

- I. Cooperate with the establishment of a functional committee under the board of directors of the company "Corporate Governance and Sustainable Development Committee" and some articles of the Company's Articles are revised.
- II. Comparison Table for the Amendment is attached in Attachment VII of the Meeting Handbook, pages 46~47.
- III. Please discuss.

Resolution:

Proposal 2 (Proposed by the Board of Directors)

Cause of Action: Amendment for some articles of the "Director Election Method", please discuss.

Description:

- I. According to the Taipei Exchange TPEx Regulatory Announcement No. 10900582661, the "○○ Co., Ltd. Director Election Procedures" reference example revision.
- II. Comparison Table for the Amendment is attached in Attachment VIII of the Meeting Handbook, pages 48~52.
- III. Please discuss.

Resolution:

Proposal 3 (Proposed by the Board of Directors)

Cause of Action: Amendment for some articles of the "Procedures for the Acquisition or Disposal of Assets", please discuss.

Description:

- I. Adapting to the Company's practical needs, to amend some provisions of the Company's "Procedures for the Acquisition or Disposal of Assets", please discuss.
- II. Comparison Table for the Amendment is attached in Attachment IX of the Meeting Handbook, pages 53~102.
- III. Please discuss.

Resolution:

Extemporany motions

Meeting Adjourned

TMP Steel Corporation

2022 Business Report

I. 2022 Business Accomplishments

(I) Accomplishments in Implementation of the Operation Plan

In fiscal 2022, TMP Steel Corporation's revenue reached a record high due to robust demand for steel bars in construction, the expansion of the plant at the Changhua Coastal Industrial Park and the growth in steel trading sales, while its profitability stood out on the back of the significant increase in production and sales scale and the effective control of management and marketing expenses. The consolidated operating revenue for the full year of 2022 is NT 6,630,495 thousand, an increase of 49.42% compared to 2021, and the profit before tax in 2021 is NT 221,059 thousand, an increase of 208.78% compared to 2021.

consolidated operating revenue and profit before tax

Unit: NT thousands ; %

Item	2022	2021	Growth rate (%)
Operating revenue	6,630,495	4,437,556	49.42
Net operating margin	399,522	215,600	85.31
Operating profit	232,309	74,605	211.39
Profit before income tax	221,059	71,592	208.78

(II) Financial revenue and expenditure and profitability

- The net cash inflow from consolidated operating activities for the year was NT337,584 thousand, primarily driven by profit growth; the net cash inflow from consolidated investing activities stood at NT99,563 thousand, largely attributable to a decrease in pledged deposits; and the net cash outflow from consolidated financing activities amounted to NT109,781 thousand, which was a result of cash capital increase and issuance of corporate bonds to repay bank loans and matured corporate bonds.

2. Expenditure and Profitability

Analysis Item	Year	2022	2021
	Return on assets (%)		8.10
Return on equity (%)		19.13	10.42
Profitability	Operating profit to paid-in capital ratio (%)	38.26	16.32
	Pre-tax net profit to paid-in capital ratio (%)	36.41	15.66
	Earnings per share(in dollars)	3.32	1.62

II. Overview of 2023 Operation Plan

The Company will continue to utilize the Group's upstream and downstream integrated resources to provide customized rebar processing and vertical integration services according to customers' needs, and to arrange for immediate delivery of steel bars to local customers in order to shorten product manufacturing time and reduce customers' own inventory preparation. In addition to consolidating sales to existing customers, the Company has been actively developing new customers to increase its market share and keeping an eye on the trend of price changes in the steel rebar market to adjust its sales strategy in a timely manner in order to boost profit margins. Further, TMP Steel Corp has embarked on the promotion of environmental, social and corporate governance (ESG) initiatives last year, and is working towards the goal of sustainable development this year by building, reviewing and improving the business environment for sustainable development year by year to ensure that the interests of its stakeholders are protected.

III. Future Company Development Strategy

In response to customer demand, the Company is building new steel processing plants in the Tainan Sinshih Industrial Park and Changhua Coastal Industrial Park, continuing to create its own sales channels and storage space for steel products across the nation to cater to customers' needs for construction steel processing.

IV. Impacts from External Competition, Regulatory Environment, and Overall Operational Setting

The Company stays abreast of the macroeconomic environment and market trends and introduces immediate contingency measures to address the risks

arising from the fluctuations to ensure that the interests of its stakeholders are safeguarded.

Finally, on behalf of the TMP Steel Corporation team and all employees, I would like to thank all shareholders for your support and encourage over the past year. For the coming year, the Company will work even harder to reach the maximum internal consensus so that we can work better to deal with challenges in the future. It is also my hope that all of you can continue to provide us with guidance and advice. My most sincere gratitude and best wishes.

I wish everyone good health and the best in all of your endeavors.

Chairman:
Ching-Li Yen

President:
Yun-Yhieh Yang

Accounting Manager:
Uei-Ling Wang

(Attachment II)

TMP Steel Corporation Audit Committee's Review Report

Board of Directors sent the company's 2022 annual business report, financial statements and the distribution of surpluses to the company. The financial statements have also been audited by accountants Tien, Chung-Yu and Lin, Tzu-Shu of PricewaterhouseCoopers in Taiwan, and an unqualified audit report has been issued.

The Audit Committee has completed the verification of the business mentioned above report, individual financial statements, and the proposal for the distribution of surpluses. It is of the opinion that there was no discrepancy therein. Therefore, a statement is announced as above per the provisions of Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act for your review and verification.

To the 2023 Annual Meeting of Shareholders of TMP Steel Corporation

TMP Steel Corporation

Audit Committee Convener : Ti-miao Wu

March 10, 2023

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of TMP Steel Corporation

Opinion

We have audited the accompanying consolidated balance sheets of TMP Steel Corporation and its subsidiary (the "Group") as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

Existence of sales revenue from steel building materials

Description

Refer to Note 4(28) for accounting policy on revenue recognition and Note 6(20) for details of operating revenue. The Group's operating revenue for the year ended December 31, 2022 was \$6,630,495 thousands.

The Group is primarily engaged in the sales of steel building materials. As the Group has numerous trading counterparties and a high volume of transactions which would require a longer period for verification, we considered the existence of sales revenue from steel building materials a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Understood the design and assessed the effectiveness of the internal controls over sales revenue.
- B. Assessed basic information of major customers, including the details of person in charge, registered address, operating address, relationships with these major customers, and further evaluated the reasonableness of transactions and whether they were related to major suppliers.
- C. Selected samples of sales transactions and performed the following procedures:
 - (a) Verified whether sales transactions have original supporting documents including confirming orders, shipping documents and invoices.
 - (b) Ascertained whether material accounts receivable have been offset against the same parties to which the sales were made.
 - (c) Inspected whether there were any recurring or significant sales returns after the stated period and whether there were any abnormalities in payment collections after the stated period.
- D. Selected samples from sales transactions and sent to corresponding parties for external confirmation. Performed alternative audit procedures when responses to confirmation requests were not received on time.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of TMP Steel Corporation as at and for the years ended December 31, 2022 and 2021

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

Those charged with governance, including audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

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

Independent Accountants
Tien, Chung-Yu
Lin, Tzu-Shu

PricewaterhouseCoopers, Taiwan
Republic of China
March 10, 2023

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TMP STEEL CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 506,125	23	\$ 178,759	7
1136	Financial assets at amortised cost - current	6(1)(4) and 8	30,000	2	186,995	8
1150	Notes receivable, net	6(5) and 7	115,899	5	88,445	4
1170	Accounts receivable, net	6(5) and 12	833,382	38	878,253	36
1180	Accounts receivable - related parties	6(5), 7 and 12	206	-	198,560	8
1200	Other receivables	7	4,093	-	311	-
130X	Inventories	6(6)	177,495	8	247,045	10
1410	Prepayments	6(7)	43,443	2	203,964	8
11XX	Total current assets		<u>1,710,643</u>	<u>78</u>	<u>1,982,332</u>	<u>81</u>
Non-current assets						
1600	Property, plant and equipment	6(9), 7 and 8	405,248	19	365,957	15
1755	Right-of-use assets	6(9)(10)	41,902	2	73,300	3
1780	Intangible assets		887	-	1,202	-
1840	Deferred income tax assets	6(27)	2,740	-	4,454	-
1915	Prepayments for equipment		2,494	-	-	-
1920	Guarantee deposits paid		18,464	1	20,191	1
15XX	Total non-current assets		<u>471,735</u>	<u>22</u>	<u>465,104</u>	<u>19</u>
1XXX	Total assets		<u>\$ 2,182,378</u>	<u>100</u>	<u>\$ 2,447,436</u>	<u>100</u>

(Continued)

TMP STEEL CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(11) and 8	\$ -	-	\$ 222,181	9
2120	Financial liabilities at fair value through profit or loss - current	6(2)	120	-	-	-
2130	Contract liabilities - current	6(20)	189,454	9	285,223	12
2150	Notes payable		13,877	1	25,194	1
2170	Accounts payable		2,446	-	485	-
2180	Accounts payable - related parties	7	247,084	11	513,470	21
2200	Other payables	6(12) and 7	98,235	5	68,327	3
2230	Current income tax liabilities	6(27)	35,219	2	3,859	-
2280	Lease liabilities - current	6(10)	7,226	-	22,190	1
2320	Long-term liabilities, current portion	6(13)(14) and 8	29,550	1	307,903	12
2399	Other current liabilities		805	-	641	-
21XX	Total current liabilities		<u>624,016</u>	<u>29</u>	<u>1,449,473</u>	<u>59</u>
Non-current liabilities						
2530	Corporate bonds payable	6(13) and 8	189,066	8	-	-
2540	Long-term borrowings	6(14) and 8	190,647	9	233,110	10
2570	Deferred income tax liabilities	6(27)	112	-	-	-
2580	Lease liabilities - non-current	6(10)	37,372	2	54,253	2
2640	Net defined benefit liabilities - non-current	6(15)	40	-	40	-
25XX	Total non-current liabilities		<u>417,237</u>	<u>19</u>	<u>287,403</u>	<u>12</u>
2XXX	Total liabilities		<u>1,041,253</u>	<u>48</u>	<u>1,736,876</u>	<u>71</u>
Share capital						
3110	Common stock	6(13)(16)	607,115	28	457,115	19
3200	Capital surplus	6(13)(16)(17)(18)	303,329	14	145,039	6
Retained earnings						
3310	Legal reserve	6(3)(19)	27,371	1	21,871	1
3320	Special reserve		5,110	-	5,110	-
3350	Unappropriated retained earnings		198,200	9	81,425	3
3XXX	Total equity		<u>1,141,125</u>	<u>52</u>	<u>710,560</u>	<u>29</u>
SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS						
SIGNIFICANT EVENTS AFTER BALANCE SHEETDATE						
3X2X	Total liabilities and equity		<u>\$ 2,182,378</u>	<u>100</u>	<u>\$ 2,447,436</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.

TMP STEEL CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	For the years ended December 31,			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(20) and 7	\$ 6,630,495	100	\$ 4,437,556	100
5000	Operating costs	6(6)(10)(15)(25)(26) and 7	(6,230,973)	(94)	(4,221,956)	(95)
5900	Net operating margin		<u>399,522</u>	<u>6</u>	<u>215,600</u>	<u>5</u>
	Operating expenses	6(10)(15)(18)(25)(26) and 7				
6100	Selling expenses		(123,041)	(2)	(97,670)	(3)
6200	General and administrative expenses		(51,372)	(1)	(43,659)	(1)
6450	Expected credit gains	12	<u>7,200</u>	-	<u>334</u>	-
6000	Total operating expenses		(<u>167,213</u>)	(<u>3</u>)	(<u>140,995</u>)	(<u>4</u>)
6900	Operating profit		<u>232,309</u>	<u>3</u>	<u>74,605</u>	<u>1</u>
	Non-operating income and expenses					
7100	Interest income	6(4)(21)	1,338	-	187	-
7010	Other income	6(2)(3)(22) and 7	3,452	-	920	-
7020	Other gains and losses	6(2)(10)(23)	(3,199)	-	7,731	-
7050	Finance costs	6(10)(24) and 7	(12,841)	-	(11,851)	-
7000	Total non-operating income and expenses		(<u>11,250</u>)	-	(<u>3,013</u>)	-
7900	Profit before income tax		<u>221,059</u>	<u>3</u>	<u>71,592</u>	<u>1</u>
7950	Income tax expense	6(27)	(<u>43,930</u>)	-	(<u>13,553</u>)	-
8200	Net income for the year		<u>\$ 177,129</u>	<u>3</u>	<u>\$ 58,039</u>	<u>1</u>
	Other comprehensive loss					
	Components of other comprehensive loss that will not be reclassified to profit or loss					
8316	Unrealised losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(3)	\$ -	-	(\$ 2,261)	-
8500	Total comprehensive income for the year		<u>\$ 177,129</u>	<u>3</u>	<u>\$ 55,778</u>	<u>1</u>
	Profit attributable to:					
8610	Owners of the parent		<u>\$ 177,129</u>	<u>3</u>	<u>\$ 58,039</u>	<u>1</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		<u>\$ 177,129</u>	<u>3</u>	<u>\$ 55,778</u>	<u>1</u>
	Earnings per share (in dollars)	6(28)				
9750	Basic		<u>\$ 3.32</u>		<u>\$ 1.62</u>	
9850	Diluted		<u>\$ 2.79</u>		<u>\$ 1.33</u>	

The accompanying notes are an integral part of these consolidated financial statements.

TMP STEEL CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent					Total equity
	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	
For the year ended December 31, 2021						
Balance at January 1, 2021	\$ 306,752	\$ 6,117	\$ 16,914	\$ 5,110	\$ 68,189	(\$ 132)
Net income for the year ended December 31, 2021	-	-	-	-	58,039	-
Other comprehensive loss for the year ended December 31, 2021	-	-	-	-	-	(2,261)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	58,039	(2,261)
Distribution of 2020 net income:						
Legal reserve	-	-	4,957	-	(4,957)	-
Cash dividends	-	-	-	-	(36,810)	-
Issuance of common stock for cash	150,000	135,000	-	-	-	-
Disposal of financial assets at fair value through other comprehensive income	-	-	-	-	-	-
Repurchase of convertible corporate bonds	-	(587)	-	-	(2,393)	2,393
Conversion of corporate bonds into common stock	363	628	-	-	(643)	-
Compensation cost of employee stock options	-	3,881	-	-	-	-
Balance at December 31, 2021	\$ 457,115	\$ 145,039	\$ 21,871	\$ 5,110	\$ 81,425	\$ 3,881
For the year ended December 31, 2022						
Balance at January 1, 2022	\$ 457,115	\$ 145,039	\$ 21,871	\$ 5,110	\$ 81,425	\$ 710,560
Net income for the year ended December 31, 2022	-	-	-	-	177,129	-
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	177,129	-
Distribution of 2021 net income:						
Legal reserve	-	-	5,500	-	(5,500)	-
Cash dividends	-	-	-	-	(54,854)	-
Issuance of common stock for cash	150,000	150,000	-	-	-	-
Compensation cost of employee stock options	-	107	-	-	-	-
Issuance of convertible corporate bonds	-	8,183	-	-	-	-
Balance at December 31, 2022	\$ 607,115	\$ 303,329	\$ 27,371	\$ 5,110	\$ 198,200	\$ 1,141,125

The accompanying notes are an integral part of these consolidated financial statements.

TMP STEEL CORPORATION AND ITS SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 221,059	\$ 71,592
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on financial assets and liabilities at fair value through profit or loss	6(2)(23)	(350)	(7,061)
Unrealised foreign exchange loss		-	1,062
Expected credit gain	12	(7,200)	(334)
Depreciation	6(9)(10)(25)	28,410	33,881
Net gain on disposal of property, plant and equipment	6(23)	(316)	(98)
Property, plant and equipment transferred to expenses	6(9)	730	-
Gain from lease modification	6(10)(23)	(914)	(182)
Amortisation	6(25)	539	782
Gain on repurchase of corporate bonds	6(23)	-	(889)
Compensation cost of employee stock options	6(17)(18)(26)	107	3,881
Interest income	6(21)	(1,338)	(187)
Dividend income	6(22)	-	(659)
Interest expense	6(24)	12,841	11,851
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(27,454)	6,873
Accounts receivable		52,071	(356,319)
Accounts receivable - related parties		198,354	(194,870)
Other receivables		(3,782)	1,201
Inventories		69,550	(107,559)
Prepayments		160,521	(191,697)
Changes in operating liabilities			
Contract liabilities - current		(95,769)	179,867
Notes payable		(11,317)	13,779
Accounts payable		1,961	171
Accounts payable - related parties		(266,386)	351,056
Other payables		22,890	22,460
Other current liabilities		164	413
Cash inflow (outflow) generated from operations		354,371	(160,986)
Interest received		1,338	187
Dividends received		-	659
Interest paid		(7,381)	(5,489)
Income tax paid		(10,744)	(23,188)
Net cash flows from (used in) operating activities		337,584	(188,817)

(Continued)

TMP STEEL CORPORATION AND ITS SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in financial assets at amortised cost - current		\$ 156,995	(\$ 88,456)
Acquisition of financial assets at fair value through profit or loss - current		470	-
Proceeds from disposal of financial assets at fair value through profit or loss - current		-	31,489
Acquisition of financial assets at fair value through other comprehensive income - current		-	(148,678)
Proceeds from disposal of financial assets at fair value through other comprehensive income - current	6(3)	-	146,641
Proceeds from capital reduction of financial assets at fair value through other comprehensive income - current	6(3)	-	3,169
Cash paid for acquisition of property, plant and equipment	6(29)	(59,266)	(107,464)
Proceeds from disposal of property, plant and equipment		2,355	326
Acquisition of intangible assets		(224)	(165)
Increase in prepayment for equipment		(2,494)	-
Decrease in guarantee deposits paid		1,727	5,868
Net cash flows from (used in) investing activities		99,563	(157,270)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(30)	343,086	92,181
Decrease in short-term borrowings	6(30)	(565,267)	-
Payment of lease liabilities	6(30)	(8,520)	(23,167)
Issuance of convertible corporate bonds	6(30)	201,000	-
Decrease in corporate bonds payable	6(30)	(281,943)	-
Repurchase of convertible corporate bonds	6(30)	-	(22,535)
Increase in long-term borrowings	6(30)	20,000	147,300
Decrease in long-term borrowings	6(30)	(63,283)	(17,552)
Issuance of common stock for cash	6(16)	300,000	285,000
Payment of cash dividends	6(19)	(54,854)	(36,810)
Net cash flows (used in) from financing activities		(109,781)	424,417
Net increase in cash and cash equivalents		327,366	78,330
Cash and cash equivalents at beginning of year	6(1)	178,759	100,429
Cash and cash equivalents at end of year	6(1)	\$ 506,125	\$ 178,759

The accompanying notes are an integral part of these consolidated financial statements.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of TMP Steel Corporation

Opinion

We have audited the accompanying parent company only balance sheets of TMP Steel Corporation (the "Company") as of December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2022 parent company only financial statements are stated as follows:

Existence of sales revenue from steel building materials

Description

Refer to Note 4(27) for accounting policy on revenue recognition and Note 6(20) for details of operating revenue. The Company's operating revenue for the year ended December 31, 2022 was \$6,630,495 thousands.

The Company is primarily engaged in the sales of steel building materials. As the Company has numerous trading counterparties and a high volume of transactions which would require a longer period for verification, we considered the existence of sales revenue from steel building materials a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Understood the design and assessed the effectiveness of the internal controls over sales revenue.
- B. Assessed basic information of major customers, including the details of person in charge, registered address, operating address, relationships with these major customers, and further evaluated the reasonableness of transactions and whether they were related to major suppliers.
- C. Selected samples of sales transactions and performed the following procedures:
 - (a) Verified whether sales transactions have original supporting documents including confirming orders, shipping documents and invoices.
 - (b) Ascertained whether material accounts receivable have been offset against the same parties to which the sales were made.
 - (c) Inspected whether there were any recurring or significant sales returns after the stated period and whether there were any abnormalities in payment collections after the stated period.
- D. Selected samples from sales transactions and sent to corresponding parties for external confirmation. Performed alternative audit procedures when responses to confirmation requests were not received on time.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

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

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

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

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

Tien, Chung-Yu

Independence Accountants

Lin, Tzu-Shu

PricewaterhouseCoopers, Taiwan

Republic of China

March 10, 2023

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TMP STEEL CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 505,142	23	\$ 178,759	7
1136	Financial assets at amortised cost - current	6(1)(4) and 8	30,000	2	186,995	8
1150	Notes receivable, net	6(5) and 7	115,899	5	88,445	4
1170	Accounts receivable, net	6(5) and 12	833,382	38	878,253	36
1180	Accounts receivable - related parties	6(5), 7 and 12	206	-	198,560	8
1200	Other receivables	7	4,093	-	311	-
130X	Inventories	6(6)	177,495	8	247,045	10
1410	Prepayments	6(7)	43,443	2	203,964	8
11XX	Total current assets		<u>1,709,660</u>	<u>78</u>	<u>1,982,332</u>	<u>81</u>
Non-current assets						
1550	Investments accounted for using equity method	6(8)	983	-	-	-
1600	Property, plant and equipment	6(9), 7 and 8	405,248	19	365,957	15
1755	Right-of-use assets	6(9)(10)	41,902	2	73,300	3
1780	Intangible assets		887	-	1,202	-
1840	Deferred income tax assets	6(27)	2,740	-	4,454	-
1915	Prepayments for equipment		2,494	-	-	-
1920	Guarantee deposits paid		18,464	1	20,191	1
15XX	Total non-current assets		<u>472,718</u>	<u>22</u>	<u>465,104</u>	<u>19</u>
1XXX	Total assets		<u>\$ 2,182,378</u>	<u>100</u>	<u>\$ 2,447,436</u>	<u>100</u>

(Continued)

TMP STEEL CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(11) and 8	\$ -	-	\$ 222,181	9
2120	Financial liabilities at fair value through profit or loss - current	6(2)	120	-	-	-
2130	Contract liabilities - current	6(20)	189,454	9	285,223	12
2150	Notes payable		13,877	1	25,194	1
2170	Accounts payable		2,446	-	485	-
2180	Accounts payable - related parties	7	247,084	11	513,470	21
2200	Other payables	6(12) and 7	98,235	5	68,327	3
2230	Current income tax liabilities	6(27)	35,219	2	3,859	-
2280	Lease liabilities - current	6(10)	7,226	-	22,190	1
2320	Long-term liabilities, current portion	6(13)(14) and 8	29,550	1	307,903	12
2399	Other current liabilities		805	-	641	-
21XX	Total current liabilities		<u>624,016</u>	<u>29</u>	<u>1,449,473</u>	<u>59</u>
Non-current liabilities						
2530	Corporate bonds payable	6(13) and 8	189,066	8	-	-
2540	Long-term borrowings	6(14) and 8	190,647	9	233,110	10
2570	Deferred income tax liabilities	6(27)	112	-	-	-
2580	Lease liabilities - non-current	6(10)	37,372	2	54,253	2
2640	Net defined benefit liabilities - non-current	6(15)	40	-	40	-
25XX	Total non-current liabilities		<u>417,237</u>	<u>19</u>	<u>287,403</u>	<u>12</u>
2XXX	Total liabilities		<u>1,041,253</u>	<u>48</u>	<u>1,736,876</u>	<u>71</u>
Share capital						
3110	Common stock	6(13)(16)	607,115	28	457,115	19
3200	Capital surplus	6(13)(16)(17)(18)	303,329	14	145,039	6
Retained earnings						
3310	Legal reserve	6(3)(19)	27,371	1	21,871	1
3320	Special reserve		5,110	-	5,110	-
3350	Unappropriated retained earnings		198,200	9	81,425	3
3XXX	Total equity		<u>1,141,125</u>	<u>52</u>	<u>710,560</u>	<u>29</u>
SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS						
SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE						
3X2X	Total liabilities and equity		<u>\$ 2,182,378</u>	<u>100</u>	<u>\$ 2,447,436</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

TMP STEEL CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for earning per share amounts)

Items	Notes	For the years ended December 31,			
		2022		2021	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(20) and 7	\$ 6,630,495	100	\$ 4,437,556	100
5000 Operating costs	6(6)(10)(15)(25)(26) and 7	(6,230,973)	(94)	(4,221,956)	(95)
5900 Net operating margin		399,522	6	215,600	5
Operating expenses	6(10)(15)(18)(25)(26) and 7				
6100 Selling expenses		(123,041)	(2)	(97,670)	(3)
6200 General and administrative expenses		(51,354)	(1)	(43,659)	(1)
6450 Expected credit gains	12	7,200	-	334	-
6000 Total operating expenses		(167,195)	(3)	(140,995)	(4)
6900 Operating profit		232,327	3	74,605	1
Non-operating income and expenses					
7100 Interest income	6(4)(21)	1,337	-	187	-
7010 Other income	6(2)(3)(22) and 7	3,452	-	920	-
7020 Other gains and losses	6(2)(10)(23)	(3,199)	-	7,731	-
7050 Finance costs	6(10)(24) and 7	(12,841)	-	(11,851)	-
7070 Share of loss of subsidiaries, associates and joint ventures accounted for using equity method	6(8)	(17)	-	-	-
7000 Total non-operating income and expenses		(11,268)	-	(3,013)	-
7900 Profit before income tax		221,059	3	71,592	1
7950 Income tax expense	6(27)	(43,930)	-	(13,553)	-
8200 Net income for the year		\$ 177,129	3	\$ 58,039	1
Other comprehensive loss					
Components of other comprehensive loss that will not be reclassified to profit or loss					
8316 Unrealised losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(3)	\$ -	-	(\$ 2,261)	-
8500 Total comprehensive income for the year		\$ 177,129	3	\$ 55,778	1
Earnings per share (in dollars)	6(28)				
9750 Basic		\$ 3.32		\$ 1.62	
9850 Diluted		\$ 2.79		\$ 1.33	

The accompanying notes are an integral part of these parent company only financial statements.

TMP STEEL CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Other Equity Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve		
For the year ended December 31, 2021							
Balance at January 1, 2021		\$ 306,752	\$ 6,117	\$ 16,914	\$ 5,110	\$ 68,189	\$ 402,950
Net income for the year ended December 31, 2021		-	-	-	-	58,039	58,039
Other comprehensive loss for the year ended December 31, 2021	6(3)	-	-	-	-	(2,261)	(2,261)
Total comprehensive income (loss) for the year ended December 31, 2021		-	-	-	-	58,039	55,778
Distribution of 2020 net income:							
Legal reserve		-	-	4,957	-	(4,957)	-
Cash dividends	6(19)	-	-	-	-	(36,810)	(36,810)
Issuance of common stock for cash	6(16)(17)	150,000	135,000	-	-	-	285,000
Disposal of financial assets at fair value through other comprehensive income	6(3)	-	-	-	-	-	-
Repurchase of convertible corporate bonds	6(17)	-	(587)	-	-	(2,393)	(2,393)
Conversion of corporate bonds into common stock	6(13)(16)(17)	363	628	-	-	643	(1,230)
Compensation cost of employee stock options	6(17)(18)(26)	-	3,881	-	-	-	991
Balance at December 31, 2021		\$ 457,115	\$ 145,039	\$ 21,871	\$ 5,110	\$ 81,425	\$ 710,560
For the year ended December 31, 2022							
Balance at January 1, 2022		\$ 457,115	\$ 145,039	\$ 21,871	\$ 5,110	\$ 81,425	\$ 710,560
Net income for the year ended December 31, 2022		-	-	-	-	177,129	177,129
Total comprehensive income for the year ended December 31, 2022		-	-	-	-	177,129	177,129
Distribution of 2021 net income:							
Legal reserve		-	-	5,500	-	(5,500)	-
Cash dividends	6(19)	-	-	-	-	(54,854)	(54,854)
Issuance of common stock for cash	6(16)(17)	150,000	150,000	-	-	-	300,000
Compensation cost of employee stock options	6(17)(18)(26)	-	107	-	-	-	107
Issuance of convertible corporate bonds	6(17)	-	8,183	-	-	-	8,183
Balance at December 31, 2022		\$ 607,115	\$ 303,329	\$ 27,371	\$ 5,110	\$ 198,200	\$ 1,141,125

The accompanying notes are an integral part of these parent company only financial statements.

TMP STEEL CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 221,059	\$ 71,592
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on financial assets and liabilities at fair value through profit or loss	6(2)(23)	(350)	(7,061)
Unrealised foreign exchange loss		-	1,062
Expected credit gain	12	(7,200)	(334)
Share of loss of subsidiaries, associates and joint ventures accounted for using equity method	6(8)	17	-
Depreciation	6(9)(10)(25)	28,410	33,881
Net gain on disposal of property, plant and equipment	6(23)	(316)	(98)
Property, plant and equipment transferred to expenses	6(9)	730	-
Gain from lease modification	6(10)(23)	(914)	(182)
Amortisation	6(25)	539	782
Gain on repurchase of corporate bonds	6(23)	-	(889)
Compensation cost of employee stock options	6(17)(18)(26)	107	3,881
Interest income	6(21)	(1,337)	(187)
Dividend income	6(22)	-	(659)
Interest expense	6(24)	12,841	11,851
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(27,454)	(6,873)
Accounts receivable		52,071	(356,319)
Accounts receivable - related parties		198,354	(194,870)
Other receivables		(3,782)	(1,201)
Inventories		69,550	(107,559)
Prepayments		160,521	(191,697)
Changes in operating liabilities			
Contract liabilities - current		(95,769)	(179,867)
Notes payable		(11,317)	(13,779)
Accounts payable		1,961	171
Accounts payable - related parties		(266,386)	(351,056)
Other payables		22,890	22,460
Other current liabilities		164	413
Cash inflow (outflow) generated from operations		354,389	(160,986)
Interest received		1,337	187
Dividends received		-	659
Interest paid		(7,381)	(5,489)
Income tax paid		(10,744)	(23,188)
Net cash flows from (used in) operating activities		337,601	(188,817)

(Continued)

TMP STEEL CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in financial assets at amortised cost - current		\$ 156,995	(\$ 88,456)
Acquisition of financial liabilities at fair value through profit or loss - current		470	-
Proceeds from disposal of financial assets at fair value through profit or loss - current		-	31,489
Acquisition of financial assets at fair value through other comprehensive income - current		-	(148,678)
Proceeds from disposal of financial assets at fair value through other comprehensive income - current	6(3)	-	146,641
Proceeds from capital reduction of financial assets at fair value through other comprehensive income - current	6(3)	-	3,169
Cash paid for acquisition of investments accounted for using equity method	6(8)	(1,000)	-
Cash paid for acquisition of property, plant and equipment	6(29)	(59,266)	(107,464)
Proceeds from disposal of property, plant and equipment		2,355	326
Acquisition of intangible assets		(224)	(165)
Increase in prepayment for equipment		(2,494)	-
Decrease in guarantee deposits paid		1,727	5,868
Net cash flows from (used in) investing activities		98,563	(157,270)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(30)	343,086	92,181
Decrease in short-term borrowings	6(30)	(565,267)	-
Payment of lease liabilities	6(30)	(8,520)	(23,167)
Issuance of convertible bonds	6(30)	201,000	-
Decrease in corporate bonds payable	6(30)	(281,943)	-
Repurchase of convertible corporate bonds	6(30)	-	(22,535)
Increase in long-term borrowings	6(30)	20,000	147,300
Decrease in long-term borrowings	6(30)	(63,283)	(17,552)
Issuance of common stock for cash	6(16)	300,000	285,000
Payment of cash dividends	6(19)	(54,854)	(36,810)
Net cash flows (used in) from financing activities		(109,781)	424,417
Net increase in cash and cash equivalents		326,383	78,330
Cash and cash equivalents at beginning of year	6(1)	178,759	100,429
Cash and cash equivalents at end of year	6(1)	\$ 505,142	\$ 178,759

The accompanying notes are an integral part of these parent company only financial statements.

TMP Steel Corporation
2022 Distribution Table of Net Profit

Summary	Unit: NTD Amount
Undistributed Surplus Earnings at the Beginning of the Year	21,071,308
Plus:Net profit after tax in the current period	177,128,805
10% legal reserve	(17,712,881)
Distributable Earnings	180,487,232
Assign items :	
Cash Dividends to Common Share Holders (NTD 2 per share)	(123,116,108)
Undistributed Surplus Earnings at the End of the Year	57,371,124

Note :

1. The order for the distribution of earnings of the year prioritizes the distribution of earnings for 2022, and the insufficient amount shall be supplemented by the undistributed earnings from the last period.
2. The cash dividend is made based on the total dividend distributed to an individual shareholder; the amount will be rounded down to the nearest whole number, and the fractional balance of all dividends less than NT\$1 will be summed up and recognized in other income of the Company.

Chairman:
Ching-Li Yen

President:
Yun-Yhieh Yang

Accounting Manager:
Uei-Ling Wang

TMP Steel Corporation
Sustainable Development Best Practice Principles

Chapter I General Principles

Article 1

Fulfill the corporate social responsibility initiatives and promote economic, environmental, and social advancement for purposes of sustainable development, refer to the Taiwan Stock Exchange Corporation ("TWSE") and Taipei Exchange ("TPEX") (collectively referred to as "TWSE /TPEX listed companies") jointly adopt the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies ", formulate the company's "Sustainable Development Best Practice Principles" (hereinafter referred to as "the principles") to Manage the impact on the economy and the environment, social risks, and impacts.

Article 2

The scope of the application includes the entire operations of each such company and its business group.

The Principles encourage the company to actively fulfill sustainable development in the course of their business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community, and society by acting as responsible corporate citizens and to enhance competitive edges built on sustainable development.

Article 3

In promoting sustainable development initiatives, its shall, corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society, and corporate governance.

By the materiality principle, conduct risk assessments of environmental, social, and corporate governance issues about company operations and establish the relevant risk management policy or strategy.

Article 4

Implement sustainable development initiatives, follow the principles below:

- I. Exercise corporate governance.
- II. Foster a sustainable environment.
- III. Preserve public welfare.
- IV. Enhance disclosure of corporate sustainable development information.

Article 5

Take into consideration the correlation between the development of domestic and international sustainable development issues and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems, or relevant management guidelines, and concrete promotion plans for sustainable development programs, which shall be approved by the board of directors and then reported to the shareholders meeting.

When a shareholder proposes a motion involving sustainable development, the company's board of directors reviews and considers including it in the shareholders' meeting agenda.

Chapter 2 Exercising Corporate Governance

Article 6

Establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7

The directors of the company shall exercise the due care of good administrators to urge the company to perform its sustainable development initiatives, examine the results of the implementation

thereof from time to time, and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies.

The board of directors of the company gives full consideration to the interests of stakeholders, including the following matters, in the company's furtherance of its sustainable development objectives:

- I. Identifying the company's sustainable development mission or vision, and declaring its sustainable development policy, systems or relevant management guidelines.
- II. Making sustainable development the guiding principle of the company's operations and development, and ratifying concrete promotional plans for sustainable development initiatives.
- III. Enhancing the timeliness and accuracy of the disclosure of sustainable development information.

The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.

Article 8

On a regular basis, organize education and training on the promotion of sustainable development initiatives, including the promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9

For the purpose of managing sustainable development initiatives, the company creates a governance structure for the promotion of sustainable development, and establishes an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.

Adopt reasonable remuneration policies, ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.

The employee performance evaluation system be combined with sustainable development policies and a clear and effective incentive and discipline system be established.

Article 10

Based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Chapter 3 Fostering a Sustainable Environment

Article 11

Follow relevant environmental laws, regulations, and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 12

Endeavor to utilize energy more efficiently and use renewable materials which have a low impact on the environment to improve the sustainability of natural resources.

Article 13

The company and group companies establish proper environmental management systems based on the characteristics of their industries. Such systems shall include the following tasks:

- I. Collecting sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment.
- II. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be

maintained and whether it is still relevant on a regular basis.

- III. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.

Article 14

To establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.

Article 15

Take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:

- I. Reduce resource and energy consumption of their products and services.
- II. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
- III. Improve recyclability and reusability of raw materials or products.
- IV. Maximize the sustainability of renewable resources.
- V. Enhance the durability of products.
- VI. Improve efficiency of products and services.

Article 16

Improve water use efficiency, properly and sustainably use water resources, and establish relevant management measures.

Shall construct and improve environmental protection treatment facilities to avoid polluting water, air, and land, and use their best efforts to reduce the adverse impact on human health and the

environment by adopting the best practical pollution prevention and control measures.

Article 17

Assess the current and future potential risks and opportunities that climate change may present to enterprises and adopt related measures.

Adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

- I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.
- II. Indirect greenhouse gas emissions: emissions resulting from the utilization of energy such as imported electricity, heating, or steam.
- III. Other indirect emissions: emissions resulting from corporate activities that are not indirect emissions from energy, but are from other sources of emissions owned or controlled by the company.

To compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The companies' carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

Chapter 4 Preserving Public Welfare

Article 18

Comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and the prohibition of discrimination.

To fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:

- I. Presenting a corporate policy or statement on human rights.
- II. Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes.
- III. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.
- IV. In the event of any infringement of human rights, the company shall disclose the processes for handling of the matter with respect to the stakeholders involved.

Comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

Provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. A company shall respond to any employee's grievance in an appropriate manner.

Article 19

Provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article 20

Provide safe and healthful work environments for their employees, including necessary health and first-aid facilities, and shall endeavor

to curb dangers to employees' safety and health and to prevent occupational accidents.

Organize training on safety and health for their employees on a regular basis.

Article 21

Create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.

Establish and implement reasonable employee welfare measures (including remuneration, leave, and other welfare, etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 22

Establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management, and decisions.

Respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with the necessary information and hardware equipment, to improve the negotiation and cooperation among employers, employees, and employee representatives.

By reasonable means, inform employees of operation changes that might have material impacts.

Article 23

Treat customers or consumers of its products or services fairly and reasonably, including according to the following principles: fairness and good faith in contracting, the duty of care and fiduciary duty, truthfulness in advertising and soliciting, the fitness of products or services, notification, and disclosure, commensuration between

compensation and performance, protection of the right to complain, professionalism of salespersons, etc. Said company shall also develop relevant strategies and specific measures for implementation.

Article 24

Take responsibility for their products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company shall ensure the transparency and safety of its products and services. They further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.

Article 25

Ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.

Follow relevant laws, regulations and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 26

Evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society. Provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy, and shall protect personal data provided by consumers.

Article 27

Assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative.

Establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety, and health or labor rights. Prior to engaging in commercial dealings, assess whether there is any record of a supplier's impact on the environment and society and avoid conducting transactions with those against corporate social responsibility policy.

Enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded at any time if the supplier has violated such policy and has caused a significant negative impact on the environment and society of the community of the supply source.

Article 28

Evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

Through equity investment, commercial activities, endowments, volunteering service or other charitable professional services, etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities, and local government agencies relating to community development and community education to promote community development.

Article 29

Through donation, sponsorship, investment, procurement, strategic cooperation, corporate voluntary technical services, or other support

models, resources can be continuously poured into cultural and artistic activities or cultural and creative industries to promote cultural development.

Chapter 5 Enhancing Disclosure of Sustainable Development Information

Article 30

Disclose information according to relevant laws, regulations, and the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and shall fully disclose relevant and reliable information relating to their sustainable development initiatives to improve information transparency.

Relevant information relating to sustainable development which TWSE/TPEX listed companies shall disclose includes:

- I. The policy, systems or relevant management guidelines, and concrete promotion plans for sustainable development initiatives, as resolved by the board of directors.
- II. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
- III. Goals and measures for promoting the sustainable development initiatives established by the companies, and performance in implementation.
- IV. Major stakeholders and their concerns.
- V. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
- VI. Other information relating to sustainable development initiatives.

Article 31

The company shall adopt internationally widely recognized standards or guidelines when producing sustainability reports, to disclose the status of their implementation of the sustainable

development policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports include:

- I. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives.
- II. Major stakeholders and their concerns.
- III. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
- IV. Future improvements and goals.

Chapter 6 Supplementary Provisions

Article 32

At all times monitor the development of domestic and foreign sustainable development standards and the change in the business environment so as to examine and improve their established sustainable development framework and to obtain better results from the promotion of the sustainable development policy.

Article 33

The principles are approved by the audit committee and sent to the board of directors for approval, it will be submitted to the shareholders' meeting, and the same is true for amendments.

Established on February 27, 2023.

2022 Directors' Remuneration

Date: December 31, 2022 ; Unit: NT\$ thousand ; %

Position	Name	Remuneration to directors								Ratio of the sum of A, B, C, and D to after-tax net profit		Related remuneration to those who are also employees								Ratio of the sum of A, B, C, D, E, F, and G to after-tax net profit		Claim of remuneration from re-invested businesses other than subsidiaries
		Rewards (A)		Retirement and pension (B)		Remuneration to directors (C)		Operational expenditure (D)				Salary, bonus, and special expenditure (E)		Retirement and pension (F)		Remuneration to employees (G)						
		The Company	All companies included in the financial statement	The Company	All companies included in the financial statement	The Company	All companies included in the financial statement	The Company	All companies included in the financial statement	The Company	All companies included in the financial statement	The Company	All companies included in the financial statement	The Company	All companies included in the financial statement	Cash value	Stock value	Cash value	Stock value	The Company	All companies included in the financial statement	
Chairman	Taiwan Steel Corporation Representative: Ching-Li Yen	320	320	-	-	253	253	35	35	0.34%	0.34%	2,000	2,000	-	-	225	-	225	-	1.60%	1.60%	None
Director	Tianchuan Investment Co., Ltd. Representative: Yu-Yeh Tsai	240	240	-	-	253	253	40	40	0.30%	0.30%	800	800	-	-	-	-	-	-	0.75%	0.75%	None
Director	Tianchuan Investment Co., Ltd. Representative: Chun-Liang Yeh	240	240	-	-	253	253	35	35	0.30%	0.30%	800	800	36	36	-	-	-	-	0.77%	0.77%	None
Director	Taiwan Steel Corporation Representative: Shih-Chieh Chao	240	240	-	-	253	253	40	40	0.30%	0.30%	-	-	-	-	-	-	-	-	0.30%	0.30%	None
Director	Taiwan Steel Corporation Representative: Kuei-Mei Yang (Note1)	240	240	-	-	253	253	29	29	0.29%	0.29%	-	-	-	-	-	-	-	-	0.29%	0.29%	None
Director	Taiwan Steel Corporation Representative: Yu-Jia Huang (Note1)	240	240	-	-	253	253	25	25	0.29%	0.29%	840	840	-	-	188	-	188	-	0.87%	0.87%	None
Independent Director	Ti-Miao Wu	440	440	-	-	253	253	31	31	0.41%	0.41%	-	-	-	-	-	-	-	-	0.41%	0.41%	None
Independent Director	Kuei-Mei Yang (Note2)	120	120	-	-	-	-	-	-	0.07%	0.07%	-	-	-	-	-	-	-	-	0.07%	0.07%	None
Independent Director	Yen-Te Wu (Note2)	120	120	-	-	-	-	6	6	0.07%	0.07%	-	-	-	-	-	-	-	-	0.07%	0.07%	None
Independent Director	Yu-Chi Huang (Note1)	240	240	-	-	253	253	25	25	0.29%	0.29%	-	-	-	-	-	-	-	-	0.29%	0.29%	None
Independent Director	Su-I Chou (Note1)	240	240	-	-	253	253	25	25	0.29%	0.29%	-	-	-	-	-	-	-	-	0.29%	0.29%	None

- Please describe the payment policy, system, criteria, and structure of remuneration for independent directors and the association between factors such as responsibilities assigned, risks, and time spent, among others, and the value of the rewards paid: The Company may pay its directors for performing tasks of the Company. The Compensation and Remuneration Committee is to bring forth the rewards in the Board of Directors' meeting for them to be finalized.
- Besides those disclosed in the above table, remuneration paid to directors in the most recent year for having provided services to all companies covered in the financial statement (such as consultant, other than employee of the parent company, company listed under financial statements and / or invested entity): None.

Note 1: Newly appointed on April 28, 2022.

Note 2: Resigned on April 28, 2022.

* The remuneration disclosed herein differs from the idea of income as indicated in the Income Tax Act. Therefore, this table is meant for information disclosure only, not for taxation.

TMP Steel Corporation

Comparison Table for the Amendment to the “Articles of Incorporation “

After Amendment	Before Amendment	Explanation
<p>Chapter IV Directors and <u>Functional</u> Committees</p> <p>Article 13</p> <p>Item 1 omitted.</p> <p>In compliance with Articles 14-4 、 14-6 of the Securities and Exchange Law and <u>Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies with Articles 27 stipulated that the Audit Committee, the Remuneration Committee, and the Corporate Governance and Sustainable Development Committee shall be set up separately</u>, which shall consist of all independent directors. The Committee or the members shall be responsible for those responsibilities of Supervisors specified under the Company Law, the Securities and Exchange Law and other relevant regulations.</p> <p><u>The organizational regulations and procedures for exercising powers of the committees referred to in the preceding paragraph shall be formulated</u></p>	<p>Chapter IV Directors and Audit Committees</p> <p>Article 13</p> <p>Item 1 omitted.</p> <p>In compliance with Articles 14-4 of the Securities and Exchange Law, the Corporation shall establish an Audit Committee, which shall consist of all independent directors. The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Law, the Securities and Exchange Law and other relevant regulations.</p>	<p>In cooperation with the company's addition of a functional committee on October 28, 2022 - the Corporate Governance and Sustainable Development Committee, the relevant provisions were amended.</p>

After Amendment	Before Amendment	Explanation
<u>by the board of directors in accordance with Article 14-4 and Article 14-6 of the Securities and Exchange Act and other laws or regulations of the competent authority.</u>		
Article 16 Item 1 omitted.	Article 16 Item 1 omitted. The regulations governing the appointment and exercise of powers by the Remuneration Committee of a Company should be determined by the board of directors accordance with Article 14-6 of Securities and Exchange Act, other laws and the regulations of the authority.	In line with the amendment to Article 13, the item 2 was deleted.
Article 23 Added according to the original article <u>The forty-fourth amendment was made on May 12, 2023.</u>	Article 23 Omitted	Add the date of this revision.

TMP Steel Corporation
Comparison Table for the Amendment to the “Director Election
Method “

After Amendment	Before Amendment	Explanation
<p>Article 1</p> <p>To ensure a just, fair, and open election of directors, these <u>Method</u> are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.</p>	<p>Article 1</p> <p>To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.</p>	Text correction.
<p>Article 6</p> <p>LECTIONS of both directors and supervisors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.</p>	<p>Article 6</p> <p>LECTIONS of both directors and supervisors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. The Company shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee directors and supervisors and may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified directors will be</p>	In accordance with the amendment related to the procedures for the simplified nomination of Directors to Article 192-1 of the Company Act, paragraph 1 is amended.

After Amendment	Before Amendment	Explanation
<p>Item 2 omitted.</p> <p>When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p>	<p>elected</p> <p>Item 2 omitted.</p> <p>When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act and relevant provisions, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p>	<p>Text correction.</p>
<p>Article 8</p> <p>Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.</p>	<p>Article 8</p> <p>Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.</p>	<p>Text correction.</p>
<p>Article 9 (delete)</p>	<p>Article 9</p> <p>If a candidate is a shareholder, a voter must enter the candidate's account name</p>	<p>In accordance with the Order FSC Securities Word No.1080311451</p>

After Amendment	Before Amendment	Explanation
	<p>and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic person shareholder, the name of the governmental organization or juristic person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.</p>	<p>issued by the FSC on 25 April 2019, a candidate nomination system shall be adopted by a company listed on TWSE/TPEX for the election of Directors and supervisors, and shareholders shall elect Directors from the list of candidates; shareholders shall be able to learn the names, academic background and experience of candidates from the list of candidates before the shareholders' meeting, and using the account No. or ID No. of shareholders for the identification of candidates will no longer be necessary; therefore, the Article is deleted.</p>
<p>Article 10</p> <p>Ballots are invalid if one of the following conditions occurs:</p> <p>(I) Ballot papers prepared by persons with the right to convene shall not be used.</p> <p>(II) A blank ballot is placed in the ballot box.</p> <p>(III) The writing is unclear and indecipherable or has been altered.</p> <p>(IV) The candidates <u>filled in are inconsistent with the list of</u></p>	<p>Article 10</p> <p>Ballots are invalid if one of the following conditions occurs:</p> <p>(I) The ballot was not prepared by the board of directors.</p> <p>(II) A blank ballot is placed in the ballot box.</p> <p>(III) The writing is unclear and indecipherable or has been altered.</p> <p>(IV) The candidate whose</p>	<p>Shareholders may convene a shareholders' meeting after obtaining approval from the competent authority under certain circumstances (if the Board fails to make a meeting notice) according to the requirements under Article 173 of the</p>

After Amendment	Before Amendment	Explanation
<p><u>director candidates</u> do not match.</p> <p>(V) Other words or marks are entered in addition to the number of voting rights allotted.</p>	<p>name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.</p> <p>(V) Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.</p> <p>(VI) The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.</p>	<p>Company Act; therefore, the Company intends to align with the requirements and adjust subparagraph 1 of the Article. In addition, in response to the Order FSC Securities Word No.1080311451 issued by the FSC on 25 April 2019, a candidate nomination system shall be adopted by a company listed on TWSE/TPEX for the election of Directors and supervisors, and shareholders shall elect Directors from the list of candidates; therefore, subparagraphs 4 and 5 of the Article are adjusted, and subparagraph 6 is deleted.</p>
<p>Article 13</p> <p>The elected directors shall be notified of their election by the Board of Directors of the Company.</p>	<p>Article 13</p> <p>The board of directors of the Company shall issue notifications to the persons elected as directors.</p>	<p>Text correction.</p>
<p>Article 15</p> <p>These Procedures, and any</p>	<p>Article 15</p> <p>These Procedures, and any</p>	<p>Add revision date.</p>

After Amendment	Before Amendment	Explanation
<p>amendments hereto, shall be implemented after approval by a shareholders meeting.</p> <p><u>The first amendment was made on April 23, 2020.</u></p> <p><u>The second amendment was made on May 12, 2023.</u></p>	<p>amendments hereto, shall be implemented after approval by a shareholders meeting.</p>	

TMP Steel Corporation

Comparison Table for the Amendment to the “Procedures for the Acquisition or Disposal of Assets”

After Amendment	Before Amendment	Explanation
<p>Article 1</p> <p>The procedures formulated <u>in accordance with Article 36-1 of the Securities Exchange Law (hereinafter referred to as this Law) and the Financial Supervisory Commission 「Regulations Governing the Acquisition and Disposal of Assets by Public Companies」</u>.</p>	<p>Article 1</p> <p>The procedures formulated in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>	<p>Indicate the source of the basis for the formulation.</p>
<p>Article 2</p> <p>The <u>company</u> shall handle the acquisition or disposal of assets in compliance with these Regulations; provided, where financial laws or regulations provide otherwise, such provisions shall govern.</p>	<p>Article 2</p> <p>Public companies shall handle the acquisition or disposal of assets in compliance with these Regulations; provided, where financial laws or regulations provide otherwise, such provisions shall govern.</p> <p>When banks, insurance companies, bill finance companies, securities firms, futures commission merchants, leverage transaction merchants, or other financial enterprises whose operation requires special approval, conduct derivatives trading business or engage in derivatives trading, they shall do so in accordance with the provisions of the other laws and regulations that govern their sectors, and are exempt from the provisions of Chapter II, Section IV herein.</p>	<p>Deletion of inapplicable clauses and retouched text.</p>

After Amendment	Before Amendment	Explanation
<p>Article 3</p> <p>The term "assets" as used in the <u>handler</u> procedures includes the following:</p> <p>(The following omitted)</p>	<p>Article 3</p> <p>The term "assets" as used in the procedures includes the following:</p> <p>(The following omitted)</p>	<p>Retouched text.</p>
<p>Article 4</p> <p>Noun defined</p> <p>I. Derivatives: whose value is derived from a <u>specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variables</u> derived forward contracts , option contracts, futures contracts, leveraged margin contracts , exchange contracts, <u>hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</u> The term "<u>forward</u> contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p> <p>II. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act, and other acts, or to transfer of shares from another company through issuance of new shares of its own as the</p>	<p>Article 4</p> <p>Noun defined</p> <p>I. Derivatives: whose value is derived from an asset interest rate, foreign exchange rate, index or other benefits, etc goods derived forward contracts, option contracts, futures contracts, leveraged margin contracts, and exchange contracts, Refers to forward contracts, option contracts, futures contracts, leveraged margin contracts, exchange contracts and a compound contract formed by a combination of the above commodities. The term "long-term contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p> <p>II. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act, and other acts, or to transfer of shares from</p>	<p>Formulated in accordance with Financial Supervisory Commission 「 Regulations Governing the Acquisition and Disposal of Assets by Public Companies 」 Article 4.</p>

After Amendment	Before Amendment	Explanation
<p>consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.</p> <p>III. Related party or subsidiary: As defined in the <u>Regulations Governing the Preparation of Financial Reports by Securities Issuers</u>.</p> <p>IV. (Omit)</p> <p>V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for <u>investment</u> for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.</p> <p>VI. (Omit)</p> <p>VII. <u>Centralized securities depository enterprises: Refer to enterprises engaging in the business of securities depository, book-entry transfer, and the registration of non-physical securities; the domestic securities depository enterprise refers to Taiwan Depository & Clearing Corporation.</u></p>	<p>another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156 item eighth of the Company Act.</p> <p>III. Related party or subsidiary: As defined in the Procedures Governing the Preparation of Financial Reports by Securities Issuers.</p> <p>IV. (Omit)</p> <p>V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.</p> <p>VI. (Omit)</p> <p>VII. Investment—professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures—commission merchants—operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund</p>	

After Amendment	Before Amendment	Explanation
(The following omit)	management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located. (The following omit)	
Article 5 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide <u>the company</u> with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements: (The following omit)	Article 5 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements: (The following omit)	Retouched text
Article 6 The company <u>established</u> procedures for the acquisition or disposal of assets. After the procedures have been approved by the board of directors, they shall be submitted to Audit Committee, and then to a shareholders' meeting for approval; the same applies when the procedures are amended. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to Audit Committee. Where the <u>company</u> position of independent director has been created in accordance with the provisions of the <u>Securities Exchange Law</u> , when the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into	Article 6 A public company shall establish its procedures for the acquisition or disposal of assets in accordance with the provisions of the procedures. After the procedures have been approved by the board of directors, they shall be submitted to Audit Committee, and then to a shareholders' meeting for approval; the same applies when the procedures are amended. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to Audit Committee. Where the position of independent director has been created in accordance with the provisions of the Aet , when the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of	Retouched text

After Amendment	Before Amendment	Explanation
<p>full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the <u>Securities Exchange Law</u> when the procedures for the acquisition and disposal of assets are adopted or amended they shall be approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution.</p> <p>(The following omit)</p>	<p>directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the Aet, when the procedures for the acquisition and disposal of assets are adopted or amended they shall be approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution.</p> <p>(The following omit)</p>	
<p>Article 7</p>	<p>Article 7</p> <p>A public company shall specify the following items in its procedures for the acquisition or disposal of assets, and handle the acquisition or disposal matters in compliance with the procedures:</p> <p>I. The scope of assets.</p> <p>II. Appraisal procedures: Shall include the means of price determination and supporting reference materials.</p> <p>III. Operating procedures: Shall include the degree of authority delegated, the levels to which authority is delegated, the units responsible for implementation, and transaction process.</p> <p>IV. Public announcement and regulatory filing procedures.</p> <p>V. Total amounts of real property and right of use assets thereof or securities acquired by the company and each subsidiary for business use, and limits on individual securities.</p>	<p>Retouched text</p>

After Amendment	Before Amendment	Explanation
<p>The company shall see to it that its subsidiaries adopt and implement the procedures for the acquisition or disposal of assets in compliance with the 「Regulations Governing the Acquisition and Disposal of Assets by Public Companies」.</p>	<p>VI. Control procedures for the acquisition and disposal of assets by subsidiaries.</p> <p>VII. Penalties for personnel violating these Regulations or the procedures for the acquisition or disposal of assets.</p> <p>VIII. Other important matters.</p> <p>A public company that engages in any related party transaction, engages in derivatives trading, or conducts a merger, demerger, acquisition, or transfer of shares of enterprises shall, in addition to conducting such matters in compliance with the provisions of the preceding paragraph, shall also adopt related procedures in accordance with the provisions of Section III through Section V of this Chapter.</p> <p>If a public company does not intend to engage in derivatives trading, it may, after obtaining the approval of the board of directors, be exempted from adopting procedures governing derivatives trading. If it subsequently wishes to engage in derivatives trading, it will still be required first to comply with the provisions of the preceding article and the preceding paragraph before doing so.</p> <p>A public company shall see to it that its subsidiaries adopt and implement the procedures for the acquisition or disposal of assets in compliance with these procedures.</p>	
<p>Article 8 Where the <u>company</u> position of independent director has been created in accordance with the provisions of the <u>Securities Exchange Law</u>, when a</p>	<p>Article 8 Where the position of independent director has been created in accordance with the provisions of the <u>Aet</u>, when a</p>	<p>Retouched text</p>

After Amendment	Before Amendment	Explanation
<p>transaction involving the acquisition or disposal of assets is submitted for discussion by the board of directors pursuant to Article 6, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the <u>Securities Exchange Law</u>, any transaction involving major assets or derivatives shall be approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 6, paragraphs 4 and 5.</p>	<p>transaction involving the acquisition or disposal of assets is submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the Aet, any transaction involving major assets or derivatives shall be approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 6, paragraphs 4 and 5.</p>	
<p>Article 9 The appraisal and operating procedures for acquisition and disposal of negotiable securities I. The definition and scope of investments in securities (I) Financial assets – current: Refer to the investment targets acquired of the Company (i.e., stocks, public bonds, corporate bonds, Securities representing interests in funds, commercial papers, transferrable time certificate of deposits of banks, promissory notes of banks, and treasury bills) may be disposed of in exchange of case at all times without affecting the business</p>	<p>Article 9 The appraisal and operating procedures for acquisition and disposal of negotiable securities I. The definition and scope of investments in securities are as follows: (I) Financial assets – current: Refer to the investment targets acquired by using the self-owned funds of the Company (i.e., stocks, public bonds, corporate bonds, Securities representing interests in funds, commercial papers, transferrable time certificate of deposits of banks, promissory notes</p>	Retouched text

After Amendment	Before Amendment	Explanation
<p>policies of the Company, and the purpose of such targets are not controlling the investees or establishing relationships; the intended holding period shall be no more than one year.</p> <p>(II) Financial assets – non-current: Refer to the investment targets acquired of the Company (i.e., stocks, public bonds, corporate bonds, Securities representing interests in funds, commercial papers, transferrable time certificate of deposits of banks, promissory notes of banks, and treasury bills) may be disposed of in exchange of case at all times without affecting the business policies of the Company, and the purpose of such targets are not controlling the investees or establishing relationships; the intended holding period shall be more than one year.</p> <p>(III) (Omitted)</p> <p>II. Price determination and</p>	<p>of banks, and treasury bills) that have a public market and may be disposed of in exchange of case at all times without affecting the business policies of the Company, and the purpose of such targets are not controlling the investees or establishing relationships; the intended holding period shall be no more than one year or one business eyes.</p> <p>(II) Financial assets – non-current: Refer to the investment targets acquired by using the self-owned funds of the Company (i.e., stocks, public bonds, corporate bonds, Securities representing interests in funds, commercial papers, transferrable time certificate of deposits of banks, promissory notes of banks, and treasury bills) that have a public market and may be disposed of in exchange of case at all times without affecting the business policies of the Company, and the purpose of such targets are not controlling the investees or establishing relationships; the intended holding period shall be more than one year.</p> <p>(III) (Omitted)</p> <p>II. Price determination and</p>	

After Amendment	Before Amendment	Explanation
<p>reference and basis</p> <p>For the acquisition or disposal of securities, the Company shall obtain the latest financial statements of the target company that are certified or reviewed by CPAs prior to the date of occurrence of the event to serve as a reference for evaluating the transaction price. <u>However, this shall not apply to securities with publicly quoted prices in an active market or those otherwise stipulated by the Financial Supervisory Commission.</u></p> <p>III. Engagement of experts for opinions: If the dollar amount of the transaction is 20 percent of the company's paid-in capital or</p>	<p>reference and basis</p> <p>For the acquisition or disposal of securities, the Company shall obtain the latest financial statements of the target company that are certified or reviewed by CPAs prior to the date of occurrence of the event to serve as a reference for evaluating the transaction price. If the short-term investments acquired are bond funds and commercial papers, as stated in item 4, subparagraph 8 of the Article, with an amount less than NT\$20 million, the proposal of an investment analysis and evaluation report is not required.</p> <p>(I) For the acquisition or disposal of securities trading on TWSE or TPEx, the price shall be subject to the market price at the time.</p> <p>(II) For the acquisition or disposals of securities trading on TWSE or TPEx, the price shall be determined by considering the net worth of each share, profitability, future development potentials, market interest rate, coupon rate of bonds, and credit standing of debtors with reference to the transaction price at the time.</p> <p>III. Engagement of experts for opinions: Acquiring or disposing of securities shall, prior to the date of occurrence of the</p>	

After Amendment	Before Amendment	Explanation
<p>NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. However, this requirement does not apply to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>IV. (Omitted)</p> <p>V. <u>The</u> handler shall immediately request the accounting department to carry out relevant accounting procedures once the payment is made and the delivery procedures are completed. The securities acquired and the seal shall be kept by different persons, and a deposit box shall be rented when necessary; if such securities are acquired from TWSE or the OTC market, they shall, in principle, be deposited with a “centralized securities depositary enterprise.”</p>	<p>event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price. If the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. However, this requirement does not apply to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>IV. (Omitted)</p> <p>V. When the Company acquires investment securities, the handler shall immediately request the accounting department to carry out relevant accounting procedures once the payment is made and the delivery procedures are completed. The securities acquired and the seal shall be kept by different persons, and a deposit box shall be rented when necessary; if such securities are acquired from TWSE or the OTC market, they shall, in principle, be deposited with a “centralized</p>	

After Amendment	Before Amendment	Explanation
<p>VI. Before the acquisition and disposal of investment securities, the President shall form an investment project team to propose an investment analysis and evaluation report. <u>Matters related to the disposal of investments shall be performed by the financial and accounting unit</u> according to requirements related to the authority and limit of investment securities stated in subparagraph 8.</p> <p>VII. (Omitted)</p> <p>VIII. The limit and authority of investment securities</p> <p>(I) The Company's investment securities the <u>limit</u> amount exceeds 40% of the paid-in capital.</p> <p>(II) The amount invested in the individual securities shall not exceed 40% of the paid-in capital of the Company.</p>	<p>securities depository enterprise.”</p> <p>VI. Before the acquisition and disposal of investment securities, the President shall form an investment project team to propose an investment analysis and evaluation report. However, if the financial assets disposed of are bond funds and commercial papers, as stated in item 4, subparagraph 8 of the Article, with an amount less than NT\$20 million, the proposal of an investment analysis and evaluation report is not required. After proposing an investment analysis and evaluation report according to the above, matters related to the disposal of investments shall be performed according to requirements related to the authority and limit of investment securities stated in subparagraph 8 of the Article.</p> <p>VII. (Omitted)</p> <p>VIII. The limit and authority of investment securities are as follows:</p> <p>(I) The limit of the Company's investment securities shall be subject to the requirements under the Articles of Incorporation; if the amount exceeds 40% of the paid-in capital, it shall be performed after receiving the approval of the Board.</p> <p>(II) The amount invested in the individual securities</p>	

After Amendment	Before Amendment	Explanation
<p>(III) The performance of the acquisition and disposal of long-term investments shall be subject to the approval of the Board. <u>The remaining shall be subject to the requirements under the “Table of Approval Authority” of the Company.</u></p> <p>(IV) The acquisition of non-current financial assets for investment shall be subject to the approval of the Board, with a precondition that the Company shall be earnings before tax. However, this shall not apply to investments in bonds under repurchase and resale agreements and commercial papers under repurchase and resale agreements.</p> <p>IX. (Omitted)</p> <p>X. (Omitted)</p> <p>XI. The pledge of securities shall be subject to the approval of the <u>Chairman.</u></p>	<p>shall not exceed 40% of the paid-in capital of the Company.</p> <p>(III) The performance of the acquisition and disposal of long-term investments shall be subject to the approval of the Board.</p> <p>(IV) The acquisition of current and non-current financial assets for investment shall be subject to the approval of the Board, with a precondition that the Company shall be earnings before tax. However, this shall not apply to investments in bonds under repurchase and resale agreements and commercial papers under repurchase and resale agreements.</p> <p>IX. (Omitted)</p> <p>X. (Omitted)</p> <p>XI. The pledge of securities shall be subject to the approval of the President.</p>	
<p>Article 10</p> <p>The appraisal and operating procedures for acquisition and disposal of real property and equipment or <u>right-of-use assets:</u></p> <p>I. (omitted)</p> <p>II. Engagement of experts for appraisal reports.</p> <p>In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the</p>	<p>Article 10</p> <p>The appraisal and operating procedures for acquisition and disposal of real property and equipment:</p> <p>I. (omitted)</p> <p>II. Engagement of experts for appraisal reports</p> <p>(+) In acquiring or disposing of real property, equipment, or right-of-use</p>	<p>Revised information on operating procedures and Retouched text</p>

After Amendment	Before Amendment	Explanation
<p>transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>I. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>II. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>III. Where any one of the</p>	<p>assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>A. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>B. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>C. Where any one of the</p>	

After Amendment	Before Amendment	Explanation
<p>following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> 1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. 2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. <p>IV. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not</p>	<p>following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> a. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. b. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. <p>D. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the</p>	

After Amendment	Before Amendment	Explanation
<p>more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>III. Authorized level :</p> <p>(I) <u>If the transaction amount doesn't exceed 20 percent of the company's paid-in capital, handled by the company's "Approval Authority Table".</u></p> <p>(II) <u>If the transaction amount exceeds 20 percent of the company's paid-in capital, it shall be submitted to the board of directors for approval before it can be processed.</u></p>	<p>publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>III. Authorized level :</p> <p>(I) Transactions with a transaction amount less than NT\$10 million shall be performed after receiving the approval of the President. If the Table of Approval Authority otherwise requires, comply with such requirements.</p> <p>(II) Transactions with a transaction amount of more than NT\$10 million but less than NT\$20 million shall be performed after receiving the approval of the Chairman.</p> <p>(III) Transactions with a transaction amount of more than NT\$20 million shall be performed after being reported to and approved by the Board.</p> <p>IV. Content of operation</p> <p>(I) Price comparison and negotiation requirements of the procurement department</p> <p>1. If the unit price of the assets or the total price for procurement in batches is over NT\$100,000, the procurement</p>	

After Amendment	Before Amendment	Explanation
	<p>department shall fill out price inquiry records of at least two suppliers.</p> <p>2. If the unit price or total price exceeds the standards above, and there are only price comparison and negotiation records of one supplier, please describe the reasons.</p> <p>(II) Controlled assets included in the property inventory for control: If the unit price of the assets reaches NT\$2,000 or above, and the useful life reaches two years and above, such assets shall be included in the property inventory for management.</p> <p>(III) Accounted assets included in the property inventory: If the unit price of the assets or the total price for procurement in batches is over NT\$80,000, and the useful life reaches two years and above, the accounting department shall include such assets in the property inventory for depreciation.</p> <p>(IV) Principles and method of asset number: Regardless of new or old assets, they shall be classified and numbered upon the acquisition, and</p>	

After Amendment	Before Amendment	Explanation
	<p>labels shall be attached for identification and for the benefit of management.</p> <p>1. Principles of classification and numbering:</p> <p>1.1. Reflecting asset patterns and categories in principle</p> <p>1.2. Reflect the time of acquisition: Based on year and month.</p> <p>2. Method of classification and numbering: Arrange according to the ERP computer system.</p> <p>3. Method of labeling:</p> <p>3.1. After an asset is numbered, the accounting department shall prepare the account for the asset and notify the department of authority to print the asset label and attach it to the asset at an appropriate location for identification.</p> <p>3.2. The size of the label attached may be adjusted based on the size of the asset; however, it shall be easily identifiable and hard to fall off in principle.</p>	

After Amendment	Before Amendment	Explanation
	<p>V. Property and equipment insurance operation</p> <p>(I) Assets requiring insurance: Regarding the following property and equipment owned by the Company, the management department shall perform relevant insurance procedures as soon as possible.</p> <p>1. Buildings Purchase fire insurance based on the value of a building.</p> <p>2. Vehicles Purchase car insurance, burglary insurance, and casualty insurance for a vehicle.</p> <p>3. Equipment Included in the insured building items.</p> <p>4. Assets with higher risk probability</p> <p>(II) The net carrying amount of property and equipment shall serve as the basis for the insurance contract and the sum assured.</p> <p>1. The Company shall regularly evaluate the total value of assets; when adjustments are required as the sum assured is on the lower side, the Company shall purchase additional insurance.</p> <p>2. If any disaster or accident occurs to an insured asset item, apartment conserving the site or taking photos as evidence,</p>	

After Amendment	Before Amendment	Explanation
	<p style="text-align: center;">the management department shall immediately report the case to the police and shall jointly survey the site with the insurance company and request compensation from the insurance company after obtaining the certifying documents.</p> <p>VI. Transaction procedures: Acquisitions and disposals of property and equipment by the Company shall be subject to the requirements under operations related to the cycle of property, plant and equipment under the internal control system of the Company.</p>	
<p>Article 11 Evaluation and procedures for the acquisition or disposal of derivatives</p> <p>I. Transaction category</p> <p>(I) <u>Classified</u> based on the purpose:</p> <p>1. <u>Non-marketable:</u> Hedging is the purpose of the transaction.</p> <p>2. <u>Non-marketable:</u> Hedging is the purpose of the transaction.</p> <p>(II) <u>By target: Exchange rate, interest rate, stock price, index, and raw materials (steel) related to the production of the Company.</u></p> <p>(III) <u>By instrument:</u></p> <p>1. <u>Basic form: Forward contracts, options, exchanges, and futures.</u></p> <p>2. <u>Compounded form: Interaction and distortion of the abovementioned basic</u></p>	<p>Article 11 Evaluation and procedures for the acquisition or disposal of derivatives</p> <p>I. Transaction category</p> <p>The nature of derivative transactions that the Company engages in is classified into the following based on the purpose:</p> <p>(⊕) <u>Non-marketable:</u> Hedging is the purpose of the transaction.</p> <p>(⊖) <u>Non-marketable:</u> Hedging is the purpose of the transaction. At present, the category of derivative that the Company engages in shall primarily be for avoiding the risk position of exchange rate and interest rate arising from the business operations of the Company; if the Company</p>	<p>Retouched text</p>

After Amendment	Before Amendment	Explanation
<p><u>forms.</u></p> <p>3. <u>Correlated form: The change in the price of a certain target product is affected by the change in the price of another target.</u></p> <p>(IV) <u>By market:</u></p> <ol style="list-style-type: none"> 1. <u>Primary (issuance) market</u> 2. <u>Secondary market – TWSE and TPEX</u> <p>II. <u>Business or hedging strategy</u></p> <p>The purpose of engaging in derivative transactions by the Company shall be avoiding risks. The selection of trading products shall primarily be for avoiding risks arising from the business operations of the Company. <u>Derivative transactions of the Company shall select financial institutions with more favorable conditions to engage in hedging transactions based on Company’s operational requirements to avoid credit risks.</u></p> <p>(I) <u>Scope of hedged target:</u></p> <ol style="list-style-type: none"> 1. <u>Asset and liability positions held.</u> 2. <u>Asset and liability positions expected to be held (i.e., expected transactions are divided into two categories, including those with commitment and those without commitment).</u> <p>(II) <u>Hedged subject: Cover the Company and its subsidiaries.</u></p> <p>(III) <u>Method of delivery:</u></p> <ol style="list-style-type: none"> 1. <u>Full-cash delivery: The purchaser (or seller) enters the market and makes substantial delivery at the full amount of the principal</u> 	<p>intends to engage in transactions of other derivatives, such transactions shall be subject to a resolution approved by the Board.</p> <p>II. <u>Business or hedging strategy</u></p> <p>The purpose of engaging in derivative transactions by the Company shall be avoiding risks. The selection of trading products shall primarily be for avoiding risks arising from the business operations of the Company. For the counterparties of derivative transactions, the Company shall select financial institutions with more favorable conditions to engage in hedging transactions based on Company’s operational requirements to avoid credit risks.</p>	

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<p>at the expiry of the contract.</p> <p>2. <u>Differential delivery: The purchaser (or seller) enters the market and exits the market by performing an inverse transaction of sales (or purchase) to the same counterparty of the transaction before or upon the expiry of the contract by delivering the differences between the price at entry and exit. Spot trading is adopted for hedged positions when necessary. Both methods have positive/negative/inverse gains or losses; therefore, apart from the hedging benefits, such methods are flexible in terms of operation and internal control and may reduce the delivery risks and credit risks.</u></p> <p>(IV) Transaction counterparties: The Company shall select financial institutions with more favorable conditions (including limits, quote, transaction costs, and performance risks) to engage in hedging transactions based on Company's operational requirements to avoid credit risks.</p> <p>III.Division of authority and responsibility (I) (Omitted) (II) (Omitted) (III) (Omitted)</p>	<p>III. Division of authority and responsibility (I) (Omitted) (II) (Omitted) (III) (Omitted)</p>	

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<p>(IV) If the Company engages in derivative transactions with “non-marketable” purpose, the transactions shall be performed in accordance with the following authorization authority:</p> <p>(The following omitted)</p> <p>IV. Performance evaluation</p> <p>(I) Non-marketable: Based on the categories of trading products, after closing on the transaction dates on which the respective contracts expire, the <u>unit</u> of Finance shall use the realized net positions of gains or losses as the basis for the performance evaluation, compare the performance of gain or loss based on the transaction objective set, carry out periodical examinations, and submit the results thereof to the Chairman for review.</p> <p>(II) Marketable: For the realized positions, the finance department shall use the actual positions of gains or losses as the basis for the performance evaluation; as for unrealized positions, the <u>unit</u> shall calculate the net worth of gains or loss and the total amount of open positions on a daily basis based on the daily closing price to serve as a reference for the performance evaluation.</p>	<p>(IV) If the Company engages in derivative transactions with “non-marketable” purpose, the transactions shall be performed in accordance with the following authorization authority:</p> <p>(The following omitted)</p> <p>IV. Performance evaluation</p> <p>(I) Non-marketable: Based on the categories of trading products, after closing on the transaction dates on which the respective contracts expire, the Department of Finance shall use the realized net positions of gains or losses as the basis for the performance evaluation, compare the performance of gain or loss based on the transaction objective set, carry out periodical examinations, and submit the results thereof to the Chairman for review.</p> <p>(II) Marketable: For the realized positions, the finance department shall use the actual positions of gains or losses as the basis for the performance evaluation; as for unrealized positions, the department shall calculate the net worth of gains or loss and the total amount of open positions on a daily basis based on the daily closing price to serve as a reference for the performance</p>	

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<p>V. (Omitted)</p> <p>VI. Cap of losses</p> <p>(I) (Omitted)</p> <p>(II) Marketable: After entering into a transaction contract, a stop loss point shall be set to prevent excessive losses. The setting of the stop loss point shall be <u>limited to</u> not exceeding 3% of the amount of the transaction contract. When exceeding the stop loss point, it shall be immediately reported to the Chairman and to the Board to discuss necessary countermeasures. The cap of annual losses is US\$30,000.</p> <p>VII. Risk management measures</p> <p>(I) Scope of risk management</p> <p>1. (Omitted)</p> <p>2. Market risk management: <u>As described in paragraph 5 and paragraph 6, it is controlled by the “total amount of the contract” and the “cap of losses.” Regardless of marketable or non-marketable transactions, a stop loss point shall be set upon placing the order to prevent sudden and radical reversed development of the market.</u></p> <p>3. Liquidity risk management: <u>For transaction instruments, the Company shall</u></p>	<p>evaluation.</p> <p>V. (Omitted)</p> <p>VI. Cap of losses</p> <p>(I) (Omitted)</p> <p>(II) Marketable: After entering into a transaction contract, a stop loss point shall be set to prevent excessive losses. The setting of the stop loss point shall be not exceeding 3% of the amount of the transaction contract. When exceeding the stop loss point, it shall be immediately reported to the Chairman and to the Board to discuss necessary countermeasures. The cap of annual losses is US\$30,000.</p> <p>VII. Risk management measures</p> <p>(I) Scope of risk management</p> <p>1. (Omitted)</p> <p>2. Market risk management: Select markets with full disclosures on quotations.</p> <p>3. Liquidity risk management: To ensure liquidity, financial institutions that the Company transacts with shall possess abundant equipment, information, and transaction abilities and shall be able to carry out transactions in any market.</p>	

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<p><u>choose those with abundant participants in the market, multiple quotations, and high liquidity to allow the Company to close the positions at any time and exit immediately.</u></p> <p>(The following omitted)</p> <p>VIII. Internal audit</p> <p>Internal auditors shall periodically gain information on the adequacy of the internal control over derivative transactions, perform audits on the compliance of the department engaging in the transactions with the Procedures for Derivative Transaction on a monthly basis, and prepare audit reports. If any material violation is found, they shall notify the Audit Committee in writing.</p> <p>IX. When the Company engages in derivative transactions, the Board shall duly perform supervision and management based on the following principles:</p> <p>(I) (omitted)</p> <p>(II) Regularly evaluate whether the performance of the derivative transactions aligns with the existing business strategies and whether the risks assumed are within the scope of tolerance permitted by the Company.</p> <p>X. (omitted)</p> <p>XI. The Company shall establish a memorandum book when</p>	<p>(The following omitted)</p> <p>VIII. Internal audit</p> <p>Internal auditors shall periodically gain information on the adequacy of the internal control over derivative transactions, perform audits on the compliance of the department engaging in the transactions with the Procedures for Derivative Transaction on a monthly basis, and prepare audit reports. If any material violation is found, they shall notify the Audit Committee in writing.</p> <p>IX. When the Company engages in derivative transactions, the Board shall duly perform supervision and management based on the following principles:</p> <p>(I) (Omitted)</p> <p>(II) Regularly evaluate whether the performance of the derivative transactions aligns with the existing business strategies and whether the risks assumed are within the scope of tolerance permitted by the Company.</p> <p>X. (omitted)</p> <p>XI. The Company shall establish a memorandum book when</p>	

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<p>engaging in derivative transactions and set out the categories, amount of derivative transactions, date of approval by the Board, and matters to be duly evaluated in item 4 of subparagraph 7, item 2 of subparagraph 9, and item 1 of subparagraph 10 in detail.</p>	<p>engaging in derivative transactions and set out the categories, amount of derivative transactions, date of approval by the Board, and matters to be duly evaluated in item 4 of subparagraph 7, item 2 of subparagraph 9, and item 1 of subparagraph 10 of the Article in detail.</p>	
<p>Article 13 I. (Omitted) II. Engagement of experts for opinions: (I) (Omitted) (II) (Omitted) (III) For acquiring or disposing of intangible assets or the right-of-use assets thereof, or memberships, if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, unless the transactions are made with the governmental agencies in <u>Taiwan</u>, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. (IV) (omitted) (V) Executive unit The acquisition and disposal of the company's membership cards, intangible assets, or right-to-use assets are executed by the Finance <u>unit</u> and related responsible units.</p>	<p>Article 13 I. (Omitted) II. Engagement of experts for opinions: (I) (Omitted) (II) (Omitted) (III) For acquiring or disposing disposing of intangible assets or the right-of-use assets thereof, or memberships, if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, unless the transactions are made with the governmental agencies, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. (IV) (omitted) (V) Executive unit The acquisition and disposal of the company's membership cards, intangible assets, or right-to-use assets are executed by the Finance Department and related</p>	

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(The following omitted)	responsible units. (The following omitted)	
<p>Article 14</p> <p>The calculation of the transaction amount in Article 9, Article 10, and Article 13 shall be subject to the requirements under paragraph 2, Article 31 of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies.” "Within the preceding year" as used refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>If the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report <u>or CPA opinion</u>.</p>	<p>Article 14</p> <p>The calculation of the transaction amount in Article 9, Article 10, and Article 13 shall be subject to the requirements under paragraph 2, Article 31 of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies.” "Within the preceding year" as used refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>(⊕) If the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report.</p>	<p>依據金融監督管理委員會「公開發行公司取得或處分資產處理準則」第十三條修訂。</p>
<p>Article 15</p> <p>The appraisal and operating procedures for related party transactions</p> <p>I. When <u>the</u> company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding</p>	<p>Article 15</p> <p>The appraisal and operating procedures for related party transactions</p> <p>When a public company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding</p>	<p>Fine-tuned the text and made amendments according to the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” promulgated by the Financial Supervisory Commission.</p>

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<p>Section and this Section.</p> <p>II. The calculation of the transaction amount referred to in the preceding subparagraph shall be made in accordance with Article 14 herein.</p> <p>III. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>IV. Acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:</p> <p>(I) (Omitted)</p> <p>(II) (Omitted)</p> <p>(III) With respect to the acquisition of real property</p>	<p>Section and this Section.</p> <p>The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 14 herein.</p> <p>When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>I. Acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:</p> <p>(I) (Omitted)</p> <p>(II) (Omitted)</p> <p>(III) With respect to the acquisition of real</p>	

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<p>or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with subparagraphs 2 and 3.</p> <p>(IV) (Omitted) (V) (Omitted) (VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the subparagraph 1. (VII) (Omitted)</p> <p>V. With respect to the types of transactions listed below, when to be conducted between <u>the</u> company and parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors may pursuant to Article 10 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting</p> <p>(I) Acquisition or disposal of equipment or right-of-use assets thereof held for business use. (II) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>VI. Where the position of independent director <u>has of the company</u> been created in</p>	<p>property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with subparagraphs 2 and 3 of this Article.</p> <p>(IV) (Omitted) (V) (Omitted) (VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance . (VII) (Omitted)</p> <p>With respect to the types of transactions listed below, when to be conducted between a public company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors may pursuant to Article 10 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting</p> <p>1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>Where the position of independent director has been created in accordance with the provisions of</p>	

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<p>accordance with the provisions of the <u>Securities Exchange Act</u>, when a matter is submitted for discussion by the board of directors pursuant <u>paragraph 4</u>, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. Where an audit committee has been established in accordance with the Act, shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for a resolution.</p> <p>VII. If <u>the</u> company or a subsidiary thereof that is not a domestic public company will have a transaction <u>of subparagraph 4</u> and the transaction amount will reach 10 percent or more of the company's total assets, the company shall submit the materials in all the subparagraphs 4 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the company and parent company or subsidiaries or between subsidiaries.</p> <p>VIII. The calculation of the transaction amounts referred to in <u>subparagraph 4</u> and the preceding <u>subparagraph</u> shall be made in accordance with Article 17, subparagraph 1, item 7 herein,</p>	<p>the Act, when a matter is submitted for discussion by the board of directors pursuant paragraph 4, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>If a public company or a subsidiary thereof that is not a domestic public company will have a transaction acquisition or disposal of equipment for business use or its right to use assets and the transaction amount will reach 10 percent or more of the public company's total assets, the public company shall submit the materials in all the previous subparagraphs to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the public company and its parent company or subsidiaries or between its subsidiaries</p> <p>The calculation of the transaction amounts referred to in paragraph 4 and the preceding paragraph shall be made in accordance with Article 17, subparagraph 1, item 7 herein, and</p>	

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<p>and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholder's meeting or board of directors and recognized by the supervisors need not be counted toward the transaction amount.</p> <p>IX. the reasonableness of the transaction costs</p> <p>(I) Acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:</p> <ol style="list-style-type: none"> 1. (Omitted) 2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. <u>However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.</u> <p>(II) Where land and structures thereupon are combined as a single property purchased or leased in one transaction,</p>	<p>"within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholder's meeting or board of directors and recognized by the supervisors need not be counted toward the transaction amount.</p> <p>H-the reasonableness of the transaction costs</p> <p>(I) Acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:</p> <ol style="list-style-type: none"> 1. (Omitted) 2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. <p>(II) Where land and structures thereupon are combined as a single property purchased or leased in one transaction,</p>	

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<p>the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding item.</p> <p>(III) <u>The</u> company that acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the <u>precedint 2 item</u> shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p>(IV) Where <u>the</u> company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with <u>preceding</u> subparagraph <u>8</u>, and the preceding three <u>items</u> do not apply 1~3 (Omitted) 4. The real property right-of-use assets for business use are acquired by the company with parent or subsidiaries, or by subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</p> <p>X. In accordance with items 1 and 2 of the <u>preceding</u> subparagraph are uniformly lower than the</p>	<p>the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p> <p>(III) A public company that acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the items 1 and 2 of paragraph 2 of this Article shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p>(IV) Where a public company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Item 3 of subparagraph 2 of the preceding article, and the preceding three subparagraphs do not apply: 1.~3 (Omitted) 4. The real property right-of-use assets for business use are acquired by the public company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</p> <p>III. In accordance with items 1 and 2 of subparagraph 2 of this Article are uniformly</p>	

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<p>transaction price, the matter shall be handled in compliance with subparagraph <u>12</u>. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:</p> <p>(I) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions :</p> <p>1. Where undeveloped land is appraised in accordance with the means in subparagraph 9 of this Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower. (The following omitted)</p>	<p>lower than the transaction price, the matter shall be handled in compliance with subparagraph 4 of this Article. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:</p> <p>(I) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions</p> <p>1. Where undeveloped land is appraised in accordance with the means in subparagraph 2 of this Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction</p>	

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<p>(II) Where <u>the</u> company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</p> <p>XI. Completed transactions involving neighboring or closely valued parcels of land in the preceding subparagraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.</p>	<p>industry for the most recent period as announced by the Ministry of Finance, whichever is lower. (The following omitted)</p> <p>(II) Where a public company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</p> <p>Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the</p>	

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<p>XII. Acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the subparagraphs <u>9,10, and 11</u> are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>(I) (Omitted)</p> <p>(II) <u>The independent director members of the audit committee</u> shall comply with Article 218 .</p> <p>(III) Actions taken pursuant to the preceding two <u>items</u> shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p>XIII. <u>The</u> company that has set aside a special reserve under the <u>preceding subparagraph</u> may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the <u>Financial</u></p>	<p>acquisition of the real property or obtainment of the right-of-use assets thereof.</p> <p>IV. Acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the subparagraphs 2 and 3 <u>subparagraphs 2 and 3</u> of this articles are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>(I) (Omitted)</p> <p>(II) The audit committee shall comply with Article 218 .</p> <p>(III) Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p>A public company that has set aside a special reserve under the those above may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming</p>	

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<p><u>Supervisory Commission</u> has given its consent.</p> <p>XIV. When <u>the</u> company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the <u>preceding two subparagraphs</u> if there is other evidence indicating that the acquisition was not an arms length transaction.</p>	<p>that there was nothing unreasonable about the transaction, and the Securities <u>Competent Authority</u> has given its consent.</p> <p>V. When a public company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the subparagraph 4 of this article if there is other evidence indicating that the acquisition was not an arms length transaction.</p>	
<p>Article 16 The appraisal and operating procedures for Mergers and Consolidations, Splits, Acquisitions, and Assignment of Shares</p> <p>I. Transaction consideration determination and reference and basis When conducting a merger, demerger, acquisition, or transfer of shares, the Company shall generally consider the past and future financial and business positions, estimated benefits in the future, fair method to determine the transaction price in the market, and refer to the professional opinions of CPAs, lawyers or securities <u>underwriters</u> to discuss and determine the price with the counterparty of the merger, demerger, acquisition, or transfer of shares.</p> <p>II. Appointment of expert opinion The company that conducts a</p>	<p>Article 16 The appraisal and operating procedures for Mergers and Consolidations, Splits, Acquisitions, and Assignment of Shares</p> <p>I. Transaction consideration determination and reference and basis When conducting a merger, demerger, acquisition, or transfer of shares, the Company shall generally consider the past and future financial and business positions, estimated benefits in the future, fair method to determine the transaction price in the market, and refer to the professional opinions of CPAs, lawyers or securities dealers to discuss and determine the price with the counterparty of the merger, demerger, acquisition, or transfer of shares.</p> <p>II. Appointment of expert opinion</p>	<p>Retouched text and amended according to the Financial Supervisory Commission "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" article 25</p>

After Amendment	Before Amendment	Explanation
<p>merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by <u>the</u> company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.</p> <p>III. Decision level The resolution of the company of a merger, demerger, acquisition, or transfer of shares shall be subject to the requirements under the Company Act and relevant laws and regulations.</p> <p>IV. Submission of relevant data and information disclosure for those not approved by the shareholders' meeting</p>	<p>The company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by a public company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.</p> <p>III. Decision level The resolution of the public company of a merger, demerger, acquisition, or transfer of shares shall be subject to the requirements under the Company Act and relevant laws and regulations.</p> <p>IV. Submission of relevant data and information disclosure for those not approved by the shareholders' meeting</p>	

After Amendment	Before Amendment	Explanation
<p>(I) The company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in subparagraph 2 when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.</p> <p>(II) (Omitted)</p> <p>V. Dates of the Board of Directors and Shareholders' Meeting</p> <p>(I) The company participating in a merger, demerger, or acquisition shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the</p>	<p>(I) A—public company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in subparagraph 2 of this Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.</p> <p>(II) (Omitted)</p> <p>V. Dates of the Board of Directors and Shareholders' Meeting</p> <p>(I) The company participating in a merger, demerger, or acquisition and companies involved in mergers, splits or acquisitions shall</p>	

After Amendment	Before Amendment	Explanation
<p>merger, demerger, or acquisition unless another act provides otherwise or the <u>Financial Supervisory Commission</u> is notified in advance of extraordinary circumstances and grants consent.</p> <p>(II) The company that handles the transfer of shares shall call a board of directors meeting on the day of the transaction, unless another act provides otherwise or the <u>Financial Supervisory Commission</u> is notified in advance of extraordinary circumstances and grants consent.</p> <p>VI. (Omitted)</p> <p>VII. Principle of alteration of exchange ratio or acquisition price When the company participates in a merger, demerger, acquisition, or transfer of shares, except for the following circumstances, the exchange ratio or acquisition price may not be altered flexibly, and the circumstances that allow alterations shall be stipulated in the contract for the merger, demerger, acquisition, or transfer</p>	<p>convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition unless another act provides otherwise or the Securities <u>Competent Authority</u> is notified in advance of extraordinary circumstances and grants consent.</p> <p>(II) The company that handles the transfer of shares and participates in the transfer of shares shall call a board of directors meeting on the day of the transaction, unless another act provides otherwise or the Securities <u>Competent Authority</u> is notified in advance of extraordinary circumstances and grants consent.</p> <p>VI. (Omitted)</p> <p>VII. Principle of alteration of exchange ratio or acquisition price When the public company participates in a merger, demerger, acquisition, or transfer of shares, except for the following circumstances, the exchange ratio or acquisition price may not be altered flexibly, and the circumstances that allow alterations shall be stipulated in the contract for the merger,</p>	

After Amendment	Before Amendment	Explanation
<p>of shares: (The following omitted)</p> <p>VIII. (Omitted)</p> <p>IX. (Omitted)</p> <p>X. If any company participating in the merger, demerger, acquisition, or transfer of shares is a non-public company, the company shall enter into an agreement with the company and make arrangements according to the requirements under subparagraphs 5, 6, 9, 11, <u>12</u>, and <u>13</u>.</p> <p>XI. When the Company participates in a merger, demerger, acquisition, or transfer of shares, a full written record of the following information shall be prepared and retained for five years for reference:</p> <p>(I) (Omitted)</p> <p>(II) Date of material event: Include dates of the execution of a letter of intention or memorandum, appointment of financial or legal consultants, entering into contracts, and Board meetings.</p> <p>(III) (Omitted)</p> <p>XII. If a counterparty of a merger, demerger, acquisition, or transfer of shares is a company, the information stated in items 1 and 2 <u>by the preceding subparagraph</u> shall be declared, in the specified</p>	<p>demerger, acquisition, or transfer of shares: (The following omitted)</p> <p>VIII. (Omitted)</p> <p>IX. (Omitted)</p> <p>X. If any company participating in the merger, demerger, acquisition, or transfer of shares is a non-public company, the public company shall enter into an agreement with the company and make arrangements according to the requirements under subparagraphs 5, 6, 9 and 11 of the article.</p> <p>XI. When the Company participates in a merger, demerger, acquisition, or transfer of shares, if the counterparty is a company that is listed or has its shares traded on TPEX, a full written record of the following information shall be prepared and retained for five years for reference:</p> <p>(I) (Omitted)</p> <p>(II) Date of material event: Include dates of the execution of a letter of intention or memorandum, appointment of financial or legal consultants, entering into contracts, and Board meetings.</p> <p>(III) (Omitted)</p> <p>If a counterparty of a merger, demerger, acquisition, or transfer of shares is a company that is listed or has its shares traded on TPEX, the information stated in items 1 and 2, subparagraph 11</p>	

After Amendment	Before Amendment	Explanation
<p>format, to the <u>Financial Supervisory Commission</u> for archiving by using the online information system within two days from the date on which the Board approved the resolution.</p> <p>If a counterparty of a merger, demerger, acquisition, or transfer of shares is not a company that is listed or has its shares traded on TPEX, the Company shall enter into an agreement with the company and make arrangements according to the requirements under the first two subparagraph.</p>	<p>of the Article shall be declared, in the specified format, to the FSC for archiving by using the online information system within two days from the date on which the Board approved the resolution.</p> <p>If a counterparty of a merger, demerger, acquisition, or transfer of shares is not a company that is listed or has its shares traded on TPEX, the Company that is listed or has its shares traded on TPEX shall enter into an agreement with the company and make arrangements according to the requirements under the first two paragraphs of subparagraph 11 of the Article.</p>	
<p>Article 17 Announced and reported procedures</p> <p>I. Under any of the following circumstances, a public company acquiring or disposing of assets shall publicly announce and report the relevant information on the <u>Financial Supervisory Commission's</u> designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(I) <u>Acquisition or disposal</u> of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-</p>	<p>Article 17 Announced and reported procedures</p> <p>I. Under any of the following circumstances, a public company acquiring or disposing of assets shall publicly announce and report the relevant information on the Securities—Competent Authority's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(I) Acquisition of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related</p>	<p>Retouched text and indicate the source of the basis for the formulation.</p>

After Amendment	Before Amendment	Explanation
<p>in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(II) (omitted)</p> <p>(III) (omitted)</p> <p>(IV) Where property or right-of-use assets for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million or more.</p>	<p>party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(II) (omitted)</p> <p>(III) (omitted)</p> <p>(IV) Where property or right-of-use assets for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria :-</p> <ol style="list-style-type: none"> 1. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. For a public company whose paid-in capital is NT\$10 billion or 	

After Amendment	Before Amendment	Explanation
<p>(V) Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages,</p>	<p>more, the transaction amount reaches NT\$1 billion or more.</p> <p>(V) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>(VI) Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing</p>	

After Amendment	Before Amendment	Explanation
<p>or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>(VI) Where an asset transaction other than any of those referred to in the <u>five items</u>, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances :</p> <ol style="list-style-type: none"> 1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan. 2. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities 	<p>units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>(VII) Where an asset transaction other than any of those referred to in the preceding six items, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances :</p> <ol style="list-style-type: none"> 1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan. 2. Where done by professional investors trading on securities exchanges or OTC markets, or 	

After Amendment	Before Amendment	Explanation
<p style="text-align: right;">investment trust enterprises.</p> <p>(VII) The amount of transactions <u>in the preceding Subparagraph</u> shall be calculated as follows :</p> <p>1~4(omitted)</p> <p>II. "Within the preceding year" as used in the preceding <u>Subparagraph</u> refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p>	<p>subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by</p>	

After Amendment	Before Amendment	Explanation
<p>III. <u>The</u> company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the <u>Financial Supervisory Committee</u> by the 10th day of each month.</p> <p>IV. When <u>the</u> company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting</p>	<p>domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows :</p> <p>1.~4.(omitted)</p> <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p>II. A public company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the Securities <u>Competent Authority</u> by the 10th day of each month.</p> <p>III. When a public company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in</p>	

After Amendment	Before Amendment	Explanation
<p>inclusively from the date of knowing of such error or omission.</p> <p>V. <u>The</u> company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p> <p>VI. Where any of the following circumstances occurs with respect to a transaction that <u>the</u> company has already publicly announced and reported in accordance with the preceding <u>each subparagraph</u>, a public report of relevant information shall be made on the information reporting website designated by the Securities—Competent Authority within 2 days counting inclusively from the date of occurrence of the event: (I)~(III)(omitted)</p> <p>VII. Information required to be publicly announced and reported in accordance with the provisions of this article on acquisitions and disposals of assets by <u>the</u> company's subsidiary that is not itself <u>the</u> company in Taiwan shall be reported by the company. Among them , on paid-in capital or total assets of the reporting standards applicable to subsidiaries shall be based on the paid-in capital or total assets of</p>	<p>their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>IV. A public company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p> <p>V. Where any of the following circumstances occurs with respect to a transaction that a public company has already publicly announced and reported in accordance with the preceding front, a public report of relevant information shall be made on the information reporting website designated by the Securities—Competent Authority within 2 days counting inclusively from the date of occurrence of the event: (I)~(III)(omitted)</p> <p>VI. Information required to be publicly announced and reported in accordance with the provisions of this article on acquisitions and disposals of assets by a public company's subsidiary that is not itself a public company in Taiwan shall be reported by the public company. Among them , on paid-in capital or total assets of the reporting standards</p>	

After Amendment	Before Amendment	Explanation
the company.	applicable to subsidiaries shall be based on the paid-in capital or total assets of the company.	
<p>Article 18 <u>Total amounts of real property, right-of-use assets, securities acquired not for business use, and limits on individual securities.</u></p> <p>I. The <u>total and</u> limit amount of the company are as follows :</p> <p>(I) The total amount of real property <u>and right-to-use assets acquired</u> not for business use; not be more than 20% of the company's paid-in <u>capital</u>.</p> <p>(II) The total amount of securities <u>acquired</u>; shall not be more than 40% of the company's paid-in <u>capital</u>.</p> <p>(III) The <u>limit</u> amount for <u>acquiring</u> individual securities; shall not be more than 20% of the company's paid-in <u>capital</u>.</p> <p>II. The limit <u>and total</u> amounts by the company and <u>each</u> subsidiary for business use are as follows : (I) The total amount of real property <u>and right-to-use assets acquired</u> not for business use; not be more than 20% of the each subsidiary's paid-in capital.</p>	<p>Article 18 The limits amounts of real property and securities acquired not for business use.</p> <p>I. The limits amounts of real property or securities acquired by the company for non-business use are as follows :</p> <p>(I) The total amount of real property purchased not for business use shall not be more than 20% of the company's paid-in share in the most recent financial statement.</p> <p>(II) The total amount of securities invested shall not be more than 40% of the company's paid-in share in the most recent financial statement.</p> <p>(III) The amount for investing individual securities; shall not be more than 20% of the company's paid-in share in the most recent financial statement.</p> <p>II. The limit amounts of real property or securities acquired by the company's subsidiary for business use are as follows : (I) The total amount of real property purchased not for business use shall not be more than 20%</p>	<p>The modified limit amount and retouched text</p>

After Amendment	Before Amendment	Explanation
<p>(II) The total amount of securities <u>acquired</u>: shall not be more than <u>40%</u> of the each subsidiary's paid-in <u>capital</u>.</p> <p>(III) The <u>limit</u> amount for <u>acquiring</u> individual securities: shall not be more than <u>20%</u> of the each subsidiary's paid-in <u>capital</u>.</p>	<p>of the each subsidiary's paid-in share in the most recent financial statement</p> <p>(II) The total amount of securities invested shall not be more than 100% of the each subsidiary's paid-in share in the most recent financial statement.</p> <p>(III) The amount for investing individual securities: shall not be more than 100% of the company's paid-in share in the most recent financial statement.</p>	
<p>Article 19 Control Procedures for Subsidiary Acquisition or Disposal of Assets</p> <p>I. The company shall urge all subsidiaries to formulate procedures for the acquisition or disposal of assets in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" of the <u>Financial Supervision Commission</u> and approved by the board of directors of each subsidiary, the same applies when the procedures are amended.</p> <p>II. Acquisition or disposal of assets by each subsidiary shall be approved by the board of directors of each subsidiary in accordance with the "Procedures for Handling Acquisition or Disposal of Assets" established by it or other legal regulations, and shall be reported to the company before the fact occurs. The finance <u>unit</u> of the company shall evaluate the feasibility,</p>	<p>Article 19 Control Procedures for Subsidiary Acquisition or Disposal of Assets</p> <p>I. The company shall urge all subsidiaries to formulate procedures for the acquisition or disposal of assets in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" of the Securities Competent Authority and approved by the board of directors of each subsidiary, the same applies when the procedures are amended.</p> <p>II. Acquisition or disposal of assets by each subsidiary shall be approved by the board of directors of each subsidiary in accordance with the "Procedures for Handling Acquisition or Disposal of Assets" established by it or other legal regulations, and shall be reported to the company</p>	<p>Indicate the source of the basis for the formulation.</p>

After Amendment	Before Amendment	Explanation
<p>necessity, and rationality of the acquisition or disposal of assets, and follow up on the implementation status afterward for analysis and discussion.</p> <p>(The following ommit)</p>	<p>before the fact occurs. The finance department of the company shall evaluate the feasibility, necessity, and rationality of the acquisition or disposal of assets, and follow up on the implementation status afterward for analysis and discussion.</p> <p>(The following ommit)</p>	
<p>Article20</p> <p>The company's internal auditors should regularly understand the appropriateness of the relevant departments for the acquisition or disposal of assets, regularly audit the compliance of the relevant departments with the "procedures for the acquisition or disposal of assets", and prepare audit reports. If major violations are found, The audit committees shall be notified in writing.</p>	<p>Article20</p> <p>The company's internal auditors should regularly understand the appropriateness of the relevant departments for the acquisition or disposal of assets, regularly audit the compliance of the relevant departments with the "procedures for the acquisition or disposal of assets", and prepare audit reports. If major violations are found, The audit committees shall be notified in writing.</p>	Retouched text.
<p>Article21</p> <p>If the relevant personnel of the company handles operations related to the acquisition or disposal of assets, if there is any violation of the <u>Financial Supervision Commission</u> the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and the company's "Procedures for the Acquisition or Disposal of Assets" of the competent authority, the company's "Employee Reward and Punishment Measures" shall be followed. " and "Work Rules" are regularly reported for assessment and punished according to the seriousness of the circumstances.</p>	<p>Article21</p> <p>If the relevant personnel of the company handles operations related to the acquisition or disposal of assets, if there is any violation of the Securities Competent—Authority the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and the company's "Procedures for the Acquisition or Disposal of Assets" of the competent authority, the company's "Employee Reward and Punishment Measures" shall be followed. " and "Work Rules" are regularly reported for assessment and punished according to the seriousness of the circumstances.</p>	Indicate the source of the basis for the formulation.
<p>Article22</p> <p>For the calculation of 10 percent of</p>	<p>Article22</p> <p>For the calculation of 10</p>	Retouched text.

After Amendment	Before Amendment	Explanation
<p>total assets under these Procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used</p>	<p>percent of total assets under these Procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.</p> <p>In the case of a company whose shares have no par value or a par value other than NT\$10 for the calculation of transaction amounts of 20 percent of paid-in capital under these Procedures, 10 percent of equity attributable to owners of the parent shall be substituted; for calculations under the provisions of these Procedures regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent shall be substituted.</p>	
<p>(deleted)</p>	<p>Article23 After the procedures have been approved by the board of directors, they shall be submitted to Audit Committee, and then to a shareholders' meeting for approval; the same applies when the procedures are amended. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to Audit Committee.</p>	<p>The content is duplicated with Article 6 and shall be deleted.</p>

TMP Steel Corporation

Articles of Incorporation(before revision)

Chapter I General Provisions

Article 1 The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be TMP Steel Corporation in the Chinese language, and TMP Steel Corporation in the English language.

Article 2 The business scope of the Company is as follows:

1. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
2. CC01040 Lighting Facilities Manufacturing
3. CC01060 Wired Communication Equipment and Apparatus Manufacturing
4. CC01070 Telecommunication Equipment and Apparatus Manufacturing
5. CC01080 Electronic Parts and Components Manufacturing
6. CC01110 Computers and Computing Peripheral Equipments Manufacturing
7. CC01990 Electrical Machinery, Supplies Manufacturing
8. F113050 Wholesale of Computing and Business Machinery Equipment
9. F213030 Retail sale of Computing and Business Machinery Equipment
10. F299990 Retail Sale of Other Retail Trade Not Elsewhere Classified
11. F399990 Retail sale of Others
12. F399040 Retail Business Without Shop
13. JE01010 Rental and Leasing Business
14. J602010 Agents and Managers for Performing Arts, Entertainers, and Models

15. F401010 International Trade
16. F111090 Wholesale of Building Materials
17. F106010 Wholesale of Ironware
18. F211010 Retail Sale of Building Materials
19. F206010 Retail Sale of Ironware
20. CA01050 Iron and Steel Rolling, Drawing, and Extruding
21. F113010 Wholesale of Machinery
22. F113020 Wholesale of Household Appliance
23. F113070 Wholesale of Telecom Instruments
24. J701040 Recreational Activities grounds and Facilities
25. H701010 Residence and Buildings Lease Construction and Development
26. H701020 Industrial Factory Buildings Lease Construction and Development
27. H701050 Public Works Construction and Investment
28. H703090 Real Estate Commerce
29. H703100 Real Estate Rental and Leasing
30. I401010 General Advertising Services
31. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company has its head office in Changhua County. The Company may, if necessary, set up branch offices domestically and abroad upon resolution of the Board of Directors authority.

Article 4 (Delete)

Chapter II Capital stocks

Article 5 The total capital stock of the Corporation shall be in the amount of 1,500,000,000 New Taiwan Dollars, divided into 150,000,000 shares, at ten New Taiwan Dollars each, and may be paid-up in installments. The Corporation may reserve 114,620,000 New Taiwan Dollars among the above total capital stock for issuing stock warrant to exercise which including employee stock option , corporate bonds

with stock options and etc. A total of 11,462,000 shares at ten New Taiwan Dollars each may be paid-up in installments.

Article 5-1 If the Company wishes to transfer an employee stock options to an employee at a price lower than the average price of the shares that were bought back or when the Company issues employee stock options with a subscription price lower than the closing price of the Company's common shares on the day of issuance, it shall be approved by at least two-thirds of the voting rights represented at the latest shareholders' meeting attended by shareholders representing a majority of the total issued shares.

Treasury stock purchased by the Company accordance with the company law can be transferred to the employees of parent's or subsidiaries of the company meeting certain specific requirements. Stock warrants of the Company or new stock issued by Company or restricted employee stock warrant can be transferred to the employees of parent's or subsidiaries of the company meeting certain specific requirements.

Article 6 Unless otherwise provided in relevant laws or regulations, affairs concerning shareholder services need to be handled in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authority.

Article 7 Share certificates of the Company shall be assigned with serial numbers, shall indicate the particulars accordance with the company law, shall be affixed with the signatures or personal seals of three or more directors of the issuing company, and shall be duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance.

The shares issued by the Company are exempted from printing, however, they shall be registered in the central securities depository and be handled in accordance with the regulations of the institution.

Article 8 Registration for transfer of shares shall be suspended sixty (60) days

immediately before the date of regular meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Corporation.

The period starts from the meeting date or the base date.

Chapter III Shareholders' Meeting

Article 9 Shareholders' meetings of the Corporation are of two types, namely: (1) general meetings and (2) special meetings. The general meeting shall be annually convened within six months from the end of each fiscal year. The special meeting shall be convened in accordance with the relevant laws and regulations, whenever is necessary.

Unless otherwise provided by company law or other regulations, this Corporation's shareholders meetings shall be convened by the board of directors.

The Company's shareholders' meeting may be convened in the manner of video conference or other method announced by the MOEA.

Article 9-1 Written notices shall be sent to all shareholders thirty days prior to the general meeting and fifteen days prior to the special meeting. The notice shall specify the date, place and reasons to convene. Pursuant to relevant laws and regulations, the notice served to the shareholder who owns less than 1,000 shares of nominal stocks may be given in the form of a public announcement.

Article 10 Shareholders who are unable to attend the shareholders' meeting may designate a proxy to attend the shareholders' meeting with a power of attorney indicating the scope of authority in accordance with Article 177 of the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meeting of Public Companies.

Article 11 Unless otherwise provided by laws, regulations, bylaws, or rules,

each shareholder of the Corporation is entitled to one vote for each share held , except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

Article 12 The resolutions of shareholders' meeting, unless otherwise stated in the relevant laws and regulations, shall be agreed by the majority of votes represented by the attending shareholders or proxies who represents the majority of total number of issued shares.

Chapter IV Directors and Audit Committees

Article 13 The Board of Directors of the company has five (5) to nine (9) Directors, and the term of office is three (3) years. Re-elected candidates are reappointed. The total shareholding ratio of all directors shall not be lower than the regulations of the securities regulatory authority. The election of Directors adopts the system of nomination for shareholders to vote from a list of nominated candidates at the shareholders' meeting. The nomination method shall be conducted in accordance with one of Article 192 of the Company Law.

In compliance with Articles 14-4 of the Securities and Exchange Law, the Corporation shall establish an Audit Committee, which shall consist of all independent directors. The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Law, the Securities and Exchange Law and other relevant regulations.

Article 13-1 The number of independent directors within the number of directors in the preceding article shall be three at least and shall not be less than one-fifth of the total number of directors.

Article 13-2 The meeting of the Board of Directors shall be held at least once every quarter. Unless otherwise stipulated in the Company Act, the Board of Directors' meeting shall be convened by the Chairperson and shall be clearly stated in the written notices sent out to the

directors. All directors shall be notified of the meeting seven days in advance via mail, e-mail or fax. In case of emergency, the Board meeting can be convened.

Article 14 The Board of Directors shall be organized by the directors. One chairman shall be appointed during a Board of Directors meeting with over two-thirds of the directors present and with the support of over half of all attending directors, the same method shall be used to elect one vice chairman, and the chairman shall represent the Company externally.

Article 15 When the Chairperson is on leave or unable to exercise power, the person who may preside the meeting shall be determined in accordance with Article 208 of the Company Act.

Article 15-1 A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting. No director may act as proxy for more than one other director.

Article 16 The compensation of all directors shall be recommended by the Remuneration Committee and determined by the board of directors in accordance with the usual standards of the industry.

The regulations governing the appointment and exercise of powers by the Remuneration Committee of a Company should be determined by the board of directors accordance with Article 14-6 of Securities and Exchange Act, other laws and the regulations of the authority.

Article 16-1 The company may purchase duty insurance for directors every year to reduce and diversify the risk of major damages to the company and shareholders caused by the directors' illegal activities.

Chapter V Managers

Article 17 The Company shall has a general manager, a deputy general manager, an associate and have several managers. The appointment, dismissal and remuneration shall be subject to Article 29 of the Company Act.

Chapter VI Accounting

Article 18 The fiscal year for the Corporation shall be from January 1 of each year to December 31 of the same year. After the close of each fiscal year, the following reports shall be prepared by the Board of Directors, and submitted to the regular shareholders' meeting for acceptance: After the close of each fiscal year, the following reports shall be prepared by the Board of Directors on 30 days before the meeting of the shareholders' meeting, and submitted to the regular shareholders' meeting for acceptance: (1) Business report (2) Financial statement (3) Profit distribution or deficit compensation proposal.

Article 19 If the final annual accounts of the Corporation show a net profit for a given year, it shall allocate 1~10 percent of the net profit as profit-sharing compensation to employees which could be paid by cash or stock which should be decided by the board of directors. Those employees should be qualified employees of the company or the subsidiaries. The Corporation shall allocation no more than 4% of the net profit as profit-sharing compensation to Directors which should be decided by the board of directors.

However, if the Company has an accumulated deficit, the profit shall cover the deficit before it can be used for compensation to employees and remuneration to the directors based on the above-mentioned ratios.

When the Company completes final accounting to obtain net income, after deduction of income tax and dues and have covered the losses, the Company shall first set aside 10% of net income as legal reserve; provided that no legal reserve may be set aside when such legal reserve has reached the Company's total paid-in capital. The Company should provide or reverse the remaining to special reserve pursuant accordance with the Company law 41, the remaining will join the accumulated non-distributed earnings at the beginning of the term, to be resolved by the board of directors whether to be retained or distributed as the shareholders' dividends; if f the distribution is

made by by issuing new shares, the distribution shall be submitted to the shareholders' meeting for resolution before distributing.

Pursuant to Item 5, Article 240 of the Company Act, the Company authorizes the board meeting attended by two-thirds of the total number of directors, with the resolution adopted by a majority vote to distribute dividends and bonuses in whole or in part, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 19-1 The Company is at industrial growth stage. In the next few years, there are plans to expand operations and capital needs. Therefore, in addition to the distribution of earnings in accordance with the above regulations. Tthe company's dividend policy is in line with current and future development plans, Taking into account the investment environment, capital requirements and domestic and foreign competition conditions, and taking into account the interests of shareholders, the annual dividend is not less than 30% of the distributable earnings in current year, but when the cumulative distributable earnings is lower than the 1% of the total paid-in capital, it may not be distributed; when dividends to shareholders are distributed, it can be done in cash or stocks, where the cash dividend is not less than 10% of the total dividend, but the type and ratio of the surplus distribution , It may be adjusted according to the actual profit and capital status of the current year and determined by the shareholders meeting.

Article 19-2 Pursuant to Article 241 of the Company Act, distribute its legal reserve and the following capital reserve, in whole or in part, by issuing new shares which shall be distributable as dividend shares to its original shareholders in proportion to the number of shares being held by each of them or by cash; when distributing in cash, a resolution adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors is required; and in addition thereto a report of such distribution shall be

submitted to the shareholders' meeting. If the distribution is made by by issuing new shares, the distribution shall be submitted to the shareholders' meeting for resolution before distributing.

Chapter VII Supplementary

Article 20 The Company's investment may exceed 40% of the paid-in capital, and it shall be authorized by the board of directors to execute it.

Article 21 The company may provide external guarantees among the similar industries.

Article 22 Matters not set forth in the Articles of Incorporation shall be subject to the Company Act, and other laws.

Article 23 The Articles of Incorporation was established on May 7, 1984.

The first amendment was made on May 26, 1984.

The second amendment was made on December 10, 1984.

The third amendment was made on August 21, 1986.

The fourth amendment was made on September 9, 1986.

The fifth amendment was made on August 18, 1988.

The sixth amendment was made on May 2, 1989.

The seventh amendment was made on June 30, 1990.

The eighth amendment was made on August 6, 1990.

The ninth amendment was made on May 9, 1992.

The tenth amendment was made on December 21, 1992.

The eleventh amendment was made on February 15, 1993.

The twelfth amendment was made on August 5, 1993.

The thirteenth amendment was made on June 18, 1994.

The fourteenth amendment was made on July 20, 1994.

The fifteenth amendment was made on June 28, 1995.

The sixteenth amendment was made on August 18, 1995.

The seventeenth amendment was made on January 28, 1997.

The eighteenth amendment was made on March 18, 1997.

The nineteenth amendment was made on June 28, 1997.

The twentieth amendment was made on April 25, 1998.

The twenty-first amendment was made on June 12, 2001.
The twenty-second amendment was made on June 19, 2002.
The twenty-third amendment was made on May 13, 2003.
The twenty-fourth amendment was made on May 18, 2004.
The twenty-fifth amendment was made on June 14, 2005.
The twenty-sixth amendment was made on June 14, 2006.
The twenty-seventh amendment was made on June 15, 2007. (The revised Article 5-1 will be applicable from the date of implementation by the authority. (January 1, 1997).
The twenty-eighth amendment was made on June 13, 2008.
The twenty-ninth amendment was made on June 19, 2009.
The thirtieth amendment was made on November 18, 2009.
The thirty-first amendment was made on June 15, 2010.
The thirty-second amendment was made on June 22, 2011.
The thirty-third amendment was made on June 21, 2012.
The thirty-fourth amendment was made on October 4, 2012.
The thirty-fifth amendment was made on June 18, 2013.
The thirty-sixth amendment was made on December 30, 2013.
The thirty-seventh amendment was made on May 29, 2014.
The thirty-eighth amendment was made on June 29, 2016.
The thirty-ninth amendment was made on November 1, 2017.
The fortieth amendment was made on June 28, 2019.
The forty-first amendment was made on April 23, 2020.
The forty-second amendment was made on July 2, 2021.
The forty- third amendment was made on April 28, 2022.

TMP Steel Corporation

Shareholders Meeting Procedure Rules

Approved by the shareholders' meeting on April 28, 2022

- Article 1 To establish the good governance system for the Company's shareholders' meetings, enhance the supervision function and the management mechanism, the Procedures are established pursuant to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- Article 2 Unless otherwise specified by the laws or the Articles of Incorporation, the Company's Shareholders Meeting Procedure Rules shall prevail.
- Article 3 Unless otherwise specified by the laws or the Articles of Incorporation, the Company's Shareholders Meeting shall be convened by the Board of Directors.

Any change to the convention method of the Company's shareholders' meetings shall be resolved by the board of directors, and no later than mailing the shareholders meeting notice.

The Company shall formulate the cause and the description information for the shareholders meeting notice, the power of attorney documents, the relevant approval proposals, the discussion proposals, and the various proposals concerning the appointment or dismissal of directors into electronic files and upload them to the Market Observation Post System at least 30 days prior to a general shareholders meeting or 15 days prior to an extraordinary shareholders meeting. The Company shall also formulate the shareholders meeting handbook and supplementary materials into electronic files and upload them to the Market Observation Post System at least 21 days prior to a general shareholders meeting or 15 days prior to an extraordinary shareholders meeting; however, where the Company's paid-in capital of NT\$10 billion or more as of the last day of the most recent fiscal year, or aggregate shareholding percentage of foreign investors and Mainland

Chinese investors of 30% or more as recorded in the shareholders' register at the time a regular shareholders meeting is convened in the most recent year, the electronic files shall be transmitted 30 days prior to the regular shareholders meeting. Prepare the meeting handbook and supplementary materials for the current shareholders meeting at least 15 days prior to the meeting, and make them available to shareholders upon request. The materials shall be displayed in the Company and the stock agency appointed by the Company, and must be distributed on-site during the shareholders meeting.

The agenda handbook and meeting supplemental information in the preceding paragraph, shall be provided to the shareholders for reference on the date of the shareholders' meeting in the following manners:

- I. For the physical shareholders' meeting, such information shall be distributed at the site of the meeting.
- II. For the video-assisted shareholders' meeting, such information shall be distributed at the site of the meeting, and transmitted to the video conference platform as the electronic files.
- III. Where a shareholders' meeting is convened in the manner of video conference, such information shall be transmitted to the video conference platform as the electronic files.

The notice and announcement shall specify the reason for convening. If the notice is approved by the counterparty, it may be done electronically. Issues that involve election or dismissal of directors, changes to the Articles of Incorporation, capital reduction, application for suspension of public offering, director's permission to compete, surplus capital increase, capital reserve conversion, corporate liquidation, merger, divestment, or any matters listed in Paragraph 1 of Article 185 of The Company Act, Article 26-1 or Article 43-6 of the Securities and Exchange Act, or Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers must be raised and have the main content explained as part of the regular motions and cannot be raised in the form of special motions.

The shareholders' meeting notice has specified the full re-election of directors and the date of their appointment. Once the re-election is completed in the concerned meeting, their date of appointment must not be altered via an extempore motion or other methods.

Shareholder(s) holding over 1% of the Company's outstanding shares are entitled to make a proposal for discussion at a general shareholders meeting. Only one matter is permitted, and proposals exceeding this limit shall be excluded from discussion.

If a shareholder's proposal involves one of the conditions specify by Paragraph 4, Article 172-1 of the Company Act, the proposal shall be excluded from the board of directors meeting.

Shareholders may propose proposals urging the Company to promote public interests or fulfill its social responsibilities; procedure-wisely, only one matter is permitted pursuant to Article 172-1 of the Company Act; in case a proposal contains more than one matter, such proposal shall not be included in the agenda.

The Company shall announce, before the book closure date of the general shareholders meeting, the conditions, places, written or electronic acceptance method, and time within which shareholders proposals are accepted. The timing of acceptance must not be less than 10 days.

A proposal made by a shareholder shall be limited to 300 characters. Anything exceeding 300 characters shall be excluded. The proposing shareholder shall attend the shareholders meeting in person or entrust another to participate in the proposal discussion.

The Company shall, before the date of notice for the shareholders meeting, advise the proposing shareholder of the handling results, and list the proposals conforming to the provision of this Article in the meeting notice. For shareholder proposals not included in the proposals list, the board of directors shall explain why they are excluded during the shareholders meeting.

Article 4 During each shareholders meeting, shareholders may issue a power of

attorney printed by the Company, specifying the scope of authorization, and appoint an proxy to attend the meeting.

One shareholder is limited to issuing one power of attorney to appoint one person as proxy, and shall deliver the document to the Company 5 days prior to the shareholders meeting. In case of duplicate power of attorney forms, the earliest one received shall prevail unless a declaration has been issued to revoke the earlier entrustment.

After the power of attorney is delivered to the company, shareholders who wish to attend the shareholders meeting in person or exercise their voting rights in writing or electronically shall notify the Company of revocation of the proxy in writing two days prior to the shareholders meeting. The voting rights of the entrusted proxy shall prevail if the revocation is not issued prior to the deadline.

After the proxy form is delivered to the Company, shareholders who wish to attend the shareholders meeting via video conference shall notify the Company of revocation of the proxy in writing two days prior to the shareholders meeting. The voting rights of the entrusted proxy shall prevail if the revocation is not issued prior to the deadline.

Article 5 The shareholders meeting shall be located at a place within the Company or a place convenient for shareholders' attendance and suitable for the shareholders meeting. The start time of the meeting shall not be earlier than 9 am or later than 3 pm. The opinions of independent directors must be fully considered in terms of the place and time of the meeting.

When the Company convenes the video shareholders' meetings, the restrictions of convention location in the preceding paragraph does not apply.

Article 6 The Company shall specify the time and location for shareholder, proxy solicitors, proxy agents ("shareholders" hereafter), registration in the meeting notice as well as other matters requiring attention.

The preceding registration time shall be at least 30 minutes prior to the meeting. The registration area shall be clearly identified, and sufficient

personnel must be deployed to handle the registration matters. The time during which shareholder attendance registrations will be accepted at the video conference platform shall be at least 30 minutes prior to the time the meeting commences. The shareholders accepted are deemed attend the shareholders' meeting in person.

The shareholder must present the attendance certificate, attendance sign-in card, or other attendance certificate in order to attend the shareholders meeting. Except for the documents required by the shareholders to attend, the Company shall not arbitrarily request other supporting documents. The proxy with a power of attorney must present ID documents for verification.

The Company the attending shareholders shall hand-in a sign-in card to sign in.

The Company shall deliver the meeting handbook, annual report, attendance certificate, speech slips, voting slips, and other meeting materials to the shareholders attending the shareholders meeting. In case of director election, additional voting slips must be included.

When the government or corporation is a shareholder, the representative attending the shareholders meeting is not limited to one person. When a corporation is entrusted to attend the shareholders meeting, only one representative may be appointed to attend.

Where the Company convenes the video shareholders' meetings, and shareholders intend to attend in the manner of video conference shall register with the Company at least two day prior to the meeting date.

Where the Company convenes the video shareholders' meetings, the Company shall upload the agenda handbook, annual reports and other related information to the video conference platform for the shareholders' meeting 30 minutes prior to the meeting, and retain the disclosure of such until the meeting ends.

Article 6-1 Where the Company convenes the video shareholders' meetings, the meeting notice shall specify the following matters:

I. The method for shareholders to attend the video conference and

exercise of their rights.

II. The handling method when the video conference platform or participation in the manner of video conference fails due to force majeure, such as natural disasters or incidents, and the follows shall be at least included:

(I) Time and date for the postponement or re-convention when the aforesaid continual failure that cannot be eliminated and thus a postponement or re-convention is required.

(II) The shareholders have not registered to attend the first shareholders' meeting must not attend the postponed or re-convened meeting.

(III) Where the Company convenes the video-assisted shareholders' meetings, and when the video meeting is discontinued, if the total attending shares still meet the statutory quorum for shareholders' meeting commencement after deducting these shares held by the shares attending the meeting via video conference, the meeting shall continue; the shares held by the shares attending the meeting via video conference shall be included in the total shares of the attending shareholders, but deemed abstaining for all proposals in the concerned shareholders' meeting.

(IV) The handling method where the results of all proposal are announced but the extempore motions are not proceeded.

III. Where the Company convenes the video shareholders' meetings, the proper alternatives provided for the shareholders having difficulties attending in the manner of a video conference shall be specified.

Article 7 If the shareholders meeting is convened by the board of directors, the chairman of the board shall chair the meeting. If the chairman is unable to perform such duties due to leave of absence or any reason, the vice chairman shall act on the chairman's behalf. If the vice chairman is also unavailable or cannot perform such duties due to leave of absence or any reason, the chairman may appoint a managing director to act on the

chairman's behalf. If there is no managing director, the chairman shall appoint a proxy. If the chairman has not appointed a proxy, the managing directors or other directors shall appoint one among them as proxy.

The chairman mentioned in the preceding paragraph shall be an executive director or a director's proxy who has served for over 6 months and has a clear grasp of the Company's financial business status. The same shall apply if the chairman is the representative of a corporate director.

For a shareholders meeting called by the board of directors, it is advisable that the board chairperson chair the meeting, that a majority of the directors attend in person, and that at least one member of other functional committees attend as representative. Attendance details should be recorded in the shareholders meeting minutes.

If the shareholders' meeting is convened by someone with the right to convene other than the board of directors, the chairman shall be the convener, if there are two or more persons having the convening right, the chair shall be elected from among themselves.

The Company may appoint the retained attorneys, accountants, or related personnel to attend the shareholders meeting.

Article 8 The Company shall audio and video-tape the full proceeding of shareholders' meetings.

The audiovisual materials from the preceding paragraphs shall be retained for at least 1 year. However, if the case involves a lawsuit according to Article 189 of the Company Act, the materials shall be retained until the end of the lawsuit.

Where the Company convenes the video shareholders' meetings, the Company shall record and retain the records of the registration, enrollment, acceptance, inquiries, voting, and the results of vote calculation, and continuously record the video conference thoroughly, both audio and video.

The records and audio and video recordings in the preceding paragraphs

shall be properly retained during the Company's survival period, and the audio and video recordings are provided to the organizer of the video conference for custody.

Article 9 The attendance of the shareholders meeting shall be calculated based on the number of shares held by those present. The number of shares held by those present shall be calculated based on the signature book or the sign-in card and the accepted shares at the video conference platform, submitted plus the number of shares exercising voting rights in writing or electronically.

The chair shall immediately announce the meeting adjourned at the scheduled meeting time.

But shall postpone the meeting when the shareholders present do not represent over 1/2 of the total issued shares. The number of postponements is limited to 2, and the total postponement time shall not exceed 1 hour. If the share amount present is still insufficient after 2 postponements but is over 1/3 of the total issued shares, the chair shall announce the meeting aborted, where the Company convenes the video shareholders' meetings, the Company shall announce the meeting adjournment at the video conference platform.

If the share amount present do not exceed 1/3 of the total issued shares after 2 postponements, a tentative resolution may be passed pursuant to the first paragraph of Article 175 of the Company Act, and notify the shareholders of the tentative resolution and reconvene the shareholders meeting within 1 month, where the Company convenes the video shareholders' meetings, and shareholders intend to attend in the manner of video conference shall register again with the Company per Article 6.

Before the end of the meeting, if the number of shares represented by the shareholders present has exceeded 1/2 of the total issued shares, the chair may submit the tentative resolution for a full resolution pursuant to Article 174 of the Company Act.

Article 10 If the shareholders meeting is convened by the board of directors, the

agenda shall be set by the board of directors, related proposals are put to vote, and the meeting shall be conducted in accordance with the set agenda and shall not be changed without a resolution from the shareholders meeting.

If the shareholders meeting is convened by someone with the right to convene other than the board of directors, the preceding paragraph shall apply *mutatis mutandis*.

Before the meeting has been concluded, the chair shall not declare the meeting adjourned without a resolution. If the chair violates the procedure rules and announces the meeting adjourned, other members of the board of directors shall promptly assist the shareholders present to elect one person to serve as the chair and continue the meeting in accordance with the procedures established by law, and continue the meeting.

The chair must allow adequate time to explain and discuss the various motions, amendments, or special motions proposed during the meeting. The chair may announce discontinuing further discussions if the issue in question is considered to have been sufficiently discussed to proceed with the voting, and sufficient time for voting shall be arranged.

Article 11 Before a shareholder makes a statement, the shareholder must specify the statement summary, shareholder's account number (or attendance certificate number) and account name on the statement slip. The chair shall determine the order of shareholder statements.

If a shareholder has submitted a statement slip and fails to make a statement, the statement is deemed as waived. If the content of the statement is inconsistent with that specified on the statement slip, the content of the statement shall prevail.

Each shareholder shall not make over 2 statements during each meeting without the consent of the chair, and each statement shall not exceed 5 minutes. The chair may stop a statement if it violates the preceding provision or exceeds the scope of the topic.

When an attending shareholder makes a statement, other shareholders

shall not interfere with the statement except those with the consent of the chair and the speaking shareholder. Violators shall be stopped by the chair.

When a corporate shareholder appoints two or more representatives to attend the shareholders meeting, only one person is permitted to speak on the same proposal.

After the shareholders have spoken, the chair may reply personally or designate the relevant personnel to reply.

Where the Company convenes the video shareholders' meetings, the shareholders attending the meeting via video conference may, after the chair declares the commencement of the meeting, till the adjournment, raise inquiries in text at the video conference platform for the shareholders' meeting. No more than two inquiries may be made to each proposal. The maximum length of the inquiries is 200 words, and Paragraphs 1 to 5 do not apply.

The inquiries in the preceding paragraph, if not a breach to the regulations, nor beyond the proposal extent, it is advisable to disclose such inquiries at the video conference platform for the shareholders' meeting for the public knowledge.

Article 12 Votes during a shareholders meeting shall be calculated based on the number of shares.

During a shareholders meeting resolution, the total number of issued shares shall not be included the number of shares held by non-voting shareholders. When a shareholder is a stakeholder in matters presented at the meeting and may pose harm to the interests of the Company, said shareholder shall not participate in the voting or act on behalf of other shareholders to exercise their voting rights.

The number of shares for which voting rights cannot be exercised in the preceding paragraph shall not be counted as the number of voting rights of shareholders present.

Except for a trust enterprise or a stock agency approved by the competent securities authorities, when one person is entrusted by two

or more shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total number of shares issued, and the part that exceeded this limit shall not be calculated.

Article 13 Shareholders have one voting right per share, except for those who are restricted or have no voting rights pursuant to Article 179, Paragraph 2 of the Company Act.

Voting rights can be exercised in writing or using the electronic method. When adopting the written or electronic method to exercise the voting rights, instructions for exercising voting rights in writing or using the electronic form must be clearly stated on the shareholders meeting notice. Shareholders who exercise voting rights in writing or electronically are deemed to have attended the shareholders meeting in person. However, the provisional motions and amendments to the original shareholders meeting proposals shall be deemed as abstentions. Therefore, the Company must avoid proposing provisional motions and amendments to the original proposals.

For those who intend to exercise voting rights in writing or electronically under the preceding paragraph, their expressions of intent shall be delivered to the Company 2 days before the shareholders meeting. In the event of duplicate expressions of intent, the first 1 shall prevail unless a declaration has been issued to revoke the earlier expression of intent.

After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the shareholders meeting in person or video, they must revoke the aforesaid expressions of intent 2 days prior to the shareholders meeting the same way they exercised their vote rights. If the revocation is overdue, the voting rights exercised in writing or electronically shall prevail. If voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders meeting via a power of attorney, the voting rights exercised by the entrusted proxy shall prevail.

The vote for a proposal shall be passed with the approval of a majority

of the shareholder voting rights present unless otherwise stipulated in the Company Act or the Company's Articles of Incorporation. At the time of voting, shareholders shall vote, and the shareholders' approval, opposition, and abstention voting results shall be uploaded to the Market Observation Post System.

In case there are any amendments or alternative solutions for the same proposal, the chair shall combine these amendments/alternative solutions with the original proposal and decide their priority for voting. If one of these cases has already been resolved, the other cases shall be considered rejected and no further voting is required.

The scrutineers and vote-counters for the proposal votes shall be designated by the chair, but the scrutineers must be shareholders. The vote counting operation for shareholder votes or election proposals shall be conducted at a public place in the shareholders meeting. After the vote counting has completed, the voting results shall be announced on-site (including the statistical weight), and a record shall be made.

Where the Company convenes the video shareholders' meetings, the shareholders attending in the manner of video conference shall vote via the video conference platform to each proposal and election after the Chairman declares the meeting commencement. Such voting shall be completed before the Chairman declares the end of voting; anyone misses the deadline is deemed abstention.

Where the Company convenes the video shareholders' meetings, the votes shall be calculated at once upon the end of voting declared by the chair, and announce the results of voting or elections.

Where the Company convenes the video-assisted shareholders' meetings, the shareholders who already have registered to attend the meeting in the manner of video conference pursuant to Article 6, but then intend to attend the off-line shareholders' meeting in person, shall withdraw the registration in the same manner of registration two days prior to the shareholders' meeting date; these who miss the deadline may only attend the shareholders' meeting in the manner of a video

conference.

Those who exercise the vote in the manner of writing or electronic method, without withdrawing their expressions of intent, and attending the meeting in the manner of video conference, other than the extempore motions, must not exercise the votes to the original proposal, propose any amendment to the original proposal, or exercise the votes to the amendment to the original proposal.

Article 14 The election of directors during the shareholders meeting must be handled according to the relevant election provisions set by the Company. The election results, including the list of elected directors and the final tally must be announced on-site.

The electoral votes for the preceding election shall be sealed and signed by the scrutineers, and properly retained for at least one year. However, if the case involves a lawsuit according to Article 189 of the Company Act, the materials shall be retained until the end of the lawsuit.

Article 15 The shareholders meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chair of the meeting before disseminating to each shareholder no later than 20 days after the meeting. The meeting minutes may be prepared and distributed in electronic form.

The aforesaid meeting minutes may be announced via upload to the Market Observation Post System.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained indefinitely.

Where the Company convenes the video shareholders' meetings, other than the matters to be recorded as required in the preceding paragraph, the starting and ending time of the shareholders' meeting, convention method of the meeting, names of the chair and record-keeper, and the

handling method when the video conference platform or participation in the manner of video conference fails due to disasters, incidents or other force majeure, and the handling status shall be specified.

Where the Company convenes the video shareholders' meetings, other than complying with the preceding paragraph, the minutes shall also specify the alternatives for the shareholders having difficulties to attend in the manner of video conference.

Article 16 The number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and the shares attended by the shareholders in the manner of writing or electronic method, shall be clearly disclosed in the shareholders meeting on the meeting day in a statistical table compiled under the prescribed format. Where the shareholders' meeting are convened in the manner of video conference, the Company shall upload the aforesaid information to the video conference platform for the shareholders' meeting at least 30 minutes prior to the meeting, and retain the disclosure of such until the meeting ends.

Where the Company convenes the video shareholders' meetings, the total shares held by the shareholders attending the meeting shall be disclosed at the video conference platform. If the total shares and voting rights of the attending shareholders are counted during the meeting, the same applies.

Article 17 Staff handling the shareholders meeting shall wear identification cards or armbands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

If the venue is equipped with amplifying equipment, the chair may stop it when the shareholder does not use the equipment configured by the Company to speak.

If a shareholder violates the procedure rules, obstructs the progress of

the meeting, and refuses to comply with the chair's instructions; the chair may direct the guard or security personnel to ask the shareholder to leave the venue.

Article 18 During a meeting, the chair may announce a break at his or her discretion. During a force majeure event, the chair may rule to suspend the meeting temporarily and announce the meeting continuation time. If the meeting venue cannot continue to be used before the agendas set by the shareholders meeting are concluded, the shareholders meeting may decide to find another venue to continue the meeting. The shareholders meeting may decide to postpone or continue the meeting within 5 days pursuant to Article 182 of the Company Act.

Article 19 Where the shareholders' meetings are convened in the manner of video conference, the Company shall disclose the voting result of each proposal and election results at the video conference platform for the shareholders' meeting, and retain the disclosure at least 15 minutes after the chair declares adjournment.

Article 20 When the Company convenes the video shareholders' meetings, the chair and the record-keeper shall be at the same location within Taiwan. The chair shall announce the address of this location.

Article 21 Where the shareholders' meeting is convened in the manner of video conference, the chair, when declaring the meeting commencement, shall also declare the events not requiring postponement or re-convention specified in Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies; before the chair declares the adjournment, in the event where the video conference platform or the participation in the video conference fails for 30 minutes or more due to nature disasters, incidents, or other force majeure, the date of the shareholders' meeting postponed to, or re-convened shall be within five days, and Article 182 of the Company Act shall not apply.

Where the meeting is to be postponed or re-convened as specified in the preceding paragraph, the shareholders have not registered to attend the

first shareholders' meeting must not attend the postponed or re-convened meeting.

For the meeting is to be postponed or re-convened as specified in Paragraph 1, the shareholders who registered to attend the original meeting via the video conference, and have completed the acceptance, but not attend the postponed or re-convened meeting, their attending shares at the original meeting, the exercised voting right and election right, shall be counted into the total shares, voting rights, and election rights of the attending shareholders in the postponed or re-convened meeting.

The postponement or re-convention of shareholders' meetings conducted per Paragraph 1 needs not again discuss and resolve the proposal that have completed voting and vote calculation, with the announcement of voting results, or the list of elected directors.

Where the Company convenes the video-assisted shareholders' meetings, and when the video meeting is discontinued as specified in Paragraph 1 and the total attending shares still meet the statutory quorum for shareholders' meeting commencement, the postponement or re-convention of the meeting per Paragraph 1 is not required.

Under the circumstances to continue the meeting as specified in the preceding paragraph, the shares held by the shares attending the meeting via video conference shall be included in the total shares of the attending shareholders, but deemed abstaining for all proposals in the concerned shareholders' meeting.

Where the Company postpones or re-convenes any shareholders' meeting as specified in Paragraph 1, the pre-requisite operations shall be conducted based on the original shareholders' meeting date, and pursuant to Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For the periods specified in the latter part of Article 12 and Paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Paragraph 2

of Article 44-5, Article 44-15, Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall proceed on the date of the postponed or re-convened shareholders' meeting per Paragraph .

Article 22 Where the Company convenes the video shareholders' meetings, the proper alternatives shall be provided for the shareholders having difficulties to attend in the manner of video conference.

Article 23 This Procedure Rules shall be implemented after approval by the shareholders meeting, and the same shall apply to its revisions.

Article 24 Abolish and re-establish the Company's "Rules of Procedures for Shareholders Meetings" : April 28,2022

TMP Steel Corporation

List of Shareholding by Directors

The Company has issued a total of 62,083,633 capital shares, and pursuant to Article 2 of the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”:

1. The minimum number of shares held by all directors is 4,966,690 shares.
2. The Company has established an audit committee, so the number of shares that must be held by the supervisor is inapplicable.

List of individual shareholdings and total shareholdings of
directorseholdings and total shareholdings of directors.

Title	Name	Shareholding on the book closure date (2023.3.14)	Shareholding percentage(%)
Chairman	Taiwan Steel Corporation Representative:Ching-Li Yen	2,304,054 shares	3.71 %
Director	Taiwan Steel Corporation Representative:Shih-Chieh Chao		
Director	Taiwan Steel Corporation Representative:Kuei-Mei Yang		
Director	Taiwan Steel Corporation Representative:Yu-jia Huang		
Director	Tianchuan Investment Co., Ltd. Representative:Yu-Yeh Tsai	6,079,303 shares	9.79%
Director	Tianchuan Investment Co., Ltd. Representative:Chun-Liang Yeh		
Independent Director	Ti-miao Wu	0 shares	0.00 %
Independent Director	Yu-chi Huang	0 shares	0.00 %
Independent Director	Su-i Chou	0 shares	0.00 %
Total		8,383,357 shares	13.50 %