

Ticker Symbol: 6248



TMP Steel Corporation

2024 Annual Report

Website for inquiries about the Annual Report:

<http://www.tmpco.com.tw>

**Website for declaring information designated by the Securities and
Futures Bureau: <http://mops.twse.com.tw>**

March 31, 2025

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Name of Firm: PricewaterhouseCoopers Taiwan
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- V. Name of trading site for securities listed overseas and how to search for the said overseas securities: None
- VI. Company website: www.tmpco.com.tw

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I. Letter to Shareholders

I. 2024 Business Accomplishments

(I) Accomplishments in Implementation of the Operation Plan

In 2024, the global steel market was affected by multiple factors such as overcapacity and low-price dumping in mainland China, and the overall market environment was full of challenges. Despite this, TMP still benefited from the solid support of demand for rebar in Taiwan's construction industry and the continued contribution of steel product trading performance, and its revenue showed steady growth. The consolidated operating revenue for the full year of 2024 is NT \$9,313,434 thousand, an increase of 19.01% compared to 2023, and the profit before tax in 2024 is NT\$ 265,299 thousand, an increase of 13.30% compared to 2023.

consolidated operating revenue and profit before tax

Unit: NT\$ thousand ; %

Item	2024	2023	Growth rate (%)
Operating revenue	9,313,434	7,825,660	19.01
Net operating margin	473,960	481,183	(1.50)
Operating profit	188,174	229,219	(17.91)
Profit before income tax	265,299	306,013	(13.30)

(II) Financial revenue and expenditure and profitability

- The net cash outflow from consolidated operating activities for the year was NT\$ 375,678 thousand, primarily increased accounts receivable at the end of the period due to sales growth ,and increased inventory in response to the increase in demand; the net cash outflow from consolidated investing activities stood at NT\$ 504,458 thousand, Mainly due to the acquisition of DataVan International CORP., LTD. shares, the purchase of equipment and the construction of factory; and the net cash inflow from consolidated financing activities amounted to NT\$ 920,487 thousand, which was a result of cash capital increase and bank loans increase.

2. Expenditure and Profitability

Analysis Item		Year	2024	2023
Profitability	Return on assets (%)		6.84	10.76
	Return on equity (%)		12.06	20.36
	Operating profit to paid-in capital ratio (%)		18.83	33.34
	Pre-tax net profit to paid-in capital ratio (%)		26.54	44.51
	Earnings per share(in dollars)		3.07	4.02

II. Overview of 2025 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. In addition, ChangPin Plant No. 2 has been completed and put into production, and will add new products such as hooped rebar and welded wire mesh, which will provide higher-quality and comprehensive product sales and services for the construction industry and public works. The first phase of the Xinshi plant is under construction and is expected to be completed and put into production in the fourth quarter of 2025. It will add new rebar processing and coupler production lines, which will help expand secondary processing capacity. As the benefits of the new production capacity continue to emerge, The company's operations are expected to reach new heights.

TMP Steel Corp continues to improve corporate governance operations and actively promote sustainable development. It continues to implement and review year by year to create a business environment for sustainable development, and ensure that the interests of stakeholders are protected.

III. Future Company Development Strategy

In order to deepen the market layout and meet customer needs, The company 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, and further increase market share and improve service efficiency.

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:
Pei-Ying Huang

Accounting Manager:
Uei-Ling Wang

II. Corporate Governance Report

I. Background Information of Directors, Supervisors, President, Vice President, Assistant Vice President, and Heads of Various Departments and Branches

(I) Information of Directors

1. Directors

Date: March 31, 2025 ; Unit: shares ; %

Position	Nationality or Place of Registration	Name	Gende Age	Date Elected (Inaugurated)	Term in office	Initial Date Elected (Inaugurated)	Shares held upon inauguration		Shares currently held		Shares currently held by the spouse and minor child(ren)		Shares held in someone else’s name		Major Experience/Education	Position held in the Company and any other company at present	Other department heads, directors, or supervisors who are the spouse or a relative within the second degree of kinship			Remarks
							Quantity	Ratio	Quantity	Ratio	Quantity	Ratio	Quantity	Ratio			Position	Name	Relation	
Chairman	Taiwan	Taiwan Steel Corporation Representative: Ching-Li Yen	Male 61-70	4/23/2020	3 years	6/29/2018	1,849,000	4.04%	3,204,054	3.21%	-	-	-	-	Department of Industrial Engineering, Feng Chia University Chairman of E-TOP METAL CO., LTD.	Chairman of E-TOP METAL CO., LTD. Chairman of E-SHENG STEEL CO., LTD. Chairman of Taiwan Iron and Steel CO., LTD. Chairman of Taiyu Investment Co., Ltd. Chairman of Tainan Private Taigang Royal Eagle Social Welfare Charity Foundation Director of Quintain Steel Co., LTD. Director of CHUN YU WORKS & CO.,LTD. Director of S-Tech Co., LTD. Director of Taiwan Steel University of Science and Technology	None	None	None	None
Director	Taiwan	Taiwan Steel Corporation Representative: Kuei-Mei Yang	Female 61-70	4/23/2020	3 years	4/28/2022	1,849,000	4.04%	3,204,054	3.21%	-	-	-	-	Jinou Girls High School Director of the Motion Picture Foundation, R.O.C.	Taipei Golden Horse Film Festival Executive Committee. Director of National Film and Audiovisual Culture Center. Member of Taipei Film Commission. Executive Director of Guitian Culture and Art Foundation. Consultant of HUMANISTIC CULTURE AND EDUCATION FOUNDATION.	None	None	None	None
Director (Note1)	Taiwan	Taiwan Steel Corporation Representative: King-Cheng Kuo	Male 61-70	4/23/2020	3 years	1/16/2024	1,849,000	4.04%	3,204,054	3.21%	-	-	-	-	Master of Electrical Engineering, National Cheng Kung University As lecturer in department of Electronic Engineering, Southern Taiwan University Director of Amigo Technology Co., Ltd. Director of Amit Technology Corporation	Director of Amigo Technology Co., Ltd. Director of Amit Technology Corporation	None	None	None	None

Position	Nationality or Place of Registration	Name	Gende Age	Date Elected (Inaugurated)	Term in office	Initial Date Elected (Inaugurated)	Shares held upon inauguration		Shares currently held		Shares currently held by the spouse and minor child(ren)		Shares held in someone else's name		Major Experience/Education	Position held in the Company and any other company at present	Other department heads, directors, or supervisors who are the spouse or a relative within the second degree of kinship			Remarks
							Quantity	Ratio	Quantity	Ratio	Quantity	Ratio	Quantity	Ratio			Position	Name	Relation	
Director	Taiwan	Tianchuan Investment Co., Ltd. Representative: Pei-Ying Huang	Female 51-60	11/18/2009	3 years	8/11/2023	6,079,303	13.30%	6,079,303	6.08%	-	-	-	-	Master of International Business Administration, National Changhua University of Education. Vice President/ Senior manager/ Manager/ Assistant Manager of Financial Department/ Section Chief of Financial Department of E-TOP METAL CO., LTD.	President of TMP. Supervisor of E-SHENG STEEL CO., LTD.	None	None	None	None
Director	Taiwan	Tianchuan Investment Co., Ltd. Representative: Wen-Hsiung Mu	Male 51-60	11/18/2009	3 years	8/11/2023	6,079,303	13.30%	6,079,303	6.08%	-	-	-	-	Department of Industrial Management and Information, Southern Taiwan University Vice President of E-SHENG STEEL CO., LTD. Assistant Manager of Sales Department at OFCO Industrial Co., LTD.	Vice President of E-SHENG STEEL CO., LTD.	None	None	None	None
Independent Director	Taiwan	Ti-miao Wu	Female 41-50	4/28/2022	3 years	4/23/2020	-	-	-	-	-	-	-	-	Master of Business Administration, National Cheng Kung University NON SHENG CO., LTD. Chief Financial Officer Genesis Photonics Inc. Chief Financial Officer	Chief Financial Officer and director of Shin Nong Technology Corporation.	None	None	None	None
Independent Director	Taiwan	Yu-chi Huang	Male 41-50	4/28/2022	3 years	4/28/2022	-	-	-	-	-	-	-	-	B.A. in Financial Law, National Taipei University Member of the Chinese affairs committee of the Taiwan Bar Association Lawyer, Tong-Li Attorneys-At-Law (Taipei) Senior Counsel, Zoomlaw Attorneys-at-Law (Taipei) Legal Advisor, PX Mart Co Legal Advisor, Eagleburgmann Taiwan Co (EKK Group, Japan)	Lawyer of YU-CHENG ATTORNEYS-AT-LAW. Independent director of GeneFerm Biotechnology co.,LTD.	None	None	None	None

Position	Nationality or Place of Registration	Name	Gende Age	Date Elected (Inaugurated)	Term in office	Initial Date Elected (Inaugurated)	Shares held upon inauguration		Shares currently held		Shares currently held by the spouse and minor child(ren)		Shares held in someone else's name		Major Experience/Education	Position held in the Company and any other company at present	Other department heads, directors, or supervisors who are the spouse or a relative within the second degree of kinship			Remarks
							Quantity	Ratio	Quantity	Ratio	Quantity	Ratio	Quantity	Ratio			Position	Name	Relation	
Independent Director	Taiwan	Su-i Chou	Male 61-70	4/28/2022	3 years	4/28/2022	-	-	-	-	-	-	-	-	M.A. in China Studies, National Sun Yat-sen University Judge, Taiwan Kaohsiung District Court Judge and Presiding Judge, Taiwan Tainan District Court Adjunct Assistant Professor, Department of Accountancy, National Cheng Kung University Independent Director and Remuneration Committee Member, TEKOM Technology Co	Presiding Attorney, Liang Yi Law Firm Legal Advisor, Tainan Prison, Agency of Correction, Ministry of Justice Grievance Review Committee Member, Tainan Prison, Agency of Correction, Ministry of Justice	None	None	None	None

Note1 : The corporate shareholder of Taiwan Steel Corporation appointed Director King-Cheng Guo to take over the directorship of Ms. Yu-Jia Huang on January 16,2024.

Note2 : The company learned on January 8, 2025 that director Shih-Chieh Chao, the legal representative of Taiwan Steel Corporation, had passed away. The vacancy will be filled by the 2025 shareholders' meeting.

2. Major shareholders of institutional shareholders

Date:March 31, 2025

Name of institutional shareholder	Major shareholder of the institutional shareholder
Tianchuan Investment Co., Ltd.	SAPIDO TECHNOLOGY INC. (100% of shares)
Taiwan Steel Corporation	Jinzhifu Asset Management Co., Ltd. (100% of shares)

3. Primary shareholder of any of the major shareholders that is a corporation

Date:March 31, 2025

Name of corporation	Major shareholder of the corporation
President of SAPIDO TECHNOLOGY INC.	E-TOP METAL CO., LTD. (100% of shares)
Jinzhifu Asset Management Co., Ltd.	Chun-Yi Huang (45% of shares), Chiung-Fen Wang (36% of shares), E-TOP METAL CO., LTD. (19% of shares)

4. Disclosure of professional qualification of directors and independent directors and independency information of independent directors.

Name	Professional qualification and experience(Note 1)	Independence (Note 2)	Number of other public offering companies serving as independent directors
Ching-Li Yen	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. Chairman of E-TOP METAL CO., LTD. 、Chairman of E-SHENG STEEL CO., LTD. 、Chairman of Taiwan Iron and Steel CO., LTD. 、Chairman of Taiyu Investment Co., Ltd. 、Chairman of Tainan Private Taigang Royal Eagle Social Welfare Charity Foundation 、Director of Quintain Steel Co., LTD. 、Director of CHUN YU WORKS & CO.,LTD. 、Director of S-Tech Co., LTD. 、Director of Taiwan Steel University of Science and Technology. Free of situations provided under items of Clause 30 of Company Act.	Not independent director. Not applicable	None
Kuei-Mei Yang	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. Taipei Golden Horse Film Festival Executive Committee. 、Director of National Film and Audiovisual Culture Center. 、Member of Taipei Film Commission. 、Executive Director of Guitian Culture and Art Foundation. 、Consultant of HUMANISTIC CULTURE AND EDUCATION FOUNDATION. Free of situations provided under items of Clause 30 of Company Act.	Not independent director. Not applicable	None
King-Cheng Kuo	Equipped with the working experience in commerce, legal, and management capability required by the Company. Director of Electronic Engineering 、Director of Amit Technology Corporation. Free of situations provided under items of Clause 30 of Company Act.	Not independent director. Not applicable	None
Pei-Ying Huang	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. Supervisor of E-SHENG STEEL CO., LTD 、President of The Company. Free of situations provided under items of Clause 30 of Company Act.	Not independent director. Not applicable	None
Wen-Hsiung Mu	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. Vice president of E-SHENG STEEL CO., Free of situations provided under items of Clause 30 of Company Act.	Not independent director. Not applicable	None
Ti-miao Wu	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. Shin Nong Technology Corporation Chief Financial Officer. Free of situations provided under items of Clause 30 of Company Act.	This is an independent director. The director, the spouse and relatives within 2-tiere are not director, supervisor or employee of the Company and the subsidiary. The director is not holding share of the Company and is not acting as director, supervisor.	None

Name	Professional qualification and experience(Note 1)	Independence (Note 2)	Number of other public offering companies serving as independent directors
Yu-chi Huang	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. Lawyer of YU-CHENG ATTORNEYS-AT-LAW 、 Independent director of GeneFerm Biotechnology co.,LTD. Free of situations provided under items of Clause 30 of Company Act.	This is an independent director. The director, the spouse and relatives within 2-tiere are not director, supervisor or employee of the Company and the subsidiary. The director is not holding share of the Company and is not acting as director, supervisor.	None
Su-i Chou	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. Presiding Attorney, Liang Yi Law Firm 、 Legal Advisor, Tainan Prison, Agency of Correction, Ministry of Justice 、 Grievance Review Committee Member, Tainan Prison, Agency of Correction, Ministry of Justice. Free of situations provided under items of Clause 30 of Company Act.	This is an independent director. The director, the spouse and relatives within 2-tiere are not director, supervisor or employee of the Company and the subsidiary. The director is not holding share of the Company and is not acting as director, supervisor.	None
Note 1:Professional qualification and Experience: Describing the professional qualification and experience of individual director or supervisor. In case of member of Auditing Committee and is in accounting or financial profession, the background of accounting or finance and work experience shall be described, and shall explain if any situation stated under items of Clause 30 of Company Act has been involved. Note 2: For independent director, the independency shall be clearly described, which shall include, but not limited to whether his or herself, or spouse, relative within 2-tier relation (or using name of other person) is holding office of director or supervisor or is an employee of the Company or in the subsidiary;; if the principal or spouse or relative of two-tier relation (or using name of other person) is holding shares of the Company or in the subsidiary (reference shall be taken with Item 5, 6, 7 & 8, Para. 1, Clause 3 of Measures of Installation of Independent Directors and Things to be Complied Securities Public Issuers); whether service has been provided for the \Company in commerce, legal affair, finance, accounting, etc. and the amount of remuneration in the latest 2 years. Note 3: The company learned on January 8, 2025 that director Shih-Chieh Chao, the legal representative of Taiwan Steel Corporation, had passed away. The vacancy will be filled by the 2025 shareholders' meeting.			

5. Diversity and independency of Board of Directors:

(1) For the diversification in the composition of the Board of Directors:

- ①The Company has set up 9 directors (including 3 independent directors) reflective of its current operational scale and developmental demand. They are experts and professionals specializing in the industry, law, or operation, among others to fulfill its policy on diversified composition of the Board of Directors. Primary policy goals include:
 - A. Diversification shall be taken into consideration for the composition of the Board of Directors and a suitable diversification policy is prepared reflective of its function, operational pattern, and developmental demand. It shall include, without limitation, the following criteria:
 - a. Basic requirements and values: gender, age, nationality, and culture, etc.
 - b. Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industrial experience, etc.
 - B. The Board members shall possess the general knowledge, skills, and attainments required for fulfilling their duties. The desired capabilities as a whole are Operational judgment 、 Accounting and financial analyses 、 Operation and management 、 Crisis management 、 Industrial knowledge 、 International market views 、 Leadership 、 Decision-making.
- ② In case a candidates nomination system is adopted by the company for election of the directors of the company, and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates.
- ③ The Company has 8 directors, including 5 directors and 3 independent directors. The Company attaches great importance to gender equality in the composition of the board of directors and aims to have one of the board seats be of either gender. Currently, there are 5 male directors on the board, accounting for 63%, 3 female directors, accounting for 37%; and 1 employee director, accounting for 13%.
- ④ There are 2 independent directors with less than 3 years of tenure and 1 independent director with 4 to 6 years of tenure. The future goal is still to elect independent directors for a consecutive term of no more than 9 years each time, and to maintain at least one director of different genders.

⑤For the diversification of the Board members:

Poly-element core item		Gender	Operational judgment	Accounting and financial analyses	Operational management	Crisis management	Industrial knowledge	International market views	Leadership	Decision-making
Name of director										
Chairman	Taiwan Steel Corporation	Male	V	V	V	V	V	V	V	V
	Representative: Ching-Li Yen									
Director	Taiwan Steel Corporation	Female	V	V		V	V	V	V	V
	Representative: Kuei-Mei Yang									
Director (Note1)	Taiwan Steel Corporation	Male	V	V	V	V	V	V	V	V
	Representative: King-Cheng Kuo									
Director	Tianchuan Investment Co., Ltd.	Female	V	V	V	V	V	V	V	V
	Representative: Pei-Ying Huang									
Director	Tianchuan Investment Co., Ltd.	Male	V	V	V	V	V	V	V	V
	Representative: Wen-Hsiung Mu									
Independent Director	Ti-Miao Wu	Female	V	V	V	V	V	V	V	V
Independent Director	Yu-Chi Huang	Male	V			V	V		V	V
Independent Director	Su-I Chou	Male	V			V	V		V	V

Note1 : The corporate shareholder of Taiwan Steel Corporation appointed Director King-Cheng Guo to take over the directorship of Ms. Yu-Jia Huang on 1/16/2024.

Note2 : The company learned on January 8, 2025 that director Shih-Chieh Chao, the legal representative of Taiwan Steel Corporation, had passed away. The vacancy will be filled by the 2025 shareholders' meeting.

(2) Independency information of independent directors: 3 independent directors (including 1 female independent director), accounting for 33% of directors. There are no circumstances specified in Article 26-3, Paragraph 3 and Paragraph 4 of the Securities and Exchange Act.

(II) Profile of President, Vice President, Assistant Vice President, and Heads of Respective Departments and Branches

Date: March 31, 2025 ; Unit: shares ; %

Position	Nationality	Name	Gender	Date Elected (Inaugurated)	Shares held		Shares currently held by the spouse and minor child(ren)		Shares held in someone else's name		Major Experience/Education	Position held in any other company at present	Manager who is the spouse or a relative within the second degree of kinship			Remarks
					Quantity	Ratio	Quantity	Ratio	Quantity	Ratio			Title	Name	Relationship	
President (Note1)	Taiwan	Pei-Ying Huang	Female	06/01/2024	-	-	-	-	-	-	Master of International Business Administration,National Changhua University of Education. - Vice President/ Senior manager/ Manager / Assistant Manager / Section Chief of Financial of E-TOP METAL CO., LTD.	Supervisor of E-SHENG STEEL CO., LTD.	None	None	None	None
Vice President	Taiwan	Jhun-Rong Liang	Female	08/12/2021	-	-	-	-	-	-	Department of Business Administration, Ling Tung University. - Sales Manager of E-SHENG STEEL CO., LTD. Sales Manager of E-TOP METAL CO., LTD.	None	None	None	None	None
Finance Department Manager	Taiwan	Uei-Ling Wang	Female	10/28/2022	-	-	-	-	-	-	Master of Business Administration, National Cheng Kung University. Department of Business Administration and Accounting,Chung Yuan Christian University. - Assistant Manager of Finance Department at E-SHENG STEEL CO., LTD.. Assistant Manager of the audit department at PricewaterhouseCoopers Taiwan.	None	None	None	None	None

Note1 : The retirement date of former president Yun-Yhih Yang is May 31,2024. ; The new general manager Huang Peiying took office on June 1,2024.

II. Remuneration paid to directors, supervisors, the President, and Vice President in the past year

(I) Remuneration paid to directors, supervisors, the President, and Vice President in the past year(2024)

1. Remuneration paid to directors (including independent directors)

Date:December 31, 2024Unit: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	The Company		All companies included in the financial statement		The Company		All companies included in the financial statement		
										Total	%	Total	%					Cash value	Stock value	Cash value	Stock value	Total	%	Total	%	
Chairman	Taiwan Steel Corporation Representative: Ching-Li Yen	480	480	-	-	245	245	42	42	767	0.33	767	0.33	3,045	3,045	-	-	-	-	-	-	3,812	1.65	3,812	1.65	None
Director	Taiwan Steel Corporation Representative: Shih-Chieh Chao	360	360	-	-	245	245	30	30	635	0.28	635	0.28	-	-	-	-	-	-	-	-	635	0.28	635	0.28	None
Director	Taiwan Steel Corporation Representative: Kuei-Mei Yang	360	360	-	-	245	245	35	35	640	0.28	640	0.28	-	-	-	-	-	-	-	-	640	0.28	640	0.28	None
Director (Note1)	Taiwan Steel Corporation Representative: Yu-Jia Huang	15	15	-	-	-	-	-	-	15	0.01	15	0.01	-	-	-	-	-	-	-	-	15	0.01	15	0.01	None
Director (Note1)	Taiwan Steel Corporation Representative: King-Cheng Kuo	345	345	-	-	245	245	40	40	630	0.27	630	0.27	-	-	-	-	-	-	-	-	630	0.27	630	0.27	None
Director	Tianchuan Investment Co., Ltd. Representative: Pei-Ying Huang	360	360	-	-	245	245	40	40	645	0.28	645	0.28	2,700	2,700	63	63	300	-	300	-	3,708	1.61	3,708	1.61	None
Director	Tianchuan Investment Co., Ltd. Representative: Wen-Hsiung Mu	360	360	-	-	245	245	40	40	645	0.28	645	0.28	-	-	-	-	-	-	-	-	645	0.28	645	0.28	None
Independent Director	Ti-Miao Wu	480	480	-	-	245	245	36	36	761	0.33	761	0.33	-	-	-	-	-	-	-	-	761	0.33	761	0.33	None
Independent Director	Yu-Chi Huang	360	360	-	-	245	245	42	42	647	0.28	647	0.28	-	-	-	-	-	-	-	-	647	0.28	647	0.28	None

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		The Company		All companies included in the financial statement				
										Total	%	Total	%			Cash value	Stock value	Cash value	Stock value	Total	%	Total	%			
Independent Director	Su-I Chou	360	360	-	-	245	245	42	42	647	0.28	647	0.28	-	-	-	-	-	-	-	-	647	0.28	647	0.28	None
1. 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: (1) According to the company's Articles of Incorporation, if the final annual accounts of the Corporation show a net profit for a given year, the board of directors shall decide to allocate no more than 4% (inclusive) as directors' remuneration. The remuneration of all directors shall be based on the usual standards in the industry and reviewed by the company's remuneration committee and resolution by the board of directors. (2) According to the organizational regulations of the Company's Remuneration Committee, the performance evaluation and salary remuneration of directors should refer to the usual payment situation of peers, and take into account the results of personal performance evaluation, time invested, responsibilities assumed, achievement of personal goals, and responsibilities assumed. The performance of other positions, the salary and remuneration the company has given to those with equivalent positions in recent years, and the reasonableness of the relationship between individual performance and the company's operating performance and future risks are evaluated based on the achievement of the company's short-term and long-term business goals, the company's financial status, etc. 2. 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: The corporate shareholder of Taiwan Steel Corporation appointed Director King-Cheng Guo to take over the directorship of Ms. Yu-Jia Huang on January 16,2024. The remuneration was disclosed during the period of holding the position.

＊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.

2. Remuneration to supervisors：The Company established the Audit Committee on April 23, 2020 to replace the function of supervisor.

3. Remuneration to the President and Vice President

Date:December 31, 2024 ; Unit: NT\$ thousand ; %

Position	Name	Salary (A)		Retirement and pension (B)		Bonus and special expenditure (C)		Remuneration to employees (D)				Ratio of the sum of A, B, C, and D to after-tax net profit (%)		Claim of remuneration from re-invested businesses other than subsidiaries
		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			
President	Yun-Shi Yang (Note1)	1,441	1,441	45	45	-	-	-	-	-	-	1,486	0.64	None
President	Pei-Ying Huang (Note2)	2,100	2,100	63	63	600	600	300	-	300	-	3,063	1.33	None
Vice President	Jhun-Rong Liang	2,026	2,026	98	98	500	500	201	-	201	-	2,825	1.22	None

Note 1: Retired on May 30, 2023 and the disclosure of remuneration is information of holding the office.

Note 2: New appointment on June 1,2024 and the disclosure of remuneration is information of holding the office.

* 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.

4. Names of managers assigned with employee remuneration and the distribution

Date:December 31, 2024; Unit: NT\$ thousand ; %

Position	Name	Stock value	Cash value	Total	Ratio of sum to after-tax net profit (%)
President	Pei-Ying Huang	-	586	586	0.25%
Vice President	Jhun-Rong Liang				
Manager of Finance Department	Uei-Ling Wang				

(II) Analysis of ratios of total remunerations paid to directors, supervisors, the President, and the Vice President of the Company over the past two years to the after-tax net profit of individual or individual financial reports and information on the policy, criteria, and combination of remunerations paid, the procedure to define the remuneration, and the correlation with business performance.

1. Analysis of ratios of total remunerations paid to directors, supervisors, the President, and the Vice President of the Company over the past two years to the after-tax net profit

Unit: NT\$ thousand ; %

Position	2024			2023		
	Total remuneration	After-tax net profit	Ratio of total remuneration to after-tax net profit %	Total remuneration	After-tax net profit	Ratio of total remuneration to after-tax net profit %
Director(including independent directors)	9,077	230,843	3.93%	9,360	263,228	3.56%
President and Vice President	7,374	230,843	3.19%	7,525	263,228	2.86%
Total	16,451	230,843	7.13%	16,885	263,228	6.42%

2. Information on the policy, criteria, and combination of remunerations paid, the procedure to define the remuneration, and the correlation with business performance.

For tasks performed on behalf of the Company, directors and supervisors may be compensated. Their compensation is to be proposed by the Compensation and Remuneration Committee and finalized through the meeting of the Board of Directors. For the President and Vice President, the compensation is to be paid according to their involvement in corporate operations and the value of their contribution; it is also to be proposed by the Compensation and Remuneration Committee and finalized through the meeting of the Board of Directors. In addition, Article 19 of the Company's Articles of Incorporation stipulates that with profits, the Company shall set aside 1% to 10% to be remunerations to its employees. The Board of Directors shall decide whether it is to be distributed in stock or in cash. The remuneration may to distributed to employees of the controlling or subordinate company that meets certain criteria. With the above-mentioned profits, the Company may, with prior finalization by the Board of Directors, set aside no higher than 4%, inclusive, to be the remuneration to directors and supervisors, which will not pose risk for the future.

The salary and compensation for the Company's directors (including independent directors) and managers is based on the overall considerations of their involvement in corporate operations and their performance. Domains considered include the implementation of the Company's core values and the operational and managerial capabilities, the financial and sales and operational performance

indicators and comprehensive management indicators, continuing education, and involvement in sustainable operation as well as other special contributions or major negative events (details are provided in the table below). They are included in the performance evaluation and considered for the distribution of compensation.

Measure	Description
Implementation of core corporate values and operational and managerial capabilities	Ethical practice, approval, and commitment are the prerequisites plus the fulfillment of operational beliefs, corporate culture, and demonstration of leadership and managerial capabilities
Financial and sales and managerial performance indicators and comprehensive management indicators	Financial and sales benchmarks: Financial and sales performance, including profitability, growth rate, leadership on the market, and quality of product, etc. Comprehensive management indicators: innovation and integration, risk management and information security, etc.
Continuing education and involvement in sustainable operation	Do the directors and managers follow regulatory requirements for continuing education and acquisition of new knowledge and are they devoted to sustainable corporate operation and the developmental activities, etc.?
Other special contributions or major negative events	International certifications or awards obtained by the Company, for example. Major negative news, improper internal management, staff frauds, etc.

III. Status of Corporate Governance

(I) Operational Status of the Board of Directors

1. Seating and attendance of directors in the 8 (A) meetings of the Board of Directors over the past year (2024) are as follows:

Position	Name	Actual attendance (seated) frequency (B)	Attendance through proxy	Actual attendance (seated) rate (%) (B/A)	Remarks
Chairman	Taiwan Steel Corporation Representative: Ching-Li Yen	8	0	100%	
Director	Taiwan Steel Corporation Representative: Shih-Chieh Chao	6	0	75%	Note2
Director	Taiwan Steel Corporation Representative: Kuei-Mei Yang	7	1	88%	
Director	Taiwan Steel Corporation Representative: King-Cheng Kuo	8	0	100%	Note1
Director	Tianchuan Investment Co., Ltd. Representative: Pei-Ying Huang	8	0	100%	
Director	Tianchuan Investment Co., Ltd. Representative: Wen-Hsiung Mu	8	0	100%	
Independent Director	Ti-Miao Wu	7	1	88%	
Independent Director	Yu-Chi Huang	8	0	100%	
Independent Director	Su-I Chou	8	0	100%	

Note1: The corporate shareholder of Taiwan Steel Corporation appointed Director King-Cheng Guo to take over the directorship of Ms. Yu-Jia Huang on January 16, 2024.

Note2: The company learned on January 8, 2025 that director Shih-Chieh Chao, the legal representative of Taiwan Steel Corporation, had passed away. The vacancy will be filled by the 2025 shareholders' meeting.

Other details to be documented:

I. Under one of the following situations, the Board of Directors shall explain the following:

Date of meeting of the Board of Directors, Term, Content of Proposition, All Content of Opinion of Independent Director, and the handling of opinion of the Board of Directors of the Company :

(1) Matters listed in Article 14-3 of the Securities and Exchange Act:

Date/ Session	Contents of the proposal	Decisions made	How the Company addressed opinions from the independent directors
1/24/2024 The 16th meeting of the 16th board of directors	1. Approval of 2023 manager year-end bonus. 2. Approval of getting the Right-of-use assets – southland. 3. Approval of the appointment of the company's financial officer.	Passed as proposed.	NA
2/23/2024 The 17th meeting of the 16th board of directors	1. Approval of 2023 the Distribution of Remuneration to Employees and Directors. 2. Approval of the 2023 Internal Control System Declaration of the company. 3. Approval of the independence and suitability of the company's appointment of certified accountants. 4. Approval of the revision to some provisions of the Company's 「Procedures for the Acquisition or Disposal of Assets」. 5. Approval of the Company's factory building and equipment budget proposal. 6. Approval of significantly related party transaction - purchase of goods from E-TOP Metal Co., Ltd. 7. Approval of significantly related party transaction - purchase of goods from E-Shing Steel Co., Ltd. 8. Approval of significant related party transactions - sales of goods to E-TOPMETAL CO., LTD. 9. Approval of significant related party transactions - sales of goods to E-SHENG STEEL CO., LTD.	Passed as proposed.	NA
5/10/2024 The 19th meeting of the 16th board of directors	Approval of 2023 Accountant's fees review cases.	Passed as proposed.	NA
Date/	Contents of the proposal	Decisions made	How the Company

Session			addressed opinions from the independent directors
5/31/2024 The 20th meeting of the 16th board of directors	1. Proposed appointment of Pei-Ying Huang as Vice President of the company. 2. Approved the appointment of the company's spokesperson.	Passed as proposed.	NA
8/9/2024 The 21th meeting of the 16th board of directors	1. Approval of amendments to the " Internal Control Systems of management measures ". 2. The Board of Directors resolution a cash capital increase through new shares issuance.	Passed as proposed.	NA
9/19/2024 The 22th meeting of the 16th board of directors	1. Proposal on determining the company's 2024 Annual cash capital increase and issuance of new shares subscription base date, transfer deadline and related matters. 2. Employee share subscription method for cash capital increase and new share issuance in 2024 and allocation of employee share subscription amount to managers when new shares are issued.	Passed as proposed.	NA
11/8/2024 The 23th meeting of the 16th board of directors	1. Significantly related party transaction – purchase and sales of goods from E-TOP Metal Co., Ltd. 2. Significantly related party transaction - purchase and sales of goods from E-Shing Steel Co., Ltd. 3. Significantly related party transaction - The company signs a project contract with Tai Steel Engineering Co., Ltd.	Passed as proposed.	NA

(2) In addition to the above matters, other board resolution matters that independent directors oppose or retain and have records or written statements: None

II. For the enforcement of recusal upon conflicts of interest among directors, the name of the director, details of the proposal, reason for the recusal, and participation in the voting process or not shall be described:

Date	Name of director	Contents of the proposal	Reason for the recusal	Participation in voting
01/24/2024	Ching-Li Yen	Approval of 2023 manager year-end bonus.	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
02/23/2024	Ching-Li Yen/ Shih-Chieh Chao/ Pei-Ying Huang	Significantly related party transaction – purchase of goods from E-TOP Metal Co., Ltd	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
	Ching-Li Yen/ Shih-Chieh Chao/	Significantly related party transaction -	Conflicting interest.	The individual excused himself and did not take part
Date	Name of director	Contents of the proposal	Reason for the recusal	Participation in voting

	Pei-Ying Huang	purchase of goods from E-Shing Steel Co., Ltd.		in discussions and voting.
	Ching-Li Yen/ Shih-Chieh Chao/ Pei-Ying Huang/ Wen-Hsiung Mu	Significantly related party transaction – sales of goods from E-TOP Metal Co., Ltd	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
	Ching-Li Yen/ Shih-Chieh Chao/ Pei-Ying Huang/ Wen-Hsiung Mu	Significantly related party transaction - sales of goods from E-Shing Steel Co., Ltd.	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
5/31/2024	Pei-Ying Huang	Proposed appointment of Pei-Ying Huang as Vice President of the company.	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
	Pei-Ying Huang	Approved the appointment of the company's spokesperson.	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
09/19/2024	Ching-Li Yen/ Pei-Ying Huang	Employee stock subscription method for the annual cash capital increase and the issuance of new shares in 2024 and the allocation of the employee stock subscription amount granted to managers during the issuance of new shares.	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
11/8/2024	Ching-Li Yen	Significantly related party transaction – purchase and sales of goods from E-TOP Metal Co., Ltd.	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
	Ching-Li Yen/ Pei-Ying Huang/ Wen-Hsiung Mu	Significantly related party transaction - purchase and sales of goods from E-Shing Steel Co., Ltd.	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.

III. The evaluation cycle and duration, and scope, approach, and content of the evaluation, among other information, of the reviews performed independently by the Board of Directors or peer reviews

Evaluation Cycle	Evaluated period	Scope of evaluation	Evaluation method	Highlights of evaluation
Once a year	01/01/2024 ~ 12/31/2024	Board members and functional committees	internal self-assessment questionnaire	Director members: mastery of the company's goals and tasks, awareness of directors' responsibilities, degree of participation in company operations, internal relationship management and communication,
Evaluation Cycle	Evaluated period	Scope of evaluation	Evaluation method	Highlights of evaluation

				directors' professional and continuing education, and internal control. Each functional committee: degree of participation in company operations, awareness of functional committee responsibilities, improvement of functional committee decision-making quality, functional committee composition and member selection, and internal control. The Salary and Remuneration Committee reviewed the evaluation results on 2/21/2025 and reported to the Board of Directors on 2/21/2025
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IV. Reinforced assessments of functional objectives (such as setting up the Audit Committee, promoting information transparency, etc.) of the Board of Directors and implementation status of the objectives of the specific year and over the past year:

1. The Company has the Rules of Procedure for Board of Directors' Meetings in place to be followed for the operation of the Board of Directors.
2. Important financial and sales information of the Company are announced periodically or from time to time as required by law, promoting information transparency.
3. Setting up the Audit Committee, Remuneration Committee, Corporate Governance and Sustainability Committee and enhancing the role of directors.

(II) Operational Status of the Audit Committee and Participation of Supervisors in the Operations of the Board of Directors

1. The Committee met 6 times (A) in total over the past year (2024) and seating of independent directors in the meetings is as follows:

Position	Name	Actual attendance frequency (B)	Attendance through proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Ti-miao Wu	6	0	100%	
Committee member	Yu-Chi Huang	6	0	100%	
Committee member	Su-I Chou	6	0	100%	

Operational status of the Audit Committee in 2024 is as follows:

Date	Contents of the proposal	Decisions made	How the Company addressed opinions from the Audit Committee
01/24/2024 The 13th meeting of the second board of directors	1. The project acquisition of the right-of-use asset of real property. 2. The TMP's Board of Directors approved the appointment of the company's financial officer. 3. The TMP's Board of Directors approved the appointment of the company's acting spokesperson. 4. Revised some articles of the “Organizational Rights and Responsibilities Management Measures”. 5. The project of adjustment the company’s organization.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
02/23/2024 The 14th meeting of the second board of directors	1. Distribution of remuneration to employees and directors in 2023. 2. 2023 Operation Reports and Financial Statements. 3. 2023 distribution of dividends 4. 2023 Internal Control System Declaration. 5. Independence and suitability evaluation of CPAs. 6. Revised some articles of the “Procedures for the Acquisition or Disposal of Assets”. 7. Revised the “Approval authority table”. 8. Revised some articles of the “Seal Management Measures”. 9. The budget of new real property and equipment capital expenditure. 10. Issuing new shares for the 4th Unsecured Convertible Corporate Bond. 11. Significant related party transactions - Provide transportation services from TSG Transport CO., LTD. 12. Significant related party transactions - Purchases of goods from E-TOPMETAL CO., LTD. 13. Significant related party transactions - Purchases of goods from E-SHENG STEEL CO., LTD. 14. Significant related party transactions - sells steel billets from E-TOPMETAL CO., LTD. 15. Significant related party transactions - sells steel billets from E-SHENG STEEL CO., LTD.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
05/10/2024 The 15th meeting of the second board of directors	1. The Consolidated Financial statements as of the March 31, 2024 . 2. Approval of 2023 accountant's fees review cases.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
08/09/2024 The 16th meeting of the second board of directors	1. The Consolidated Financial statements as of the June 30, 2024. 2. Distribution of the employee remuneration of the managers in 2023. 3. Revised the “Internal control systems management measures”. 4. Revised the “Procedures of the preparation and filing of Sustainability Reports”. 5. The Board of Directors resolution a cash capital increase through new shares issuance.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
09/19/2024 The 17th meeting of the second board of directors	Proposal on determining the company’s 2024 Annual cash capital increase and issuance of new shares subscription base date, transfer deadline and related matters.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.

Date	Contents of the proposal	Decisions made	How the Company addressed opinions from the Audit Committee
11/08/2024 The 18th meeting of the second board of directors	1. The Consolidated Financial statements as of the September 30,2024. 2. Revised the “Sustainable information management measures”. 3. The 2025 Audit Plan. 4. Significant related party transactions – Purchases and sells of goods from E-TOPMETAL CO., LTD. 5. Significant related party transactions – Purchases and sells of goods from E-SHENG STEEL CO., LTD. 6. Significant related party transactions - Provide transportation services from TSG Transport CO., LTD. 7. Significant related party transactions - sells of goods from TSG engineering CO., LTD. 8. Significant related party transactions – Contracting factory project from TSG engineering CO., LTD. 9. Revised some articles of the “ Regulations Governing Procedure for Board of Directors Meetings”. 10. Revised some articles of the “Organizational Rights and Responsibilities Management Measures”. 11. The project of adjustment the company’s organization.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.

Highlights of Tasks Throughout the Year:

The Audit Committee consists of three independent directors and aims to help the Board of Directors fulfill its obligation to supervise over the quality and integrity of applicable accounting, audit, and financial reporting procedures and financial control.

The Audit Committee met 6 times in 2024 and matters deliberated primarily include:

1. Audit of financial statements
2. Accounting policy and procedure
3. Internal control system and related policies and procedures
4. Significant assets
5. Raise or issue securities
6. Comply with regulations
7. Appointment, dismissal or remuneration of CPA, etc
8. Appointment of finance, accounting or internal audit managers, etc

Other details to be documented:

- I. Under one of the following situations, the operation of Auditing Committee shall explain the following:
Date of meeting of the Committee, Term, Content of Proposition, Content of Opinion of Objection of Independent Director, Reserved Opinion or Material Suggestions, Outcome of Resolution of Auditing Committee and the handling of opinion of Auditing Committee of the Company.
(I) Matters listed in Article 14-5 of the Securities and Exchange Act: Refer to the Operational Status of the Audit Committee in 2024.
(II) Besides those mentioned in the foregoing, other resolutions with approval by two-thirds and more of all directors despite the failure to be approved by the Audit Committee:None.
- II. For the recusal upon conflicts of interest among independent directors, the name of the independent

director, details of the proposal, reason for the refusal, and participation in the voting process or not shall be described: None.

III. Communication among the independent directors, the head of internal audit, and the CPAs (important matters communicated, method, and results of the communication over the financial standing and business operation of the Company, etc.).

- (I) The Company's head of internal audit submits the audit report to independent directors on a monthly basis.
- (II) The Company's head of internal audit prepares the internal audit report before and during the quarterly meeting of the Audit Committee; in case of any special condition, it will be reported to the independent directors in real time, too.
- (III) CPA participates in audit committee quarterly, and reports annual audit results. Communicate on major governance-related matters discovered during inspections or reviews. There were a total of 4 communications in 2024.
- (IV) When independent directors, audit supervisors and CPA deem it necessary to communicate independently, they may convene meetings for communication at any time from time to time.

2. Supervisors' Involvement in Board of Directors' Operations : The company established an audit committee on April 23, 2020 to replace the supervisor, so it is not applicable.

(III) Corporate Governance Implementation Status and Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons

Evaluation item	Operational status (Note)			Deviation from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
I. Does the Company establish and disclose its corporate governance best-practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company has established its Corporate Governance Best-Practice Principles and discloses them on the Company's website.	No significant difference
II. Shareholding Structure and Shareholder Equity				
(I) Does the company establish internal operating procedures for handling shareholder suggestions, questions, disputes or lawsuits and implement the procedures?	✓		The Company has spokespersons to address suggestions from or disputes involving shareholders and discloses the contact person and phone number on its official website to protect the rights of shareholders.	No significant difference
(II) Does the company have a list of major shareholders that have actual control over the Company and a list of ultimate owners of those major shareholders?	✓		The Company outsources shareholder-related affairs to a shareholder service agency and keeps track of its major shareholders and the ultimate controller according to the roster of shareholders prepared by the agency and periodically declares changes in shares held by directors, managers, and Top 10 shareholders with a holding ratio of 10% and above.	No significant difference

Evaluation item	Operational status (Note)			Deviation from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
(III) Has the company established and implemented risk management and firewall mechanisms with its affiliates?	✓		Respective affiliates function independently. In addition, the Company has established the Regulations Governing Transactions with Related Parties, Specific Companies, and Enterprises within the Group that are followed in all transactions with affiliates.	No significant difference
(IV) Has the company established internal rules against insiders trading of securities taking advantage of information yet to be disclosed on the market?	✓		The Company has established the Anti-insider Trading Management Regulations to prevent its insiders from trading securities taking advantage of the information yet to be released on the market and communicates to remind insiders from time to time of not violating laws in this regard.	No significant difference
III. Composition and Responsibilities of the Board of Directors				
(I) Is Board of Directors suggesting the diversity policy and the assurance of implementation?	✓		For the diversification in the composition of the Board of Directors and the assurance of implementation, refer to P11~P12 for details.	No significant difference
(II) Does the company voluntarily establish other functional committees in addition to the Compensation and Remuneration Committee and the Audit Committee that are established as required by laws?	✓		The Company has set up the Compensation and Remuneration Committee and the Audit Committee as required by law. In addition, on October 28, 2011, the board of directors resolved to establish a corporate governance and sustainable development committee.	No significant difference
(III) Has the Company established standards and method for evaluating the performance of the Board of Directors, and does the Company implement the performance evaluation periodically and submit results of the performance evaluation to the Board of Directors, and use them for reference while deciding compensation and rewards for individual directors and nominating them for a second term in office?	✓		The Company has established the Board of Directors Performance Evaluation Guidelines and the evaluation method. The Compensation and Remuneration Committee will establish and discuss related policies, systems, criteria, and structures for the performance of the Board of Directors and the managers and their salary and compensation and the advice will be submitted to the Board of Directors to be discussed further.	No significant difference
(IV) Does the company regularly evaluate the independence of CPAs?	✓		The Company conducts an annual self-assessment of the independence and competence of the certified public accountants based on the standards in Note 1 and the 13 audit quality indicators (AQIs) provided by the accountants. The results of the latest annual evaluation have been discussed and approved by the Audit Committee on February 21, 2025 and submitted to and endorsed by the Board of Directors on February 21, 2025 on the evaluation of the independence and fitness of the CPA.	No significant difference
IV. For TWSE/TPEx-listed companies, is there an exclusive (combined) unit or person for corporate governance to take charge of related matters (including without limitation providing directors and supervisors with materials required for them to carry out their tasks, taking care of Board of Directors' tasks, etc.)?	✓		The Section Manager of the Finance Department of our company also serves as corporate governance officer and is responsible for corporate governance-related matters.	No significant difference

Evaluation item	Operational status (Note)			Deviation from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
meetings and shareholders' meetings as required by law, registering the company and changing registered information, preparing minutes of Board of Directors' meetings and shareholders' meetings)?				
V. Has the company established a communication channel and build a designated section on its website for stakeholders (including, without limitation, shareholders, employees, customers, and suppliers, etc.) and properly respond to sustainable development issues that stakeholders are concerned about?	✓		The Company has already set up a section for stakeholders on its official website; https://www.tmpco.com.tw/stakeholder-engagement/ Respective stakeholders can give the Company advice or communicate with the Company through this section about issues concerning them. The Company will adequately address them and respond positively as soon as possible.	No significant difference
VI. Does the company designate a professional shareholder service agency to deal with affairs relating to shareholders meetings?	✓		The Company authorizes the Registrar of Concord Securities to address respective shareholder-related affairs of the Company.	No significant difference
VII. Disclosure of Information				
(I) Has the company established a corporate website to disclose information regarding its financial, business and corporate governance status?	✓		The Company has set up a website where information about financial operations and corporate governance is disclosed; it is: https://www.tmpco.com.tw/	No significant difference
(II) Does the Company adopt other ways of disclosing information (e.g., maintaining an English website, appointing responsible people to handle information collection and disclosure, creating a spokesperson system, webcasting investor conference on company website)?	✓		In addition to the traditional Chinese version of the website, there is also an English version of the website. The Company also appointed designated personnel to handle information collection and disclosure, and created a spokesman system. In addition, the proceedings and related presentations of the annual investor conferences have been posted on the MOPS.	No significant difference
(III) Does the Company announce and declare its Annual Financial Statement within two months after a fiscal year ends and announce and declare the financial statements for the first, second, and third quarters and operational status of each month earlier than the required deadline?	✓		Within after the close of each fiscal year, the company publicly announce and register with the Competent Authority financial reports, and shall announce and file the first, second and third quarter financial reports within the prescribed period.	No significant difference
VIII. Is there any other important information available to facilitate a better understanding of the company's corporate governance operational status (including without limitation employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, the	✓		1. The Company recruits and hires employees not based on their gender, ethnicity, or nationality and spares no effort in protecting the rights of employees. Each employee is enrolled in the Labor Insurance and National Health Insurance programs as required by law and pension is set aside as required by law to protect their benefits. Meanwhile, there are	No significant difference

Evaluation item	Operational status (Note)			Deviation from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			the Employee Welfare Committee and an optimal workplace for the employees. 2. Employee care: Provide multiple channels for employees to express their opinions, in order to create a good working environment. 3. Investor relations: The Company actively ensures and guarantees complete implementation of investor rights, including the voting right for Board members, the right to transfer shares freely equity, the right to share the Company's earnings, obtain the Company's material information, and attend shareholders' meetings. Meanwhile, to ensure the security of stock registration and transfer, and establish a sound channel for investors to express their opinions. 4. In honor of the belief in co-prosperity and co-existence, the Company maintains good interactions and partnerships with suppliers and other stakeholders and exchange information with them. Optimal channels to ensure effective communications are available. The goal is to create long-term collaboration. 5. Directors and independent directors must complete training hours every year by the "Key Points for Implementation of Training for Directors and Supervisors of Listed Overseas Companies" and complete the MOPS declaration. 6. The execution of the risk management policy and risk measurement standards: The Company is committed to its core business management and development, and does not engage in high-risk or high-leverage investments, derivatives, loaning of funds, and endorsements/ guarantees. An internal control system has been established for relevant operations, and the execution status is evaluated through the internal audit system, which achieved successful outcomes. 7. The Company signs contracts with customers in compliance with regulatory requirements in order to protect mutual rights and obligations. 8. The Company purchases liability insurance for directors and independent directors in accordance with the "Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" to mitigate and diversify the risk of illegal behaviors that may cause	

Evaluation item	Operational status (Note)			Deviation from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			serious harm to the Company and shareholders.	
IX. Please explain the improvements already made by the Company according to the governance evaluation results released in the past year by the corporate governance center of Taiwan Stock Exchange and matters and measures to be prioritized. Improvements made according to the corporate governance findings of the eighth intake (2024): Improvements that have been made or to be made in 2023 or reinforcements and measures introduced if no improvements are made yet: 3.4 Publish the annual financial report verified and certified by CPA within two months after the end of the fiscal year. 3.20 Convene at least two legal person briefing meeting.				

Note 1: External Auditor Independence Evaluation Standards

Item	Results	Independence
Does the external auditor have direct or material indirect financial interest in PCSC?	No	Yes
Does the external auditor have loans or guarantees with PCSC or PCSC directors?	No	Yes
Does the external auditor have a close business relationship or a potential employment relationship with PCSC?	No	Yes
Has the external auditor or a member of the audit team been a director, a manager of PCSC or been employed by PCSC within the last two years in a position to exert significant influence over the subject matter of the engagement?	No	Yes
Does the external auditor provide any non-audit services which if performed for PCSC would affect directly a material item of the audit engagement?	No	Yes
Does the external auditor promote or broker shares for PCSC or other securities issued by PCSC?	No	Yes
Does the external auditor serve as an advocate or representative for PCSC with third parties in the event of conflict?	No	Yes
Does the external auditor have family ties with anyone who is a director, manager, or officer of with PCSC or any personnel who is in a position to exert significant influence over the subject matter of the engagement?	No	Yes
Does the external auditor provide and report to the audit committee the audit quality indicators (AQIs), the company refers to the indicators to assess the competence of external auditor?	Yes	Yes

(IV) Composition and Operations of the Compensation and Remuneration Committee and Nomination Committee:

1. The company's Compensation and Remuneration Committee is composed of all independent directors of the company. All members are professionally qualified and independent. For information about their professional qualifications, experience, and independence, please refer to pages 11~12.
2. Information on the Operational Status of the Compensation and Remuneration Committee
 - (1) The Company's Compensation and Remuneration Committee has 3 members in total.
 - (2) Tenure of members of the current intake: From April 28, 2022 to April 27, 2025. The Compensation and Remuneration Committee met 6(A) times last year (2024). Qualification and attendance of members are as follows:

Position	Name	Actual attendance frequency (B)	Attendance through proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Ti-miao Wu	6	0	100%	
Committee member	Yu-Chi Huang	6	0	100%	
Committee member	Su-I Chou	6	0	100%	

I. Responsibilities of Committee and Remuneration Committee

The Company's Compensation and Remuneration Committee evaluates the Company's salary and compensation policy for directors and managers from a professional and objective perspective and provides the Board of Directors with advice for the latter's reference while making a decision. In addition, with due diligence as good-will manager, it truthfully fulfills the following responsibilities and provides advice to the Board of Directors for discussion.

II. Responsibilities of the Company's Compensation and Remuneration Committee

- (I) Regularly review Remuneration Committee Charter and propose amendments.
- (II) Formulate and regularly review the company's directors and managers' performance evaluation standards, annual and long-term performance goals, and salary policies, systems, standards, and structures.
- (III) Regularly evaluate the achievement of the performance goals of the company's directors and managers, and determine the content and amount of individual salaries based on the evaluation results obtained from the performance evaluation standards.

III. Operational status of the Compensation and Remuneration Committee in 2024 is as follows:

Date	Contents of the proposal	Decisions made	How the Company addressed opinions from
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			the Compensation and Remuneration Committee
01/24/2024 The 10th meeting of the sixth committee	1. Approval of 2023 manager year-end bonus. 2. Adjustment of the company's "salary scale".	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
02/23/2024 The 11th meeting of the sixth committee	1. 2024 directors's performance evaluation. 2. 2024 directors's performance external evaluation. 3. Distribution of remuneration to employees and directors in 2023.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
03/28/2024 The 12th meeting of the sixth committee	1. Reviewing the salary adjustment plan for Vice President Jhun-Rong Liang of the Central District Business Office. 2. Reviewing the salary adjustment plan for accounting section chief Yueh-Chin su.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
05/31/2024 The 13th meeting of the sixth committee	1. The company's appointment of Pei-Ying Huang as the President of the company. 2. Submit a review of the company's manager's changes.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
08/09/2024 The 14th meeting of the sixth committee	Distribution of the employee remuneration of the managers in 2023.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
09/19/2024 The 15th meeting of the sixth committee	Employee share subscription method for cash capital increase and new share issuance in 2024 and allocation of employee share subscription amount to managers when new shares are issued.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.

IV. Other details to be documented:

- (I) In the event that the Board of Directors does not adopt or revises advice from the Compensation and Remuneration Committee, the date, session number, details of proposals, decisions made by the Board of Directors, and how the Company addressed opinions from the Compensation and Remuneration Committee shall be stated (in the event that the compensation and remuneration approved by the Board of Directors are better than as advised by the Compensation and Remuneration Committee, the difference and the reason shall be specified): None.
- (II) For decisions made by the Compensation and Remuneration Committee, as long as there are members objecting or having their reservations that are recorded or stated in writing, the date of the Compensation and Remuneration Committee meeting, the session number, contents of the proposal, and how opinions from all members and from opposing members are handled should be described: None.

3. The company's board of directors approved the establishment of the corporate governance and sustainable development committee on October 28, 2022. The members of the committee are composed of all independent directors of the company.

All members have professional qualifications and meet independence. Their relevant professional qualifications, experience, and independence Please refer to pages 11~12 for instructions and other information.

4. Information on the Operational Status of the Corporate Governance and Sustainable Development Committee

- (1) The Company's Corporate Governance and Sustainable Development Committee has 3 members in total.
- (2) Tenure of members of the current intake: From October 28, 2022 to April 27, 2025. The Governance and Sustainable Development Committee met 2(A) times last year (2024). Qualification and attendance of members are as follows:

Position	Name	Actual attendance frequency (B)	Attendance through proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Ti-miao Wu	2	0	100%	
Committee member	Yu-Chi Huang	2	0	100%	
Committee member	Su-I Chou	2	0	100%	

I. Responsibilities of Governance and Sustainable Development Committee

To foster a sound corporate governance mechanism and to advance corporate social responsibility and realize the idea of sustainability in business.

II. Responsibilities of the Company's Governance and Sustainable Development Committee

- (I) promoted and strengthened corporate governance organizations and systems.
- (II) publicized and adopted ethical corporate management practices.
- (III) pushed for and developed corporate social responsibility policies and sustainable business practices.
- (IV) established an executive group to review, track and revise the implementation and effectiveness of corporate governance evaluation and sustainable development, and reported regularly to the Board of Directors.
- (V) addressed the concerns of various stakeholders, including shareholders, customers, suppliers, employees, government, non-profit organizations, the community and the media, and overseen communication plans.
- (VI) carried out other related activities as endorsed by the Board.

III. Operational status of the Governance and Sustainable Development Committee in 2023 is as follows:

Date	Contents of the proposal	Decisions made	How the Company
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			addressed opinions from the Compensation and Remuneration Committee
08/09/2024 The 4th meeting of the first committee	1. Completed the Preparation of Sustainability Report as 2024. 2. Revised the “Procedures of the preparation and filing of Sustainability Reports”. 3. Revised the “Organizational Rules and Regulations of the Corporate Governance and Sustainable Development Committee”.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.
11/08/2024 The 5th meeting of the first committee	1. Formulate the 2024 annual progress plan for the company and its subsidiaries about GHG inventory and GHG assurance. 2. Formulate the company's 2024 sustainability report preparation and assurance schedule plan.	It was approved as is by all members.	It was submitted to the Board of Directors and was approved by all attending directors.

IV. Other details to be documented:

- (I) In the event that the Board of Directors does not adopt or revises advice from the Governance and Sustainable Development Committee, the date, session number, details of proposals, decisions made by the Board of Directors, and how the Company addressed opinions from the Governance and Sustainable Development Committee shall be stated: None.
- (II) For decisions made by the Governance and Sustainable Development Committee, as long as there are members objecting or having their reservations that are recorded or stated in writing, the date of the Governance and Sustainable Development Committee meeting, the session number, contents of the proposal, and how opinions from all members and from opposing members are handled should be described: None.

5. If the Company is installed with Nomination Committee, the composition, duties and operation shall be disclosed: This is not applicable as the Company is yet to install the Nomination Committee.

(V) Implementation status of sustainable development and climate-related information

1. Implementation of promoting sustainable development and differences and reasons from the code of practice for sustainable development of listed companies.

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
I. Does the Company plan to set up a governance structure for promoting sustainable development and a unit specific for the promotion (or as side job) and does the Board of Directors intend to authorize ranked management and report to the Board of Director?	✓		I. The Company's Board of Directors resolved on October 28, 2022, to set up a Corporate Governance and Sustainable Development Committee, Composed of 3 independent directors, to push ahead with corporate social responsibility and fulfill sustainable business practices. II. The following five cross-department functional groups are responsible for different businesses and annual project work to implement sustainable development actions in the company's daily operations. This committee regularly tracks the results and proposes optimization or improvement plans for the next year. III. For the composition, operation, and current year's execution status of the Corporate Governance and Sustainability Committee, please refer to pages 32~33. IV. Already reported to the board of directors on 08/09/2024 and 11/08/2024: (1) The company's implementation of sustainability. (2) Greenhouse gas inventory and assurance planning for subsidiaries. (3) 2024 Company Sustainability Plan IV. The board of directors will listen to reports from the management team from time to time and urge the management team to make adjustments when necessary.	No significant difference
II. Does the Company conduct ESG (Environment, Society and Governance) issues which are related to the operations of the Company on materiality basis and set up related risk management policy and strategies?	✓		I. The risk assessment boundary does not include the company's subsidiary Taiwan Iron and Steel CO., LTD. This is mainly because the subsidiary has not yet begun formal operations, and the company is the group's main operating entity. Its manufacturing capacity accounts for 100% of the entire group's production capacity and the number of employees also accounts for 100% of the entire group's production capacity. The number of employees is 100%, which is sufficiently representative of the Group's sustainable performance. II. Discuss with the main management the impact and probability of the impact of the three major sustainability issues on the company, namely society, environment, and	No significant difference

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			corporate governance, and for the first time include the opinions of external stakeholders on the degree of concern for each sustainability issue. Based on feedback, we decide on major annual themes, formulate risk management policies that effectively identify, measure, evaluate, supervise, and control, and take specific action plans to reduce the impact of relevant risks. III. Based on the assessed risks, relevant risk management policies are formulated. Please refer to note 1.	
III. Environmental Issues				
(I) Has the company developed an appropriate environmental management system reflective of its distinctive characteristics?	✓		The company conducts greenhouse gas inventories every year according to the GHG Protocol, tracks emission reduction results, and publicly discloses them in the sustainability report and the company's website. https://www.tmpco.com.tw/en/sustainability-report/	No significant difference
(II) Has the Company endeavored to improve the efficiency of resource utilization and used recycled materials that impact the environment minimally?	✓		I. Our company's products do not require the use of materials. The main raw material required is steel bars, which are reusable and significantly reduce environmental impact, thereby implementing a circular economy. II. Raw material supplier uses scrap steel as raw material for electric arc furnace equipment to make steel. Practice sustainable utilization of resources from the source. III. The recycling rate of waste generated by our company's manufacturing process is 100%. (Scrap steel bars, scrap iron wires, scrap iron powder)	No significant difference
(III) Does the Company evaluate potential risks and opportunities now and in the future brought about by climate change for the corporation and adopts responsive measures to issues?	✓		Please refer to page 42~47 (Climate related information).	No significant difference
(IV) Does the Company tally the total greenhouse gas emissions, water usage, and waste generated over the past two years and have greenhouse gas	✓		I. For greenhouse gas inventory results, confidence status, and reduction policies, please refer to page 47~49. II. Water withdrawal: (1) The water withdrawal of all plants:	No significant difference

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons																								
	Yes	No	Summary																									
reduction, water reduction, or other waste management policies in place?			<table><tr><td></td><td>2024</td><td>2023</td></tr><tr><td>Water withdrawal (Unit:thousand ton)</td><td>3.332</td><td>3.402</td></tr><tr><td>Denseness (Note1)</td><td>0.000012</td><td>0.000014</td></tr></table> Note1: thousand tons / Production Volume per ton Note2: PwC Taiwan performed limited assurance on the water withdrawal in 2023 in accordance with TWS Assurance Standard No. 3000 ; The water withdrawal in 2024 is based on internal audit data and has not been confirmed by the CPA. The data is subject to the release of the sustainability report.. (2) Specific actions : The company's water is mainly used for domestic use by colleagues. Therefore, we should start from saving water in daily life to maximize the effectiveness of the available water resources. III. Waste: (1) III. The recycling rate of waste generated by our company's manufacturing process is 100%. (Scrap steel bars, scrap iron wires, scrap iron powder) (2) Waste disposal volume: Unit:ton <table><tr><td></td><td>2024</td><td>2023</td></tr><tr><td>Hazardous</td><td>1475.87</td><td>1049.60</td></tr><tr><td>Non-hazardous</td><td>33.83</td><td>22.90</td></tr><tr><td>Total</td><td>1509.70</td><td>1072.50</td></tr><tr><td>Denseness (Note1)</td><td>0.005247</td><td>0.004394</td></tr></table> Note1: ton / Production Volume per ton Note2:The data for 2 years is presented as internal audit data. The data is subject to the release of the sustainability report. (3) Specific actions: ● Through the use and management system of raw materials, we strive to increase the utilization rate of raw		2024	2023	Water withdrawal (Unit:thousand ton)	3.332	3.402	Denseness (Note1)	0.000012	0.000014		2024	2023	Hazardous	1475.87	1049.60	Non-hazardous	33.83	22.90	Total	1509.70	1072.50	Denseness (Note1)	0.005247	0.004394	
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Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			materials and the recycling rate of short materials during the production stage, and extend the circulation as much as possible, in order to save energy resources and reduce the impact of waste on the environment. With the goal of improving the efficiency of the use of main raw materials, the production department regularly reviews the reuse of short-term materials and recycling of scrap iron, and proposes relevant improvement plans at supervisory meetings; the management department regularly reports on the disposal of domestic waste and promotes daily life Waste recycling knowledge.	
IV. Social Issues				
(I) Has the Company developed related management policies and procedures in accordance with applicable laws and regulations and the International Bill of Human Rights?	✓		The Company has set up a section meant exclusively for its policy on human rights. Relevant management policies and implementation status, please refer to our company's website: https://www.tmpco.com.tw/human-rights-policy/	No significant difference
(II) Does the Company define and enforce reasonable employee welfare measures (including compensation, leave, and other benefits, among others) and the operational performance or accomplishments are adequately reflected in the employees' compensation?	✓		<u>Employees' welfare</u> The company has established an Employee Welfare Committee, which makes allocations based on net operating income every year to plan various benefits for colleagues. Ex.: travel allowance、birthday gift money、marriage allowance、Gift money or gifts on three material Chinese Day、Employee gathering ,etc. The vacation system is in accordance with labor-related laws and regulations. <u>Employee diversification and equal opportunities</u> Achieve equal pay conditions and equal promotion opportunities between men and women, and promote sustainable and inclusive economic growth. In 2024, the average proportion of female employees was 36.4%, and the average proportion of female supervisors was 52%. <u>Employee remuneration and business</u>	No significant difference

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			<u>performance is reflected in employee remuneration</u> 1. Employee compensation : According to the articles of association, if the company makes a profit, the company should allocate 1% to 10% from employee remuneration. In 2024, employee compensation of 1% of profits was allocated, totaling 2,800,000 NT dollars, and will be paid to employees in September 2025. 2. Total compensation : The company reviews the company's salary conditions and industry salary trends every year, and determines the entry salary based on the position held after joining the company, academic qualifications, relevant work experience, seniority and skills, etc., and then adjusts the salary based on work performance. The company continues to optimize remuneration and attract outstanding talents to join. The overall salary increase rate of the company in 2024 was 5.33%. For details of the salary increase rate in 2024, please refer to the 2024 Sustainability Report. 3. The company has formulated the "Performance Bonus Management Method" to motivate employees.	
(III) Does the Company provide employees with a safe and healthy work environment as well as periodic safety and health education?	✓		I. Occupational Safety and Health Policy 1. The company complies with the relevant laws and regulations on occupational safety and health management to build a healthy and happy workplace. 2. In the fiscal year 2014, our company had one occupational accident involving one person (accounting for 0.51% of the total number of employees at the end of 2014). 3. The company conducts intensive education and hazard awareness campaigns for all construction personnel to improve injury accidents. In the future, Pei Bo Steel will continue to take improvement measures for occupational safety, implement labor	No significant difference

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			safety and health work codes, reduce the number of occupational injuries, and strive to achieve the goal of zero occupational injuries. II.Labor working environment monitoring The test report values are collected twice a year to effectively reduce the exposure hazards of operating employees, gradually understand the actual exposure status of operating employees year by year, and achieve control, improvement, and optimization of the employee working environment. III.Work Safety Audit The Occupational Safety and Health Office formulates and implements occupational safety and health management plans, conducts irregular occupational safety and health inspections, and supervises audits to prevent accidents, reduce employee hazard risks, and improve the safe working environment for employees. Work safety audit work: 1. Grassroots supervisors (team leaders): twice a day. 2. Mid-level managers (section managers): 5 times a week. 3. First-level supervisor (manager): once a month. 4. Occupational safety unit: once a day. IV.Equipment Safety Management Carry out regular inspections in accordance with the "Safety Inspection Rules for Dangerous Machinery and Equipment" to ensure the safety of equipment. V.The company's industrial safety education, training, and promotion in the past two years 2014:1,313 person-times;4,779.5 hours. 2013:439 person-times;1,682 hours. VI.The company has not obtained relevant verification. VII.No fire occurred in 2024 °	

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
(IV) Has the Company established an effective training program that helps employees develop skills over the course of their career?	✓		The Company has established the Educational Training Guidelines. We plan complete functional training for supervisors and colleagues at all levels every year, covering new employee training, professional training, supervisor training and ESG courses to assist employees in their continuous growth. A total of 1,717 people participated in the career training in 2024, with a total duration of 5,898.5 hours.	No significant difference
(V) Does the Company comply with laws and international standards concerning customer health and safety, customer privacy, marketing, and labeling of products and services and define related policies and complaint-filing procedures to protect the rights of consumers?	✓		The Company markets products and services in compliance with applicable laws and regulations and international standards. The company does not sell directly to general consumers. The customer company's complaint mechanism is as follows: 1. External stakeholders (such as customers) can complain to the company's business department through interviews, phone calls, emails, etc. 2. When the company handles customer complaints, the company follows the relevant provisions of the quality management regulations. 3. When the business department staff receives customer complaints, the business staff takes the initiative to understand the customer's detailed problems, and fills the relevant forms. The business staff initially investigates the causes and develops solutions, and holds weekly meetings to review and track to ensure that customer problems are properly handled and to continuously improve the company's service quality.	No significant difference
(VI) Does the Company define supplier management policies and require that suppliers follow applicable regulations in issues such as environmental protection, occupational safety and health, or human rights of workers and how are they implemented?	✓		Relevant information has been disclosed on the company's website: https://www.tmpco.com.tw/supplier-management/	A system will be set up to deal with this issue.
V. Does the Company prepare the ESG Report or other reports disclosing non-financial information	✓		The Company prepares a sustainability report every year in accordance with the GRI Standards and entrusts PwC to perform a limited assurance	No significant difference

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
of the Company by referring to international general principles or guidelines in the preparation of reports? Are there opinions from a third-party qualification unit to validate or guarantee the said reports?			audit in accordance with Assurance Standard No. 3000.	
VI. If the Company has established its own ESG principles according to the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies, please describe the differences between its implementation and the established principles: The company's code of practice for sustainable development was passed on February 17, 2023, and there is no significant difference between the operation and the established code.				
V. Other Important Information to Help Understand Utilization of Sustainable development: The sustainability report on the company's website https://www.tmpco.com.tw/en/sustainability-report/				

Note1 : Based on the assessed risks, relevant risk management policies are formulated.

Major issues	Risk assessment	Note
Corporate governance	Legal compliance	The company has submitted the report to the shareholders' meeting for approval on April 23, 2020 ■ Ethical Corporate Management ■ Procedures for Ethical Management and Guidelines ■ Codes of Ethical Conduct
	Risk management	The company submitted it to the board of directors for approval on November 12, 2020 "Risk Management Policies and Procedures".
Environmental	Energy and GHG emissions	In line with the development direction of global greenhouse gas reduction strategies, we take into account the sustainable energy development goals of resource efficiency, energy conservation, and environmental protection.
	Waste management	In line with the international trend of resource sustainability and "zero waste" and the waste disposal requirements of the domestic Environmental Protection Agency, the company is committed to increasing resource recycling and reuse and implementing effective waste removal.
Society and	Occupational	Policy :

Major issues	Risk assessment	Note
employees	safety and health	■ Following the occupational safety and health management regulations, an occupational safety and health room is set up, with dedicated personnel inspecting the work site daily. ■ Strengthen the company's occupational safety and health management and continuously improve it to comply with the provisions of the Occupational Safety and Health Law. ■ Establish a safe and hygienic working environment to prevent employees from occupational injuries. ■ Strengthen education, training, and publicity to improve employees' mentality, awareness, and abilities regarding safety and health Promise : ■ Strengthen the company's occupational safety and health management and continuously improve on deficiencies to establish a safe and hygienic working environment and prevent and avoid employee injuries.
	Talent development cultivation	■ Remuneration policy : Comply with various labor regulations, including the Employment Service Act, Labor Standards Act, Occupational Safety and Health Act, Labor Pension Regulations, etc. ■ Promise : It shall be handled by relevant government laws, company management regulations, relevant work rules, and agreements between labor and management.
	Product quality and safety	The company prides itself on being a "leader in safety structures" and its quality policy is "full participation, quality first, customer first" and is committed to complying with relevant laws and regulations to avoid social and environmental impacts.

2. Climate-related information

Item	Execution
I. State the Board's managers oversight and governance of climate	The company's board of directors serves as the highest supervisory unit for climate change risk governance, responsible for reviewing and

Item	Execution				
related risks and opportunities.	formulating climate strategies, and assigns a risk management team to lead senior managers to implement climate risk management operations and regularly track the achievement of environmental sustainability goals. The risk management team is expected to report the annual climate governance implementation results to the board of directors and the corporate governance and sustainable development committee at least once a year.				
II. Describe how the identified climate risks and opportunities affect the business, strategy, and finance (short-term, medium-term and long-term) of the enterprise.	The Company held a climate change risk and opportunity identification meeting with members of the Environmental Sustainability Group and identified a total of 8 climate-related major risks and 4 climate-related major opportunities in 2024 based on the TCFD recommended structure assessment.				
	(I) Climate risk				
	risk type	Risk content	Time	Countermeasures for mitigation/adaptation	financial effect
	Transition risks	【Policy and legal risks】 GHG restrictions and carbon taxes/carbon levy	short-term	The company complete greenhouse gas inventory and external assurance every year and formulate feasible reduction plans based on the inventory results to achieve low-carbon production goals.	operating costs
	Transition risks	【Policy and legal risks】 The government increased the use standards of renewable energy.	short-term	■ Expand the use and install solar power and other renewable energy facilities. ■ Set the use target of renewable energy.	operating costs
Transition risks	【Policy and legal risks】 It may be required to	medium-term	■ Require suppliers to disclose their GHG emissions and formulate carbon	procurement costs	

Item	Execution				
	Physical risk	【Acute Risk】 Extreme climate impacts from supply chain upstream to downstream including transportation	long-term	■ Enhance the control of safe inventory days of raw materials. ■ Formulate backup measures to separate procurement from suppliers.	operating income
	risk type	Risk content	Time	Countermeasures for mitigation/adaptation	financial effect
	Physical risk	【Acute Risk】 Increase in the probability of water shortage due to climate change.	long-term	■ Lengthen the water conservation safety inventory days of plants. ■ Formulate a corresponding plan for water truck allocation. ■ Set the target of a decrease in water consumption intensity.	operating income
(II) Climate opportunity					
	Opportunity	Time	Countermeasures for mitigation/adaptation		financial effect
	Release low-carbon products	medium-term	Cooperate with major suppliers to jointly formulate carbon dioxide reduction targets and schedules to effectively minimize the carbon footprint of products to align with customers' requirements and low-carbon trends.		operating income

Item	Execution			
	Use renewable energy	short-term	■ Expand the use and install solar power and other renewable energy facilities. ■ Set the use target of renewable energy	energy-use cost
	Adopt efficient production approaches	long-term	Engage in projects for low-carbon production technology R&D.	production cost
	Opportunity	Time	Countermeasures for mitigation/adaptation	financial effect
	Improve equipment's energy-saving efficiency	medium-term	Carry out the energy-saving production equipment procurement evaluation and organize feasible auxiliary measures in response to the plant expansion plan of the Company.	energy-use cost
III. Describe the financial impacts of extreme weather events and transformational actions.	(I) The increase in the frequency of typhoons or floods and the increase in the level of effects affecting the suppliers' normal production or delivery and shipping or resulting in operation interruption arising from the inability of plants to produce. (II) Decrease in operating income. (III) The transformation action is the action plan for net zero carbon emissions promoted by the company. Please refer to the table above (item II).			
IV. Describe how the climate risk identification, assessment, and management processes are integrated into the overall risk management system.	TMP uses the TCFD framework to identify the risks and opportunities of climate change. Relevant department heads consider the company's current operating conditions and available resources to tailor specific, feasible, and effective climate change risk management policies for significant risk projects.			
V. If situational analysis is used to assess the resilience to climate	The company has launched adaptation strategies and actions in response to climate change, including promoting low-carbon energy-saving			

Item	Execution
change risks, describe the contexts, parameters, assumptions, analysis factors, and key financial implications.	measures, greenhouse gas inventory, resource reuse, etc., and gradually seeking opportunities to reduce energy consumption in the enterprise and various products. In the future, it also plans to gradually increase the financial impact assessment to effectively grasp the risks posed by climate change.
VI. If there is a transformation plan for managing climate related risks, describe the plan and the metrics and targets used to identify and manage physical and transformation risks.	Please refer to the II table of items °
VII. If internal carbon pricing is used as a planning tool, the basis for the pricing should be described.	The company currently has no plans for internal carbon pricing.
VIII. If climate related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be stated; and if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) should be stated.	(I) From 2023, TMP plans to introduce the GHG external investigation operation and formulate feasible reduction plans according to the results of the inventory to achieve low-carbon production. (II) Cooperate with major suppliers to jointly formulate carbon dioxide reduction targets and schedules to effectively minimize the carbon footprint of products. (III) The roofs of the new factories will use solar power generation, and the planned new office buildings will also adopt green building design standards.
IX. Greenhouse Gas Inventory and Confirmation .	Please refer to the table below

Note : For detailed climate-related information, please refer to the sustainability report on the company's official website <https://www.tmpco.com.tw/en/sustainability-report/>

3. Greenhouse Gas Inventory and Confirmation in the last two years

(1) Greenhouse Gas Inventory

State the greenhouse gas emissions (tons CO₂e), intensity (tons CO₂e/million dollars) and data coverage for the most recent two years.

- (I) The minimum scope of information that should be disclosed in accordance with the sustainable development roadmap of listed companies:
1. Parent companies should start to be investigated starting from 2023.
 2. The consolidated financial statements of the subsidiary (Taiwan Iron and Steel CO., LTD.) should be reviewed starting from 2024.
- (II) The Company has established a greenhouse gas inventory mechanism in accordance with the Greenhouse Gas Protocol. The parent company and financial reporting subsidiary have been conducting regular inventory of the company's greenhouse gas emissions since 2022 and 2024 respectively, to fully understand the use and emission of greenhouse gases. The company's greenhouse gas emissions in the past two years are as follows:

Unit : t CO₂e 、 tCO₂e/ Million dollars

Year Scope		2024		2023	
		Emission	Emission Intensity (Note2)	Emission	Emission Intensity (Note2)
TMP (Note3)	Scope I (Note1)	203.3270		147.6227	
	Scope II (Note1)	1031.8807		979.8894	
	Subtotal	1235.208		1,127.5121	0.1441
Subsidiaries (Note3)	Scope I (Note1)	-		-	
	Scope II (Note1)	-		-	
	Subtotal	-		-	-
Total		1235.208	0.1369	1,127.5121	0.1441

Note1: Scope 1 direct emissions refer to emissions directly from sources owned or controlled by the company; Scope 2 energy indirect emissions refer to indirect greenhouse gas emissions from the import of electricity, heat or steam.

Note2: Greenhouse gas emission intensity calculated by sales (NT\$ million).

Note3: TMP greenhouse gas emissions for 2023 were confirmed by CPA, while the greenhouse gas inventory data for 2024 was presented as

internal audit data and has not yet been confirmed by CPA. The complete confirmed data will be disclosed in the sustainability report.

Note4: The greenhouse gas inventory data of the consolidated financial report subsidiary (Taiwan Iron and Steel Co., Ltd.) is an internal audit data presented without confirmation by the CPA.

(2) Greenhouse Gas Confirmation

A statement of the assurance status for the most recent two years ending on the date of publication of the annual report, including the assurance scope, assurance organization, assurance criteria and assurance opinions.

(I) According to the sustainable development roadmap of listed companies, at least the scope of implementation should be confirmed:

1. The parent company should have started to implement the confirmation starting from 2023.
2. The consolidated financial reporting subsidiary (Taiwan Iron and Steel Co., Ltd.) shall have started to implement the confirmation starting from 2026.

(II) The above table reveals the total greenhouse gas emissions

1. The scope of assurance performed in 2023 is our company, accounting for 100% of our company's total emissions. It has been assured by PwC Taiwan in accordance with TWS Assurance Standard No. 3000 and a limited assurance report has been issued.
2. The 2024 greenhouse gas inventory data is an internal inventory data that has not yet been confirmed by CPA. The complete confirmed data will be disclosed in the sustainability report.

(3) Greenhouse gas reduction targets, strategies and specific action plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies and specific action plans, and the status of achievement of the reduction targets.

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies and specific action plans, and the status of achievement of the reduction targets.

1. According to the schedule set by the Financial Supervisory Commission, the Company will use 2024 as the base year for greenhouse gas reduction. °
2. Reduction target : The intensity of greenhouse gas emissions in 2025 will be reduced by 1% compared to 2024 °

3. Strategy and specific action plan : Energy-saving equipment is used on site and solar energy is planned on the roof of the new factory to store electricity and energy to fulfill corporate responsibility.
4. Achievement of reduction targets : NA °

(VI) Fulfillment of Ethical Corporate Management and Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons

Evaluation item	Operational status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
I. Establishment of Ethical Corporate Management Policy and Proposal				
(I) Has the Company defined ethical corporate management policies approved by the Board of Directors and declared its ethical corporate management policies and procedures as well as the commitment of its Board of Directors and high-ranking management to implementing the management policies in its rules and external documents?	✓		The company has formulated the " Ethical Corporate Management Best Practice Principles " and " The Ethical Corporate Management Operational Procedures and Guidelines " based on actual operating conditions to standardize the board of directors and management in implementing their commitment to honest operations. In addition, the company has also publicly disclosed relevant regulations on the company's website.	No significant difference
(II) Has the Company established an evaluation mechanism for unethical behavioral risks that helps periodically analyze and evaluate business activities of relatively high unethical behavioral risks within the scope of operation and defined a solution to prevent against unethical behaviors accordingly that covers at least the preventive measures against respective acts under Article 7 Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?	✓		The company has formulated the " Ethical Corporate Management Best Practice Principles " and " The Ethical Corporate Management Operational Procedures and Guidelines " and combined them with the company's assessment and reward and punishment measures. In addition, it has established appropriate management measures for business activities with higher risks of dishonest conduct within the business scope. And through the "Work Rights and Responsibilities Division" layer-by-layer control to prevent the occurrence of dishonest behavior.	No significant difference

Evaluation item	Operational status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
(III) Has the Company specified the operating procedures, behavioral guide, and the disciplinary and complaint-filing system in case of violation its solution to prevent against unethical behaviors, and enforced them, and periodically reflected upon and amended the foregoing solution?	✓		The company has formulated the " Ethical Corporate Management Best Practice Principles " and " The Ethical Corporate Management Operational Procedures and Guidelines " and implemented them and reviewed and revised them regularly.	No significant difference
II. Consolidation of Ethical Corporate Management				
(I) Has the Company evaluated the ethical records of parties it does business with and stipulated ethical conduct clauses in business contracts?	✓		Parties that the Company does business with are first evaluated over prior records of unethical behaviors, if any, and compliance with ethical corporate management will be included as part of the contract terms and conditions.	No significant difference
(II) Has the Company established a dedicated unit under the Board of Directors to promote ethical corporate management and report its ethical management policy and solution to prevent against unethical behaviors and the status of implementation to the Board of Directors periodically (at least once a year)?	✓		The Company has assigned the management department to be the exclusive unit that takes care of revising, enforcing, and explaining the operating procedure for ethical corporate management and the behavioral guide and the consultation service and registering and archiving reported details, among other processes and supervising their implementation and reporting to the Board of Directors any unethical behavior, the management, and subsequent improvement measures. The implementation of 2024 was reported to the board of directors on November 8, 2024. The implementation of ethical corporate management reported in 2024 is as follows: 1. The management department promoted the integrity policy publicity and training for managers and current employees in October 2023. The promotion content included integrity promotion, sexual harassment prevention, insider trading, information security, trade secrets courses, etc., with a total of 319 people and a total of 638 hours 2. Establishment of a whistleblowing system: The Company has established the Ethical Corporate Management Best-Practice Principles and the Ethical Corporate Management Operating Procedure and Behavioral Guide and has set up	No significant difference

Evaluation item	Operational status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			the internal suggestion box, hotline, and exclusive email to facilitate whistleblowing (the information is released on the Company website). The identity of the whistleblower and the reported contents are precisely kept confidential. 3. Enforce preventive measures defined for ethical corporate management and make sure that they are valid and functional. There is the exclusive section for stakeholders on the Company's website for employees, shareholders, and related stakeholders to communicate illegal and unethical behaviors. 4. No violations of ethical corporate management were found in 2024 and no internal or external whistle-blowing letters or legal cases concerning the ethical corporate management of the Company were received.	
(III) Has the Company established policies to prevent against conflicts of interest, provided appropriate channels for filing related complaints and implemented the policies accordingly?	✓		The Company prepares its policy on the prevention against conflicts of interest and provides suitable channels for directors and managers to spontaneously explain whether there are potential conflicts between them and the Company. For proposals to be discussed by the Board of Directors that concern themselves or the corporations they represent and accordingly harm the interest of the Company, they may state their opinions and answer inquiries but may not join the discussions and voting and they shall be excused during discussion and voting and may not exercise voting rights on behalf of any other director(s).	No significant difference
(IV) Has the Company created effective accounting and internal control systems to consolidate ethical corporate management and does the internal audit unit stipulates related audit plans according to the evaluation results of unethical behavioral risks and inspect compliance with the solution to prevent against unethical behaviors or authorize	✓		The Company already established applicable regulations governing its accounting system and internal control system, among others, and they are functioning effectively. The Audit Office periodically inspects compliance with the internal control system and reports to the Board of Directors. CPAs also review implementation of the internal control system of the Company on a yearly basis.	No significant difference

Evaluation item	Operational status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
the CPAs to perform inspections?				
(V) Does the Company hold internal and external educational trainings on ethical management regularly?	✓		The company regularly holds education and promotion campaigns on integrity management. 1. The company provides education and training on relevant work rules, honest management, insider trading, etc. to all new employees. In 2024, there were 146 person-times and 292 hours in total. 2. Every year, managers and employees are promoted to prevent insider trading and operate with integrity. In 2024, there were 173 person-times and 492 hours in total.	No significant difference
III. Whistle-blowing System of the Company				
(I) Does the Company have substantial reporting and incentive systems in place, provide convenient reporting channels, and assign appropriate specialists investigate reported matters?	✓		The Company has established the Personnel Management Regulations. If employees are found with violations of applicable requirements for ethical corporate management, they may be reported through the employee suggestion box disclosed on the Company's official website; once confirmed to be true, they will be disciplined according to the Company's disciplinary system. Please refer to our company's official website: https://www.tmpco.com.tw/ethical-management/	No significant difference
(II) Has the Company established any standard operating procedures, subsequent measures to be adopted after the investigation is completed, or confidentiality mechanisms for handling reported matters?	✓		For the standard operating procedures for investigation of reported matters, follow-up measures to be taken after the investigation is completed and related confidentiality mechanisms, please refer to our company's official website: https://www.tmpco.com.tw/ethical-management/ °	No significant difference
(III) Does the Company assure employees who reported on malpractices that they will not be improperly treated for making such reports?	✓		The Company will keep the details about the investigation and the findings strictly confidential and make sure that the rights of related people are not undermined and will take appropriate protective measures to avoid retaliation against the whistleblower.	No significant difference
IV. Reinforced Information Disclosure Has the company disclosed information regarding its ethical	✓		The Company will continue to reinforce the disclosure of related information. The Company has assigned someone to take charge of the disclosure of information on the website.	No significant difference

Evaluation item	Operational status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
corporate management principles and implementation status on its website and the MOPS.?				
V. If the company has its own Ethical Management Principles established according to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the differences between its implementation and the principles: None significant difference.				
VI. Other important information that helps understand the implementation of ethical corporate management of the company: None.				

(VII) Other important information that is sufficient to boost knowledge of corporate governance may also be disclosed:

For information about corporate governance, you may search the Company's website" corporate governance" (<http://www.tmpco.com.tw>)

(VIII) Implementation of Internal Control System:

1. Internal Control System Declaration

The index path of the uploaded MOPS are as follows

<https://mops.twse.com.tw/mops/#!/web/t06sg20>

2. If review of the internal audit system is outsourced to CPAs as an exception, the CPA Review Report shall be disclosed: None.

(IX) Important decisions reached in shareholders' meetings and made by the Board of Directors in the past year up to the date the Annual Report was printed:

1. 2024 General Shareholders' Meeting

Date of meeting	Important decision
04/22/2024	1. Ratification of 2023 Business Report and Financial Statements. Implementation status: Passed. 2. Ratification of 2023 Earnings Distribution Proposal. Implementation status: May 29, 2024 was set to be the ex-dividend base date and distribution took place on June 17, 2024. (Cash dividends per share were distributed at NTD 2) 3. Approval of the revision to some provisions of the Company's "Procedures for the Acquisition or Disposal of Assets" Implementation status: Passed the revision to some provisions and they were announced on the Company's website.

2. Important decisions made by Board of Directors throughout 2024 and up to the date

the Annual Report was printed

Date	Important decision
01/24/2024	1. Approval of 2023 manager year-end bonus. 2. Adjustment of the company's "salary scale". 3. Approval of getting the Right-of-use assets – southland. 4. Approval of the appointment of the company's financial officer. 5. Approval of the appointment of the company's acting spokesperson. 6. Approval of the appointment of the company's corporate governance officer. 7. Revised some articles of the "Organizational Rights and Responsibilities Management Measures". 8. The project of adjustment the company's organization. 9. Approval of the new 「Shin Kong Bank」 line of credit. 10. Approval of determine the date, venue, and discussion content of the regular shareholders' meeting and accept the content related to the proposals of more than 1% of shareholders.
2/23/2024	1. Approval of 2023 the Distribution of Remuneration to Employees and Directors. 2. Approval of the 2023 Business Report and Financial Statements of the company. 3. Approval of the 2023 Earnings Distribution Proposal of the company. 4. Approval of the 2023 Internal Control System Declaration of the company. 5. Approval of the independence and suitability of the company's appointment of certified accountants. 6. Approval of the revision to some provisions of the Company's 「Procedures for the Acquisition or Disposal of Assets」 7. Approval of the revision to some provisions of the Company's 「Approval authority table」 8. Approval of the revision to some provisions of the Company's 「Seal Management Measures」. 9. Approval of the Company's factory building and equipment budget proposal. 10. Issuing new shares for the 4th Unsecured Convertible Corporate

Date	Important decision
	Bond, and handling registration of change in share capital. 11. Approval of the new 「Taiwan Cooperative Bank」 line of credit for loans for the factory building, equipment, and working capital. 12. Approval of line of credit for loans with 「Taiwan Business Bank」. 13. Approval of the new 「Shin Kong Bank」 line of credit. 14. Approval of significantly related party transaction - TSG TRANSPORT CORP. provides transportation services. 15. Approval of significantly related party transaction - purchase of goods from E-TOP Metal Co., Ltd. 16. Approval of significantly related party transaction - purchase of goods from E-Shing Steel Co., Ltd. 17. Approval of significant related party transactions - sales of goods to E-TOPMETAL CO., LTD. 18. Approval of significant related party transactions - sales of goods to E-SHENG STEEL CO., LTD.
03/28/2024	1. Reviewing the salary adjustment plan for Vice President Jhun-Rong Liang of the Central District Business Office. 2. Reviewing the salary adjustment plan for accounting section chief.
05/10/2024	1. Approval of consolidated Financial Statements as of March 31, 2024. 2. Approval of 2024 Accountant's fees review cases. 3. Approval of the new and extension of the contract upon expiration of line of credit for loans with Mega International Commercial Bank. 4. Approval of "Mega Bills Finance Co., Ltd." Guaranteed issuance of commercial paper renew and increase the commercial promissory note limit case. 5. Approval of "DAH CHUNG BILLS FINANCE CORP" Guaranteed issuance of commercial paper renew and increase the commercial promissory note limit case. 6. Approval of line of credit for loans with "BANK OF KAOHSIUNG".
05/31/2024	1. Yun-Yhih Yang, president of the company, applied for retirement. 2. The TMP's Board of Directors approved the appointment of the company's president. 3. The TMP's Board of Directors approved the appointment of the

Date	Important decision
	company's spokesperson.. 4. Proposal to submit for review the personnel changes of the company's managers . 5. Approval of line of credit for loans with" Shin Kong Bank".
08/09/2024	1. Approval of consolidated Financial Statements as of June 30, 2024. 2. Distribution of the employee remuneration of the managers in 2023. 3. Professional liability insurance case for directors and key employees of the company. 4. Approval of the company's 2023 sustainability report. 5. Revised the "Internal control systems management measures". 6. Revised the "Procedures of the preparation and filing of Sustainability Reports". 7. Revised the "Organizational Rules and Regulations of the Corporate Governance and Sustainable Development Committee". 8. The Board of Directors resolution a cash capital increase through new shares issuance. 9. Approval of the new 「HUA NAN BANK」 line of credit for loans for the factory building, equipment, and working capital. 10. Extension of the contract upon expiration of line of credit for loans with Taiwan Cooperative Bank. 11. Approval of 「DAH CHUNG BILLS FINANCE CORP」 Guaranteed issuance of commercial paper quota case.
09/19/2024	Proposal on determining the company's 2024 Annual cash capital increase and issuance of new shares subscription base date, transfer deadline and related matters.
11/08/2024	1. Approval of consolidated Financial Statements as of September 30, 2024. 2. Revised the "Sustainable information management measures". 3. The 2025 Audit Plan. 4. Significant related party transactions – Purchases and sells of goods from E-TOPMETAL CO., LTD. 5. Significant related party transactions – Purchases and sells of goods from E-SHENG STEEL CO., LTD. 6. Significant related party transactions - Provide transportation services from TSG Transport CO., LTD. 7. Significant related party transactions - sells of goods from TSG engineering CO., LTD. 8. Significant related party transactions – Contracting factory project from TSG engineering CO., LTD. 9. The company's change of stock agency. 10. Revised some articles of the "Organizational Rights and Responsibilities Management Measures". 11. Revised some articles of the "Audit Committee Organizational Procedures".

Date	Important decision
	12. "BANK OF KAOHSIUNG" loan credit line expiration renewal and line increase case. 13. "EnTie Bank" loan credit line expiration renewal and line increase case. 14. Extension of the contract upon expiration of line of credit for loans with "HUA NAN BANK". 15. Revised some articles of the "Organizational Rights and Responsibilities Management Measures". 16. The project of adjustment the company's organization.
01/17/2025	1. Approval of 2024 manager year-end bonus. 2. Approval of adjustment of the company's salary scale table. 3. Approval of line of credit for loans with 「First Bank」. 4. Approval of the new 「Taiwan Business Bank」 line of credit for loans for the factory building, equipment, and working capital.
02/21/2025	1. Approval of 2024 the Distribution of Remuneration to Employees and Directors. 2. Approval of the 2024 Business Report and Financial Statements of the company. 3. Approval of the 2024 Earnings Distribution Proposal of the company. 4. Approval of the 2024 Internal Control System Declaration of the company. 5. Approval of the independence and suitability of the company's appointment of certified accountants. 6. Approval of the timeline for the introduction of IFRS sustainable disclosure standards. 7. Approval of the comprehensive re-election of directors (including independent directors). 8. Approval of the lifting the non-competition restriction on new directors and their representatives. 9. Approval of determine the date, venue, and discussion content of the regular shareholders' meeting and accept the content related to the proposals of more than 1% of shareholders. 10. Approval of the 2025 CPA expenses review Case. 11. Approval of line of credit for loans with 「Shin Kong Bank」. 12. Approval of line of credit for loans with 「Taichung Commercial Bank」.

(X) Main contents of different opinions of directors or supervisors that are recorded and stated

in writing on important decisions made by the Board of Directors over the past year up to the date the Annual Report was printed: None.

IV. Attesting CPA Expenditure Information

(I) Attesting CPA Expenditure information

Unit: NT\$ thousand

Name of Accounting Firm	Name of CPA	Duration of audit	Audit public expenditure	Non-audit public expenditure (Note)	Total	Remarks
Pricewaterhouse Coopers(PwC)	Huei-Yu Hsu	01/01/2024 ~ 31/12/2024	1,660	1,200	2,860	Note1
	Chung-Yu Tien					
	Rui-ting Chang					
	Jui-Ting Chang					
	Yung-chieh Chao					

Note1: Non-Audit Expenditure includes tax compliance audit, sustainability report consultation and assurance, greenhouse gas inventory report assurance, department transfer pricing report and change of registration.

- (II) When the accounting firm is changed and the audit public expenditure in the year of replacement is reduced compared to that in the preceding year, the audit public expenditures before and after the replacement and the reasons shall be disclosed: None.
- (III) When the audit public expenditure is reduced by more than 10% from the preceding year, the value reduced and its ratio and cause shall be disclosed: None.

V. Information on Replacement of CPAs

(I) About the Former CPA(s)

(2) About the Former CPA(s)				
Date replaced	Approved by the Board of on August 11, 2023			
Reason for Replacement and Description	To cooperate with internal rotation of PWC, the CPAs Tien, Chung-Yu and Lin, Tzu-Shu were replaced with Hsu, Huei-Yu and Chung-Yu from Q2of 2023.			
Explain if the appointee or accountant is terminated or does not accept the appointment	Affected party		Certified Public Accountant	Authorizer
	Situation			
	Spontaneous termination of appointment		Not applicable	Not applicable
	Does not accept (continue with) appointment		Not applicable	Not applicable
Opinions expressed in audit reports other than no reservations issued within the most recent two years and the reason	Not applicable			
Different opinions from those of the publisher	Yes		Accounting principles or practice	
			Disclosure of financial statements	
			Scope or steps of inspection	
			Other	
	None	✓		
		Description		
Other Matters (Those that should be disclosed as indicated in Article 10 Subparagraph 6 Items 1-4 to 1-7 of these Guidelines)	Not applicable			

(II) About the Succeeding CPA(s)

Name of Firm	PricewaterhouseCoopers Taiwan
Name of CPA	Hsu, Huei-Yu
Date Delegated	Approved by the Board of on August 11, 2023
Consultations and findings about opinions possibly signed off on the accounting approach of specific transactions and financial statements prior to authorization.	Not applicable
Written opinions of succeeding CPAs that differ from those of former CPAs	Not applicable

(III) Replies of former CPAs to Article 10 Paragraph 6 Item 1 and Item 2 Matter 3 of the Guidelines: Not applicable.

VI. Disclosure of the name, position, and duration of service at the firms or their affiliates that the Company's Chairman, President, or managers in charge of financial or accounting affairs in the past year, if any: None.

VII. Changes in the transfer and pledge of equity among directors, supervisors, managers, and shareholders with a holding ratio exceeding 10% in the past year and up to the date the Annual Report was printed:

(I) Changes in the Equity of Directors, Supervisors, Managers, and Major Shareholders

It has been announced on the MOPS. The index path and URL are as follows:

1. Equity transfer: https://mops.twse.com.tw/mops/#/web/query6_1

2. Changes in equity pledge: https://mopsov.twse.com.tw/mops/web/STAMAK03_1

(II) Information of the counterparty for the transfer of the equity of directors, supervisors, managers with a holding ratio exceeding 10% who is a related party: None.

(III) Information of the counterparty for the pledge of the equity of directors, supervisors, managers with a holding ratio exceeding 10% who is a related party: None.

VIII. Information of the relationship among Top 10 shareholders with the highest holding ratio who are related, spouses, or relatives within the second degree of kinship of each other (one another) as defined

Date: March 27, 2025 Unit: Share

Name	Shares held by the shareholder		Shares currently held by the spouse and minor child(ren)		Total shares held in someone else's name		The title or name and relationship among shareholders in the Top shareholding list who are related, spouse to each other, or relatives within the second degree of kinship		Remarks
	Quantity	Ratio	Quantity	Ratio	Quantity	Ratio	Name	Relationship	
Jin Gang Investment Co., Ltd.	6,082,432	6.09	-	-	-	-	None	None	None
Representative: Ci-Tai Chen	-	-	-	-	-	-	None	None	None
Tianchuan Investment Co., Ltd.	6,079,303	6.08	-	-	-	-	None	None	None
Representative: Chuni-i Huang	-	-	-	-	-	-	None	None	None
Te Chang Construction Co., Ltd.	3,981,000	3.98	-	-	-	-	None	None	None
Representative: Zheng-yong Huang	-	-	-	-	-	-	None	None	None
E-TOP METAL CO., LTD.	3,234,508	3.24	-	-	-	-	E-SHENG STEEL CO., LTD.	Same representative	None
Representative: Ching-Li Yen	-	-	-	-	-	-	None	None	None
Taiwan Steel Corporation	3,204,054	3.21	-	-	-	-	None	None	None
Representative: Chiung-Fen Wan	535,000	0.54	-	-	-	-	None	None	None
Te Cheng Sheng Engineering Co., Ltd.	2,664,000	2.65	-	-	-	-	None	None	None

Name	Shares held by the shareholder		Shares currently held by the spouse and minor child(ren)		Total shares held in someone else's name		The title or name and relationship among shareholders in the Top shareholding list who are related, spouse to each other, or relatives within the second degree of kinship		Remarks
	Quantity	Ratio	Quantity	Ratio	Quantity	Ratio	Name	Relationship	
Representative: Zheng-yong Huang	-	-	-	-	-	-	None	None	None
E-SHENG STEEL CO., LTD.	2,511,005	2.51	-	-	-	-	E-TOP METAL CO., LTD.	Same representative	None
Representative: Ching-Li Yen	-	-	-	-	-	-	None	None	None
Yu Hsin Development & Construction Co., Ltd.	2,409,000	2.41	-	-	-	-	None	None	None
Representative: Zheng-yong Huang	-	-	-	-	-	-	None	None	None
NewSoft Technology Corporation	2,000,000	2.00	-	-	-	-	None	None	None
Representative: Yun-Chin Li	70,000	0.07	-	-	-	-	None	None	None
United Fiber Optic Communication Inc.	2,000,000	2.00	-	-	-	-	None	None	None
Representative: Yu-Chang Lin	-	-	-	-	-	-	None	None	None

IX. Number of shares held by the Company, the Company's directors, supervisors, managers, and directly or indirectly controlled businesses and the consolidated general holding ratio

Date: December 31, 202; Unit: Share

Re-invested business	Investment made by the Company		Investment by the directors, supervisor, manager, and directly or indirectly controlled business		Comprehensive investment	
	Shares	Holding Ratio	Shares	Holding Ratio	Shares	Holding Ratio
TMP Electronic (South Korea) Co., Ltd.	-	50%	-	-	-	50%
Taiwan Iron and Steel CO.,LTD	100,000	100%	-	-	100,000	100%

III. Fund-raising

I. Capital and Shares

(I) Source of Capital Stock

1. Type of Stock

Unit: Share, NTD

MM/YYYY	Issue price	Approved capital stock		Paid-in capital stock		Remarks		
		Quantity	Value	Quantity	Value	Source of capital stock	Using properties other than cash to write off	Other
March 2024	10	150,000,000	1,500,000,000	69,956,149	699,561,490	Conversion of corporate bonds to shares 1,391,076	-	Note 1
November 2024	10	150,000,000	1,500,000,000	99,956,149	999,561,490	Capital increase in cash 30,000,000	-	Note 2

Note 1: The conversion of corporate bonds into shares was approved through the MOEA Authorization SMEA No. 11330038700 Letter dated March 19, 2024 from the Ministry of Economic Affairs, with records on file.

Note2: The capital increase in cash was approved through the MOEA Authorization Business No. 11330196930 Letter dated November 8, 2024 from the Ministry of Economic Affairs, with records on file.

March 31, 2025 Unit: Share

Type of share	Approved capital stock			Remark
	Outstanding shares(Note)	Shares yet to be issued	Total	
Common stock	99,956,149	50,043,851	150,000,000	Main Board stock

2. It is approved to place and issue securities through self-registration: None.

(II) List of Major Shareholders

March 27, 2025 Unit: people ;Share; %

Shares		No. of shares held	Holding Ratio
Name of major shareholder			
S-Tech Investment Co., Ltd.		6,082,432	6.09
Tianchuan Investment Co., Ltd.		6,079,303	6.08
TE CHANG CONSTRUCTION CO., LTD.		3,981,000	3.98
E-SHENG STEEL CO., LTD.		3,234,508	3.24
Taiwan Steel Corporation		3,204,054	3.21
TE CHENG SHENG ENGINEERING CO., LTD.		2,644,000	2.65
E-TOP METAL CO., LTD.		2,511,005	2.51
YU HSIN DEVELOPMENT & CONSTRUCTION CO., LTD.		2,409,000	2.41

Shares		No. of shares held	Holding Ratio
Name of major shareholder			
NewSoft Technology Corporation		2,000,000	2.00
United Fiber Optic Communication Inc.		2,000,000	2.00

(III) Company's Dividend Policy and Implementation

1. Dividend policy:

After the final annual accounts, the company's net profit should first submit taxes and make up for the previous year's losses, and 10% should be set aside as a statutory surplus reserve. The rest will be set aside or reversed to the special surplus reserve by Article 41 of the Securities and Exchange Law; the rest will be combined with the accumulated undistributed surplus at the beginning of the same period, and the board of directors will decide to retain or distribute shareholder dividends by issuing new shares. It should be submitted to the shareholders' meeting for a resolution on distribution.

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.

Given the fact that the industry that the Company is in is at a growing stage now, there are plans to expand operations and needs funds for several years in the future. As such, the distribution of earnings is based on the following requirements. For the Company's dividend policy, current and future development plans, the investment environment, the demand for funds, and domestic and international competition as well as shareholder's interest, among others, are taken into consideration. Each year, with the distributable earnings for the year, no less than 30% will be set aside to be the shareholder dividend bonus. If the accumulated distributable earnings are less than 1% of the paid-in capital stock, however, it is allowed not to distribute the profits. The distribution of shareholder dividend bonuses may be done in cash or in stock. Cash dividends, in particular, are no less than 10% of the total value of dividends available. The type and ratio of such earnings distributed, however, may be adjusted as decided through the shareholders' meeting depending on the actual profitability and funding status of the year.

2. Distribution of shareholder dividends proposed (decided) for the year

It was approved by a special resolution of the Board of Directors on February 21, 2025 that NTD 1.8 per share would be distributed in cash as the dividends for shareholders, that is, NTD 179,921,069 in total; it will be reported in the 2025 General Shareholders' Meeting.

(IV) Impacts of free share assignment intended through the current shareholders' meeting on the Company's operational performance and earnings per share: None.

(V) Remuneration to employees, directors, and supervisors:

1. Percentage or range of remuneration for employees and directors/supervisors as stated in the Company's Articles of Incorporation

If the Company has profits for the year, 1% to 10% shall be set aside to be the remuneration to employees. The Board of Directors shall decide whether they will be distributed in stock or in cash. It may be distributed to employees of any subordinated or controlled company meeting certain criteria. The Company may submit the above-mentioned profits to the Board of Directors for a decision over appropriating no greater than 4%, inclusive, of it to be the remuneration to directors and supervisors.

In cases of accumulated deficits, however, the Company shall first retain those needed to write off the said deficits before the remuneration to employees and that to directors and supervisors are to be set aside by the ratios indicated in the preceding paragraph.

2. Accounting measures adopted in case of any difference between the basis for estimating the amount of remuneration for employees, directors, and supervisors, basis for calculating the number of shares included in the distribution of remuneration for employees, and the actual value distributed and their estimates of the current term:

In case of any difference between the values estimated for the current term of remunerations to employees and to directors and supervisors and those actually distributed, the difference will be recognized under profits or losses for the coming year.

3. Approval of distribution of remuneration by the Board of Directors:

The Board approved the remunerations to employees and the Company of Directors directors on February 21, 2025. NTD 2,800,000 to employees and NTD 2,205,000 to directors will be distributed as the remuneration, which was identical to the estimates made in 2024.

4. For the remuneration actually distributed to employees, directors, and supervisors for the preceding year (including the number of shares distributed, the value, and the share price), in case of any difference from that recognized, the difference, the cause and how it is handled shall be specified:

For 2023, NTD 3,116,000 to employees and NTD 2,493,000 to directors were actually distributed as the remuneration in cash, which were identical to the estimates made for 2023.

(VI) Buyback of the Company's Shares: None.

II. Corporate Bonds

Type corporate bond	Fourth unsecured conversion of corporate bonds
Date of issue	10/26/2022
Face value	NTD 100,000
Issue and trading site	Taiwan
Issue price	Issued at 100.5% of par value
Total	NTD 200,000,000
Interest rate	Coupon rate 0%
Duration	3 Years Expiration date: 10/26/2025
Guarantee institution	None
Trustee	Trust Department, HUA NAN Bank Co., Ltd.
Underwriter	Mega Securities Co., Ltd.
Certified Attorney	Attorney Wei Zhongjie , Wei Zhongjie Law Firm
Certified Public Accountant (CPA)	Pricewaterhouse Coopers Taiwan CPAs Chung-Yu Tien and Tzu-Shu Lin
Repayment method	Lump-sum payment upon expiration
Principal yet to be paid back	NTD 0 (As of February 29, 2024)
Redemption or early settlement clause	Please refer to the Company's Guidelines to the Issuance and Conversion for the Fourth Domestic Unsecured Conversion of Corporate Bonds
Name of the credit rating agency, date of the rating, and rating outcome of corporate bonds	None.
Other additional rights	The value of converted (swapped or subscribed) common stock shares, global depository receipts, or other marketable securities as of the date the Annual Report was printed
	Expired on February 19, 2024 , a total of 9,244,602 common stock shares had been converted.
	Issuance and Conversion (Swapping or Subscription) Guidelines
	Please refer to the Company's Guidelines to the Issuance and Conversion for the Third Domestic Unsecured Conversion of Corporate Bonds.
Possible dilution of equity and impacts on current shareholders' rights of the Issuance and Conversion, Swapping or Subscription Guidelines and the issuance criteria	Please refer to pages 62 to 64 of the company's fourth domestic unsecured conversion corporate bond.
Name of authorized depository	None

Note: The Fourth secured the conversion of corporate bonds terminated on February 19, 2024, OTC trading.

Information on the conversion of corporate bonds

Unit: NTD

Type of corporate bond		Fourth domestic secured conversion of corporate bonds		
Item	Year	2022	2023	The year up to February 19, 2024
	Maximum	105.50	158.00	137.50
Price of bond to be converted or swapped	Minimum	96.60	103.65	136.45
	Mean	99.32	129.69	136.82
Conversion price		21.50	20.20	20.20
Date of issue and conversion price at issue		Date of issue: 10/26/2022 Conversion price at issue:21.50		
How to fulfill the conversion obligation		To be delivered in new stock issued		

Note1: Due to the distribution of cash dividends on June 13, 2023, the conversion price was adjusted from NTD 21.5 to NTD 20.2.

Note2: Over-the-counter trading was terminated on February 19, 2024.

III. Preferred Stock: None.

IV. Global Depositary Receipt: None.

V. Employee Share Subscription Warrant: None. .

VI. Restricted Stock Award: None.

VII. Issuance of New Stock upon M&A or Assignment of Shares from Other Companies: None.

VIII. Implementation of the Funds Utilization Plan:

As of March 31, 2025, each issuance of securities by the Company was completed and absence of the efficacy of the plan did not happen.

IV. Business Overview

I. Scope of Operation

(I) Scope of Operation

1. Main scope of operation

- (1) Manufacture of Power Generation, Transmission and Distribution Machinery
- (2) Lighting Equipment Manufacturing
- (3) Wired Communication Mechanical Equipment Manufacturing
- (4) Wireless Communication Mechanical Equipment Manufacturing
- (5) Electronics Components Manufacturing
- (6) Computer and Peripheral Equipment Manufacturing
- (7) Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
- (8) Wholesale of Computers and Clerical Machinery Equipment
- (9) Retail Sale of Computers and Clerical Machinery Equipment
- (10) Retail Sale of Other Products
- (11) Retail sale of Other Integrated
- (12) Retail Sale No Storefront
- (13) Rental and Leasing
- (14) Performing Arts Activities
- (15) International Trade
- (16) Wholesale of Building Materials
- (17) Wholesale of Hardware
- (18) Retail Sale of Building Materials
- (19) Retail Sale of Hardware
- (20) Steel Secondary processing
- (21) Wholesale of Machinery
- (22) Wholesale of Electrical Appliances
- (23) Wholesale of Telecommunication Apparatus
- (24) Recreational Activities Venue
- (25) Housing and Building Development and Rental
- (26) Industrial Factory Development and Rental
- (27) Investment, Development and Construction in Public Construction
- (28) Real Estate Business
- (29) Real Estate Leasing
- (30) General Advertisement Service
- (31) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Scope of operation by the weight

Unit: NT\$ thousand

Item \ Year	2024	
	Amount,	%
Steel reinforcing bar	7,058,086	75.78
Steel billet	2,225,348	24.22
Total	9,313,434	100.00

3. Current products and services of the Company

- (1) Steel reinforcing bar: for use in the structures of houses, buildings, and public works or constructions.
- (2) Steel reinforcing bar processing and direct delivery to construction sites across the province.

4. New products and services planned to be developed

The new products that the company plans to develop in the future are Special steel reinforcing bar processing and forming (hooping) ; spot-welded steel wire mesh ; Section steel ; Imported steel ; Rod ; Wire, etc.

(II) Industrial Overview

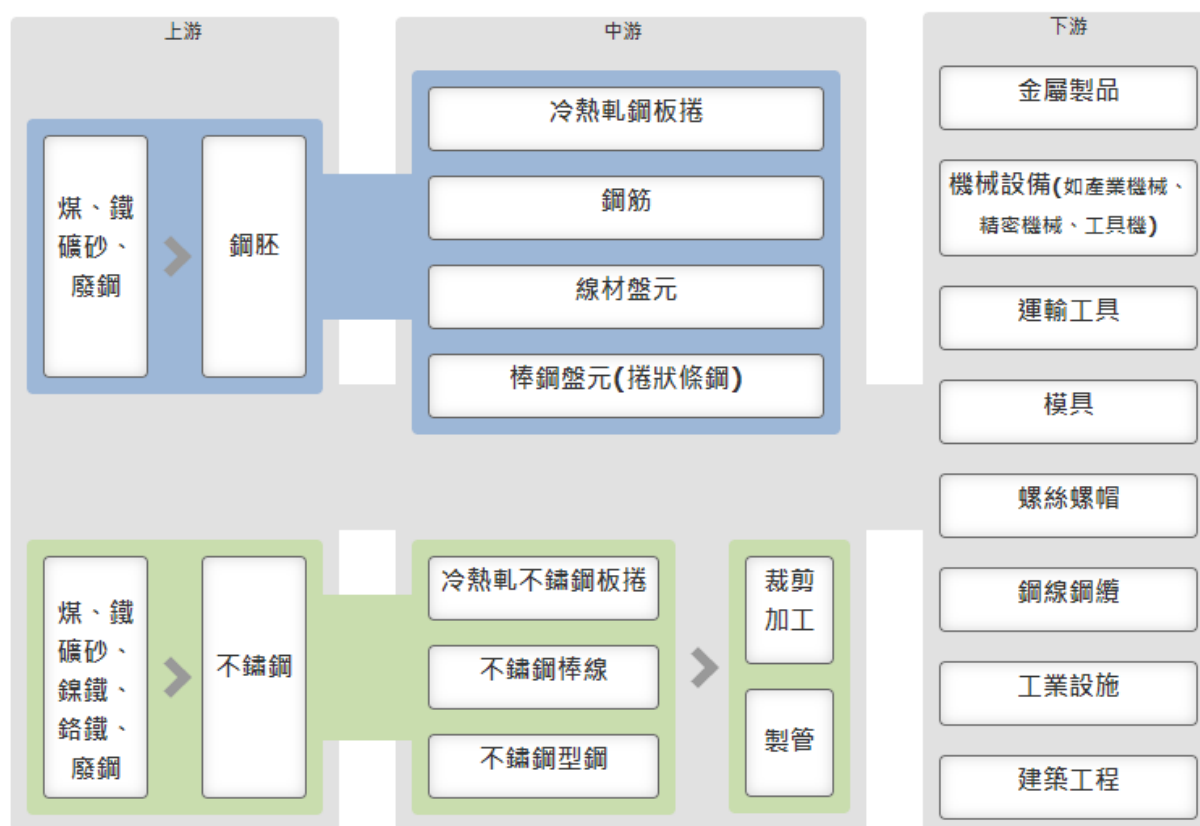
1. Current Status and Development of the Industry

The Company's main lines of business are the integrated sales and processing of steel bars and distribution services. As all of the Company's products are made of steel, the following gives an analysis of the current situation of the steel industry:

The iron and steel industry is also known as "the mother of all industries" as it is essential for the development of public and private works in a country. The iron and steel sector is highly relevant and widely used in many fields such as construction, transport, machinery and electrical appliances, and is crucial to a country's economic stability and independent defense, which is why governments attach great importance to the industry. According to the manufacturing output statistics released by the Ministry of Economic Affairs in February 2025, the output value of Taiwan's steel industry in 2024 accounted for 8% of the national manufacturing industry, indicating that the steel market still has a certain influence on the country's economic development.

According to the World Steel Association's forecast, global steel demand will reach 1.7715 billion tons in 2024, a year-on-year increase of 1.2%. It is expected that global steel demand will gradually pick up.

2. Correlation among Upstream, Mid-stream, and Downstream of the Industry



Source: Industrial Value Chain Information Platform

Steel can be divided into two main categories in terms of material: "carbon steel" and "stainless and alloy steel."

The upstream of the carbon steel industry chain consists of raw materials such as coal, iron ore and steel scrap, as well as steel billets made therefrom in blast furnaces or electric furnaces; the midstream includes steel sheet coils, steel bars, wire rods and bars in coil made by cold and hot rolling; and the downstream has a wide range of applications, including metal products, machinery and equipment, transportation tools, molds, screws and nuts, steel wires and cables, industrial facilities and construction works, etc.

The structure of the stainless and alloy steel industry chain is similar to that of the carbon steel industry chain. Upstream, in addition to coal, iron ore and steel scrap, raw materials such as ferro-nickel and ferro-chrome are added to make alloy steel billets such as stainless steel; the mid-stream comprises hot and cold rolled steel sheet coils, wire rods and section steel, which in turn give rise to shearing processing and tube manufacturing; the downstream is the same as for carbon steel.

The Company is principally engaged in the integrated sales and processing of steel bars and distribution services, and is part of the steel bar and shearing processing industry in the midstream of the steel sector.

3. Various development trends in the industry

(1) The processing and delivery services of the professional steel reinforcing bar team of the Taiwan Steel Group meet the expectations of construction business practitioners. For the time being, the ratio of steel reinforcing bars that are prefabricated and processed at construction sites is roughly less than 30%, which is relatively low compared to the industrial division of labor in advanced countries and regions such as the Europe and Japan. As urbanization grows, the steel reinforcing bar forming industry of Taiwan may follow the European or Japanese model. As such, 50% of professional processing and processing at construction site should be a conservative goal for the mid-term of 3 to 5 years from now.

(2) Steel reinforcing bar processing models

A. Traditional model:

Steel reinforcing bar plant →wholesaler→processing at the construction site or block house→field assembly

B. Outsourcing model:

Steel reinforcing bar plant →wholesaleer→processing at the external contractor's plant→delivery to construction site →field assembly

C. One-stop integrated model:

Steel reinforcing bar plant →Forming plant →Delivery to construction site →Field assembly
(Group Businesses)

4. Product Competition

The Company's main lines of business are the integrated sales and processing of steel bars and distribution services, whereas most of the steel companies currently listed on the stock exchange in Taiwan are focused on manufacturing, which is a different type of industry. Among the sampled peers, Hai Kwang Enterprise Corp (Hai Kwang) is principally engaged in the manufacture and sale of steel billets and reinforcement bars, and its sales customers are mostly engineering construction companies and construction companies in Taiwan, which is similar to the Company; Chia Ta World Co (Chia Ta) specializes in the production and sale of general steel wire and galvanized wire, with its sales regions mainly in Taiwan, Asia and America; Chih Lien Industrial Co (Chih Lien) operates in the steel wire industry, supplying a wide range of high quality products to domestic and overseas customers, with its main products being steel wire and steel rods, sold in Taiwan, Northeast Asia and Southeast Asia.

For the time being, construction sites in Taiwan follow the forming plant and delivery to construction site model for steel reinforcing bars. The demand on the

market is gradually climbing now, with a limited number of competitors. As such, the room for growth is huge for steel reinforcing bar forming plants.

(III) Technical and Research and Development Overview

1. R&D expenses devoted over the last year up to the date the Annual Report was printed: The Company primarily steel processing now. As such, there are no R&D expenses.
2. Products successfully developed over the past year up to the date the annual report was printed:
The distribution of steel reinforcing bars and rods, among other steel products, is vertically integrated throughout the Group to shorten the lead time and to advance in processing and manufacturing, with both the quality and service satisfying to customers.

(IV) Long-and-short-term Business Development Plans

1. Short-term Development Plan

(1) Marketing strategy

The marketing service mechanism covers construction plants and projects in northern, central, and southern parts of Taiwan. With support from steel plants within the Group, the steel reinforcing bars and brands distributed by the Company need to be more diversified.

(2) Production strategy

Integration of upstream, mid-stream, and downstream: steel reinforcing bar plant → wholesaler (the Company) → processing at the external contractor's plant (the Company, that in northern, central, and southern parts of Taiwan) → delivery to construction site → field assembly.

(3) Product strategy

Add steel products, compositions, and choices available for customers to the dealership/distribution to decentralize the risk and to ensure profits and growths. Set up processing plants in northern, central, and southern parts of Taiwan to serve the customers directly.

2. Long-term Development Plan

(1) Marketing strategy

- A. Build self-owned distribution networks and sufficient warehousing spaces for steel products in the nation and work with respective heavyweight steel plants in order to provide heavyweight customers with total solutions consisting of complete steel reinforcing bar options and packages.

- B. The minimum economic-scale purchase volume (MOQ) is adopted in order-taking to ensure reduced production cost and steady quality control throughout the production process.

(2) Production strategy

Consolidate self-owned automatic forming plants with the required technologies for steel reinforcing bars by introducing automated production equipment. Self-production and outsourced processing take place concurrently to reduce manpower and labor cost and to stabilize product quality. The following two operational models work with each other concurrently. Internal production and outsourced processing are regulated according to properties such as order, customer, gross profit, and delivery destination. Secondary processing orders may also be accepted from other wholesalers to fill up idle throughput.

A. Outsourcing model:

Steel reinforcing bar plant →wholesaleer (the Company)→processing at the external contractor's plant→delivery to construction site →field assembly

B. One-stop (upstream-midstream-downstream) integrated model:

Steel reinforcing bar plant → wholesaler (the Company → forming plants in northern, central, and southern parts of Taiwan)→Delivery to
(Group Businesses)
construction site →Field assembly

(3) Product Development strategy

There are complete choices of products of steel reinforcing bar packages for construction and customized pre-fabricated products for customers to choose and purchase in the Company.

II. Market and Production/Distribution Overview

(I) Market Analysis

1. Where product/services are primarily sold or provided : 100% of the company's products are sold domestically.
2. Market share

According to the statistics of industrial production, sales, and inventory of the Ministry of Economic Affairs, the sales value of the steel bar manufacturing industry in 2024 and 2023 was NT\$145.3 billion and NT\$153.7 billion respectively. The market shares of the Company are estimated to be 6.41% and 5.09% respectively.

3. Future supply and demand and growth on market

Looking ahead to 2025, on the demand side, the Company is engaged in

integrated sales and processing and distribution of steel bars, and its major customers are mostly domestic builders and construction companies, so the growth in demand for project procurement in the construction industry will help drive the Company's product shipments. With the recovery of the global economy, the momentum of construction projects has increased, and corporate demand for factories, offices, and commercial office buildings has increased. In addition, the demand for steel rebars in domestic construction such as public projects and public office upgrades actively promoted by the government has stabilized.

On the supply side, as the major raw material purchased by the Company is rebar, the production and quotation of steel bars have a certain degree of influence on the Company's business. The Company will continue to pay attention to market changes and ensure stable supply through flexible procurement strategies and inventory management. In addition, since the company's main supplier is a related enterprise, the two parties have a long-term cooperation basis, which can effectively ensure a stable supply of steel bar raw materials to meet customer needs and maintain competitive advantages.

4. Competitive niche and advantageous and disadvantageous factors for future developments and countermeasures

(1) Advantageous factors:

A. Customized production and instant delivery service

The market demand for rebar forming and delivery to sites in Taiwan is on the rise with limited competition, so there is plenty of room for growth for rebar forming plants. The Company has factories in the north, middle and south of Taiwan, providing tailor-made steel bar processing services to suit customers' needs, offering them vertically integrated rebar processing services and delivering rebar to local customers nearby to shorten their production time and reduce their own inventory preparation.

B. Consistent supply price and quality

We have the advantage of having the support and supply from the steel mills of Taiwan Steel Group, and maintain good cooperation and stable relationship with various steel suppliers. Should a supplier be unable to ensure a stable supply or delivery time, we will seek alternative suppliers to secure materials, and confirm the quality and competitiveness of our products by considering the quality, price, delivery time and cooperation of the supplier, and work in close partnership with the supplier to keep the supply price and quality stable.

(2) Disadvantageous factors and Countermeasures:

A. The main raw material for steel bars is imported, and prices and supplies are prone to fluctuations.

The Company is principally engaged in the processing and distribution of steel bars. The main raw material for steel bars is scrap steel and most of the scrap steel in the nation has to be imported, so fluctuations in international raw material prices will affect the cost of steel bars, and disruptions in the supply will have a consequential effect on production capacity.

Response :

The Company maintains good and long-term partnership with major rebar suppliers and continues developing other new sources of supply with stable quality. It also keeps an eye on the changing trend of supply in the international raw material market and conducts planned purchases to avoid fluctuations in raw material prices and minimize the risk of supply shortages and interruptions in operations.

B. Labor shortage, difficulty in nurturing specialists and increasing labor costs

The rebar processing industry is generally plagued by a shortage of labor and difficulties in grooming talents. As the quality of life has improved, wages have also risen, resulting in a year-on-year growth in the proportion of wages in the cost structure.

Response:

The Company continues to increase the proportion of automated production lines, optimize the working environment, and strengthen the system of personnel cultivation, training, and experience transfer, as well as improve incentives and welfare measures to reduce staff turnover and manpower requirements. We also make good use of the government's foreign labor policy to adjust the number of foreign workers in a timely manner, thereby cutting wage costs.

(II) Important purposes and production processes of main products

1. Important purposes of main products:

Main product	Purpose
Steel reinforcing bars and secondary forming process	For use in the structures of houses, buildings, and public works or constructions.

2. Production/preparation processes of main products

Steel reinforcing bars secondary forming process

Finished starting steel reinforcing bars → inventory → cut to length → bending → bundling of finished products → quality assurance → shipment

(III) Supply of Main Raw Materials

The Company mainly deals with the trading business now. Related products are supplied as follows:

Main Raw Materials	Main supplier	Supply status
Steel reinforcing bar	E-TOP, E-Sheng	Good, normal

(IV) Names of customers with 10% or more purchases (sales) and the current value and ratio of the purchases (sales) in any of the past two years. Please also describe the reason for the increase or decrease.

1. Information of suppliers accounting for 10% and more of overall purchases over the past two years

Unit: NT\$ thousand; %

Item	2023				2024			
	Name	Amount	Percentage in net purchases throughout the year (%)	Relationship with the issuer	Name	Amount	Percentage in net purchases throughout the year (%)	Relationship with the issuer
1	E-TOP	4,011,603	52.34	Significant impacts on the Company	E-TOP	4,191,030	47.64	Significant impacts on the Company
2	E-Sheng	1,613,463	21.05	Other related parties	E-Sheng	2,384,119	27.10	Other related parties
3					WLL GENERA	1,000,377	11.37	None
4	Other	2,040,075	26.61	None	Other	1,221,973	13.89	
	Total	7,665,141	100.00		Total	8,797,499	100.00	

The reason for the increase or decrease

Mainly due to the increase in sales in 2024, and the increase in purchases.

2. Information of customers accounting for 10% and more of overall sales over the past two years

Item	2023				2024			
	Name	Amount	Percentage in net sales throughout the year (%)	Relationship with the issuer	Name	Amount	Percentage in net sales throughout the year (%)	Relationship with the issuer
1					E-Sheng	1,077,518	11.57	Other related parties
2					E-TOP	1,013,596	10.88	Significant impacts on the Company

Item	2023				2024			
	Name	Amount	Percentage in net sales throughout the year (%)	Relationship with the issuer	Name	Amount	Percentage in net sales throughout the year (%)	Relationship with the issuer
3	Other	7,825,660	100.00		Other	7,222,320	77.55	
	Total	7,825,660	100.00		Total	9,313,434	100.00	

III. Number, mean service years, mean age, and education distribution ratio of in-service employees of the past two years up to the date the Annual Report was printed

Unit: people; %

Year		2023/12/31	2024/12/31	As of May 31, 2025
Number of employees	Technicians	71	103	100
	Managers	62	92	103
	Operators	-	-	-
	Total	133	195	203
Mean age		38.42	36.93	36.94
Mean years in service		2.16	1.9	1.7
Ratio of education distribution	Ph.D	-	-	-
	Master	3.10%	3.59%	2.96%
	University and college degree	69.40%	53.33%	52.22%
	Senior high school diploma	22.40%	39.49%	41.86%
	Below senior high school	5.10%	3.59%	2.96%

IV. Information on Environmental Protection Expenditure

Losses (including damages) from environmental pollutions and total value of penalties over the past year up to the date the Annual Report was printed and the countermeasures and possible expenses in the future:

Throughout 2024 up to the date the Annual Report was printed, the Company did not suffer major losses from polluting the environment and impacts from the EU ROHS. Meanwhile, the production and manufacturing of main products available at present do not lead to environmental pollutions. Except for normal environmental protection expenses from the disposal of waste, no major environmental protection-related capital expenditure is expected in the coming years.

V. Labor-management Relations

(I) List the company's employee welfare measures, advanced education, training, retirement system and its implementation status, as well as the agreement between labor and management and the protection measures of various employee rights and interests

1. Employee Benefits

(1) The Company established its Employee Welfare Committee on March 22, 1989. Employee welfare funds are set aside from the overall operating income and employee travels are organized periodically. There is the annual leave system in place, too.

(2) Employees of the Company are entitled to benefits such as Labor Insurance and National Health Insurance coverage and payment of the pension fund. Benefits provided by the Company include the Chinese New Year prize, Labor Day prize, Dragon Boat Festival prize, Moon Festival prize, wedding and funeral subsidies, reimbursements for educational trainings, year-end party and birthday celebrations, employee bonus, and share subscription, etc.

2. Continuing education and training for employees:

The Company plans related training programs reflective of the function of employees at each department to improve their professionalism and overall attainments. The total training hours in 2024 were 5,898.5 hours, involving 1,717 people.

3. Employees Retirement System and Implementation:

(1) The Company has established its employee retirement guidelines in compliance with the Labor Standards Act. Retirement of in-service personnel follows the requirements and the Guidelines of the Company.

(2) The Company applied for the establishment of the Labor Pension Reserve Supervisory Committee with the competent authority on February 10, 1987 and sets aside the pension reserve according to the pension fund actuarial report. Employee pension reserve at 2% of the overall salary per month is set aside and deposited in the exclusive account with the Central Trust of China. Employees who have worked for 15 years and above and are 50 years old or have worked for 20 years and above may apply for retirement.

(3) The Labor Pension Act has been enforced since July 1, 2005. According to the Act, the Company shall set aside 6% of each employee's monthly salary to be the labor pension fund. By requirement, those who were hired before June 30, 2005 and were in service on July 1 could choose to continue to apply applicable requirements about pension fund under the Labor Standards Act or to apply the pension system under the Labor Pension Act and retain the years having worked prior to applicability of the said Act. New employees from July 1, 2005, on the

other hand, could only choose to apply the pension system under the Labor Pension Act.

4. The agreement between labor and management and the protection measures of various employee rights and interests

The company has set up labor-management meetings and communicates with each other regularly. Both parties adhere to the principle of harmony and integrity to negotiate and solve problems to maintain a harmonious labor-management relationship.

5. Employee Code of Conduct and Ethical Norms:

The Company has the Employee Code of Conduct, Sexual Harassment Preventive Measures and Disciplinary Regulations in place and also detailed regulations governing the discipline and rewards/penalties for employees.

6. Working environment and protective measures for the personal safety of employees

- (1) The access surveillance system is in place and it is linked to the security company in addition to the existing Access Control Rules and Regulations Governing the Use of Employee Ids in order to protect employees' safety and management.

- (2) The Labor Safety and Health Work Rules are established to govern the maintenance and inspection of equipment, safety at work and health criteria, educational trainings, first aid and rescue, accident reporting, and presentations, etc.

- (3) Have employees covered in the Group Insurance.

- (4) No smoking is allowed in the workplace and environmental disinfection takes place periodically.

- (5) Wearing a helmet is strictly enforced in the workplace.

- (6) Wearing safety shoes is strictly enforced in the workplace.

- (7) Firefighting drills take place regularly each year.

(II) In the most recent year and as of the publication date of the annual report, the losses suffered due to labor disputes, the estimated amount, and countermeasures that may occur at present and in the future: None.

VI. Information Security Management

(I) Information Security Management

1. Information security risk management structure

- (1) The Administration Division of the company is responsible for planning, implementing and promoting information security management matters, and promoting information security awareness.

- (2) The audit department of the company is the inspection unit of information security supervision. If the inspection finds deficiencies, it will immediately ask the inspected unit to propose relevant improvement

plans and report to the board of directors, and regularly track the improvement results to reduce internal information security risks.

2. Information Security Policy

- (1) Maintain sustainable operation of all information system
- (2) Preventing intrusion or destruction of hackers and virus
- (3) Preventing deliberating illegal or inappropriate use
- (4) Preventing sensitive data divulge
- (5) Avoiding human error or careless act
- (6) Maintaining safety of physical environment

3. Practical Management Program for Information Security

- (1) Computer main frame of the company and application servers are installed in the specific machine room and it has access record maintain for future reference
- (2) Inside the machine room, independent air conditioner are provided to maintain the computer equipment in a proper temperature and environment in operation and it has chemical fire extinguisher which is applicable for from ordinary fire or out of electrical apparatus.
- (3) Machine room is equipped with UPS and voltage regulator to avoid system down of accidental of instant power off of Taipower
- (4) Reminder promotion: coworkers are regularly to renew system password to maintain account security
- (5) Promotion of Information Security: Providing information security cases and document for the reference of coworkers.
- (6) Please refer to our company's official website:

<https://www.tmpco.com.tw/information-security/>

(II) List, the latest fiscal year and up to date of printing of Annual Report, the loss suffered in material information security incidents, the probable effect and the corresponding measures; if it is not reasonably estimated, please explain the fact of inability in estimate reasonably: None.

VII. Important Contract

Nature of contract	Affected party	Contract start/end date	Main contents	Restrictions
Supply contract	E-TOP METAL CO., LTD.	1/1/2024-12/31/2024	Supply contract for steel reinforcing bars	None
Supply contract	E-SHENG STEEL CO., LTD.	1/1/2024-12/31/2024	Supply contract for steel reinforcing bars	None
Rental Agreement	E-TOP METAL CO., LTD.	1/1/2025-12/31/2025	Facility lease	None
Rental Agreement	Changhua Coastal Industrial Park Service Center	2/22/2023-2/21/2043	Land lease	None

Nature of contract	Affected party	Contract start/end date	Main contents	Restrictions
Rental Agreement (Xinshi Plant)	Yongkang Industrial Park Service Center	6/6/2024-6/5/2044	Land lease	None
Borrowings contract	Taiwan Cooperative Bank	10/22/2021-10/15/2031	Accelerated investment subsidy financing for small and medium-sized enterprises	Buildings as collateral
Borrowings contract	Hua Nan Bank	7/4/2024-7/4/2034	Accelerated investment subsidy financing for small and medium-sized enterprises	Buildings as collateral
Borrowings contract	Hua Nan Bank	7/4/2024-7/4/2034	Accelerated investment subsidy financing for small and medium-sized enterprises	machines as collateral
Engineering Contracting (Sescond Plant of Chang Pin)	Deyuan Construction CO., LTD.	1/1/2024-11/30/2024	Factory construction project	None
Engineering Contracting (Xinshi Plant)	TSG Engineering CORP.	11/27/2024-10/31/2025	Factory construction project	None

V. Discussion and Analysis of Financial Standing and Financial Performance and Risks

I. Financial standing- Consolidated

Unit: NT\$ thousand

Item \ Year	2024	2023	Difference	
			Value	%
Current assets	2,639,463	2,066,229	573,234	27.74
Non-current assets	1,711,817	831,567	880,250	105.85
Total assets	4,351,280	2,897,796	1,453,484	50.16
Current liabilities	1,125,210	1,077,878	47,332	4.39
Non-current liabilities	842,711	374,702	468,009	124.90
Total liabilities	1,967,921	1,452,580	515,341	35.48
Share capital	999,561	687,532	312,029	45.38
Capital reserve	910,034	386,891	523,143	135.22
Retained earnings	461,724	370,793	90,931	24.52
Other equities	12,040	-	12,040	100%
Total shareholder equity of parent company	2,383,359	1,445,216	938,143	64.91
Total equity	2,383,359	1,445,216	938,143	64.91
Total liabilities and shareholder equities	4,351,280	2,897,796	1,453,484	50.16

For items with changes by 20% and above and the changes are worth NTD 10 million and above, explanations are provided below:

1. Increase in current assets: Mainly due to the sales growth in 2024, which led to an increase in accounts receivable and inventory at the end of the period.
2. Increase in non-current assets: This is mainly due to the addition of unfinished projects and machinery and equipment required for operation and factory construction in 2024, as well as the increase in the right - of - use assets of land from the Xinshi Factory.
3. Increase in total assets: Items 1 to 2 above consolidated.
4. Increase in current liabilities and decrease in total liabilities: The increase in lease liabilities in 2024 was due to the increase in borrowings required for operations and the lease of new land.
5. Increase in share capital: Mainly due to the company's cash capital increase and issuance of new shares.
6. Increase in capital reserve: Primarily due to cash capital increase - share premium-ordinary.
7. Increase in retained earnings: Mainly due to increased net profit as a result of operational growth in 2024.
8. Other equity: Mainly due to the acquisition of securities in this year and recognition based on valuation.
9. Increase in total shareholders' equity of the parent company, total equity: Items 5 to 8 above consolidated.

II. Financial performance

(I) Management Outcome Comparative Analysis- Consolidated

Unit: NT\$ thousand

Item	2024	2023	Increased (Decreased) value	Variance%
Operating revenue	9,313,434	7,825,660	1,487,774	19.01
Operating costs	8,839,474	7,344,477	1,494,997	20.36
Net operating margin	473,960	481,183	(7,223)	(1.50)
Operating expenses	285,786	251,964	33,822	13.42
Operating profits	188,174	229,219	(41,045)	(17.91)
Total non-operating income and expenses	77,125	76,794	331	0.43
Profit before income tax	265,299	306,013	(40,714)	(13.30)
Income tax expense	34,456	42,785	(8,329)	(19.47)

Item	2024	2023	Increased (Decreased) value	Variance%
Profit of continuing operations	230,843	263,228	(32,385)	(12.30)
Net profit of the term				
Other comprehensive income(loss)	12,040	-	12,040	100
Total comprehensive income for the year	242,883	263,228	(20,345)	(7.73)
Net profit attributable to the parent company	230,843	263,228	(32,385)	(12.30)
The sum of comprehensive income attributable to the owner of the parent company	242,883	263,228	(20,345)	(7.73)
For items with changes by 20% and above and the changes are worth NTD 10 million and above, explanations are provided below:				
1. Increase in operating expenses: Mainly due to the increase in costs associated with revenue growth.				
2. Increase in total other comprehensive income for the period: Mainly due to the acquisition of securities in this year and recognition based on valuation.				

- (II) Possible impacts of expected sales quantities and their bases on the future financial operations of the Company and the response plan : This is not applicable as the Company does not disclose to the public its financial forecast.

III. Cash flows

- (I) Analysis of Liquidity for 2024:

Unit: NT\$ thousand

Balance of cash at start of term ①	Net cash flows from operating activities ②	Cash outflows ③	Remaining (Shortage in) cash ① + ② - ③	Remedy for expected cash shortage	
				Investment plan	Financing plan
272,103	(375,678)	(416,029)	312,454	None	None
1. Analysis of change in cash flows of the year:					
(1) Operating activities : Primarily increased inventory due to sales growth.					
(2) Investment activities : Mainly due to the purchase of equipment and unfinished projects required for operation and factory construction.					
(3) Fund-raising activities : Mainly due to cash capital and increased bank borrowings required for operations.					
2. Improvement Plan for Insufficient Liquidity: Not applicable.					

(II) Analysis of Cash Liquidity in the Coming Year

Unit: NT\$ thousand

Balance of cash at start of term ①	Expected net cash flows from operating activities throughout the year ②	Expected cash out-flows throughout the year ③	Expected cash balance (shortage) ① + ② - ③	Remedy for expected cash shortage	
				Investment plan	Financing plan
312,454	275,302	239,002	348,754	-	-
1. Analysis of change in cash flows of the year: (1) Operating activities : Primarily by operating profit. (2) Investment activities : Primarily by the purchase of operating equipment and unfinished projects. (3) Fund-raising activities : Primarily by Distribution of dividends and borrowing due to unfinished projects. 2. Improvement Plan for Insufficient Liquidity:None.					

IV. Impacts of Major Capital Expenditure on Financial Operations in the Most Recent Year

(I) Utilization and funding sources of major capital expenditures in the most recent year

Project item	Funding sources	Estimated completion date	Investment Amount	Funding per year		
				2024	2025	2026
Sescond Plant of Chang Pin New factory building	Own funds / Medium and long-term loans	2/28/2025	226,843	170,132	56,711	-
Plant Guanxi New factory building	Own funds / Medium and long-term loans	10/31/2025	218,400	43,680	168,168	6,552

(II) Expected to produce benefits : As the company's production capacity and efficiency increase, it will be able to better respond to market changes and competitive pressures, laying the foundation for future operational growth.

V. Main Reasons for Profits or Losses of Latest Reinvestment Policy, Improvement Plan, and Investment Plan for the Coming Year

(I) Re-investment Policy

The investments of the Company are based on needs of business operation of the Company and for the future development and the decisions are made with detail consideration of organization type, location, market situation and other items to fit with the purpose of investment, and the investments are conducted along with the internal control system of the Company and related operation regulations.

(II) Profits or losses from investments over the past year

Unit: NT\$ thousand		
Name of investee	Investment Amount	Recognition of profits from 2024
TMP Electronic (South Korea) Co., Ltd.	1,599	-
Taiwan Iron and Steel CO., LTD.	1,000	7

(III) Main Reasons for Profits or Losses of Reinvestments, Improvement Plan, and Investment Plan for the Coming Year

1. TMP Electronic : The shares of the offshore reinvested company TMP Co., Ltd. were already disposed of in 2014. Due to the fact that it is impossible to obtain related financial statements of the reinvested TMP Electronic (South Korea) Co, all have been recognized as impairment loss.
2. Taiwan Iron and Steel : The operation has not yet started, the profits were mainly interest income.

VI. Analysis and evaluation of risk matters in the most recent year up to the date the Annual Report, including the following

(I) Impacts of Changes in Interest Rate, Exchange Rate, and Inflation on the Company's Profits or Losses and Countermeasures in the Future:

1. Impacts of changes in interest rate on the Company's profits or losses and countermeasures in the future:

The interest income and expenditure of the Company in 2024 were NTD4,581 thousand and NTD 21,534 thousand respectively, accounting for 0.05% and 0.23%, respectively, of the operating income. The interest income was mainly that of bank deposits while the expenditure was mainly for the financial cost of long and short-term borrowings and the interest of lease liabilities. Due to the fact that the value is minimal, its impacts on the overall operation of the Company were insignificant. In other words, changes in interest rate have limited impacts on the Company's profits or losses. In the future, however, attention will still be paid to changes in domestic and international economic environments and necessary measures will be adequately

adopted in order to reduce the risk of changes in interest rate for the Company's profits or losses.

2. Impacts of changes in exchange rate on the Company's profits or losses and countermeasures in the future:

The net losses from foreign currency exchange in 2024 were NTD (4,499) thousand, accounting for (0.05)% of the operating income. The Company primarily sells to domestic customers now and its suppliers are mostly domestic ones, too. Purchases and sales of the Company are mostly in NTD. As such, fluctuating exchange rates do not have significant impacts on the Company. The Company's profits or losses from exchange are mainly the result of the fluctuating exchange rates for deposits in US Dollar shown in the Company's accounts. The Company does not have many foreign currency positions so the value of profits or losses from exchange is relatively minimal. The Company, however, also adopts the following countermeasures for fluctuating exchange rates:

- (1) Collects information about changes in exchange rates at all times to fully keep track of trends in exchange rates.
 - (2) In case of any demand in the future, corresponding financial institutions will be asked to provide professional consultation service.
 - (3) If foreign suppliers or customers are involved in the future, purchase or sales colleagues will be asked to consider possible impacts of changes in exchange rates while approaching them for business and provide quotations based on relatively conservative and robust exchange rates in order to reduce the impacts of changes in the exchange rate on the Company's profitability.
3. Impacts of inflation on the Company's profits or losses and countermeasures in the future:

Inflation does not have significant impacts on the Company's profits or losses. The Company pays attention to fluctuating prices on the market at all times and closely monitors inflation. If the cost of purchase is increased because of inflation, the Company also adequately adjusts prices of materials and their selling prices. Therefore, the Company is able to effectively control the impacts of inflation on its profitability for the time being.

- (II) Policy on engaging in high-risk and high-leverage investments, lending of funds to others, endorsement and guarantee, and transactions of derivatives, main profit or loss factors, and countermeasures in the future:

1. The Company, in honor of the robust principle and the practical management belief, is devoted exclusively to running its own businesses and is not engaged in high-risk, high-leverage investments. For lending funds to others, endorsements/guarantees, and transaction of derivatives, the Company has

established the Operating Procedure for Endorsement and Guarantee, the Operating Procedure for Lending to Others, and the Procedure for the Transaction of Derivatives to govern the risk management system of transactions and to carefully evaluate its internal control procedure in compliance with applicable requirements of the competent authority. Unless needed for hedging purposes, the Company may not engage itself in transactions of derivatives.

2. In the most recent year and up to the date of publication of the annual report, the company has not engaged in capital lending to others, endorsement guarantees, and derivative commodity transactions.

(III) Future research and development plans and R&D expenses expected to be devoted:

The main business item of the Company now is hardware construction materials and primarily their marketing and secondary processing. There are no R&D plans and R&D expenditure to be spent for the future yet.

(IV) Impacts of important domestic and international policies and regulatory changes on the Company's financial performance and the countermeasures:

The Company follows national laws and regulations and its related units pay close attention to changes in important policies and laws at all times and cooperate in adjusting the internal system and operating activities of the Company to ensure smooth operations of the Company. The Company's financial operations were not affected by changes in important domestic and international policies and laws over the past year up to the date the Annual Report was printed.

(V) Effects of technological changes (Including Information Security Risk) and industrial changes on the financial standing of the company and countermeasures:

The Company has been able to adequately keep track of and utilize technological trends in related industries. No important impacts on financial operations due to technological changes have occurred yet.

(VI) Impacts of changes in the corporate image on the management of corporate risks and the countermeasures:

The Company focuses on its main business and follows applicable regulatory requirements by proactively reinforcing internal management and improving management quality and performance in order to maintain its optimal corporate image and to increase the trust customers have in the Company. No incidents that resulted in operational crises for the Company as a result of the change in corporate image occurred over the past year up to the date the Annual Report was printed. In light of the fact that corporate crises could damage the Company significantly, however, the Company will continue to enforce respective corporate governance requirements in order to bring down the incidence of corporate risks and its impacts on the Company to a minimum.

(VII) Expected benefits and possible risks of mergers and acquisitions and countermeasures:

The Company did not have any M&A plan as of the date the Annual Report was printed. For any M&A plan in the future, the Company's Procedure for the Acquisition or Disposal of Assets will be followed and careful evaluations will be performed in order to protect the interest of the Company and the rights of its shareholders.

(VIII) Expected benefits and possible risks of the expansion of plants and countermeasures:

In response to customer demand, the Company is continuing to build new steel processing plants, 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.

Expected benefits from expansion of premises include 1: expanded throughput to satisfy customers' demand, which will bring about revenue growths for the Company. 2. Maximized production to create economic-scale benefits; the fixed cost per unit of production will be reduced and the competitive advantages of products will be increased. Possible risks, on the other hand, include: 1. Excessive investment values to restrict the utilization of funds. 2. Capacity utilization rate falling short of expectations. The Company's countermeasures are: 1. Slowly eliminate and transfer throughput. For production and manufacturing equipment involving higher investment values, besides elimination and replacement with new investments, production equipment with desirably optimal efficacy can be relocated together to reduce the overall investment risk to a minimum. 2. The Company closely watches the demand and supply on the market and adjusts its production volume and production schedule reflective of the demand on the market and adequately arranges the manpower in order to reduce related costs and expenditure.

To sum up, despite some risks facing the expansion, the Company has had related countermeasures in place. The expected benefits shall be able to be fulfilled to bring about the growth momentum for the Company.

(IX) Risks associated with focused purchases or sales and countermeasures:

The Company deals mainly with the integrated sales, processing, and delivery of steel reinforcing bars with customers including domestic builders and construction companies. In 2024, the Top 10 customers combined accounted for 43.09% of the net revenue of the said period. The sales to the No. 1 customer accounted only for 11.57%. In other words, customers of the Company are relatively decentralized. Over dependency on a single customer is not a concern. There is no risk of focused sales.

In terms of purchases, E-TOP accounted for 47.64% in 2024. Purchases did appear to be focused on E-TOP. E-TOP is a well-known steel material company and a related party of the Company; it is in a steady supply partnership with the Company. Products provided by E-TOP meets the Company's requirements and it is close to the Company's premise. Transactional cost from related transport can be saved. With focused purchases in large quantities, the Company also gets the preferred price to bring down the

production cost. Given multiple considerations, the Company chose E-TOP as the primary supplier of steel reinforcing bars. Nevertheless, the Company now has two suppliers from whom steel reinforcing bars are purchased and there are also many suppliers in the industry that can provide steel reinforcing bars of equal quality. Therefore, focused purchases shall not pose a risk.

(X) Impacts and risks of transfer or exchange of stock options in large quantities by directors, supervisors or heavyweight shareholders holding more than 10% of all shares on the Company and countermeasures: None.

(XI) Impacts and risks of the change in the management on the Company, risks, and response measures: None.

(XII) Litigation or non-litigation incidents

1. Major lawsuits and non-lawsuits or administrative disputes with a finalized verdict or ongoing proceedings that involve the Company over the past two years up to the date the Annual Report was printed whose results may have significant impacts on the shareholders' equity or prices of securities; the facts of the dispute, the target value involved, the start date of the lawsuits, primary parties to the lawsuits, and their current status shall be disclosed: None.

2. Major lawsuits and non-lawsuits or administrative disputes with a finalized verdict or ongoing proceedings that involve the Company, the Company's directors, supervisors, President, actual person in charge, and shareholders holding more than 10% of all shares, and the associated companies over the past two years up to the date the Prospectus was printed whose results may have significant impacts on the shareholders' equity or prices of securities: None.

(XIII) Other important risks and countermeasures: None

VII. Other important matters

In accordance with the company's information security policy requirements, considering applicable information security requirements, and the results of risk assessment and risk treatment, the following information security goals are formulated:

(I) Protect our company's key business information from unauthorized access.

(II) Maintain the continuous operation of the core information system to ensure that the company has an information environment for the continuous operation of the business.

(III) Handle information security education and training, promote staff's awareness of information security and strengthen their awareness of related responsibilities.

VI. Special Notes

I. Related Information of Affiliates

(I) Consolidated Business Report of Affiliates

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

(II) Consolidated Financial Statement of Affiliates

The companies that should be included in the preparation of the consolidated financial statements of affiliated companies are the same as those that should be included in the preparation of the consolidated financial statements of parents and subsidiaries under IAS 10, and therefore no separate consolidated financial statements of affiliated companies have been prepared.

(III) Affiliation Report

None.

II. Private placement of securities over the past year up to the date the Annual Report was printed: None.

III. Other matters requiring supplementary information: None

VII. Matters with important impacts on shareholders' equity or prices of securities as indicated in Article 36 Paragraph 3 Subparagraph 2 of the Securities and Exchange Act over the past year up to the date the Annual Report was printed

None.



TMP Steel Corporation

Chairman:
Ching-Li Yen