Ticker Symbol: 6248

TMP Steel Corporation

2025
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, 2026

I. Name, title, telephone, and email of the Company's spokesperson or acting spokesperson

Spokesperson: Pei-Ying Huang

Title: President

Telephone: (04)753-0578

Email: tmp@tmpco.com.tw

Acting Spokesperson: Uei-Ling Wang

Title: Manager

Telephone: (04)753-0578

Email: tmp@tmpco.com.tw

II. Address and telephone of the main office/branch office/plant

Main Office/ Plant Chang Pin

Address:No. 3, Jingjian 11th Rd., Lukang Township, Changhua County 505029 , Taiwan (R.O.C.)

Telephone: (04)753-0578

Sescond Plant of Chang Pin

Address: No. 12, Lungong N. 5th Rd., Lukang Township, Changhua County 505029 , Taiwan (R.O.C.)

Telephone: (04)753-5300

Plant Guanxi

Address: No. 37, Shuikeng, Guanxi Township, Hsinchu County 306005 , Taiwan (R.O.C.)

Telephone: (03)547-5198

III. Name, address, website, and telephone of stock transfer agency

Name: Concord Securities Co., Ltd. Stock Agency Department

Address: B1, No. 176, Section 1, Keelung Road, Xinyi District, Taipei City.

Website: https://www.concords.com.tw/

Telephone: (02) 8787-1888

IV. Name of CPA and name, address, website, and telephone of the accounting firm for the financial statement(s) of the past year

Name of CPA: Hsu, Huei-Yu and Tien, Chung-Yu

Name of Firm: PricewaterhouseCoopers Taiwan

Address: 12F, No. 395, Sec. 1, Linsen Rd., East Dist., Tainan, Taiwan

Website: www.pwc.tw

Telephone: (06)234-3111

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. 2025 Business Accomplishments

(I) Accomplishments in Implementation of the Operation Plan

In 2025, the Company's revenue and profitability declined compared to the previous year, primarily due to the downturn in the steel market. Nevertheless, supported by prudent business strategies and stable domestic demand for construction rebar, the Company maintained resilient operations. Profit before tax for the year reached NT$182,962 thousand, demonstrating solid operational resilience despite market challenges.

consolidated operating revenue and profit before tax

Unit: NT$ thousand；%

Item	2025	2024	Growth rate (%)
Operating revenue	7,678,408	9,313,434	-17.56
Net operating margin	436,156	473,960	-7.98
Operating profit	180,374	188,174	-4.15
Profit before income tax	182,962	265,299	-31.04

(II) Financial revenue and expenditure and profitability

1. The net cash inflow from consolidated operating activities amounted to NT$250,890 thousand, mainly attributable to steady cash recovery from overall operations.
   The net cash outflow from consolidated investing activities was NT$354,442 thousand, primarily due to strategic investments and capacity expansion.
   The net cash inflow from consolidated financing activities was NT$73,270 thousand, mainly resulting from borrowings adjusted in response to operational scale and the timely distribution of dividends.
2. Expenditure and Profitability

Analysis Item \ Year		2025	2024
Profitability	Return on assets (%)	3.55	6.84
	Return on equity (%)	6.45	12.06
	Operating profit to paid-in capital ratio (%)	18.10	18.83
	Pre-tax net profit to paid-in capital ratio (%)	18.36	26.54
	Earnings per share(in dollars)	1.53	3.07

II. Overview of 2026 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 to shorten product manufacturing time and reduce customers' 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 on time to boost profit margins.

In addition, the Xinshi Plant is currently under construction and is expected to be completed and operational in 2026. This new facility will add rebar processing and coupler production lines, further strengthening our secondary processing capabilities. With the continued realization of benefits from the new plant's expanded capacity, the company's operations are expected to reach new heights.

TMP Steel Corp remains committed to enhancing corporate governance and promoting sustainable development. We continuously implement, review, and improve our strategies to create a sustainable business environment while ensuring the interests of all stakeholders are well protected.

III. Future Company Development Strategy

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

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

The Company stays abreast of the macroeconomic environment and market trends and introduces immediate contingency measures to address the risks arising from the fluctuations to ensure that the interests of its stakeholders are safeguarded.

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

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

Chairman:	President:	Accounting Manager:
Ching-Li Yen	Pei-Ying Huang	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, 2026；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	-	5/26/2025	3 years	4/23/2020	3,204,054	3.21%	3,204,054	3.21%	-	-	-	-	-	-	-	-	-	-
		Representative: Ching-Li Yen	Male 61-70	5/26/2025	3 years	6/29/2018	-	-	-	-	-	-	-	-	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	-	-	-	-
Director	Taiwan	Taiwan Steel Corporation	-	5/26/2025		4/23/2020	3,204,054	3.21%	3,204,054	3.21%	-	-	-	-	-	-	-	-	-	-
		Representative: Kuei-Mei Yang	Female 61-70	5/26/2025	3 years	4/28/2022	-	-	-	-	-	-	-	-	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.	-	-	-	-
Director	Taiwan	Taiwan Steel Corporation	-	5/26/2025		4/23/2020	3,204,054	3.21%	3,204,054	3.21%	-	-	-	-	-	-	-	-	-	-
		Representative: King-Cheng Kuo	Male 61-70	5/26/2025	3 years	1/16/2024	-	-	-	-	-	-	-	-	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	Taiwan	Tianchuan Investment Co., Ltd.	-	5/26/2025	3 years	11/18/2009	6,079,303	6.08%	6,079,303	6.08%	-	-	-	-	-	-	-	-	-	-

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	
		Representative: Wen-Hsiung Mu	Male 51-60	5/26/2025	3 years	8/11/2023	-	-	-	-	-	-	-	-	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.	-	-	-	-
Director	Taiwan	Tianchuan Investment Co., Ltd.	-	5/26/2025	3 years	11/18/2009	6,079,303	6.08%	6,079,303	6.08%	-	-	-	-	-	-	-	-	-	-
		Representative: Sheng-Wen Yang	Male 51-60	5/26/2025	3 years	5/26/2025	-	-	-	-	-	-	-	-	Department of Accounting, Feng Chia University Vice President/ Assistant Vice President of Sales Department / Manager/ Assistant Manager of E-TOP METAL CO., LTD.	President of E-TOP METAL CO., LTD. Director of China Fine Blanking Technology CO., LTD.	-	-	-	-
Director	Taiwan	TE CHANG CONSTRUCTION CO., LTD.	-	5/26/2025	3 years	5/26/2025	3,981,000	3.98%	3,981,000	3.98%	-	-	-	-	-	-	-	-	-	-
		Representative: Cheng-Yung Huang	Male 71-80	5/26/2025	3 years	5/26/2025	-	-	-	-	660,000	0.66%	-	-	Department of Construction, National Taiwan University of Science and Technology Branch Manager of San Ching Engineering CO., LTD.	Chairman of TE CHANG CONSTRUCTION CO., LTD. Chairman of YU HSIN Development & Construction CO., LTD. Chairman of Classic Railway International CO., Ltd. Chairman of DG Rubber Co., Ltd. Chairman of TE CHENG SHENG Engineering CO., LTD. Chairman of EXCELLENT TEA INDUSTRY CO., LTD. Chairman of DJ Noodles Biotechnology Co., Ltd. Chairman of TE CHANG Construction PTE. LTD. Chairman of PT. TECHANG TRADING INTERNATIONAL. Director of TE CHANG CONSTRUCTION(THAILAND)CO.,LTD. Independent Director of AWEA MECHANTRONIC CO., LTD.	-	-	-	-
Independent Director	Taiwan	Ti-miao Wu	Female 41-50	5/26/2025	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	Vice President and director of Shin Nong Technology Corporation. Vice President and director of Sagittarius Life Science Corp.	-	-	-	-

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	Yu-chi Huang	Male 41-50	5/26/2025	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.	-	-	-	-
Independent Director	Taiwan	Su-i Chou	Male 61-70	5/26/2025	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	-	-	-	-

2. For directors representing a corporate shareholder, the names and shareholding percentages of the top ten shareholders of said corporate entity are as follows:

Name of institutional shareholder	Major shareholder of the institutional shareholder
Tianchuan Investment Co., Ltd. (Note1)	SAPIDO TECHNOLOGY INC. (100% of shares)
Taiwan Steel Corporation (Note1)	Jinzhifu Asset Management Co., Ltd. (100% of shares)
TE CHANG Construction CO., LTD. (Note2)	Gezheng Investment Co., Ltd. (10.61% of shares) Mangan Real Estate Co., Ltd.(6.80% of shares) Wenyi Investment Co., Ltd. (5.00% of shares) Jijia International Industrial Co., Ltd. (4.06% of shares) Tangming Asset Management Co., Ltd. (4.03% of shares) HSING YA CONSTRUCTION ENGINEERING CO., LTD. (3.21% of shares) Jiangyi Co., Ltd. (3.20% of shares) Cheng-Yung Huang(3.13% of shares) Wen-juan Chen(3.03% of shares) Quanshi Investment Co., Ltd. (2.40% of shares)

Note1 : Data as of March 31, 2026

Note2 : Data as of April 14, 2026

3. Where the "Major Shareholders of Corporate Shareholders" listed in the table above are themselves corporate entities, the names and shareholding percentages of the top ten shareholders of such entities are as follows:

Name of corporation	Major shareholder of the corporation
SAPIDO TECHNOLOGY INC. (Note1)	E-TOP METAL CO., LTD. (100% of shares)
Jinzhifu Asset Management Co., Ltd. (Note1)	Chun-Yi Huang (45% of shares), Chiung-Fen Wang (36% of shares), E-TOP METAL CO., LTD. (19% of shares)
Gezheng Investment Co., Ltd. (Note2)	Cheng-Yung Huang(0.50% of shares)、Wen-zhen Huang(20.96% of shares)、Chong-ling Guo(37.13% of shares)、Wen yu Huang(20.45% of shares)、Qian-zhi Huang(20.96% of shares)
Mangan Real Estate Co., Ltd. (Note2)	Xue-wen He(30% of shares)、Shu-zhen Lin(25% of shares)、Mei-qing Li(25% of shares)、Mei-xiu Li(20% of shares)
Wenyi Investment Co., Ltd. (Note1) (Note2)	Chun-Yuan Lu(26.82% of shares)、Hung-Wen Lu (26.37% of shares)、Hui-Fang Chen(12.53% of shares)、Shu-Mei Lu(7.72% of shares)、Yin-Chi Lu(6.90% of shares)、Ming-Han Tsai(6.38% of shares)、Chang-Lin Tsai(6.38% of shares)、Hui-Jung Wang(3.88% of shares)、Kuo-An Li(1.48% of shares)、Kuan-Jung Lu(0.93% of shares)
Jijia International Industrial Co., Ltd. (Note2)	Confiarmed co., ltd. (25% of shares)、Hsin Hsiang Investment Co., Ltd. (17.5% of shares)、Hsin Ching Co., Ltd. (17.5% of shares)、United Technical Group Engineering Consultant Co.,Ltd.(15.5% of shares) 、His-Tai-Mei Tu Pien(10% of shares)、Jui-Chin Yeh(10% of shares)、Gezheng Investment Co., Ltd. (4.5% of shares)
Tangming Asset Management Co., Ltd. (Note2)	Shi-xuan Huang(98% of shares) 、Cheng-Yung Huang(2% of shares)
HSING YA CONSTRUCTION ENGINEERING CO., LTD. (Note2)	Tsan-Jan Cho(38.45% of shares)、Cheng-Mao Cho(18.08% of shares)、Shu-Man Chen(15.92% of shares)、Cheng-Yu Cho(12.61% of shares)、Ying-Chuan Cho(3.56% of shares)、Shih-Ying Hsu(1.32% of shares)、Che-Yuan Liu(1.21% of shares)、Shu-Yi Liu(1.21% of shares)、Yueh-Fen Cho(1.05% of shares)、Yueh Ling Cho(1.05% of shares)
Jiangyi Co., Ltd. (Note2)	Wan-xuan Lin(35% of shares)、Wei-long Chen(6.25% of shares)、Yu-xian Lin(33.75% of shares)、Hui-wu Lin(25% of shares)
Quanshi Investment Co., Ltd. (Note2)	Shi-kai Chen(69.72% of shares)、Jian-ming Chen(15.14% of shares) 、De-Wei Chen(15.14% of shares)

Note1： Data as of March 31, 2026

Note2： Data as of April 14, 2026

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 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
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
Sheng-Wen Yang	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. President of E-TOP METAL CO., LTD. Director of China Fine Blanking Technology CO., LTD. Free of situations provided under items of Clause 30 of Company Act.	Not independent director. Not applicable	None

Name	Professional qualification and experience(Note 1)	Independence (Note 2)	Number of other public offering companies serving as independent directors
Cheng-Yung Huang	Equipped with the working experience in commerce, legal, financial and operation and management capability required by the Company. Chairman of TE CHANG CONSTRUCTION CO., LTD.、Chairman of YU HSIN Development & Construction CO., LTD. 、Chairman of Classic Railway International CO., Ltd.、Chairman of DG Rubber Co., Ltd.、Chairman of TE CHENG SHENG Engineering CO., LTD.、Chairman of EXCELLENT TEA INDUSTRY CO., LTD. 、Chairman of DJ Noodles Biotechnology Co., Ltd. 、Chairman of TE CHANG Construction PTE. LTD.、Chairman of PT. TECHANG TRADING INTERNATUIONAL. 、Director of TE CHANG CONSTRUCTION(THAILAND)CO.,LTD. 、Independent Director of AWEA MECHANTRONIC CO., LTD. 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
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.

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 9 directors, including 6 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 7 male directors on the board, accounting for 78%, 2 female directors, accounting for 22%; and no none-employee director.

④ 2 independent directors have a tenure of 4–6 years, and 1 independent director has a tenure of 7–9 years.

⑤ The composition of the current Board was determined by the results of the shareholders' meeting election, primarily based on candidates' professional backgrounds, experience, and their potential contributions to the company's future development. As no specific gender quotas were set, the proportion of any one gender on the Board has not yet reached one-third. The Company is mindful of regulatory requirements and corporate governance trends regarding board gender diversity. Moving forward, we will expand our search during the director nomination process to actively identify female candidates with professional expertise and diverse backgrounds. We will also provide relevant training in corporate governance and finance as needed to gradually enhance board gender diversity. Furthermore, the consecutive tenure of each independent director shall not exceed nine years.

⑥For the diversification of the Board members:

Name of director \ Poly-element core item		Gender	Operational judgment	Accounting and financial analyses	Operational management	Crisis management	Industrial knowledge	International market views	Leadership	Decision-making
Chairman	Taiwan Steel Corporation Representative: Ching-Li Yen	Male	V	V	V	V	V	V	V	V
Director	Taiwan Steel Corporation Representative: Kuei-Mei Yang	Female	V	V		V	V	V	V	V
Director	Taiwan Steel Corporation Representative: King-Cheng Kuo	Male	V	V	V	V	V	V	V	V
Director	Tianchuan Investment Co., Ltd. Representative: Wen-Hsiung Mu	Male	V	V	V	V	V	V	V	V
Director	Tianchuan Investment Co., Ltd. Representative: Sheng-Wen Yang	Male	V	V	V	V	V	V	V	V
Director	TE CHANG CONSTRUCTION CO., LTD. Representative: Cheng-Yung Huang	Male	V	V	V	V	V	V	V	V
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	V
Independent Director	Su-I Chou	Male	V		V	V	V		V	V

(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, 2026；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	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. Director of China Fine Blanking Technology CO., LTD.	-	-	-	-
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.	-	-	-	-	-
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.	-	-	-	-	-

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(2025)

1. Remuneration paid to directors (including independent directors)

Date:December 31, 2025Unit: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	-	-	190	190	45	45	715	0.47	715	0.47	2,900	2,900	-	-	-	-	-	-	3,615	2.37	3,615	2.37	None
Director (Note1)	Taiwan Steel Corporation Representative: Shih-Chieh Chao	8	8	-	-	-	-	-	-	8	0.01	8	0.01	-	-	-	-	-	-	-	-	8	0.01	8	0.01	None
Director	Taiwan Steel Corporation Representative: Kuei-Mei Yang	360	360	-	-	190	190	45	45	595	0.39	595	0.39	-	-	-	-	-	-	-	-	595	0.39	595	0.39	None
Director	Taiwan Steel Corporation Representative: King-Cheng Kuo	360	360	-	-	190	190	45	45	595	0.39	595	0.39	-	-	-	-	-	-	-	-	595	0.39	595	0.39	None
Director	Tianchuan Investment Co., Ltd. Representative: Wen-Hsiung Mu	360	360	-	-	190	190	45	45	595	0.39	595	0.39	-	-	-	-	-	-	-	-	595	0.39	595	0.39	None
Director	Tianchuan Investment Co., Ltd. Representative: Sheng-Wen Yang	214	214	-	-	190	190	25	25	429	0.28	429	0.28	-	-	-	-	-	-	-	-	429	0.28	429	0.28	
Director (Note1)	Tianchuan Investment Co., Ltd. Representative: Pei-Ying Huang	146	146	-	-	-	-	20	20	166	0.11	166	0.11	4,100	4,100	108	108	150	-	150	-	4,524	3.07	4,358	3.07	None
Director	TE CHANG CONSTRUCTION CO., LTD. Representative: Cheng-Yung Huang	214	214	-	-	190	190	25	25	429	0.28	429	0.28	-	-	-	-	-	-	-	-	429	0.28	429	0.28	None
Independent Director	Ti-Miao Wu	480	480	-	-	190	190	45	45	715	0.47	715	0.47	-	-	-	-	-	-	-	-	715	0.47	715	0.47	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		The Company		All companies included in the financial statement		
										Total	%	Total	%					Cash value	Stock value	Cash value	Stock value	Total	%	Total	%	
Independent Director	Yu-Chi Huang	360	360	-	-	190	190	40	40	590	0.39	590	0.39	-	-	-	-	-	-	-	-	590	0.39	590	0.39	None
Independent Director	Su-I Chou	360	360	-	-	190	190	45	45	595	0.39	595	0.39	-	-	-	-	-	-	-	-	595	0.39	595	0.39	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.

＊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.

Note 1:The Company was informed on January 8, 2025, that Mr. Chao Shih-Chieh, a director representing the corporate shareholder Taiwan Steel Corporation, had passed away. A full re-election of directors was subsequently conducted on May 26, 2025.

Note 2:The directors were discharged following the re-election on May 26, 2025.

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, 2025；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	Pei-Ying Huang	3,600	3,600	108	108	500	500	150	-	150	-	4,358	2.86	None
Vice President	Jhun-Rong Liang	2,411	2,411	108	108	400	400	100	-	100	-	3,019	1.98	None

＊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, 2025; Unit: NT$ thousand；%

Position	Name	Stock value	Cash value	Total	Ratio of sum to after-tax net profit (%)
President	Pei-Ying Huang	-	293	293	0.19
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	2025			2024		
	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)	5,432	152,458	3.56%	9,077	230,843	3.93%
President and Vice President	7,377	152,458	4.84%	7,374	230,843	3.19%
Total	12,809	152,458	8.40%	16,451	230,843	7.12%

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

The Company may provide remuneration to Directors (including Independent Directors) for the performance of their duties. Such remuneration shall be proposed by the Remuneration Committee and determined by the Board of Directors. Remuneration for the General Manager and Deputy General Managers shall be paid based on their level of participation in and value of contribution to the Company’s operations; these amounts shall also be proposed by the Remuneration Committee and determined by the Board of Directors.

Furthermore, Article 19 of the Company’s Articles of Incorporation stipulates that if the Company makes a profit for the year, 1% to 10% shall be set aside as employees' compensation. Of the total employees' compensation, no less than 10% shall be allocated as compensation for entry-level employees. The Board of Directors shall resolve to distribute such compensation in the form of shares or cash, and the recipients may include employees of controlled or subordinate companies meeting certain criteria. The Board of Directors may also resolve to allocate no more than 4% of the aforementioned profit as remuneration for Directors and Supervisors, ensuring that such distribution does not pose a risk to the Company’s future operations.

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 9 (A) meetings of the Board of Directors over the past year (2025) 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	9	0	100%	Re-elected upon the expiration of the term at the Annual General Meeting of Shareholders on May 26, 2025
Director	Taiwan Steel Corporation Representative: Kuei-Mei Yang	9	0	100%	Re-elected upon the expiration of the term at the Annual General Meeting of Shareholders on May 26, 2025
Director	Taiwan Steel Corporation Representative: King-Cheng Kuo	9	0	100%	Re-elected upon the expiration of the term at the Annual General Meeting of Shareholders on May 26, 2025
Director	Taiwan Steel Corporation Representative: Shih-Chieh Chao	0	0	100%	Note1
Director	Tianchuan Investment Co., Ltd. Representative: Wen-Hsiung Mu	9	0	100%	Re-elected upon the expiration of the term at the Annual General Meeting of Shareholders on May 26, 2025
Director	Tianchuan Investment Co., Ltd. Representative: Sheng-Wen Yang	5	0	100%	Newly elected at the Annual General Meeting of Shareholders on May 26, 2025. (Total of 5 meetings expected during this term)
Director	Tianchuan Investment Co., Ltd. Representative: Pei-Ying Huang	4	0	100%	Dismissed upon the expiration of the term at the Annual General Meeting of Shareholders on May 26, 2025. (Total of 4 meetings expected during this term)
Director	TE CHANG CONSTRUCTION CO., LTD. Representative: Cheng-Yung Huang	5	0	100%	Newly elected at the Annual General Meeting of Shareholders on May 26, 2025. (Total of 5 meetings expected during this term)
Independent Director	Ti-Miao Wu	9	0	100%	Re-elected upon the expiration of the term at the Annual General Meeting of Shareholders on May 26, 2025
Independent Director	Yu-Chi Huang	9	0	100%	Re-elected upon the expiration of the term at the Annual General Meeting of Shareholders on May 26, 2025
Independent Director	Su-I Chou	8	1	89%	Re-elected upon the expiration of the term at the Annual General Meeting of Shareholders on May 26, 2025

Note1:The Company was informed on January 8, 2025, that Mr. Chao Shih-Chieh, a director representing the corporate shareholder Taiwan Steel Corporation, had passed away. A full re-election of directors was subsequently conducted on May 26, 2025.

2. Other details to be documented:

(1)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:As the Company has established an Audit Committee, the provisions of Article 14-3 of the Securities and Exchange Act are not applicable. For details regarding matters listed in Article 14-5 of the Securities and Exchange Act, please refer to the "Operations of the Audit Committee" on page 26.

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

(2)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
01/17/2025	Ching-Li Yen/ Pei-Ying Huang	Approval of 2024 manager year-end bonus.	Conflicting interest.	The individual excused himself and did not take part in discussions and voting.
11/07/2025	Ching-Li Yen/ Sheng-Wen Yang	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/ 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
	Cheng-Yung Huang	Significantly related party transaction - sales of goods from TE CHANG CONSTRUCTION CO., LTD.	Conflicting interest.	The individual excused himself and did not take part

(3)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	05/26/2025 ~ 12/31/2025	The Board of Directors, individual board members, and various functional committees (including the Audit Committee, the Remuneration Committee, and the Nomination, Corporate Governance, and	internal self-assessment questionnaire	Board of Directors: Level of participation in the Company’s operations, improvement of the quality of Board decision-making, composition and structure of the Board, election and continuing education of directors, and internal control. Individual Board Members: Grasp

Evaluation Cycle	Evaluated period	Scope of evaluation	Evaluation method	Highlights of evaluation
		Sustainability Committee).		of Company goals and missions, awareness of directorial duties, level of participation in the Company's operations, internal relationship management and communication, professionalism and continuing education of directors, and internal control. Audit Committee: Level of participation in the Company's operations, awareness of the duties of functional committees, improvement of the quality of functional committee decision-making, composition and member selection of functional committees, and internal control. Remuneration Committee: Level of participation in the Company's operations, awareness of the duties of functional committees, improvement of the quality of functional committee decision-making, and composition and member selection of functional committees. Nomination, Corporate Governance, and Sustainability Committee: Level of participation in the Company's operations, awareness of the duties of functional committees, improvement of the quality of functional committee decision-making, and composition and member selection of functional committees. Evaluation Results: 1. The evaluation scores for the year 2025 (114) range from 95.27 to 100, categorized as "Excellent." 2. The results were reviewed by the Remuneration Committee on March 6, 2026 and reported to the Board of Directors on the same day.

(4)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 7 times (A) in total over the past year (2025) 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	7	0	100%	
Committee member	Yu-Chi Huang	7	0	100%	
Committee member	Su-I Chou	6	1	86%	

2. Other details to be documented:

(1)If any of the following circumstances occur during the operations of the Audit Committee, the Company shall specify the date and session of the meeting, the content of the proposal, any dissenting opinions, qualified opinions, or material recommendations expressed by Independent Directors, the resolution of the Audit Committee, and the Company's response to the Audit Committee's opinions.

① Matters listed in Article 14-5 of the Securities and Exchange Act: Please refer to the "Operations of the Audit Committee" for the year 2025 .

② Other than the aforementioned matters, any resolutions not approved by the Audit Committee but approved by two-thirds or more of all directors: NA.

(2)Circumstances where Independent Directors recused themselves from discussions or voting on proposals due to conflicts of interest, including the name of the Independent Director, the content of the proposal, the reasons for recusal, and the status of the voting participation: No such incident.

(3)Communication between Independent Directors, the Internal Audit Officer, and External Auditors (including material matters, methods, and results of communication regarding the Company's financial and business status):

① Principles of Communication between Independent Directors, CPA, and Internal Audit:

A. The Company's Internal Audit Officer submits audit reports to the Independent Directors on a monthly basis.

B. The Internal Audit Officer reports regularly to the Audit Committee regarding the annual internal audit plan and the execution status of

quarterly internal audits.

C. External Auditors attend Audit Committee meetings **quarterly** to report on annual audit findings and communicate material matters related to governance discovered during the audit or review process.

D. Independent Directors, the Internal Audit Officer, and External Auditors may convene meetings at any time for independent communication as they deem necessary.

② Communication between Independent Directors, CPA, and the Internal Audit Officer in 2025

Date	Meeting Type	Attendees	Communication Items	Communication Results
02/21/2025	Audit Committee	Independent Directors, Internal Audit Officer, CPA	● Internal audit execution report for Q4 2024. ● Issuance of the 2024 "Statement of Internal Control System. ● 2024 Consolidated and Individual Financial Reports: Types of audit opinions, Key Audit Matters (KAMs), materiality, adjustments, significant related-party transactions, critical accounting estimates, selection and changes in accounting policies, and subsequent events. ● Information sharing: 2025 Corporate Governance implementation items. ● Independence and competency of the certifying external auditors.	No objections
05/08/2025	Audit Committee	Independent Directors, Internal Audit Officer, CPA	● Internal audit execution report for Q1 2025. ● Q1 2025 Consolidated and Individual Financial Reports: Types of review opinions, materiality, adjustments, significant related-party transactions, critical accounting estimates, selection and changes in accounting policies, and subsequent events.	No objections
08/07/2025	Audit Committee	Independent Directors, Internal Audit Officer, CPA	● Q1 2025 Consolidated and Individual Financial Reports: Types of review opinions, materiality, adjustments, significant related-party transactions, critical accounting estimates, selection and changes in accounting policies, and subsequent events. ● Q2 2025 Consolidated and	No objections

Date	Meeting Type	Attendees	Communication Items	Communication Results
			Individual Financial Reports: Types of review opinions, materiality, adjustments, significant related-party transactions, critical accounting estimates, selection and changes in accounting policies, and subsequent events.	
11/07/2025	Audit Committee	Independent Directors, Internal Audit Officer, CPA	● Internal audit execution report for Q3 2025. ● Q3 2025 Consolidated and Individual Financial Reports: Types of review opinions, materiality, adjustments, significant related-party transactions, critical accounting estimates, selection and changes in accounting policies, subsequent events, and the 2025 audit plan.	No objections

3. The operations of the Audit Committee for the year 2025 are as follows:

Date	Contents of the proposal	Resolution of the Audit Committee	The Company's Response to the Audit Committee's Opinions
02/21/2025 The 19th meeting of the 2nd Term Audit Committee	1. 2024 distribution of employee and director remuneration. 2. 2024 Business Report and Financial Statements. 3. 2024 earnings distribution. 4. 2024 "Statement of Internal Control System." 5. Independence and competency assessment of the appointed external auditors. 6. Review of the 2025 external auditor's fees.	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
04/07/2025 The 20th meeting of the 2nd Term Audit Committee	1. Amendment to certain articles of the "Operating Procedures for Financial and Business Transactions between Related Parties." 2. Amendment to certain articles of the "Procedures for Acquisition or Disposal of Assets."	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
05/09/2025 The 21th meeting of the 2nd Term Audit Committee	Review of the Company's Q1 2025 Consolidated Financial Report.	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
06/19/2025 The 1th meeting of the 3rd Term Audit Committee	1. Election of the Convener for the 3rd Term Audit Committee. 2. Proposal to release the non-compete restriction on the Company's managers.	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
08/08/2025 The 2th meeting of the 3rd Term Audit Committee	1. Review of the Company's Q2 2025 Consolidated Financial Report. 2. 2024 employee remuneration distribution for managers. 3. Organizational restructuring and amendment to certain articles of the "Organizational Authority and Responsibility Management Regulations." 4. Amendment to certain articles of the "Seal Management Regulations."	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
11/07/2025 The 3th meeting of the 3rd Term Audit Committee	1. Review of the Company's Q3 2025 Consolidated Financial Report. 2. 2026 Annual Audit Plan. 3. Significant transactions between the Company and related parties. 4. Budget adjustment for the construction and equipment of the Changbin Plant II. 5. Budget adjustment for the construction and equipment of the Xinshi Plant. 6. Major related-party transaction: Plant construction contract with Taiwan Steel Engineering Co., Ltd.	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
12/26/2025 The 4th meeting of the 3rd Term Audit Committee	The Company's proposal for share buyback (Treasury Shares).	Approved by all attending members.	Submitted to the Board and approved by all attending directors.

4. Annual Key Work Highlights:

   The Company's Audit Committee is composed of three Independent Directors. For information regarding their professional qualifications, experience, and independence, please refer to page 11-12. The Audit Committee aims to assist the Board of Directors in fulfilling its oversight of the quality and integrity of the Company's accounting, auditing, financial reporting processes, and financial controls.

   The Audit Committee held 7 meetings in 2025, and the primary matters reviewed included:

   ① Financial reports.
   ② Auditing and accounting policies and procedures.
   ③ Internal control systems and related policies and procedures.
   ④ Material assets.
   ⑤ Legal and regulatory compliance.
   ⑥ The appointment, dismissal, or remuneration of external auditors.
   ⑦ Significant related-party transactions.

5. Participation of Supervisors in Board Operations: The Company established the Audit Committee on April 23, 2020, which replaced the role of Supervisors. Accordingly, this section 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 P13 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?	✓		In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, the Board of Directors resolved on October 28, 2022 to establish the Corporate Governance and Sustainability Committee. This committee was subsequently renamed the Nomination, Corporate Governance, and Sustainability Committee on August 8, 2025 .	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?	✓		On March 11, 2021, the Board of Directors approved the "Rules for Performance Evaluation of the Board of Directors," stipulating that at least one performance evaluation shall be conducted annually for the Board of Directors, individual board members, and functional committees. For the implementation status of the 2025 evaluation, please refer to pages 21-23. The results of these performance evaluations will serve as a reference for the selection or nomination of directors. Furthermore, the evaluation results for directors and functional committee members will be used as a basis for determining individual remuneration.	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 March 6, 2026 and submitted to and endorsed by the Board of Directors on March 6, 2026 on the evaluation of the independence and fitness of the CPA.	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	
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' 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)?	✓		The 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
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	✓		1. The Company recruits and hires employees	No significant

Evaluation item	Operational status (Note)			Deviation from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
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 implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			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 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	difference

Evaluation item	Operational status (Note)			Deviation from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			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 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:

1. Improvements Made: Committed resources to support domestic cultural development.
2. Priorities and Measures for Future Enhancement: Continually evaluate the feasibility of future improvements regarding the areas where scores have not yet been achieved.

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 employedby PCSC within the last two years in a position to exert significant influence over the subject matter of theengagement?	No	Yes
Does the external auditor provide any non-audit services which if performed for PCSC would affect directly amaterial 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 Compensation and Remuneration Committee

(1) The Remuneration Committee of the Company is composed of all Independent Directors. All members possess professional qualifications and meet independence requirements. For detailed information regarding their professional qualifications, experience, and statements on independence, please refer to page 11-12.

(2) Information on Committee Operations

① The Company's Compensation and Remuneration Committee has 3 members in total.

② Tenure of members of the current intake: From May 26, 2025 to May 25, 2028.

③ The Compensation and Remuneration Committee met 6(A) times last year (2025). 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	5	1	83%	

④ Operational Status in 2025

Date	Contents of the proposal	Resolution of the Audit Committee	The Company's Response to the Audit Committee's Opinions
01/17/2025 The 16th meeting of the 6th Term	1. 2024 Year-end Bonus for Managers. 2. Amendment to the Company's "Salary Grade Table."	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
02/21/2025 The 17th meeting of the 6th Term	1. 2024 Board Performance Evaluation results. 2. 2024 distribution of employee and director remuneration.	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
04/07/2025 The 18th meeting of the 6th Term	Amendment to certain articles of the "Administrative Unit Salary and Benefit Management Regulations."	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
06/19/2025 The 1th meeting of the 7th Term	1. Election of the Convener for the 7th Term Remuneration Committee. 2. Determination of remuneration for the Chairman, current Directors, and Independent Directors.	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
08/08/2025 The 2th meeting of the 7th Term	2024 employee remuneration distribution for Managers.	Approved by all attending members.	Submitted to the Board and approved by all attending directors.

Date	Contents of the proposal	Resolution of the Audit Committee	The Company's Response to the Audit Committee's Opinions
11/07/2025 The 3th meeting of the 7th Term	1. Establishment of the "Policy for Linking Executive Remuneration to ESG Performance Indicators." 2. Amendment to certain articles of the "Administrative Unit Salary and Benefit Management Regulations."	Approved by all attending members.	Submitted to the Board and approved by all attending directors.

(3) Responsibilities

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.

(4) Powers and Functions

① Regularly review Remuneration Committee Charter and propose amendments.

② 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.

③ 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.

(5) Annual Key Work Highlights:

① Review the policies, systems, standards, and structures for the performance evaluation and remuneration of directors and managers.

(6) Determine the remuneration for directors and managers.

Other details to be documented:

① 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.

② 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.

2. Nomination and Corporate Governance & Sustainability Committee

(1) The Company's Board of Directors approved the establishment of the "Corporate Governance and Sustainability Committee" on October 28, 2022. The committee was subsequently renamed the "Nomination and Corporate Governance & Sustainability Committee" on August 8, 2025. The committee is composed of all Independent Directors of the Company, all of whom possess professional qualifications and meet independence requirements. For detailed information regarding their professional qualifications, experience, and statements on independence, please refer to page 11-12.

(2) Information on Committee Operations

① The Company's Nomination, Corporate Governance, and Sustainability Committee has 3 members in total.

② Tenure of members of the current intake: From May 26, 2025 to May 25, 2028.

③ The Compensation and Remuneration Committee met 2(A) times last year (2025). 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%	

④ Operational Status in 2025

Date	Contents of the proposal	Resolution of the Audit Committee	The Company's Response to the Audit Committee's Opinions
08/08/2025 The 1th meeting of the 2rd Term	1. Election of the Convener for the 2nd Term Corporate Governance and Sustainability Committee 2. The Company's 2024 Sustainability Report.	Approved by all attending members.	Submitted to the Board and approved by all attending directors.
11/07/2025 The 2th meeting of the 2rd Term	Proposal to establish the Company's "Policy for Linking Executive Remuneration to ESG Performance Indicators."	Approved by all attending members.	Submitted to the Board and approved by all attending directors.

3. Responsibilities：To improve the corporate governance mechanism, and stay committed to promoting corporate social responsibility and implementing the concept of corporate sustainable management.

4. Powers and Functions

① Formulate the qualification requirements for directors, supervisors, and senior managers (including diverse backgrounds, independence, etc.), and search for, review, and nominate candidates accordingly.

② Construct and develop the organizational structure of the board of directors and various functional committees, conduct performance evaluations of the board of directors, various functional committees, and senior managers, and evaluate the independence of independent directors.

③ Formulate and regularly review director professional development plans and succession plans for directors and senior managers.

④ Formulate the company's Corporate Governance Best Practice Principles.

⑤ Promote and strengthen corporate governance organizations and systems.

⑥ Promote and implement work related to ethical management.

⑦ Formulate, promote, and strengthen sustainability strategies, annual plans, and strategies.

⑧ Supervise sustainability information disclosure matters and review sustainability reports.

⑨ Establish an execution task force to review, track, and revise the implementation status and effectiveness of corporate governance evaluations and sustainable development, and report regularly to the board of directors.

⑩ Pay attention to issues concerned by various stakeholders, including shareholders, customers, suppliers, employees, the government, non-profit organizations, communities, and the media, and supervise communication plans.

⑪ Supervise the business of the company's Sustainable Development Best Practice Principles. Execute other related matters resolved by the board of directors.

5. Other details to be documented:

⑫ 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.

⑬ For decisions made by the Nomination, 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 Nomination,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.

(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 Board of Directors resolved to establish the "Corporate Governance and Sustainability Committee" on October 28, 2022 , which was subsequently renamed the "Nomination, Corporate Governance, and Sustainability Committee" on August 8, 2025. The Committee consists of three Independent Directors and is responsible for promoting corporate social responsibility and implementing the principles of sustainable management. 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 34-35. IV. Already reported to the board of directors on 8/8/2025 and 11/7/2025: (1) The company's implementation of sustainability. (2) Company Sustainability Plan I. 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%	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 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 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 note1.	
III. Environmental Issues				
(I) Has the company developed an appropriate environmental management system reflective of its distinctive characteristics?	✓		The Company has established a comprehensive environmental management system in accordance with environment-related laws and regulations (such as the Air Pollution Control Act, Water Pollution Prevention and Control Act, Waste Disposal Act, and Toxic and Concerned Chemical Substances Control Act). This system covers various dimensions, including energy management, greenhouse gas (GHG) inventory (compliant with the GHG Protocol), waste management, pollution prevention, and resource recycling. Through regular monitoring and auditing, the Company ensures the implementation of environmental management measures and strives for continuous improvement. In 2025, the Company implemented various management measures, including: 1. GHG Inventory and Reduction: Please refer to pages 57-58. 2. Waste Categorization, Recycling, and Proper Disposal: Please refer to pages 39-41. 3. Environmental Education and Awareness Activities: For instance, a mountain cleaning activity was organized with a total of 76 participants.	No significant difference

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operational status</th><th rowspan="2">Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>https://www.tmpco.com.tw/en/sustainability-report/</td><td></td></tr>
<tr><td>(II)Has the Company endeavored to improve the efficiency of resource utilization and used recycled materials that impact the environment minimally?</td><td>✓</td><td></td><td>I. The primary raw material required for the Company’s product manufacturing is steel rebar, which possesses recyclable and reusable characteristics, significantly reducing environmental impact. Through the use of recycled raw materials and resource circulation mechanisms, the Company actively implements the concept of a circular economy, enhancing resource efficiency and mitigating environmental influence.
II. Our raw material suppliers utilize scrap steel as production material, employing Electric Arc Furnace (EAF) equipment for steelmaking. This practices sustainable resource utilization from the source, ensuring the supply chain aligns with the spirit of a circular economy.
III. The waste generated during the Company’s production processes (including scrap rebar, scrap iron wire, and scrap iron powder) has achieved a 100% recycling and reuse rate. In 2025, the total volume of recycled waste reached 1,152.31 tons. Through resource circulation and recovery measures, the Company continues to reduce waste generation and improve resource utilization efficiency.</td><td>No significant difference</td></tr>
<tr><td>(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?</td><td>✓</td><td></td><td>Please refer to page 50-59 (Climate related information).</td><td>No significant difference</td></tr>
<tr><td>(IV) Does the Company tally the total greenhouse gas emissions, water usage, and waste generated over the past two years and have greenhouse gas reduction, water reduction, or other waste management policies in place?</td><td>✓</td><td></td><td>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:
<table><tr><th></th><th>2025</th><th>2024</th></tr><tr><td>Water withdrawal (Unit:Million liters)</td><td>4.670</td><td>3.332</td></tr><tr><td>Denseness (Note1)</td><td>0.0241</td><td>0.0172</td></tr></table></td><td>No significant difference</td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operational status</th><th rowspan="2">Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>Note1: Million liters / Number of employees at the end of the period
Note2: PwC Taiwan performed limited assurance on the water withdrawal in 2024 in accordance with TWS Assurance Standard No. 3000；The water withdrawal in 2025 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) Implementation Measures: As the Company’s water consumption is primarily for domestic use by employees and there is no water demand for manufacturing processes, our management focuses on enhancing water efficiency and preventing waste. Through water-saving awareness campaigns and equipment upgrades, we aim to reduce domestic water consumption among our staff.
Management Targets: Using 2025 as the base year, the Company has set a target to reduce total water consumption by 3% by 2030 compared to the base year.
Achievement Status: The Company has designated 2025 as the base year for water management. We have completed the water consumption inventory and established a data tracking system. Additionally, we have launched water-saving advocacy and management initiatives. Moving forward, we will continue to monitor water usage and review the effectiveness of our water-saving efforts annually to ensure the 2030 reduction target is met.
III. Waste:
(1) Waste disposal volume:
Unit:ton
<table>
<tr><td>Year</td><td>2025</td><td>2024</td></tr>
<tr><td>Hazardous</td><td>1,152.31</td><td>1,475.87</td></tr>
<tr><td>Non-hazardous</td><td>41.25</td><td>33.83</td></tr>
<tr><td>Total</td><td>1,193.56</td><td>1,509.70</td></tr>
<tr><td>Denseness (Note1)</td><td>0.004033</td><td>0.005247</td></tr>
</table>
</td><td></td></tr>
</table>

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			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. (2) The Company is committed to promoting waste reduction and resource recycling. By implementing effective raw material management, process optimization, and categorized recycling mechanisms, we aim to mitigate the environmental impact of waste generation. The Company's waste is classified into hazardous waste and non-hazardous waste. The hazardous waste primarily consists of scrap rebar, scrap iron wire, and scrap iron powder generated during the production process, all of which are processed through recycling and reuse. Non-hazardous waste mainly comprises domestic waste, which is sorted and collected by licensed recycling contractors. In 2025 , hazardous waste accounted for approximately 97% of the total waste volume, with a recycling and reuse rate of 100%. (3) Future Goals：Starting from 2025, the Company will continue to maintain a 100% recycling and reuse rate for hazardous waste. Furthermore, we aim to gradually reduce the volume of waste generation through process optimization and enhanced material management. (4) Implementation Measures ① Improve the utilization rate of raw materials and the recovery rate of short-length materials during the production stage through material management systems, extending resource efficiency to achieve energy saving and waste reduction. ② The production department aims to increase the efficiency of primary raw materials, regularly reviewing the reuse of short-length materials and scrap iron recovery, and proposing improvement plans during management meetings. ③ The administrative department regularly tracks the disposal of domestic waste and continues to promote waste sorting and resource recycling concepts to enhance the	

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			management effectiveness of non-hazardous waste. (5) Achievement Status: In 2025 , the Company achieved a 100% recycling and reuse rate for hazardous waste, and we continue to advance resource circulation and waste management measures.	
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?	✓		**<u>Human Rights Policy</u>** The Company follows internationally recognized human rights standards, including the International Bill of Human Rights (incorporating the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR)), the ILO Declaration on Fundamental Principles and Rights at Work, and the Ten Principles of the United Nations Global Compact. Our human rights policies are as follows: 1. Provide a Safe and Healthy Working Environment: (1) Established an Occupational Safety and Health Office in accordance with management regulations, with dedicated personnel conducting daily site inspections. (2) Strengthen and continuously improve occupational safety and health management to comply with the Occupational Safety and Health Act. (3) Build a safe and healthy workplace to prevent occupational injuries. (4) Enhance education, training, and promotion to improve employees' mindsets, awareness, and capabilities regarding safety and health. 2. Eliminate Unlawful Discrimination and Ensure Equal Opportunity: Eradicate differential treatment or any form of discrimination and implement respect for workplace diversity. 3. Prohibit Child Labor: In accordance with the Company's "Work Rules" and social responsibility for protecting children's physical and mental development, the Company does not employ child labor. We only interview applicants aged 18 or above and conduct identity verification during onboarding. 4. Prohibit Forced Labor: (1) Strictly abide by local labor laws 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	
			the Company's "Work Rules." (2) Hold regular labor-management meetings. 5. Foster a communication-friendly environment and establish an open management model by providing diverse channels for employee feedback (e.g., satisfaction surveys, labor-management meetings, and suggestion boxes). 6. Maintain Physical and Mental Health and Work-Life Balance: Provide welfare benefits to support employees' overall well-being. Scope of Application: All managers, employees, subsidiaries, affiliates, suppliers, contractors, and other stakeholders. We are committed to preventing any human rights violations. **Governance Framework** The Administrative Department executes the human rights policy and reports to the Nomination, Corporate Governance, and Sustainability Committee at least once a year. **Human Rights Due Diligence (HRDD)** **Process for the Company and Suppliers** The Company has established a Human Rights Due Diligence process covering risk identification, risk assessment, mitigation and remediation, and tracking/disclosure. We regularly review potential human rights risks in our operations and supply chain. Identification of risks is conducted through a comprehensive assessment of internal systems, occupational safety records, labor-management communications, cross-departmental meetings, and feedback from relevant units. For raw material and processing contractors, we conduct due diligence through document reviews, on-site visits, and annual tracking to ensure compliance with our human rights policy. **Scope, Material Issues, and Mitigation/Remediation** In 2026, the Company completed its first Human Rights Due Diligence for employees and major suppliers. Key issues and measures identified include: [Employees] 1. **Wages and Working Hours:** Comply with the Labor Standards Act, ensure accurate overtime pay, and protect labor rights. Mitigation: Regularly review systems and address anomalies through labor-management meetings and grievance	

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			mechanisms. 2. **Occupational Safety and Health:** Conduct safety training, factory inspections, annual health checks, and health seminars. Mitigation: Continue inspections and training; track improvements for any deficiencies. 3. **Development and Training:** Provide on-the-job training, professional skill development, and annual performance appraisals. Mitigation: Establish feedback mechanisms to promote career development and job satisfaction. [Suppliers] 1. **Occupational Safety and Health:** Require regular contractors to sign "Safety, Health, and Environmental Commitment Letters" and strengthen awareness through communication. Mitigation: Require suppliers who fail to meet standards to improve within a specified timeframe and track progress. 2. **Communication and Grievance Mechanisms:** Establish channels for employees and suppliers to report human rights issues. Mitigation: Ensure diverse grievance channels are operational and effective. **Implementation Status** In 2025, the Company executed measures including training, health checks, grievance management, and the signing of commitment letters. In 2026, the Company completed its first Human Rights Due Diligence, further reviewing the adequacy of existing measures and formulating targeted mitigation and remediation plans. The Company will continue to track the effectiveness of these measures at least once a year. The Administrative Department summarizes the results and reports regularly to the Nomination, Corporate Governance, and Sustainability Committee. The Company has established a dedicated **"Human Rights Policy"** section on its official website. Please refer to: https://www.tmpco.com.tw/human-rights-policy/	
(II) Does the Company define and enforce	✓		Employees' welfare The Company has established an Employee	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	
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?			Welfare Committee, which allocates funds annually based on a percentage of net operating revenue to plan various benefits for colleagues. These include employee travel subsidies, birthday bonuses, marriage allowances, festive bonuses/vouchers (for the three major holidays), and employee department dinners. The leave system is strictly implemented in accordance with relevant labor laws and regulations. For detailed information, please visit the Company's website: https://www.tmpco.com.tw/human-resources/ Workplace Diversity and Equality The Company is committed to achieving equal pay for equal work and providing equal promotion opportunities for both genders to promote sustainable and inclusive economic growth. In 2025, the average percentage of female employees was 34.5%, and the average percentage of female managers was 36%. Employee Compensation and Business Performance 1. Employee Remuneration：According to the Articles of Incorporation, if the Company generates a profit, 1% to 10% shall be allocated as employee remuneration, with no less than 10% of that allocation designated for entry-level employees. In 2025, the Company allocated NT$2,200 thousand for employee remuneration, of which NT$880 thousand was for entry-level employees (accounting for 0.47% of the 2025 pre-tax net income). This is expected to be distributed in September 2026. 2. Overall Remuneration Policy：The Company reviews salary conditions and industry market trends annually. Starting salaries are determined based on the assigned position, educational background, relevant work experience, and professional skills. Subsequent salary adjustments are	

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			based on job performance to maintain competitive compensation and attract top talent. In 2025 , the overall salary increase rate for Pei-Po Steel was 11.68%. 3. The Company has also established the "Performance Bonus Management Regulations" to incentivize 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 2025, the company recorded 1 occupational accident involving 1 individual (representing 0.52% of the total workforce at the end of 2025). 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 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	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	
			risks, and improve the safe working environment for employees. Work safety audit work: 3. Grassroots supervisors (team leaders): twice a day. 4. Mid-level managers (section managers): 5 times a week. 5. First-level supervisor (manager): once a month. 6. 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 2025:1,168 person-times;2,856.3 hours. 2024:1,313 person-times;4,779.5 hours. VI.The company has not obtained relevant verification. VII.No fire occurred in 2025。 VIII.For detailed information regarding occupational safety and health, please visit the "Environment and Safety" section on our corporate website: https://www.tmpco.com.tw/human-resources/	
(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 1,568 people participated in the career training in 2025, with a total duration of 3,641.3 hours.	No significant difference
(V) Does the Company comply with laws and inteational standards concerning customer health and safety, customer privacy,	✓		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:	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	
marketing, and labeling of products and services and define related policies and complaint-filing procedures to protect the rights of consumers?			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.	
(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?	✓		The Company has established a comprehensive Supplier Management Policy, explicitly requiring suppliers to meet our standards in quality, safety, and environmental management. <u>Raw Material Suppliers</u> To ensure products meet customer needs and expectations, raw material suppliers are required to obtain the CNS Mark (㊣) from the Bureau of Standards, Metrology and Inspection (BSMI) and ISO 9001 Quality Management System certification. Additionally, suppliers must implement the ISO 14064 Greenhouse Gas (GHG) Accounting and Verification system to track product lifecycle carbon emissions and promote decarbonization. In terms of safety management, suppliers must be certified by competent authorities for Radiation Detection in the Steel Industry. This ensures that all steel products are free from radiation anomalies, safeguarding public health and housing safety. The Company monitors compliance through supplier selection, routine interactions, and periodic reviews. Our primary suppliers are E-TOP Steel Co., Ltd. and E-SHENG Steel Co., Ltd. (both members of the TSG Group), which collectively account for approximately 95% of our total purchases and fully comply with the aforementioned regulations. <u>Processing and Transportation Contractors</u> While specific certifications are not mandatory for processing and transportation contractors, the Company remains highly focused on supply	A system will be set up to deal with this issue.

Evaluation item	Operational status			Deviation from the Sustainable development Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
			chain management and sustainability. We ensure contractors fully understand our policies and requirements through training and routine communication. In 2025, the Company conducted training for these contractors covering Occupational Safety and Health (OSH), Sexual Harassment Prevention, Information Security, and Personal Data Protection. A total of 108 participants completed 237 training hours, enhancing workplace safety and the contractors' ability to execute and comply with company standards. Furthermore, regular on-site contractors are required to sign an Occupational Safety, Health, and Environmental Commitment Letter. In 2025, a total of 22 contractors signed this commitment.	
V. Does the Company prepare the ESG Report or other reports disclosing non-financial information 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?	✓		The Company prepares a sustainability report every year in accordance with the GRI Standards and entrusts Pwc to perform a limited assurance audit in accordance with Assurance Standard No. 3000.	No significant difference
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 websitehttps://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

Major issues	Risk assessment	Note
		Policies and Procedures”.
Environmental	Energy and GHG emissions	As a global citizen, reducing the environmental and social impact of our products remains a core mission. From raw material sourcing to end-of-life waste management, the Company is progressively establishing green operational mechanisms to achieve our goal of "Energy Saving, Carbon Reduction, and Environmental Friendliness." We are continuously optimizing energy efficiency across our facilities, focusing on water, electricity, and HVAC systems. To ensure a sustainable environment for future generations and to fulfill our corporate environmental responsibility, the Company commits to the following: ■ Conducting continuous Greenhouse Gas (GHG) accounting and verification. ■ Accurately monitoring and managing our GHG emission status. ■ Developing feasible solutions for GHG reduction. ■ Diligently implementing GHG reduction initiatives and measures.
	Waste management	■ Compliance with Regulations: We strictly adhere to all relevant laws and regulations from central and local governments, as well as the operational standards established by the Company. ■ Continuous Improvement: We maintain an effective environmental management system and continuously strive to reduce pollution to enhance our overall environmental performance. ■Waste Reduction through Process Optimization: We implement precision planning in our cutting and processing stages to maximize rebar utilization, thereby minimizing the generation of scrap steel, waste wire, and other industrial by-products.
Society and employees	Occupational safety and health	**Policy：** ■ Following the occupational safety and health management regulations, an occupational safety and

Major issues	Risk assessment	Note
		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：** ■ We utilize the PDCA management cycle to continuously address and improve any deficiencies in our Occupational Health and Safety management. Our goal is to foster a safe and supportive workplace that prevents and avoids employee injuries. Through internal retraining and external specialized on-the-job training, we empower our employees to accumulate knowledge and cultivate safe working habits and attitudes, thereby achieving a high standard of professional excellence in occupational safety.
	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

<table>
<tr><th>Item</th><th>Execution</th></tr>
<tr><td>I. State the Board's managers oversight and governance of climate related risks and opportunities.</td><td>The company's board of directors serves as the highest supervisory unit for climate change risk governance, responsible for reviewing and 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.</td></tr>
<tr><td>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.</td><td>The Company’s Environmental Sustainability Task Force convened a climate change risk and opportunity identification meeting. Based on the TCFD (Task Force on Climate-related Financial Disclosures) framework, a total of 8 material climate-related risks and 4 material climate-related opportunities were identified for 2025.
(I) Climate risk
<table>
<tr><th>risk type</th><th>Risk content</th><th>Time</th><th>Countermeasures for mitigation/adaptation</th><th>financial effect</th></tr>
<tr><td>Transition risks</td><td>【Policy and legal risks】GHG restrictions and carbon taxes/carbon levy</td><td>short-term</td><td>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.</td><td>operating costs</td></tr>
<tr><td>Transition risks</td><td>【Policy and legal risks】The government increased the use standards of renewable energy.</td><td>short-term</td><td>■ Expand the use and install solar power and other renewable energy facilities.
■ Set the use target of renewable energy.</td><td>operating costs</td></tr>
</table></td></tr>
</table>

Item	Execution

risk type	Risk content	Time	Countermeasures for mitigation/adaptation	financial effect
Transition risks	【Investment in New Technologies】 In response to low-carbon trends, it is necessary to replace existing equipment with energy-efficient production machinery.	medium-term	Conduct research and procurement evaluations for energy-saving production equipment; integrate feasibility studies and supporting measures with the Company's factory expansion plans.	Capital Expenditure
Transition risks	【Policy and legal risks】 It may be required to adjust or change to suitable suppliers in response to the carbon footprint and low-carbon trends.	medium-term	■ Require suppliers to disclose their GHG emissions and formulate carbon dioxide reduction targets and schedules. ■ Introduce the environmental evaluation screening system of suppliers.	procurement costs
Transition risks	【Technology Risk】 Uncertainty in new energy saving/carbon reduction technologies	medium-term	Engage in projects for low-carbon production technology R&D	R&D expenses

<table>
<tr><th>Item</th><th>Execution</th></tr>
<tr><td></td><td>
<table>
<tr><th>risk type</th><th>Risk content</th><th>Time</th><th>Countermeasures for mitigation/adaptation</th><th>financial effect</th></tr>
<tr><td>Transition risks</td><td>【Market Risk】Increase in the demand for low-carbon products</td><td>long-term</td><td>■Develop and provide low-carbon steel material products to customers.
■ 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.</td><td>operating income</td></tr>
<tr><td>Physical risk</td><td>【Acute Risk】 Extreme climate impacts from supply chain upstream to downstream including transportation</td><td>long-term</td><td>■Enhance the control of safe inventory days of raw materials.
■ Formulate backup measures to separate procurement from suppliers.</td><td>operating income</td></tr>
</table>
</td></tr>
</table>

Item	Execution

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
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

<table>
<tr><th>Item</th><th>Execution</th></tr>
<tr><td></td><td>
<table>
<tr><th>Opportunity</th><th>Time</th><th>Countermeasures for mitigation/adaptation</th><th>financial effect</th></tr>
<tr><td>Adopt efficient production approaches</td><td>long-term</td><td>Engage in projects for low-carbon production technology R&D.</td><td>production cost</td></tr>
<tr><td>Improve equipment's energy-saving efficiency</td><td>medium-term</td><td>Carry out the energy-saving production equipment procurement evaluation and organize feasible
auxiliary measures in response to the plant expansion plan of the Company.</td><td>energy-use cost</td></tr>
</table>
</td></tr>
<tr><td>III. Describe the financial impacts of extreme weather events and transformational actions.</td><td>(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).</td></tr>
<tr><td>IV. Describe how the climate risk identification, assessment, and management processes are integrated into the overall risk management system.</td><td>The company 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.</td></tr>
<tr><td>V. If situational analysis is used to assess the resilience to climate change risks, describe the contexts, parameters, assumptions, analysis factors, and key financial implications.</td><td>The company has launched adaptation strategies and actions in response to climate change, including promoting low-carbon energy-saving 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.</td></tr>
</table>

Item	Execution
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 CO_2e 、 tCO_2e/ Million dollars

Year / Scope		2025		2024	
		Emission	Emission Intensity (Note2)	Emission	Emission Intensity (Note2)
TMP (Note3)	Scope I (Note1)	189.4402		203.3270	
	Scope II (Note1)	1,291.8817		1,031.8807	
	Subtotal	1,481.322	0.2097	1,235.208	0.1750
Subsidiaries (Note3)	Scope I (Note1)	-		-	
	Scope II (Note1)	-		-	
	Subtotal	-	-	-	-
Total		1,481.322	0.2097	1,235.208	0.1750

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). Given the Company's operational characteristics, the scope of this calculation primarily focuses on manufacturing-related operations with actual energy consumption and emissions to enhance the representativeness of the indicators. Furthermore, to ensure the comparability of data across different periods, the 2024 intensity figures have been recalculated using the same consistent basis.

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 2024. 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 2024 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 2025 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.
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 greenhouse gas emission intensity for 2030 is set to be reduced by 5% compared to the 2024 base year. 3. Strategy and specific action plan：Continuously optimize production efficiency, implement energy-saving equipment and management, and enhance energy use efficiency. 4. Achievement of reduction targets：Greenhouse gas emission intensity for 2025 increased by 19.82% compared to the 2024 base year. This was

primarily driven by an increase in production volume and operational load. Energy use efficiency was impacted because production scheduling and equipment operations had not yet reached peak efficiency. Furthermore, new products and related processes were in the pilot production and optimization stages; as production efficiency and yields were not yet fully stabilized, energy consumption per unit increased, subsequently affecting GHG emission intensity.

The Company has conducted a comprehensive review of energy usage. Moving forward, we will continue to optimize production processes, implement energy-saving equipment, and strengthen energy management measures. As processes stabilize and energy efficiency gradually improves, we aim to enhance our emission intensity performance and progress toward our 2030 reduction target.

(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. https://www.tmpco.com.tw/major-internal-policies/	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	✓		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	
Management Best Practice Principles for TWSE/GTSM Listed Companies?				
(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 2025 was reported to the board of directors on November 7, 2025. The implementation of ethical corporate management reported in 2025 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	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	
			trading, information security, trade secrets courses, etc., with a total of 292 people and a total of 584 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 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 2025 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

Evaluation item	Operational status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
(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 CPAs to perform inspections?	✓		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
(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 2025, there were 105 person-times and 210 hours in total. 2. Every year, managers and employees are promoted to prevent insider trading and operate with integrity. In 2025, there were 114 person-times and 374 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

Evaluation item	Operational status (Note)			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
IV. Reinforced Information Disclosure Has the company disclosed information regarding its ethical corporate management principles and implementation status on its website and the MOPS.?	✓		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
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:

The Company has established relevant regulations and measures, which are disclosed on the Company's website under the "Corporate Sustainability" section within the "Corporate Governance" category. Investors may access and download these regulations via the following link:

https://www.tmpco.com.tw/major-internal-policies/

(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. 2025 General Shareholders' Meeting

Date of meeting	Important decision
05/26/2026	1. Ratification of 2024 Business Report and Financial Statements. Status of Implementation : Passed. 2. Ratification of 2024 Earnings Distribution Proposal. Status of Implementation : September 1, 2025 was set to be the ex-dividend base date and distribution took place on September 25, 2025. (Cash dividends per share were distributed at NTD 1.8) 3. Proposal for the amendment of certain provisions of the "Articles of Incorporation." Status of Implementation: The amendments to certain provisions were approved and have been disclosed on the Company's website. 4. Approval of the revision to some provisions of the Company's "Procedures for the Acquisition or Disposal of Assets" Status of Implementation : Passed the revision to some provisions and they were announced on the Company's website. 5. Proposal for the re-election of 9 Directors (including 3 Independent Directors) Status of Implementation: Nine members of the 17th Board of Directors (including 3 independent directors) were elected. The registration was approved by the competent authority on July 1, 2025. 6. Proposal to lift non-compete restrictions on newly elected Directors and their representatives. Status of Implementation: Approved as proposed.

2. Important decisions made by Board of Directors throughout 2025 and up to the date the Annual Report was printed

Date	Important decision
01/17/2025	1. Approval of 2024 manager year-end bonus. 2. Adjustment of the company's "salary scale". 3. Renewal of credit facilities with "First Commercial Bank" upon expiration. 4. Proposal for new credit facilities with "Taiwan Business Bank" for factory construction, engineering, 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.

Date	Important decision
	5. Approval of the independence and suitability of the company's appointment of certified accountants. 6. Proposal for the implementation timeline of the IFRS Sustainability Disclosure Standards. 7. Proposal for the comprehensive re-election of Directors (including Independent Directors). 8. Proposal to lift non-compete restrictions on newly elected Directors and their representatives. 9. Proposal to determine the date, venue, and agenda of the Annual General Meeting, and the procedures for accepting shareholder proposals (1% or more) and nominations. 10. Review of the audit fees for the CPAs for the fiscal year 2025. 11. Renewal of credit facilities with " Shin Kong Commercial Bank " upon expiration. 12. Renewal of credit facilities with "Taichung Commercial Bank" upon expiration.
04/07/2025	1. Nominee list for the 17th Board of Directors (including Independent Directors). 2. Proposal to lift non-compete restrictions on newly elected Directors and their representatives. 3. Proposal for the amendment of certain provisions of the "Articles of Incorporation." 4. Proposal for the amendment of certain provisions of the "Administrative Staff Salary and Benefits Management Measures." 5. Proposal for the amendment of certain provisions of the "Operating Procedures for Financial and Business Transactions Between Related Parties." 6. Proposal for the amendment of certain provisions of the "Procedures for Acquisition or Disposal of Assets." 7. Amendment to the agenda/convening notice for the 2025 Annual General Meeting.
05/09/2025	1. Approval of consolidated Financial Statements as of March 31, 2025. 2. Proposal for the early re-appointment of the legal representative directors and supervisors of the subsidiary, Taiwan Steel Material CO., Ltd. (hereinafter referred to as "Taiwan Steel Material"), prior to the expiration of their current terms. 3. Renewal of credit facilities with " Mega International Commercial Bank " upon expiration.

Date	Important decision
	4. Renewal of credit facilities with " Taiwan Business Bank " upon expiration.
05/26/2025	1. Election of the Chairman of the Board. 2. Proposal for the appointment of members to the Remuneration Committee. 3. Proposal for the appointment of members to the Corporate Governance and Sustainability Committee.
06/19/2025	1. Proposal to determine the remuneration for the Chairman, Directors, and Independent Directors of the Company. 2. Proposal to lift non-compete restrictions on the Company's executive officers. 3. Renewal of the guarantee facility for the issuance of Commercial Paper with "Mega Bills Finance Co., Ltd." upon expiration. 4. Renewal of the guarantee facility for the issuance of Commercial Paper with " Dah Chung Bills Finance Co., Ltd." upon expiration.
08/08/2025	1. Approval of consolidated Financial Statements as of June 30, 2025. 2. Distribution of the employee remuneration of the managers in 2024. 3. Professional liability insurance case for directors and key employees of the company. 4. Approval of the company’s 2024 sustainability report. 5. Proposal to rename the "Corporate Governance and Sustainability Committee" to the "Nomination, Corporate Governance, and Sustainability Committee" and to amend its Charter. 6. Proposal for the amendment of certain provisions of the Company’s "Articles of Incorporation." 7. Proposal for organizational restructuring and the amendment of certain provisions of the "Organization and Responsibility Management Measures." 8. Proposal for the amendment of certain provisions of the "Seal Management Measures." 9. Proposal for a new credit facility with "Chang Hwa Bank." 10. Renewal of credit facilities with "Taiwan Cooperative Bank" upon expiration.
11/07/2025	1. Approval of consolidated Financial Statements as of September 30, 2025. 2. The Company’s Internal Audit Plan for the fiscal year 2026. 3. Major related party transaction: Purchase and sales transactions with " E-TOP Metal Co., Ltd." 4. Major related party transaction: Purchase and sales transactions with " E-SHENG Steel Co., Ltd." 5. Major related party transaction: Sales transactions with " TE CHANG Construction Co., Ltd." 6. Major related party transaction: Provision of transportation services and sales transactions with "TSG Transport Co., Ltd."

Date	Important decision
	and "TSG Engineering Co., Ltd." 7. Renewal of credit facilities with "Entie Commercial Bank" upon expiration. 8. Proposal to renew and increase the guarantee facility for the issuance of Commercial Paper with "Mega Bills Finance Co., Ltd." upon expiration. 9. Proposal to establish the "Linkage Policy Between Senior Management Performance Incentives and ESG Sustainability Performance." 10. Proposal to adjust the budget for the construction, engineering, and equipment of the Changbin Plant No. 2. 11. Proposal to adjust the budget for the construction, engineering, and equipment of the Xinshi Plant. 12. Proposal for the amendment of certain provisions of the "Administrative Staff Salary and Benefits Management Measures." 13. Major related party transaction: Contracting of new factory construction projects with "TS Engineering Co., Ltd." 14. Appointment of the Company's Corporate Governance Officer.
12/26/2025	Proposal for the Company's Share Repurchase Program (Treasury Stock).
01/30/2026	1. Proposal for the 2025 year-end bonuses for executive officers. 2. Proposal for the adjustment of the "Salary Grade Scale." 3. Renewal of credit facilities with "First Commercial Bank" upon expiration. 4. Renewal of credit facilities with "Hua Nan Commercial Bank" upon expiration. 5. Renewal of credit facilities with "Taichung Commercial Bank" upon expiration. 6. Proposal to adjust the credit facility with "Hua Nan Bank" for factory construction, engineering, equipment, and working capital.
03/06/2026	1. Proposal for the 2025 distribution of employee and director remuneration. 2. Proposal for the 2025 Business Report and Financial Statements. 3. Proposal for the 2025 earnings distribution. 4. Proposal for the 2025 Statement on Internal Control System. 5. Review of the independence and suitability of the appointed CPAs. 6. Proposal to determine the date, venue, and agenda of the Annual

Date	Important decision
	General Meeting, and the procedures for accepting shareholder proposals (1% or more). 7. Review of the audit fees for the CPAs for the fiscal year 2026. 8. Proposal for the amendment of the Company’s "Internal Control System" and "Detailed Rules for Internal Audit Implementation." 9. Proposal for the Company’s Share Repurchase Program (Treasury Stock).

(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	01/01/2025 ~ 31/12/2025	1,760	1,020	2,780	Note1
	Chung-Yu Tien					
	Rui-ting Chang					
	Yung-chieh Chao					
	Jui-Ting Chang					

Note1:Non-Audit Expenditure is include 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: None.

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 26, 2026 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	-	-	-	-	Note1		None
Representative: Cheng-Yung Huang	-	-	-	-	-	-			None
E-TOP METAL CO., LTD.	3,570,508	3.57	-	-	-	-	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
NewSoft Technology Corporation	2,800,000	2.80	-	-	-	-	None	None	None
Representative: Yun-Chin Li	70,000	0.07	-	-	-	-	None	None	None
Te Cheng Sheng Engineering Co., Ltd.	2,664,000	2.65	-	-	-	-	Note1		None
Representative: Cheng-Yung Huang	-	-	-	-	-	-			None
TMP Steel Co., Ltd. Treasury Share Account	2,556,000	2.57	-	-	-	-	Note2		None
E-SHENG STEEL CO., LTD.	2,511,005	2.51	-	-	-	-	E-TOP METAL CO., LTD.	Same representative	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: Ching-Li Yen	-	-	-	-	-	-	None	None	None
Yu Hsin Development & Construction Co., Ltd.	2,409,000	2.41	-	-	-	-	Note1		None
Representative: Cheng-Yung Huang	-	-	-	-	-	-			None

Note1：Te Chang Construction Co., Ltd., Te Cheng Sheng Engineering Co., Ltd., and Yu Hsin Development & Construction Co., Ltd. share the same legal representative.

Note2：The treasury stock account of TMP Steel Co., Ltd. represents shares repurchased by the company that have not yet been transferred to employees. Under the law, these shares do not carry shareholder rights during the holding period.

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, 2025; 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 26, 2026 Unit: people ;Share;%

Shares / Name of major shareholder	No. of shares held	Holding Ratio
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-TOP METAL CO., LTD.	3,570,508	3.57
Taiwan Steel Corporation	3,204,054	3.21
NewSoft Technology Corporation	2,800,000	2.80
TE CHENG SHENG ENGINEERING CO., LTD.	2,644,000	2.65
TMP Steel Co., Ltd. Share Repurchase Account	2,566,000	2.57

Shares / Name of major shareholder	No. of shares held	Holding Ratio
E-SHENG STEEL CO., LTD.	2,511,005	2.51
YU HSIN DEVELOPMENT & CONSTRUCTION CO., LTD.	2,409,000	2.41

(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 distributte 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 March 6, 2026 that NTD 1.17 per share would distributed in cash as the dividends for shareholders, that is, NTD 116,943,779 in total; it will be reported in the 2026 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. Of the total amount of employee remuneration, no less than 10% shall be allocated specifically for distribution to grassroots 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 March 6, 2026.NTD 2,200,000 to employees and NTD 1,710,000 to directors will be distributed as the remuneration, which was identical to the estimates made in 2025.

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 2024, NTD 2,800,000 to employees and NTD 2,205,000 to directors were actually distributed as the remuneration in cash, which were identical to the estimates made for 2024.

(VI) Buyback of the Company's Shares:

1. Execution completed (upon expiration of the buyback period)

March 31,2026

Buyback Tranche	13th Tranche
Purpose of buyback	To transfer shares to employees
Buyback period (Actual)	December 31, 2025 – February 26, 2026
Buyback price range (Actual)	NTD 20.6 – NTD 22.3
Class and quantity of shares repurchased	Common stock：2,503,000 shares
Total amount of shares repurchased	NTD 54,085,709
Shares repurchased as a percentage of the pre-determined quantity to be repurchased (%)	50.06%
Quantity of shares canceled or transferred	0 shares
Cumulative quantity of the Company's shares held	2,503,000 shares
Cumulative quantity of the Company's shares held as a percentage of the total number of issued shares (%)	2.50%

2. Still in Progress

March 31,2026

Buyback Tranche	14th Tranche
Purpose of buyback	To transfer shares to employees
Class of shares to be repurchased	Common stock
Maximum total amount for share buyback	NTD 1,291,166,422
Scheduled buyback period	March 9, 2026 – May 8, 2026
Planned quantity to be repurchased	2,500,000 shares
Buyback price range	NTD 14.21 – NTD 32.10
Class and quantity of shares repurchased	Common stock： 197,000shares
Total amount of shares repurchased	NTD 3,981,918
Shares repurchased as a percentage of the planned quantity to be repurchased (%)	7.88%

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
Price of bond to be converted or swapped	Maximum	105.50	158.00	137.50
	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, 2026, 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

Year / Item	2024		2025	
	Amount,	%	Amount	%
Steel reinforcing bar	7,058,086	75.78	7,064,616	92.01
Steel billet	2,225,348	24.22	613,792	7.99
Total	9,313,434	100.00	7,678,408	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

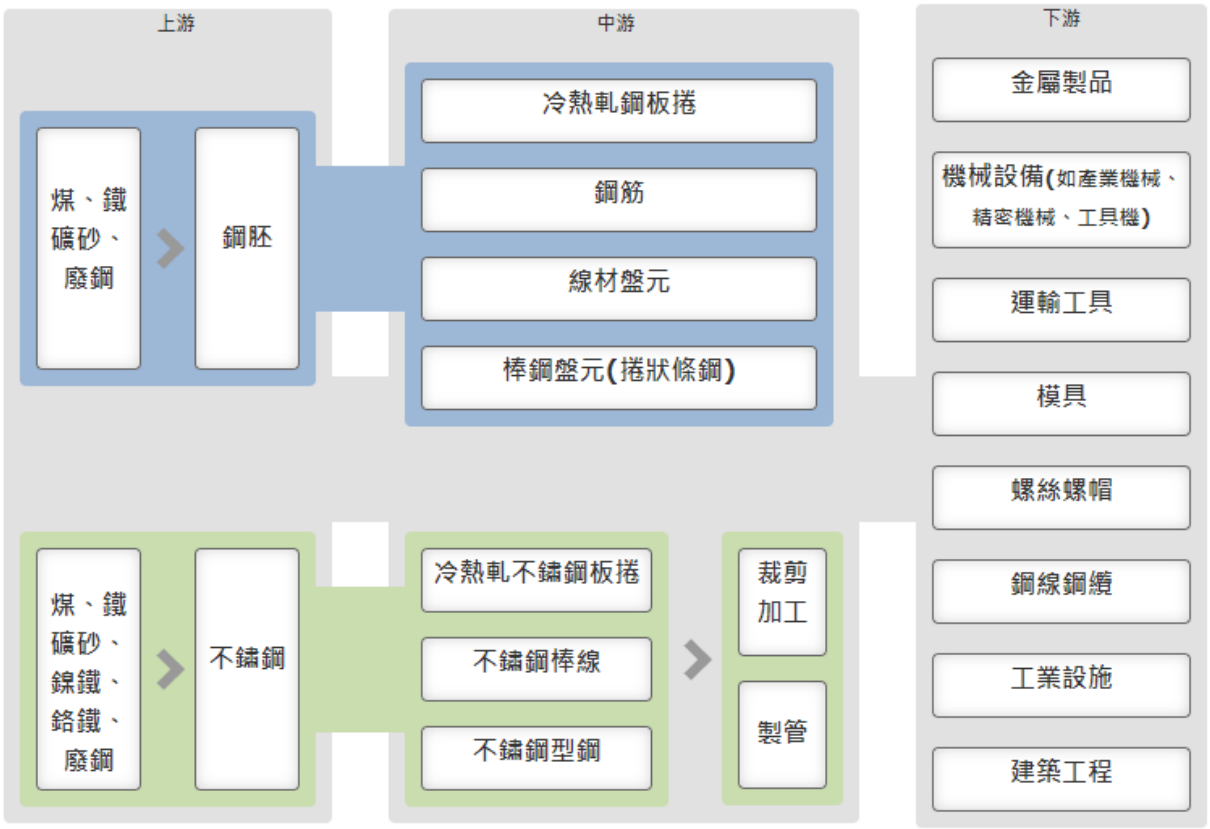
1. Current Status and Development of the Industry

   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 2026, the output value of Taiwan's steel industry in 2025 accounted for 6% 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 1.7725 billion tons in 2025, a year-on-year increase of 1.3%. 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 2025 and 2024 was NT$131.0 billion and NT$145.3 billion respectively. The market shares of the Company are estimated to be 5.28% and 7.11% respectively.

3. Future supply and demand and growth on market

Looking ahead to 2026, 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	2024				2025			
	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	4,191,030	47.64	Signifcant impacts on the Company	E-TOP	4,160,408	63.01	Signifcant impacts on the Company
2	E-Sheng	2,384,119	27.10	Other related parties	E-Sheng	2,107,176	31.91	Other related parties
3	WLL GENERA	1,000,377	11.37	None	Other	335,170	5.08	
4	Other	1,221,973	13.89					
	Total	8,797,499	100.00		Total	6,602,754	100.00	

The reason for the increase or decrease:

Mainly due to the decrease in steel trading in 2025, resulting in a subsequent decline in purchases.

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

Item	2024				2025			
	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	Signifcant impacts on the Company				
3	Other	7,222,320	77.55					
	Total	9,313,434	100.00		Total	7,678,408	100.00	

The reason for the increase or decrease:

Mainly caused by the decline in steel trading in 2025.

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		2024/12/31	2025/12/31	2026/3/31
Number of employees	Technicians	103	114	116
	Management	92	80	78
	Operators	-	-	-
	Total	195	194	194
Mean age		36.93	37.79	38.32
Mean years in service		1.90	1.90	2.51
Ratio of education distribution	Doctoral Degree	-	-	-
	Master's Degree	3.59%	3.61%	3.61%
	University & College (Higher Education)	53.33%	45.88%	45.36%
	High School	39.49%	48.45%	48.45%
	Below High School	3.59%	1.55%	2.58%

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 2025 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 2025 were 3,641.3 hours, involving 1,568 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) Effective July 1, 2005, TMP Steel has established a defined contribution pension plan in accordance with the "Labor Pension Act," applicable to employees of R.O.C. nationality. For employees who elect to participate in the pension system stipulated under the "Labor Pension Act," the Company contributes 6% of their monthly wages to the employees' individual pension accounts at the Bureau of

Labor Insurance. Employees who meet the statutory retirement criteria may apply for retirement. Pension benefits are paid out as either monthly installments or a lump-sum payment, based on the balance in the employee's individual retirement account and accumulated earnings. For the year 2025, the Company recognized an amount of NTD 5,245 thousand for contributions under the new pension system.

(3) Effective from 2025, in accordance with the Ministry of Labor's "Long-term Retention Program for Skilled Foreign Workers," the Company has applied to transition senior migrant workers—who meet specific wage and skill requirements and have worked in Taiwan for over six years—to "Intermediate Skilled Manpower" status. These intermediate skilled workers are subject to the provisions of the "Labor Standards Act," under which a defined benefit pension plan is established. This plan applies to the subsequent years of service for employees who, after the implementation of the "Labor Pension Act," opted to continue under the pension system of the Labor Standards Act. For employees meeting the retirement criteria, pension payments are calculated based on their years of service and their average salary for the six months prior to retirement. Two bases are granted for each year of service for the first 15 years (inclusive), and one base is granted for each year of service exceeding 15 years, subject to a maximum cumulative limit of 45 bases. The Company contributes 2% of total monthly wages to a pension fund, which is deposited in a dedicated account at the Bank of Taiwan under the name of the Labor Pension Reserve Management Committee. Furthermore, prior to the end of each year, the Company assesses the balance of the aforementioned labor pension reserve account. If the balance is insufficient to pay the estimated pension amounts for workers expected to meet retirement criteria in the following year (calculated as per the aforementioned formula), the Company will contribute the deficit in a lump sum by the end of March of the following year. For the fiscal year 2025, the pension cost recognized by the Company under the aforementioned pension plan was NTD 13 thousand.

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 liked 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:

1. Labor Inspection Penalties: Based on the ruling by the Labor Affairs Department of Changhua County Government (April 25, 2025, Ref. No. Fu-Lao-Dong-Zi 1140154305), the Company was fined NT$80,000 for violating Article 24 of the Labor Standards Act regarding the failure to pay overtime wages in accordance with regulations. In response, the Company will strengthen the communication and implementation of overtime application and reporting procedures.
2. Labor Dispute Case

   During the most recent fiscal year and up to the date of publication of the annual report, the Company was involved in the following labor disputes concerning the same former employee:

   (1) Former employee Chou Mei-li filed a lawsuit to confirm the existence of an employment relationship. Following a ruling by the Supreme Court on July 24, 2025, the employment relationship was confirmed. The Company was ordered to pay a monthly salary of NT$41,600 plus interest, and contribute NT$2,520 monthly to the employee's labor pension account, effective from June 6, 2022, until the date of reinstatement. The Company has fulfilled all payments and reinstated the individual in accordance with the court's decision.
   (2) The aforementioned employee was subsequently terminated by the Company in accordance with relevant regulations due to three days of unexplained absence. In December 2025, the individual filed another lawsuit to confirm the existence of the employment relationship. The case is currently being heard by the Taiwan

Tainan District Court. The estimated amount of potential liability depends on the final court judgment. The Company has appointed legal counsel to handle the proceedings.

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.

(3) The Company periodically reports its information security implementation status to the Board of Directors every year. On November 7, 2025, the annual information security implementation results were reported to the Board.

2. Information Security Policy

(1) Information Security Policy Formulation and Evaluation

(2) Information Security Organization

(3) Human Resource Security

(4) Asset Management

(5) Access Control Security

(6) Cryptographic Security

(7) Physical and Environmental Security

(8) Operations Security

(9) Communications Security

(10)System Acquisition, Development, and Maintenance Security

(11)Supplier Relationship Management

(12)Information Security Incident Response and Management

(13)Business Continuity Management

(14)Compliance with Relevant Laws, Regulations, and Departmental Policies

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) In 2025, the Company commissioned a professional team to perform maintenance services, consisting of 26 maintenance sessions each for firewalls across all regions in Taiwan, NAS backup servers, and the virtualization physical hosts at the headquarters. Additionally, 32 sessions of other information-related maintenance tasks were conducted.

(7) 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.	1/1/2025-12/31/2025	Supply contract for steel reinforcing bars	None
Supply contract	E-SHENG STEEL CO., LTD.	1/1/2025-12/31/2025	Supply contract for steel reinforcing bars	None
Rental Agreement	E-TOP METAL CO., LTD.	1/1/2026-12/31/2026	Facility lease	None
Rental Agreement	Changhua Coastal Industrial Park Service Center	2/22/2023-2/21/2043	Land lease	None
Rental Agreement (Xinshi Plant)	Yongkangl Industrial Park Service Center	6/6/2024-6/5/2044	Land lease	None
Borrowings contract	Taiwan Cooperative Bank	2/27/2020-12/31/2031	General Credit	Land as collateral
Borrowings contract	Taiwan Cooperative Bank	0/22/2021-10/15/2031	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

Nature of contract	Affected party	Contract start/end date	Main contents	Restrictions
Borrowings contract	Hua Nan Bank	7/4/2024-7/4/2031	Accelerated investment subsidy financing for small and medium-sized enterprises	machines as collateral
Borrowings contract	Taiwan Business Bank	9/10/2025-9/10/2035	Accelerated investment subsidy financing for small and medium-sized enterprises	Buildings as collateral

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

I. Financial standing- Consolidated

Unit: NT$ thousand

Item \ Year	2025	2024	Difference	
			Value	%
Current assets	2,339,831	2,639,463	(299,632)	(11.35)
Non-current assets	1,910,097	1,711,817	198,280	11.58
Total assets	4,249,928	4,351,280	(101,352)	(2.33)
Current liabilities	1,050,219	1,125,210	(74,991)	(6.66)
Non-current liabilities	857,853	842,711	15,142	1.80
Total liabilities	1,908,072	1,967,921	(59,849)	(3.04)
Share capital	999,561	999,561	-	-
Capital reserve	910,034	910,034	-	-
Retained earnings	434,261	461,724	(27,463)	(5.95)
Other equities	(2,000)	12,040	(14,040)	(116.61)
Total shareholder equity of parent company	2,341,856	2,383,359	(41,503)	(1.74)
Total equity	2,341,856	2,383,359	(41,503)	(1.74)
Total liabilities and shareholder equities	4,249,928	4,351,280	(101,352)	(2.33)
For items with changes by 20% and above and the changes are worth NTD 10 million and above, explanations are provided below: None				

II. Financial performance

(I) Management Outcome Comparative Analysis- Consolidated

Unit: NT$ thousand

Item	2025	2024	Increased (Decreased) value	Variance%
Operating revenue	7,678,408	9,313,434	1,487,774	19.01
Operating costs	7,242,252	8,839,474	1,494,997	20.36
Net operating margin	436,156	473,960	(7,223)	(1.50)
Operating expenses	255,782	285,786	33,822	13.42

Item	2025	2024	Increased (Decreased) value	Variance%
Operating profits	180,374	188,174	(41,045)	(17.91)
Total non-operating income and expenses	2,588	77,125	331	0.43
Profit before income tax	182,962	265,299	(40,714)	(13.30)
Income tax expense	30,504	34,456	(8,329)	(19.47)
Profit of continuing operations Net profit of the term	152,458	230,843	(32,385)	(12.30)
Other comprehensive income(loss)	(7,705)	12,040	12,040	100
Total comprehensive income for the year	144,753	242,883	(20,345)	(7.73)
Net profit attributable to the parent company	152,458	230,843	(32,385)	(12.30)
The sum of comprehensive income attributable to the owner of the parent company	144,753	242,883	(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. Decrease in non-operating income and expenses: Primarily due to a reduction in the recognized valuation gains on marketable securities.
2. Decrease in net income before tax, net income from continuing operations, other comprehensive income for the period, total comprehensive income for the period, net income attributable to owners of the parent, and total comprehensive income attributable to owners of the parent: Primarily due to a decline in revenue resulting from lower steel trading volume, leading to a relative decrease in overall profitability, as well as a reduction in valuation gains on marketable securities.

(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 2025:

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
312,454	250,890	(281,172)	282,172	None	None
1. Analysis of change in cash flows of the year: (1)Operating activities：rimarily due to the steady collection of funds from overall business operations. (2)Investment activities：Primarily due to strategic investments and capacity expansion. (3)Fund-raising activities: Primarily due to the adjustment of borrowings in response to the scale of operations, as well as the timely payment of dividends as scheduled. 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
282,172	282,052	249,777	314,447	-	-
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
Plant Guanxi New factory building	Own funds / Medium and long-term loans	9/30/2026	218,400	218, 400	43, 680	76, 440

(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 2025
TMP Electronic (South Korea) Co., Ltd.	1,599	-
Taiwan Iron and Steel CO., LTD.	1,000	5

(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 2025 were NTD3,014 thousand and NTD 28,043 thousand respectively, accounting for 0.04% and 0.36%, 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 2025 were NTD2,809 thousand, accounting for (0.04)% 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 2025, the Top 10 customers combined accounted for 35.49% of the net revenue of the said period. The sales to the No. 1 customer accounted only for 7.02%. 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 63.01% in 2025. 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, foused 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

(I) 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:

1. Protect our company's key business information from unauthorized access.
2. 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.
3. Handle information security education and training, promote staff's awareness of information security and strengthen their awareness of related responsibilities.

(II) Intellectual Property Management Plan

The Company has established an Intellectual Property Management Plan aligned with its operational goals. The objective is to protect freedom of operation, safeguard technical achievements, and strengthen competitive advantages. Management measures include:

1. Trade Secret Management
   (1)The Company's Work Rules stipulate that employees are obligated to maintain the confidentiality of business and technical secrets both during their employment and after resignation.
   (2)Employees sign Non-Disclosure Agreements. In the event of a breach, the Company may pursue disciplinary action, liquidated damages, and legal liability.
   (3)Annual promotion and training sessions are conducted for both new hires and existing employees.
2. Outsourcing Management:When outsourcing involving non-public information, contracts must explicitly state confidentiality requirements. Such information may not be transferred to a third party without the Company's prior consent.
3. Management Process: Regular reviews of management status are conducted to patch vulnerabilities, implement systems, refine management models, and audit the effectiveness of execution.
4. 2025 Implementation Status
   (1)The Administration Department regularly reviews confidentiality measures as well as employee-specific accounts and access permissions.
   (2)New employees sign NDAs during orientation, where the importance of confidentiality is emphasized. For existing employees, trade secret protection awareness is promoted annually.

(3)The Company reports intellectual property-related matters to the Board of Directors at least once a year. The most recent report date was November 7, 2025.

VI. Special Notes

I. Related Information of Affiliates

(I) Consolidated Business Report of Affiliates

1. Index Path: Market Observation Post System (MOPS) > Company Search > Download Electronic Documents > Affiliated Enterprises Reports Section.
2. 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