

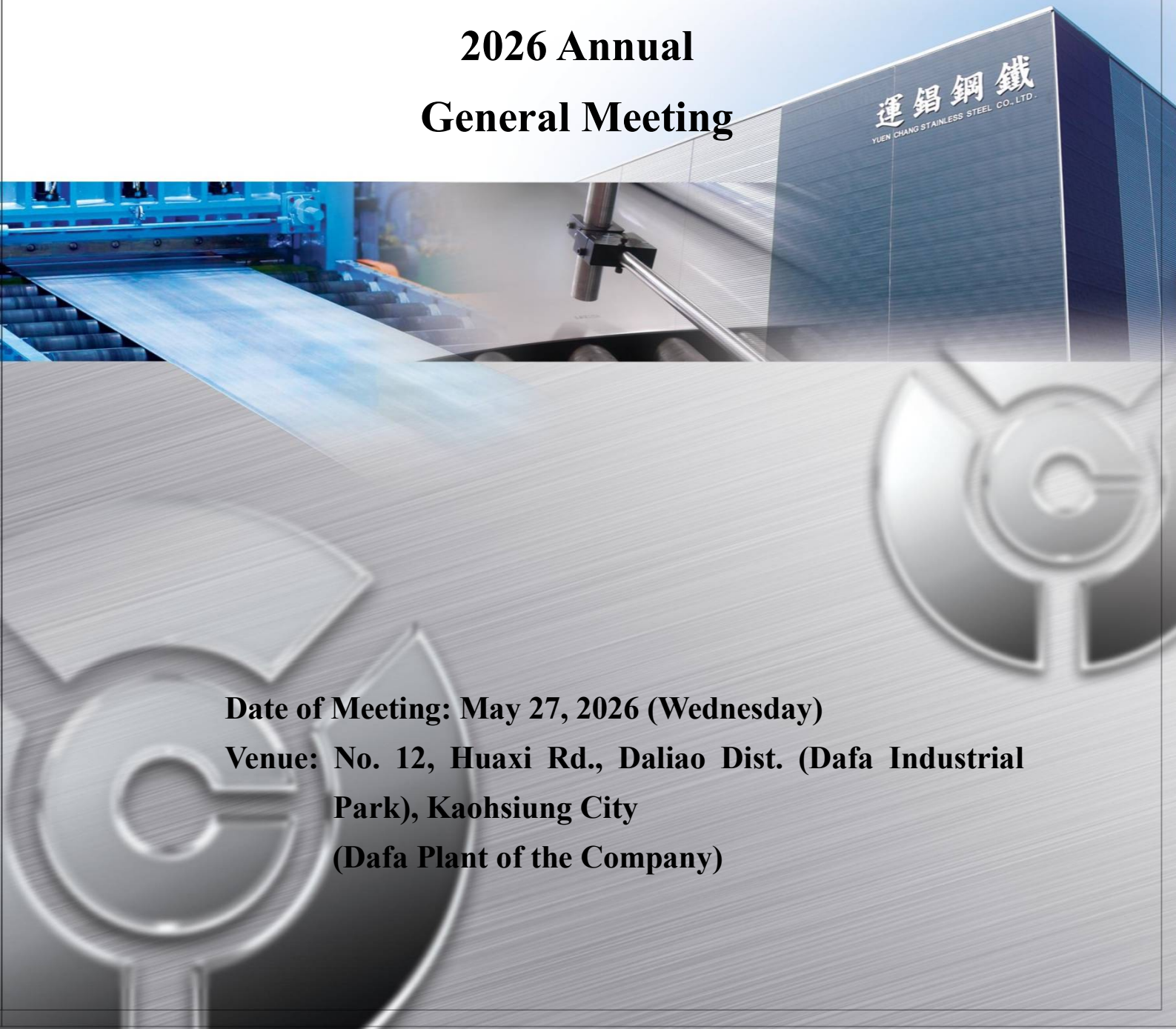
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Stock Code: 2069



**YUEN CHANG
STAINLESS STEEL**

**2026 Annual
General Meeting**



Date of Meeting: May 27, 2026 (Wednesday)

**Venue: No. 12, Huaxi Rd., Daliao Dist. (Dafa Industrial
Park), Kaohsiung City
(Dafa Plant of the Company)**

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Yuen Chang Stainless Steel Co., Ltd.

2026 Annual General Meeting Procedure

- I. Call the meeting to order
- II. Chairperson's opening remarks
- III. Report Matters
- IV. Proposals and Acknowledgment
- V. Elections
- VI. Other Motions
- VII. Extempore Motions
- VIII. Adjournment

Yuen Chang Stainless Steel Co., Ltd.

2026 Annual General Meeting Agenda

Time: May 27, 2026 (Wednesday), 10:00AM

Venue: No. 12, Huaxi Rd., Daliao Dist. (Dafa Industrial Park), Kaohsiung City (Dafa Plant of the Company)

Method for convening the meeting: Annual General Meeting in a tangible form.

- I. Call the meeting to order (report the total number of shares represented by the present shareholders)
- II. Chairperson's opening remarks
- III. Report Matters
 - (1) 2025 Business Report.
 - (2) 2025 Audit Committee's Review Report.
 - (3) 2025 Report on distribution of remuneration to employees and directors.
 - (4) 2025 Report on compensation to directors.
 - (5) Amendments to certain provisions of the Company's "Sustainable Development Best Practice Principles"
- IV. Proposals and Acknowledgment
 - (1) 2025 Business report and financial statements.
 - (2) 2025 Earnings appropriation proposal.
- V. Elections
Re-election of the whole directors
- VI. Other Motions
Termination of the non-competition restrictions imposed on new directors and their representatives
- VII. Extempore Motions
- VIII. Adjournment

Report Matters

(I) The 2025 business report is presented for review.

Explanation: For the Company's 2025 business report, please refer to Pages 7~9 hereof (Attachment 1).

(II) The 2025 Audit Committee's Review Report is presented for review.

Explanation: For the Company's 2025 Audit Committee's Review Report, please refer to Page 10 hereof (Attachment 2).

(III) The 2025 report on distribution of remuneration to employees and directors is presented for review.

Explanation: 1. According to Article 20 of the Articles of Incorporation, subject to the profit sought by the Company (i.e. the income before pre-tax income less remuneration distributed to employees and directors) for any fiscal year, the Company shall allocate at least 2% of the balance remaining after accumulated losses are paid up, if any, as the remuneration to employees and no more than 2% thereof as the remuneration to directors.

2. The Company distributed 2% thereof, i.e., NT\$5,110 thousand, as remuneration to employees, and 0.35% thereof, i.e., NT\$893 thousand, as remuneration to directors, both in cash in 2025.

(IV) The 2025 report on compensation to directors is presented for review.

Explanation: 1. According to Article 17 of the Articles of Incorporation, the Board of Directors is authorized to resolve the remuneration to all directors based on their participation in the Company's operation and contribution value and the typical pay levels adopted by peer companies, irrelevant with profit or loss retained by the Company.

2. Article 20 of the Articles of Incorporation also requires that no more than 2% thereof shall be distributed as the remuneration to directors.

3. For the details about the remuneration to directors, please refer to Page 11 hereof (Attachment 3).

(V) The amendments to certain provisions of the Company's "Sustainable Development Best Practice Principles" are presented for review.

Explanation: 1. In response to the relevant laws and regulations promulgated by the competent authority, the Company amended certain provisions of its "Sustainable Development Best Practice Principles."

2. For the comparative table of the "Sustainable Development Best Practice Principles" before and after the amendments, please refer to Pages 12 hereof (Attachment 4).

Proposals and Acknowledgment

1st Proposal (Proposed by the Board of Directors)

Summary: 2025 Business report and financial statements.

- Explanation:
1. The 2025 business report and consolidated financial statements & parent company only financial statements have been prepared accordingly. The financial statements already audited by Hsu Kai-Ning, CPA and Chang Tzu-Yuan, CPA of Deloitte Taiwan, together with the business report, were submitted to the Audit Committee for review, for which the Audit Committee already issued the review report.
 2. For the business report, External Auditor's Report and said financial statements, please refer to Pages 7~9 hereof (Attachment 1) and Pages 13~33 hereof (Attachments 5 and 6).
 3. Hereby proposed for acknowledgment.

Resolution:

2nd Proposal (Proposed by the Board of Directors)

Summary: 2025 Earnings appropriation plan.

- Explanation:
1. The Company's 2025 net income was NT\$269,766,783. According to the Company Act and Article 19 of the Company's Articles of Incorporation, the Company prepared the earnings appropriation plan. Please refer to Page 34 hereof (Attachment 7).
 2. Hereby proposed for acknowledgment.

Resolution:

Elections

(Proposed by the Board of Directors)

Summary: Re-election of the whole directors

- Explanation: 1. The term of office of the current directors of the Company will expire on June 8, 2026. A full re-election is proposed to be conducted at this Annual General Meeting.
2. According to Article 14 of the Articles of Incorporation, 7 directors shall be elected (including 4 independent directors) in accordance with the candidate nomination system. The new directors shall hold the term of office for three years from May 27, 2026 to May 26, 2029. The term of office held by the original directors shall expire at the end of the annual general meeting.
3. For the list of director candidates, please refer to Pages 35~37 hereof (Attachment 8).
4. This election shall be conducted in accordance with the Company's "Regulations for Election of Directors." Please refer to Pages 46~48 hereof (Appendix 2).
5. Please proceed with the election accordingly.

Election results:

Other Motions

(Proposed by the Board of Directors)

Summary: Termination of the non-competition restrictions imposed on new directors and their representatives

- Explanation: 1. According to Article 209 of the Company Act, "a director who engages in any transaction for himself or on behalf of another person that is within the scope of the Company's operations shall explain the major contents of such actions to the shareholders' meeting and obtain its consent."
2. In order to rely on the expertise and related experience of the Company's directors, without prejudicing the Company's interest, the motion is proposed to ask the shareholders' meeting for the approval of it is proposed to submit to the shareholders' meeting for approval of termination of the non-competition restrictions imposed on new directors and their representatives.
3. The non-competition restrictions imposed on directors are specified as follows:

Type of election	Name	Dismissal
Chairman	Yen Te-Ho	Chairman of Board, Ningbo Qiyi Precision Metals Co., Ltd.
Director	Chang Yun-Ching	Supervisor, Ningbo Qiyi Precision Metals Co., Ltd.
Independent director	Liu Hsin-Hung	Executive Vice President, SUMI STEEL CO., LTD.

4. Hereby proposed for discussion.

Resolution:

Extempore Motions

Adjournment

2025 Business Report

I. 2025 Business Report

For the steel industry, 2025 remained a challenging year. The Company actively adjusted its sales strategy, shifting toward thinner and lighter products and focusing on higher-margin electronics-related industries. As a result, although revenue for 2025 decreased by approximately 6% compared with the previous year, the net profit margin still improved. The 2025 business performance is reported as follows:

(I) Implementation results of the business plan

Unit: NTD thousand

Item	Performance in 2024	Performance in 2025	Comparison of performance	Growth rate
Operating revenue, net	10,714,847	10,093,068	-621,779	-5.80%

(II) Budget execution

Unit: NTD thousand

Item	2025 Budget	2025 Actual	Achievement rate
Operating Revenue	12,300,333	10,093,068	82.06%
Sale volume (MT)	165,653	136,103	82.16%

(III) Profitability analysis

Year	2024	2025
Gross profit margin	9.66%	9.36%
Net profit margin	2.10%	2.67%

(IV) Revenue and expenditure

Unit: NTD thousand

Item	2024	2025	Change in Amount	Note
Net cash inflow (outflow) from operating activities	(63,385)	1,321,964	1,385,349	1
Net cash inflow (outflow) from investing activities	(141,435)	(871,943)	(730,508)	2
Cash inflow (outflow) from financing activities	46,103	(450,501)	(496,604)	3

Note 1: The increase in net cash inflow from operating activities was primarily a result of inventory reduction.

Note 2: Investment in equipment increased by NT\$393,274 thousand compared with the prior year, and pledged deposits increased by NT\$365,394 thousand during the current period; accordingly, cash outflow from investing activities increased compared with the prior year.

Note 3: Bank borrowings decreased during the current period; accordingly, net cash outflow from financing activities increased.

(V) R&D

The Company has assigned the unit dedicated to improving and developing the product processing technology. In order to satisfy customers' special needs, the Company has researched and developed the functional stainless steel plates intended for various uses, and held mature production experience and manufacturing technology, which upgrade the Company's independent innovation capabilities and comprehensive competitiveness thoroughly. For the time being, the Company's products are extensively applied to computers, communications, and consumer electronics, automobile industry, eco-friendly energy, household appliances, button cell batteries and construction projects. Considering that the Company owns ultra-thin precision stainless steel production technique, it will continue to optimize its product portfolio and develop high value-added products, and also keep improving its applications to car trims, electronics and energy and eco-friendly batteries.

Thank you for your kindness and support in the past. Looking forward to the coming year, the Company will continue to develop and create more competitive products, reduce the production cost, provide customers with more competitive price, help customers secure opportunities in the market, and pursue common prosperity for customers, shareholders, employees and suppliers, in order to create a future full of remarkable results!

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

Yuen Chang Stainless Steel Co., Ltd.

Audit Committee's Review Report

The Board of Directors has prepared and submitted the Company's 2025 business report and financial statements (including consolidated financial statements). The financial statements (including consolidated financial statements) have been audited by CPAs Hsu Kai-Ning and Chang Tzu-Yuan of Deloitte Taiwan, who were engaged by the Board of Directors, and an audit report has been issued. Based on the Audit Committee's review on said report and statements prepared and submitted by the Board of Directors, it found no inconsistency existing. The Report is presented in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To:

The Company's 2026 Annual General Meeting

Yuen Chang Stainless Steel Co., Ltd.

Convener of Audit Committee: Chen Chih-Cheng

March 10, 2026

[Attachment 3]

Compensation to Directors

Unit: NT\$ Thousand; Shares in Thousand; %

Job Title	Name (Note 1)	Remuneration to directors								Sum of A, B, C and D, and as a percentage of net income after tax		Employee compensation received by directors								Sum of A, B, C, D, E, F, and G, and as a percentage of net income after tax		Compensation from investees other than subsidiaries or from the parent company
		Remuneration (A)		Severance payment and pension (B)		Remuneration to directors (C)		Professional practice fees (D)				Salaries, bonuses and special allowances, etc. (E)		Severance payment and pension (F)		Remuneration to employees (G)						
		The Company	Companies Included in the Financial Statements	The Company	Companies Included in the Financial Statements	The Company	Companies Included in the Financial Statements	The Company	Companies Included in the Financial Statements	The Company	Companies Included in the Financial Statements	The Company	Companies Included in the Financial Statements	The Company	Companies Included in the Financial Statements	The Company		Companies Included in the Financial Statements		The Company	Companies Included in the Financial Statements	
																Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Chairman	Yen Te-Ho	4,830	4,830	-	-	605	605	29	29	5,464 2.03%	5,464 2.03%	-	-	-	-	-	-	-	-	5,463 2.03%	5,463 2.03%	None
Director	Yen The-Wei	378	378	-	-	48	48	25	25	451 0.17%	451 0.17%	-	-	-	-	-	-	-	-	451 0.17%	451 0.17%	None
Director	Yen Po- Chien	378	378	-	-	48	48	29	29	455 0.17%	455 0.17%	1,273	1,273	-	-	75	-	75	-	1,803 0.67%	1,803 0.67%	None
Director	Huang Hung-Chieh	378	378	-	-	48	48	28	28	455 0.17%	455 0.17%	-	-	-	-	-	-	-	-	454 0.17%	454 0.17%	None
Independent director	Tseng Chi- Kuo	378	378	-	-	48	48	28	28	455 0.17%	455 0.17%	-	-	-	-	-	-	-	-	454 0.17%	454 0.17%	None
Independent director	Chen Mu- Tan	378	378	-	-	48	48	28	28	455 0.17%	455 0.17%	-	-	-	-	-	-	-	-	454 0.17%	454 0.17%	None
Independent director	Pan Yung- Shan	378	378	-	-	48	48	28	28	455 0.17%	455 0.17%	-	-	-	-	-	-	-	-	454 0.17%	454 0.17%	None

Yuen Chang Stainless Steel Co., Ltd.

Comparative table of the “Sustainable Development Best Practice Principles” before and after the amendments

Provisions after amendments	Provisions before amendments	Explanation
Article 15 The Company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment, <u>living organisms</u>, and human beings from their business operations: (omitted) <u>VII. Enhance the conservation of marine and terrestrial biodiversity and ecosystems, promote the sustainable use of resources, and ensure fair and equitable benefits.</u>	Article 15 The Company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations: (omitted)	Certain provisions are amended in accordance with applicable laws and regulations of the competent authority.
Article 21 The Company is advised to create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills. <u>The Company is advised to establish industry-academia collaboration programs to cultivate talent for the industry.</u> (omitted)	Article 21 The Company is advised to create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills. (omitted)	Certain provisions are amended in accordance with applicable laws and regulations of the competent authority.

[Attachment 5]

2025 Consolidated Financial Statements and External Auditor's Report

External Auditor's Report

To: Yuen Chang Stainless Steel Co., Ltd.

Audit Opinions

We have completed our review on the Consolidated Balance Sheet of Yuen Chang Stainless Steel Co., Ltd. (hereinafter referred to as the “Company”) and its subsidiaries on December 31, 2025 and 2024, and Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) for January 1 to December 31, 2025 and 2024.

In our opinion, said consolidated financial statements in all major respects are in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), IFRIC Interpretation, or SIC Interpretation endorsed by the Financial Supervisory Commission. They are sufficient to adequately express the consolidated financial status of the Company and its subsidiaries as of December 31, 2025 and 2024, and its consolidated financial performance and consolidated cash flow from January 1 through December 31, 2025 and 2024.

Basis for the Audit Opinions

We are entrusted to conduct our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of the report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions, based on our audit results and the other external auditors' report.

Key Audit Matters

Key audit matters refer to the most important matters for the audit of 2025 consolidated financial statements of the Company and its subsidiaries based on our professional judgment. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of 2025 consolidated financial statements of the Company and its subsidiaries are hereby stated as follows:

Adequacy of the deadline for sales revenue

According to the delivery terms and conditions agreed on by the Company, its subsidiaries, and customers, there was a deviation between the physical shipping date and delivery date or on board date. We evaluated that revenue risk might be recognized earlier than the actual delivery or on board. Therefore, we identify the adequacy of the deadline for the sales revenue close to the balance sheet date as the key audit matters.

Meanwhile, we also perform the following primary audit procedures:

- I. Test the internal control related to adequacy of the deadline for recognition of the revenue.
- II. Perform the random check on customers' orders, shipping bills and sales invoices from the statement of operating revenue to identify whether the buyers identified in the customers' orders and sales invoices are identical, and whether the sales invoice amount is consistent with the recognized revenue, and also perform the random check on external shipment certificates from the statement of operating revenue close to the balance sheet date to confirm whether the sales revenue is recognized for the applicable accounting period.

Other information

The Company has prepared the parent company only financial statements for 2025 and 2024, and the audit reports with unqualified opinions that we have issued are on file for reference.

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

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and with International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), IFRIC Interpretation, or SIC Interpretation endorsed by the Financial Supervisory Commission, and for such internal control as management

determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the ability of the Company and its subsidiaries to continue operations, disclosing related matters, as well as continuing operations with the basis of accounting, unless the management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no feasible alternative but to do so.

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

External Auditors' Responsibilities for the Audit on Consolidated Financial Statements

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

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

- I. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- II. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
- III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- IV. Conclude on the appropriateness of the management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries to continue

as a going concern, based on the audit evidence obtained. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

- V. Evaluate the overall presentation, structure, and contents of the consolidated financial statements, including the related notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- VI. Obtain sufficient and appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion on the Group.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence under the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and to communicate with them all relationships and other matters that may reasonably be considered affecting our independence, and where applicable, other matters (including related safeguards).

From the matters communicated with the governance unit, we have determined key audit matters of 2025 consolidated financial statements of the Company and its subsidiaries. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Taiwan

CPA: Hsu Kai-Ning

CPA: Chang Tzu-Yuan

Approval reference of the Financial
Supervisory Commission

Jin-Guan-Zheng-Shen-Zi No. 1090347472

Approval reference of the Financial
Supervisory Commission

Jin-Guan-Zheng-Shen-Zi No. 1120349008

March 10, 2026

Yuen Chang Stainless Steel Co., Ltd. and its subsidiaries

Consolidated Balance Sheet

December 31, 2025 and 2024

Unit: NT\$ Thousand

Code	Assets	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6)	\$ 150,356	2	\$ 145,982	2
1150	Notes receivable (Notes 7 and 17)	16,934	-	15,460	-
1170	Accounts receivable, net (Notes 7, 17, 23 and 25)	902,055	10	1,078,125	12
1200	Other receivables (Note 23)	146,248	2	104,296	1
1220	Current income tax assets (Note 19)	11,993	-	-	-
1310	Inventory (Note 8)	2,182,875	24	2,914,847	32
1410	Prepayments	108,899	1	114,288	1
1476	Other financial assets – current (Notes 9 and 25)	210,668	2	122,147	1
1479	Other current assets	43,252	1	21,784	-
11XX	Total current assets	3,773,280	42	4,516,929	49
	Non-current assets				
1600	Property, plant and equipment (Notes 10, 18 and 25)	4,415,323	49	4,257,768	46
1755	Right-of-use assets (Notes 11, 18 and 25)	108,528	1	110,194	1
1760	Investment property (Notes 12 and 25)	36,453	-	45,380	1
1840	Deferred income tax assets (Note 19)	146,274	2	177,789	2
1915	Prepayments for equipment and engineering	243,594	3	58,836	1
1980	Other financial assets – non-current (Notes 9 and 25)	287,000	3	-	-
1990	Other non-current assets (Note 18)	7,193	-	4,778	-
15XX	Total non-current assets	5,244,365	58	4,654,745	51
1XXX	Total assets	\$ 9,017,645	100	\$ 9,171,674	100
	Liabilities and equity				
	Current liabilities				
2100	Short-term loans (Notes 13 and 25)	\$ 2,582,692	29	\$ 3,350,467	36
2110	Short-term notes and bills payable (Note 13)	360,000	4	360,000	4
2130	Contract liabilities – current (Note 17)	113,830	1	177,075	2
2150	Notes payable	7,451	-	7,948	-
2170	Accounts payable	63,157	1	23,782	-
2219	Other payables (Note 14)	251,411	3	233,849	3
2230	Current income tax liabilities (Note 19)	-	-	8,338	-
2280	Lease liabilities – current (Note 11)	-	-	29	-
2322	Long-term loans – current portion (Notes 13 and 25)	132,981	1	157,344	2
2399	Other current liabilities	4,820	-	5,106	-
21XX	Total current liabilities	3,516,342	39	4,323,938	47
	Non-current liabilities				
2540	Long-term loans (Notes 13 and 25)	1,284,031	14	788,736	9
2570	Deferred income tax liabilities (Note 19)	43,275	1	41,076	-
2645	Deposit received	14,365	-	14,357	-
25XX	Total non-current liabilities	1,341,671	15	844,169	9
2XXX	Total liabilities	4,858,013	54	5,168,107	56
	Equity attributable to owners of the Company (Note 16)				
3110	Ordinary share capital	1,663,868	18	1,663,868	18
3200	Capital surplus	1,243,130	14	1,243,130	14
	Retained earnings				
3310	Legal reserve	338,045	4	315,505	3
3320	Special reserve	134,296	1	217,768	2
3350	Undistributed earnings	878,543	10	697,592	8
3300	Total retained earnings	1,350,884	15	1,230,865	13
3400	Other equity	(98,250)	(1)	(134,296)	(1)
3XXX	Total equity	4,159,632	46	4,003,567	44
3X2X	Total liabilities and equity	\$ 9,017,645	100	\$ 9,171,674	100

The accompanying notes shall constitute an integral part of the consolidated financial statements.

(Please refer to the audit report issued by Deloitte Taiwan on March 10, 2026.)

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

Yuen Chang Stainless Steel Co., Ltd. and its subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2025 and 2024

Unit: NTD thousand, except for EPS (NTD)

Code		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue, net (Note 17)	\$ 10,093,068	100	\$ 10,714,847	100
5000	Operating costs (Notes 8 and 18)	<u>9,148,464</u>	<u>90</u>	<u>9,679,325</u>	<u>91</u>
5900	Gross profit	<u>944,604</u>	<u>10</u>	<u>1,035,522</u>	<u>9</u>
	Operating expenses (Notes 7 and 18)				
6100	Selling expenses	371,364	4	484,920	5
6200	Administrative expenses	169,494	2	159,026	1
6300	R&D expenses	38,060	-	19,990	-
6450	Loss on (gain on) reversal of expected credit impairment	(<u>281</u>)	<u>-</u>	<u>598</u>	<u>-</u>
6000	Total operating expenses	<u>578,637</u>	<u>6</u>	<u>664,534</u>	<u>6</u>
6900	Net operating profit	<u>365,967</u>	<u>4</u>	<u>370,988</u>	<u>3</u>
	Non-operating revenue and expenses (Note 18)				
7100	Interest revenue	8,257	-	5,155	-
7010	Other revenue	57,063	-	25,682	-
7020	Other gains and losses	(401)	-	21,560	-
7050	Financial costs	(<u>135,051</u>)	(<u>1</u>)	(<u>170,478</u>)	(<u>1</u>)
7000	Total non-operating revenue and expenses	(<u>70,132</u>)	(<u>1</u>)	(<u>118,081</u>)	(<u>1</u>)
7900	Profit before tax	295,835	3	252,907	2
7950	Income tax expenses (Note 19)	<u>26,068</u>	<u>-</u>	<u>27,509</u>	<u>-</u>
8200	Net income	<u>269,767</u>	<u>3</u>	<u>225,398</u>	<u>2</u>

(Continued)

(Brought Forward)

Code		2025		2024	
		Amount	%	Amount	%
8360	Other comprehensive income Items that might be reclassified to profit and loss				
8361	Exchange differences on translation of foreign financial statements	\$ 36,046	-	\$ 83,471	1
8300	Other comprehensive income for the current period (net after tax)	36,046	-	83,471	1
8500	Total comprehensive income for the current year	\$ 305,813	3	\$ 308,869	3
8600	Net income attributed to:				
8610	Owners of the Company	\$ 269,767	3	\$ 225,398	2
8700	Total comprehensive income attributed to:				
8710	Owners of the Company	\$ 305,813	3	\$ 308,869	3
	Earnings per share (Note 20)				
9750	Basic earnings per share	\$ 1.62		\$ 1.35	
9850	Diluted earnings per share	\$ 1.62		\$ 1.35	

The accompanying notes shall constitute an integral part of the consolidated financial statements.

(Please refer to the audit report issued by Deloitte Taiwan on March 10, 2026.)

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

Yuen Chang Stainless Steel Co., Ltd. and its subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NT\$ Thousand

		Equity attributable to owners of the Company						Other equity items	
Code		Retained earnings					Exchange differences on translation of foreign financial statements	Total equity	
		Share capital	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Total		
A1	Balance on January 1, 2024	\$1,663,868	\$1,326,323	\$ 315,505	\$ 152,537	\$ 537,425	\$1,005,467	(\$ 217,767)	\$3,777,891
	2023 Appropriation and distribution of retained earnings (Note 16)								
B1	Legal reserve	-	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	65,231	(65,231)	-	-	-
B5	Cash dividends to the Company’s shareholders	-	-	-	-	-	-	-	-
C15	Cash dividends allocated from capital surplus (Note 16)	-	(83,193)	-	-	-	-	-	(83,193)
D1	Profit 2024	-	-	-	-	225,398	225,398	-	225,398
D3	2024 Other comprehensive income after tax	-	-	-	-	-	-	83,471	83,471
D5	2024 Total comprehensive income	-	-	-	-	225,398	225,398	83,471	308,869
Z1	Balance on December 31, 2024	1,663,868	1,243,130	315,505	217,768	697,592	1,230,865	(134,296)	4,003,567
	2024 Appropriation and distribution of retained earnings (Note 16)								
B1	Legal reserve	-	-	22,540	-	(22,540)	-	-	-
B5	Cash dividends to the Company’s shareholders	-	-	-	-	(149,748)	(149,748)	-	(149,748)
B17	Reversal of special reserve	-	-	-	(83,472)	83,472	-	-	-
		-	-	22,540	(83,472)	(88,816)	(149,748)	-	(149,748)
D1	Profit 2025	-	-	-	-	269,767	269,767	-	269,767
D3	2025 Other comprehensive income after tax	-	-	-	-	-	-	36,046	36,046
D5	2025 Total comprehensive income	-	-	-	-	269,767	269,767	36,046	305,813
Z1	Balance on December 31, 2025	\$1,663,868	\$1,243,130	\$ 338,045	\$ 134,296	\$ 878,543	\$1,350,884	(\$ 98,250)	\$4,159,632

The accompanying notes shall constitute an integral part of the consolidated financial statements.

(Please refer to the audit report issued by Deloitte Taiwan on March 10, 2026.)

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

Yuen Chang Stainless Steel Co., Ltd. and its subsidiaries

Consolidated Cash Flow Statement

January 1 to December 31, 2025 and 2024

Unit: NT\$ Thousand

Code		2025	2024
	Cash flow from operating activities		
A10000	Profit before tax for the current year	\$ 295,835	\$ 252,907
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expenses	235,728	244,404
A20200	Amortization expenses	40	59
A20300	Loss on (gain on reversal of) expected credit impairment	(281)	598
A20400	Net gains from financial assets and liabilities at fair value through profit or loss	-	(118)
A20900	Financial costs	135,051	170,478
A21200	Interest revenue	(8,257)	(5,155)
A22500	Loss (gain) on disposal of property, plant and equipment	8,168	(3,005)
A22700	Gain on disposal of investment property	(18,819)	-
A23700	Loss (gain on reversal) from inventory price decline	15,892	(22,500)
A29900	Other items	-	(35)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	(1,474)	66,373
A31150	Accounts receivable	177,353	(153,920)
A31180	Other receivables	(41,650)	(9,974)
A31200	Inventories	720,504	(383,749)
A31230	Prepayments	-	(80,858)
A31240	Other current assets	(21,468)	4,770
A32125	Contract liabilities – current	(63,465)	18,459
A32130	Notes payable	(497)	(8,422)
A32150	Accounts payable	37,774	(13,314)
A32180	Other payables	(5,977)	27,315
A32990	Other business liabilities	(286)	771
A33000	Cash inflow from operating activities	1,464,171	105,084
A33100	Interest collected	7,955	5,190
A33300	Interest paid	(136,679)	(171,771)
A33500	Income tax paid	(13,483)	(1,888)
AAAA	Net cash inflow (outflow) from operating activities	<u>1,321,964</u>	<u>(63,385)</u>

(Continued)

(Brought Forward)

Code		2025	2024
	Cash flow from investing activities		
B02700	Acquisition of property, plant and equipment	(\$ 530,898)	(\$ 137,624)
B02800	Proceeds from disposal of property, plant and equipment	9,185	6,389
B05500	Proceeds from disposal of investment property	27,746	-
B06500	Increase in other financial assets	(375,521)	(10,127)
B06700	Increase in other non-current assets	(2,455)	(73)
BBBB	Net cash outflow from investing activities	(871,943)	(141,435)
	Cash flow from financing activities		
C00100	Increase in short-term loans	-	377,829
C00200	Decrease in short-term loans	(771,040)	-
C00600	Decrease in short-term notes and bills payable	-	(10,000)
C01300	Repayment of corporate bonds	-	(2,400)
C01600	Borrowing of long-term loans	2,400,314	579,800
C01700	Repayment of long-term loans	(1,929,998)	(818,790)
C03000	Increase in deposit received	-	2,970
C04020	Repayment of principal portion of lease liabilities	(29)	(113)
C04500	Allocation of cash dividends	(149,748)	(83,193)
CCCC	Net cash inflow (outflow) from financing activities	(450,501)	46,103
DDDD	Effect of foreign exchange rate changes on cash	4,854	80,013
EEEE	Net increase (decrease) in cash and cash equivalents for the current year	4,374	(78,704)
E00100	Balance of cash and cash equivalents, beginning	145,982	224,686
E00200	Balance of cash and cash equivalents, ending	\$ 150,356	\$ 145,982

The accompanying notes shall constitute an integral part of the consolidated financial statements.

(Please refer to the audit report issued by Deloitte Taiwan on March 10, 2026.)

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

[Attachment 6]

2025 Parent Company Only Financial Statements and External Auditor's Report

External Auditor's Report

To: Yuen Chang Stainless Steel Co., Ltd.

Audit Opinions

We have completed our review on the Parent Company Only Balance Sheet of Yuen Chang Stainless Steel Co., Ltd. (hereinafter referred to as the "Company") on December 31, 2025 and 2024, and Parent Company Only Statement of Comprehensive Income, Parent Company Only Statement of Changes in Equity, Parent Company Only Cash Flow Statement, and Notes to the Parent Company Only Financial Statements (including a summary of significant accounting policies) for January 1 to December 31, 2025 and 2024.

In our opinion, said parent company only financial statements in all major respects are in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. They are sufficient to adequately express the parent company only financial status of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and parent company only cash flow from January 1 through December 31, 2025 and 2024.

Basis for the Audit Opinions

We are entrusted to conduct our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of the report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions, based on our audit results and the other external auditors' report.

Key Audit Matters

Key audit matters refer to the most important matters for the audit of the 2025 parent company only financial statements of the Company based on our professional judgment. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of 2025 parent company only financial statements of the Company and its subsidiaries are hereby stated as follows:

Adequacy of the deadline for sales revenue

According to the delivery terms and conditions agreed on by the Company and customers, there was a deviation between the physical shipping date and delivery date or on board date. We evaluated that revenue risk might be recognized earlier than the actual delivery or on board. Therefore, we identify the adequacy of the deadline for the sales revenue close to the balance sheet date as the key audit matters.

Meanwhile, we also perform the following primary audit procedures:

- I. Test the internal control related to adequacy of the deadline for recognition of the revenue.
- II. Perform random checks on customer orders, shipping bills and sales invoices from the statement of operating revenue to identify whether the buyers identified in the customers' orders and sales invoices are identical, and whether the sales invoice amount is consistent with the recognized revenue. Perform random checks on the external shipping certificates from the statement of operating revenue dated close to the balance sheet date, in order to confirm that the sales revenue is recognized within adequate accounting period.

Responsibilities of the management and governing body to the parent company only financial statements

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

In preparing the parent company only financial statements, the management is responsible for assessing the ability of the Company to continue operations, disclosing related matters, as well as continuing operations with the basis of accounting, unless the management either intends to liquidate the Company or to cease operations, or has no feasible alternative but to do so.

Those charged with governance (including Audit Committee) are responsible for overseeing

the financial reporting process of the Company.

External Auditors' Responsibilities for the Audit on Parent Company Only Financial Statements

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

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

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

- V. Evaluate the overall presentation, structure, and contents of the parent company only financial statements, including the related notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- VI. Obtain sufficient and appropriate audit evidence regarding the financial information of entities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion on the Company.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence under the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and to communicate with them all relationships and other matters that may reasonably be considered affecting our independence, and where applicable, other matters (including related safeguards).

From the matters communicated with the governance unit, we have determined key audit matters of 2025 parent company only financial statements of the Company. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Taiwan

CPA: Hsu Kai-Ning

CPA: Chang Tzu-Yuan

Approval reference of the Financial
Supervisory Commission

Jin-Guan-Zheng-Shen-Zi No. 1090347472

Approval reference of the Financial
Supervisory Commission

Jin-Guan-Zheng-Shen-Zi No. 1120349008

March 10, 2026

Yuen Chang Stainless Steel Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2025 and 2024

Unit: NT\$ Thousand

Code	Assets	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6)	\$ 23,987	-	\$ 29,313	-
1150	Notes receivable (Notes 7 and 18)	-	-	509	-
1170	Accounts receivable (Notes 7, 18, 24, 25, and 26)	219,555	3	246,424	4
1200	Other receivables (Note 24)	143,573	2	100,644	1
1220	Current income tax assets (Note 20)	11,993	-	-	-
1310	Inventory (Note 8)	1,554,107	23	2,177,513	33
1410	Prepayments	33,984	1	79,424	1
1476	Other financial assets – current (Notes 9 and 26)	200,100	3	122,000	2
1479	Other current assets	2,763	-	1,364	-
11XX	Total current assets	<u>2,190,062</u>	<u>32</u>	<u>2,757,191</u>	<u>41</u>
	Non-current assets				
1550	Investments under equity method (Note 10)	3,035,082	45	2,678,760	40
1600	Property, plant and equipment (Notes 11, 19, and 26)	1,090,593	16	1,131,079	17
1755	Right-of-use assets (Notes 12 and 19)	-	-	29	-
1760	Investment property (Notes 13 and 26)	36,453	1	45,380	1
1840	Deferred income tax assets (Note 20)	75,759	1	62,322	1
1915	Prepayments for equipment and engineering	42,471	1	330	-
1980	Other financial assets – non-current (Notes 9 and 26)	287,000	4	-	-
1990	Other non-current assets	2,670	-	257	-
15XX	Total non-current assets	<u>4,570,028</u>	<u>68</u>	<u>3,918,157</u>	<u>59</u>
1XXX	Total assets	<u>\$ 6,760,090</u>	<u>100</u>	<u>\$ 6,675,348</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term loans (Notes 14 and 26)	\$ 1,078,022	16	\$ 1,427,740	21
2110	Short-term notes and bills payable (Note 14)	360,000	5	360,000	6
2130	Contract liabilities – current (Note 18)	97,162	2	163,168	3
2150	Notes payable	7,451	-	7,948	-
2170	Accounts payable (Note 25)	5,453	-	6,393	-
2219	Other payables (Note 15)	87,256	1	85,481	1
2230	Current income tax liabilities (Note 20)	-	-	8,338	-
2280	Lease liabilities – current (Note 12)	-	-	29	-
2322	Long-term loans – current portion (Notes 14 and 26)	60,000	1	-	-
2399	Other current liabilities	4,144	-	4,437	-
21XX	Total current liabilities	<u>1,699,488</u>	<u>25</u>	<u>2,063,534</u>	<u>31</u>
	Non-current liabilities				
2540	Long-term loans (Notes 14 and 26)	872,319	13	579,251	9
2570	Deferred income tax liabilities (Note 20)	15,187	-	15,532	-
2645	Deposit received	13,464	-	13,464	-
25XX	Total non-current liabilities	<u>900,970</u>	<u>13</u>	<u>608,247</u>	<u>9</u>
2XXX	Total liabilities	<u>2,600,458</u>	<u>38</u>	<u>2,671,781</u>	<u>40</u>
	Equity (Note 17)				
3100	Ordinary share capital	1,663,868	25	1,663,868	25
3200	Capital surplus	1,243,130	18	1,243,130	19
	Retained earnings				
3310	Legal reserve	338,045	5	315,505	5
3320	Special reserve	134,296	2	217,768	3
3350	Undistributed earnings	878,543	13	697,592	10
3300	Total retained earnings	<u>1,350,884</u>	<u>20</u>	<u>1,230,865</u>	<u>18</u>
3400	Other equity	(98,250)	(1)	(134,296)	(2)
3XXX	Total equity	<u>4,159,632</u>	<u>62</u>	<u>4,003,567</u>	<u>60</u>
3X2X	Total liabilities and equity	<u>\$ 6,760,090</u>	<u>100</u>	<u>\$ 6,675,348</u>	<u>100</u>

The accompanying notes shall constitute an integral part of the parent company only financial statements.

(Please refer to the audit report issued by Deloitte Taiwan on March 10, 2026.)

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

Yuen Chang Stainless Steel Co., Ltd.
Parent Company Only Statement of Comprehensive Income
January 1 to December 31, 2025 and 2024

Unit: NTD thousand, except for EPS (NTD)

Code		2025		2024	
		Amount	%	Amount	%
4000	Net operating revenue (Notes 18 and 25)	\$7,444,716	100	\$7,880,350	100
5000	Operating costs (Notes 8 and 19)	<u>7,128,584</u>	<u>95</u>	<u>7,324,866</u>	<u>93</u>
5900	Gross profit	<u>316,132</u>	<u>5</u>	<u>555,484</u>	<u>7</u>
	Operating expenses (Note 19)				
6100	Selling expenses	288,863	4	383,360	5
6200	Administrative expenses	68,621	1	61,795	1
6300	R&D expenses	<u>4,468</u>	<u>-</u>	<u>4,567</u>	<u>-</u>
6000	Total operating expenses	<u>361,952</u>	<u>5</u>	<u>449,722</u>	<u>6</u>
6900	Net operating profit (loss)	(<u>45,820</u>)	<u>-</u>	<u>105,762</u>	<u>1</u>
	Non-operating revenue and expenses				
7100	Interest income (Note 19)	7,315	-	1,739	-
7010	Other revenue (Note 19)	18,365	-	5,303	-
7020	Other gains and losses (Notes 19 and 25)	13,013	-	19,177	-
7050	Financial costs (Note 19)	(64,012)	(1)	(54,402)	-
7070	Share of profit or loss of subsidiaries accounted for using equity method (Note 10)	<u>320,276</u>	<u>5</u>	<u>164,615</u>	<u>2</u>
7000	Total non-operating revenue and expenses	<u>294,957</u>	<u>4</u>	<u>136,432</u>	<u>2</u>
7900	Profit before tax	249,137	4	242,194	3
7950	Income tax expenses (gains) (Note 20)	(<u>20,630</u>)	<u>-</u>	<u>16,796</u>	<u>-</u>
8200	Net income	<u>269,767</u>	<u>4</u>	<u>225,398</u>	<u>3</u>

(Continued)

(Brought Forward)

Code		2025		2024	
		Amount	%	Amount	%
	Other comprehensive income				
8360	Items that might be reclassified to profit and loss				
8380	Share of other comprehensive income of subsidiaries accounted for using equity method	\$ 36,046	-	\$ 83,471	1
8300	Other comprehensive income for the current year	36,046	-	83,471	1
8500	Total comprehensive income for the current year	\$ 305,813	4	\$ 308,869	4
	Earnings per share (Note 21)				
9750	Basic earnings per share	\$ 1.62		\$ 1.35	
9850	Diluted earnings per share	\$ 1.62		\$ 1.35	

The accompanying notes shall constitute an integral part of the parent company only financial statements.

(Please refer to the audit report issued by Deloitte Taiwan on March 10, 2026.)

Chairman: Yen Te-Ho General Manager: Yen Te-Ho Accounting Manager: Chu Pei-Chen

Yuen Chang Stainless Steel Co., Ltd.
Parent Company Only Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NT\$ Thousand

Code		Share capital	Capital surplus	Retained earnings			Total	Other equity items	Total equity
				Legal reserve	Special reserve	Undistributed earnings		Exchange differences on translation of foreign financial statements	
A1	Balance on January 1, 2024	<u>\$1,663,868</u>	<u>\$1,326,323</u>	<u>\$ 315,505</u>	<u>\$ 152,537</u>	<u>\$ 537,425</u>	<u>\$1,005,467</u>	<u>(\$ 217,767)</u>	<u>\$3,777,891</u>
	2023 Appropriation and distribution of retained earnings (Note 17)								
B3	Special reserve	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,231</u>	<u>(65,231)</u>	<u>-</u>	<u>-</u>	<u>-</u>
C15	Cash dividends allocated from capital surplus (Note 17)	<u>-</u>	<u>(83,193)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,193)</u>
D1	Profit 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,398</u>	<u>225,398</u>	<u>-</u>	<u>225,398</u>
D3	2024 Other comprehensive income after tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,471</u>	<u>83,471</u>
D5	2024 Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,398</u>	<u>225,398</u>	<u>83,471</u>	<u>308,869</u>
Z1	Balance on December 31, 2024	<u>1,663,868</u>	<u>1,243,130</u>	<u>315,505</u>	<u>217,768</u>	<u>697,592</u>	<u>1,230,865</u>	<u>(134,296)</u>	<u>4,003,567</u>
	2024 Appropriation and distribution of retained earnings (Note 17)								
B1	Legal reserve	<u>-</u>	<u>-</u>	<u>22,540</u>	<u>-</u>	<u>(22,540)</u>	<u>-</u>	<u>-</u>	<u>-</u>
B5	Cash dividends to the Company's shareholders	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(149,748)</u>	<u>(149,748)</u>	<u>-</u>	<u>(149,748)</u>
B17	Reversal of special reserve	<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,472)</u>	<u>83,472</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>	<u>22,540</u>	<u>(83,472)</u>	<u>(88,816)</u>	<u>(149,748)</u>	<u>-</u>	<u>(149,748)</u>
D1	Profit 2025	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>269,767</u>	<u>269,767</u>	<u>-</u>	<u>269,767</u>
D3	2025 Other comprehensive income after tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,046</u>	<u>36,046</u>
D5	2025 Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>269,767</u>	<u>269,767</u>	<u>36,046</u>	<u>305,813</u>
Z1	Balance on December 31, 2025	<u>\$1,663,868</u>	<u>\$1,243,130</u>	<u>\$ 338,045</u>	<u>\$ 134,296</u>	<u>\$ 878,543</u>	<u>\$1,350,884</u>	<u>(\$ 98,250)</u>	<u>\$4,159,632</u>

The accompanying notes shall constitute an integral part of the parent company only financial statements.

(Please refer to the audit report issued by Deloitte Taiwan on March 10, 2026.)

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

Yuen Chang Stainless Steel Co., Ltd.
Parent Company Only Cash Flow Statement
January 1 to December 31, 2025 and 2024

Unit: NT\$ Thousand

Code		2025	2024
	Cash flow from operating activities		
A10000	Profit before tax for the current year	\$ 249,137	\$ 242,194
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expenses	57,059	53,450
A20400	Net gains from financial assets and liabilities at fair value through profit or loss	-	(118)
A20900	Financial costs	64,012	54,402
A21200	Interest revenue	(7,315)	(1,739)
A22400	Share of profit or loss of subsidiaries accounted for using equity method	(320,276)	(164,615)
A22500	Loss on disposal of property, plant and equipment	424	-
A22700	Gain on disposal of investment property	(18,819)	-
A29900	Other items	-	(35)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	509	135
A31150	Accounts receivable	26,869	(37,748)
A31180	Other receivables	(42,627)	(7,271)
A31200	Inventories	668,846	(600,492)
A31230	Prepayments	-	(63,862)
A31240	Other current assets	(1,399)	56
A32125	Contract liabilities – current	(66,006)	61,003
A32130	Notes payable	(497)	(8,422)
A32150	Accounts payable	(940)	(4,917)
A32180	Other payables	(880)	12,474
A32990	Other business liabilities	(293)	749
A33000	Cash inflow (outflow) from operating activities	607,804	(464,756)
A33100	Interest collected	7,013	1,774
A33300	Interest paid	(63,205)	(52,954)
A33500	Income tax paid	(13,483)	(1,888)
AAAA	Net cash inflow (outflow) from operating activities	<u>538,129</u>	<u>(517,824)</u>
	Cash flow from investing activities		
B02700	Acquisition of property, plant and equipment	(60,500)	(57,358)
B02800	Proceeds from disposal of property, plant and equipment	4,457	-
B05500	Proceeds from disposal of investment property	27,746	-

(Continued)

(Brought Forward)

Code		2025	2024
B06500	Increase in other financial assets	(\$ 365,100)	(\$ 13,340)
B06700	Decrease (increase) in other non-current assets	(2,413)	76
BBBB	Net cash outflow from investing activities	(395,810)	(70,622)
	Cash flow from financing activities		
C00100	Increase in short-term loans	-	681,472
C00200	Decrease in short-term loans	(349,718)	-
C00600	Decrease in short-term notes and bills payable	-	(10,000)
C01300	Repayment of corporate bonds	-	(2,400)
C01600	Borrowing of long-term loans	1,896,850	579,800
C01700	Repayment of long-term loans	(1,545,000)	(600,000)
C03000	Increase in deposit received	-	3,416
C04020	Repayment of principal portion of lease liabilities	(29)	(113)
C04500	Allocation of cash dividends	(149,748)	(83,193)
CCCC	Net cash inflow (outflow) from financing activities	(147,645)	568,982
EEEE	Net decrease in cash and cash equivalents for the current year	(5,326)	(19,464)
E00100	Balance of cash and cash equivalents, beginning	29,313	48,777
E00200	Balance of cash and cash equivalents, ending	\$ 23,987	\$ 29,313

The accompanying notes shall constitute an integral part of the parent company only financial statements.

(Please refer to the audit report issued by Deloitte Taiwan on March 10, 2026.)

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

[Attachment 7]

Yuen Chang Stainless Steel Co., Ltd.

2025 Earnings Appropriation Plan

Unit: NT\$	
Item	Amount
Undistributed earnings, beginning	\$608,776,812
Add: Profit of the current year	269,766,783
Undistributed earnings upon adjustment	878,543,595
Less: Provision of 10% legal reserve	(26,976,678)
Add: Reversal of special reserve	36,045,695
Distributable earnings in the current year	\$887,612,612
Distribution items:	
Shareholders' dividends – cash dividend of NT\$1 per share	(166,386,836)
Undistributed earnings in the current year	\$721,225,776

Note 1: The earnings appropriation plan distributes the earnings in the most recent year as the first priority.

Note 2: The record date for distribution of dividends should be set by the Chairman separately upon approval of the shareholders' meeting.

Note 3: The total amount of dividends distributed to shareholders is calculated based on 166,386,836 outstanding shares as of December 31, 2025.

Chairman: Yen Te-Ho

General Manager: Yen Te-Ho

Accounting Manager: Chu Pei-Chen

Yuen Chang Stainless Steel Co., Ltd.

Name List of Director Candidates

Type of Nominee	Name	Educational Background	Work Experience	Current Job Title	Number of shares held (Unit: shares)	Name of government or juristic person represented by him
Director	Yen Te-Ho	EMBA (Master's), National Sun Yat-sen University	Chairman/General Manager, Yuen Chang Stainless Steel Co., Ltd.	General Manager, Yuen Chang Stainless Steel Co., Ltd. Director and also General Manager, QIYI PRECISION METALS CO., LTD. Director and also General Manager, Surewin Global Limited (HK) Chairman of Board, Ningbo Qiyi Precision Metals Co., Ltd. Director, Krystal Holding Ltd.	6,315,568	None
Director	Yen The-Wei	MBA (Master's), University of Missouri, USA Professor, Department of Business Management, National Taiwan University	General Manager, Yuen Chang Stainless Steel Co., Ltd. Sales Manager, Business Banking Unit, American Express Bank Specialist, Import & Export Dept., Citibank Taiwan	Vice Chairman, Yuen Chang Stainless Steel Co., Ltd. Chairman of Board, Pei Li Investment Co., Ltd.	1,222,482	None
Representative of Juristic Person Director	Chang Yun-Ching	MBA, Purdue University Department of International Business, National Taiwan University	Financial Specialist, HTC Corporation Financial Specialist, Taishin International Bank	Chairman's Special Assistant, Yuen Chang Stainless Steel Co., Ltd. Supervisor, Ningbo Qiyi Precision Metals Co., Ltd.	37,731,750	Yuji Investment Co., Ltd.

Type of Nominee	Name	Educational Background	Work Experience	Current Job Title	Number of shares held (Unit: shares)	Name of government or juristic person represented by him
					1,125,530	Representative of Juristic Person Director: Chang Yun-Ching
Independent director	Chen Chih-Cheng	Department of Accounting, Feng Chia University	Senior Assistant Vice President, Deloitte Taiwan Independent Director, Chang Wah Electromaterials Inc.	Practicing CPA, Zhuo Cheng CPA Firm Independent Director, Jason Co., Ltd. Independent Director, Tung Ho Textile Co., Ltd. Supervisor, Honley Auto. Parts Co., Ltd. Supervisor, Kaohsiung CPA Association	0	None
Independent director	Tu Chin-Hsiang	EMBA (Master's), National Sun Yat-sen University	Assistant Vice President, Kinmax Technology Inc. Sales Engineer, Acer Incorporated	Senior Assistant Vice President, Kinmax Technology Inc.	0	None
Independent director	Liu Hsin-Hung	Ph.D., Business Intelligence School, National Kaohsiung University of Science and Technology Master's degree, Department of Public Finance and Taxation, Business Intelligence School, National	Director, Yeou Yih Steel Co., Ltd. Supervisor, Yeou Yih Steel Co., Ltd. Adjunct Assistant Professor, National Kaohsiung University of Science and Technology	Executive Vice President, SUMI STEEL CO., LTD.	133,888	None

Type of Nominee	Name	Educational Background	Work Experience	Current Job Title	Number of shares held (Unit: shares)	Name of government or juristic person represented by him
		Kaohsiung University of Science and Technology				
Independent director	Wu Shu-Hui	Master's degree, College of Management, National Sun Yat-sen University	Chief Procurement Officer, King Point Enterprise Co., Ltd.	General Manager, Sanhong International Co., Ltd.	5,000	None

Yuen Chang Stainless Steel Co., Ltd.

Sustainable Development Best Practice Principles (before amendments)

Passed at the annual general meeting on June 21, 2014

1st amendment made at the Board of Directors meeting on April 10, 2015

2nd amendment made at the Board of Directors on October 20, 2016

3rd amendment made at the Board of Directors meeting on March 20, 2020

4th amendment made at the Board of Directors meeting on December 23, 2021

5th amendment made at the Board of Directors meeting on March 16, 2023

Chapter 1. General Provisions

Article 1 In order to assist the Company to fulfill its corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development and management of the Company's risk and influence over the economy, environment and society, the Company hereby jointly adopts the Principles to be followed by the Company.

Article 2 The Principles apply to business activities of the Company and its group companies. The Company actively fulfills sustainable development in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.

Article 3 In promoting sustainable development initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance. The Company shall, in accordance with the materiality principle, conduct risk assessments on environmental, social, and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.

Article 4 To implement sustainable development initiatives, the Company is advised to follow the principles below:

1. Exercise corporate governance;
2. Foster a sustainable environment;
3. Preserve public welfare;
4. Enhance disclosure of corporate sustainable development information.

Article 5 The Company shall take into consideration the correlation between the development of domestic and international sustainable development issues and corporate core business operations, and the effect of the operation of individual companies and of its business group as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for sustainable development

programs, which shall be approved by the Board of Directors and then reported to the shareholders' meeting.

When a shareholder proposes a motion involving sustainable development, the Company's Board of Directors is advised to review and consider including it in the shareholders' meeting agenda.

Chapter 2. Exercise Corporate Governance

Article 6. The Company is advised to follow the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Code of Ethical Conduct for TWSE/TPEX Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7 The Company's directors shall exercise the due care of good administrators to urge the Company to perform its sustainable development initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies.

The Board of Directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the Company's promotion of its sustainable development objectives:

1. Identifying the Company's sustainable development mission or vision, and declaring its sustainable development policy, systems or relevant management guidelines;
2. Making sustainable development the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for sustainable development initiatives; and
3. Enhancing the timeliness and accuracy of the disclosure of sustainable development information.

The Company shall have the Board of Directors authorize the senior management to deal with the issues in the domains of economy, environment and society and report the results to the Board of Directors. The relevant operating procedures and responsible persons shall be expressly specified.

Article 8 The Company is advised to, on a regular basis, organize education and training on the promotion of sustainable development initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9 For the purpose of managing sustainable development initiatives, the Company is advised to create a governance structure for promotion of sustainable development, and establish a unit dedicated to (or concurrently engaged in) promoting the sustainable development and being in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the Board of Directors on a periodic basis.

The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.

It is advised that the employee performance evaluation system be combined with sustainable development policies, and that a clear and effective incentive and discipline system be established.

Article 10 The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Chapter 3. Foster a Sustainable Environment

Article 11 The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 12 The Company is advised to endeavor to utilize energy more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 13 The Company is advised to establish proper environment management systems based on the characteristics of its industries. Such systems shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the Company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.

Article 14 The Company is advised to establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for its managerial officers and other employees on a regular basis.

Article 15 The Company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:

1. Reduce resource and energy consumption of their products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.

4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.

Article 16 To improve water use efficiency, the Company shall properly and sustainably use water resources and establish relevant management measures. The Company shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use its best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 17 The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt related responsive measures. The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company.
2. Indirect greenhouse gas emissions: emissions resulting from the utilization of energy such as imported electricity, heating, or steam.
3. Other indirect emissions: emissions resulting from corporate activities that are not indirect emissions from energy, but are from other sources of emissions owned or controlled by the Company.

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

Chapter 4. Preserve Public Welfare

Article 18 The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

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

1. Presenting a corporate policy or statement on human rights.
2. Evaluating the impact of the Company's business operations and internal management on human rights, and adopting corresponding handling processes.
3. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.
4. In the event of any infringement of human rights, the Company shall disclose the processes for handling of the matter with respect to the stakeholders involved.

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

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

Article 19 The Company shall provide information for its employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the Company has business operations.

Article 20 The Company is advised to provide safe and healthful work environments for its employees, including necessary health and first-aid facilities, and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

The Company is advised to organize training on safety and health for its employees on a regular basis.

Article 21 The Company is advised to create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills.

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

Article 22 The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the Company's operations, management and decisions.

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

The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.

Article 22-1 The Company is advised to treat customers or consumers of its products or services in a fair and reasonable manner, including the following principles: fairness and good faith

in contracting, duty of care and fiduciary duty, truthfulness in advertising and soliciting, fitness of products or services, notification and disclosure, commensuration between compensation and performance, protection of the right to complain, professionalism of salespersons etc. The Company shall also develop the relevant strategies and specific measures for implementation.

Article 23 The Company shall take responsibility for their products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the Company shall ensure the transparency and safety of its products and services. It shall also establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.

Article 24 The Company shall ensure the quality of its products and services by following the laws and regulations of the government and relevant standards of its industries.

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

Article 25 The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.

The Company is advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Data Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 26 The Company is advised to assess the impact its procurement has on society as well as the environment of the community that it is procuring from, and shall cooperate with its suppliers to jointly implement the corporate social responsibility initiative.

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

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

Article 27 The Company shall evaluate the impact of its business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

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

Article 27-1 The Company is advised to, through donation, sponsorship, investment, procurement, strategic cooperation, enterprise's voluntary technical service or other supporting models, dedicate resources to arts and culture activities or cultural and creative industries to promote the cultural development.

Chapter 5. Enhance disclosure of corporate sustainable development information

Article 28 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles and shall fully disclose relevant and reliable information relating to its sustainable development initiatives to improve information transparency.

Relevant information relating to sustainable development which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for sustainable development initiatives, as resolved by the Board of Directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for promoting the sustainable development initiatives established by the Company, and performance in implementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Other information relating to sustainable development initiatives.

Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing sustainability reports, to disclose the status of its implementation of the sustainable development policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives.
2. Major stakeholders and their concerns.

3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
4. Future improvements and goals.

Article 30 The Company shall at all times monitor the development of domestic and foreign sustainable development standards and the change of business environment so as to examine and improve the sustainable development system established by it and to obtain better results from the promotion of the sustainable development policy.

Yuen Chang Stainless Steel Co., Ltd.

Regulations for Election of Directors

Established at the annual general meeting on June 21, 2014

1st amendments made at the special shareholders' meeting on January 9, 2015

2nd amendments made at the annual general meeting on June 30, 2015

- I. The election of the directors of the Company shall be conducted in accordance with the "Regulations for Election of Directors."
- II. The cumulative voting method shall be used for election of the directors of the Company. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates.

The overall composition of the Board of Directors shall be taken into consideration in the election of the Company's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration. An appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

1. Basic Requirements and Values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

All members of the Board shall have the knowledge, skills, and experience necessary to perform their duties. The Board of Directors shall possess the following abilities:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Operational ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership.
8. Ability to make policy decisions.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The Company's Board of Directors will consider adjusting the composition of the Board members based on the performance appraisal results.

- III. The Board of Directors shall prepare ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders' meeting. The names of the voters can be replaced by the attendance certificate number printed on the ballot. For those who exercise the voting right by electronic means, no

ballot will be prepared separately.

- IV. The qualifications of the Company's independent directors shall comply with Article 2, Article 3 and Article 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

The election of the Company's independent directors shall comply with Article 5, Article 6, Article 7, Article 8 and Article 9 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and apply Article 24 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."

- V. Before the election begins, the chairperson shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.

- VI. If the candidate is a shareholder, the voter must fill in the name in the "Candidate" column of the ballot with the candidate's shareholder account name and number noted. If the candidate is not a shareholder, the name and the ID card number or passport number of the candidate should be filled in the said column of the ballot. However, when the government or juristic person shareholder is a candidate, the title of the government or juristic person should be filled in the "Candidate" column of the ballot with the name of its representative stated. If there is more than one representative appointed, they shall be specified separately.

- VII. The election of directors of the Company shall be conducted under the nomination system prescribed in Article 192-1 of the Company Act. In order to review the qualifications, academic background, working experience, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee directors, the Company may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the review results to shareholders for their reference so that qualified directors will be elected.

When the number of directors falls below five due to the discharge of a director for any reason, the Company shall hold a by-election for director at the following shareholders' meeting. When the number of directors falls short by one-third of the total number prescribed by the Articles of Incorporation, the Company shall convene a special shareholders' meeting within 60 days of the occurrence of that fact for a by-election for director(s).

When the number of independent directors is lower than the requirement under Paragraph 1 of Article 14-2 of the Securities and Exchange Act or the subparagraph 8 of the "Standards for Determining Unsuitability for TPEX Listing under Article 10, Paragraph 1 of the Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX," an independent director by-election shall be held at the next shareholders' meeting. When all independent directors have been dismissed, the Company shall convene a special shareholders meeting to hold a by-election within 60 days from the date on which the fact occurred.

- VIII. An election ballot is invalid under any of the following circumstances:

- (1) The ballot is not prepared by the Board of Directors.
- (2) A blank ballot is placed in the ballot box.

- (3) The writing is unclear and indecipherable or has been altered.
- (4) The candidate whose name is entered in the ballot is a shareholder and his/her account name and shareholder account number does not conform to the shareholder registry, or the candidate whose name is entered in the ballot is not a shareholder and does not conform to the name and ID card No. provided.
- (5) Other words are entered in addition to the candidate's account name (name) and shareholder account number (ID No.) and the number of voting rights allotted.
- (6) The candidate's name entered in the ballot is identical with another shareholder's name, but no shareholder account number or ID No. is provided in the ballot to identify such individual.
- (7) Fill in two or more candidates on the same ballot.
- (8) The total number of voting rights allotted exceeds the voting rights held by the voters.

IX. The Company's directors shall be elected from the persons with legal capacity at a shareholders' meeting. The number of directors will be as specified in this Company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Where an elected director is checked and found to have inconsistent personal data or the election is found invalid pursuant to related laws and regulations, a candidate winning the second highest votes in the same election process shall be announced to fill the vacancy at the given shareholders' meeting.

X. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they are elected, shall be announced by the chairperson on the site. The ballots for the election items mentioned in the preceding paragraph shall be sealed and signed by the monitoring personnel and then properly kept for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

XI. The Board of Directors of the Company shall issue notifications to the persons elected as directors.

XII. Any matters not covered herein shall be governed by the Company Act, the Articles of Incorporation and related laws and regulations.

XIII. The Regulations were enacted on January 23, 2014, which shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Articles of Incorporation of Yuen Chang Stainless Steel Co., Ltd.

Chapter 1. General Provisions

- Article 1: The Company was organized in accordance with the Company Act, and named as 運鋁鋼鐵股份有限公司 (Yuen Chang Stainless Steel Co., Ltd.).
- Article 2: The Company's business activities comprise the following:
1. CA01050 Aluminum Rolling, Drawing, and Extruding.
 2. CB01010 Mechanical Equipment Manufacturing.
 3. F106010 Wholesale of Hardware.
 4. F111090 Wholesale of Building Materials.
 5. F113010 Wholesale of Machinery.
 6. F115010 Wholesale of Jewelry and Precious Metals.
 7. F206010 Retail Sale of Hardware.
 8. F211010 Retail Sale of Building Materials.
 9. F213080 Retail Sale of Machinery and Tools.
 10. F215010 Retail of Jewelry and Precious Metals.
 11. F401010 International Trade.
 12. CA02990 Other Metal Products Manufacturing.
 13. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company may, based on its business needs, provide guarantees externally in accordance with the Company's Procedure for Making of Endorsements/Guarantees.
- Article 3-1: The total amount of the Company's re-investments may exceed the limit prescribed in Article 13 of the Company Act.
- Article 4: The Company's headquarters shall be located in Kaohsiung City, and branches or branch offices may be established domestically or abroad subject to resolutions by the Board of Directors, if necessary.
- Article 5: The Company shall make announcements, if any, in the manner referred to in Article 28 of the Company Act.

Chapter 2. Shares

- Article 6: The total capital of the Company shall be NT\$2.2 billion, divided into 220 million shares at NT\$10 per share, all common shares, and issued in tranches by the Board of Directors with authorization.
- Article 7: (Deleted)
- Article 8: The share certificates of the Company shall bear the signatures or seals of three directors or more and may only be issued subject to certification by the competent authority or any of its approved institutes.

The Company may issue shares exempted from the requirements about printing of stock certificates after the public offering, and shall register the shares with a centralized securities depository institution.

Article 9: Any changes in the roster of shareholders shall be handled in accordance with Article 165 of the Company Act.

Chapter 3. Shareholders' Meeting

Article 10: The shareholders' meeting is classified into two types, the annual general meeting and the special shareholders' meeting. The annual general meeting shall be convened once per year within six months after the end of each fiscal year. The special shareholders' meeting shall be convened according to laws whenever necessary.

The convention and public announcement of a shareholders' meeting shall be handled in accordance with Article 170 of the Company Act.

Article 10-1: A shareholders' meeting shall be chaired by the Chairman, if it is convened by the Board of Directors. Where the Chairman takes leave or cannot perform his/her duties with causes, the deputy shall be designated in the manner referred to in Article 208 of the Company Act. For shareholders' meetings that are convened by any convener other than the Board of Directors, the convener shall chair the meeting. If there are two or more eligible conveners at the same time, one shall be appointed among themselves to chair the meeting.

Article 11: Any shareholder who is unable to attend a shareholders' meeting in person may appoint another shareholder to attend the meeting to exercise the voting right on behalf of him/her by personally presenting a power of attorney indicating the scope of power as printed by the Company.

Upon the Company's public offering, the shareholders' attendance by proxy and application of the power of attorney shall follow the related requirements under the Company Act, and also the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

Article 12: Each of the Company's shareholders shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2, Article 179 of the Company Act.

Upon the Company's listing on TWSE/TPEx, the Company shall identify the electronic form as one of the methods by which shareholders may exercise their voting right.

Article 13: Resolutions at a shareholders' meeting shall, unless otherwise provided for in related laws, be adopted by a majority of voting rights of the shareholders present, who represent a majority of the total outstanding shares. Resolutions adopted by a shareholders' meeting shall be recorded in the meeting minutes, and shall be governed by Article 183 of the Company Act.

Article 13-1: The Company's application for public offering and revocation of the public offering, if any, shall be governed by Article 156 of the Company Act.

Chapter 4. Directors and Audit Committee

Article 14: The Company shall have 7~9 directors with a term of office of three years, who shall be elected by the shareholders' meeting from among persons with disposing capacity, and they shall be eligible for re-elections. The election of directors adopts a candidates nomination system and directors shall be elected from among the nominees listed in the roster of director candidates at a shareholders' meeting.

Among the directors referred to in the preceding paragraph, the Company may appoint at least 3 independent directors, who shall be no less than one-fifth of the whole directors. The professional qualification, shareholdings, restrictions on concurrent positions, nomination and election of independent directors, and other requirements to be met, shall comply with the related laws and regulations.

If the Chairman of the Board of Directors and the General Manager (or equivalents) are the same person, spouses or relatives within the first degree of kinship, the number of independent directors shall be no less than four. If there are more than 15 directors, the number of independent directors shall be no less than five, and more than half of the directors shall be neither employees nor managers.

The Company may take out the liability insurance for the directors with respect to liabilities resulting from exercising their duties during their terms of office.

Article 14-1: The uni-nominal cumulative voting method shall be used for election of the directors of the Company. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elected.

Where it is necessary to amend said election method, the Company shall comply with Article 172 of the Company Act and also identify the comparative list for the amendments in the causes or subjects to be described.

Article 14-2: The Company establishes the Audit Committee to replace supervisors. The Audit Committee shall consist of the whole independent directors. The authority of the Audit Committee members, parliamentary rules and other requirements to be met shall be governed by the Company Act, Securities and Exchange Act & other related laws and regulations, and the Audit Committee's Articles of Association.

Article 14-3: The Company's Board of Directors may, based on the business operations, establish the Remuneration Committee or other functional committees.

Article 15: The Board of Directors shall consist of the Company's directors. The Chairman shall be elected among and from the directors by a majority of the directors attending a meeting of the Board of Directors at which at least two-third of directors are present. The same shall apply to the election of the Vice Chairman. The Chairman shall represent the Company externally.

Article 16: A Board of Directors meeting shall be chaired by the Chairman of Board. Where the

Chairman takes leave or cannot perform his/her duties with causes, the deputy shall be designated in the manner referred to in Article 208 of the Company Act.

Directors should attend meetings of the Board of Directors in person. If a director cannot attend for some reason, he or she may appoint another director to attend the meeting on behalf of him/her by, in each time, issuing a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. However, each director may accept the appointment to act as the proxy of another director only.

Resolutions at a Board of Directors meeting shall, unless otherwise provided for in related laws, be adopted by a majority of the directors present at the meeting attended by a majority of the whole directors.

The Board of Directors meeting shall be convened for once per quarter. A notice of the reasons for convening the meeting shall be given to each director within 7 days before the meeting is convened, provided that in the case of emergency, the Board of Directors meeting may be convened at any time. The notice of the Board of Directors meeting may be sent to each director in writing or via e-mail or fax.

An independent director may only appoint another independent director to attend a meeting on behalf of him/her, if necessary. None of the general directors is allowed to attend the meeting on behalf of an independent director.

Article 17: The Board of Directors is authorized to resolve the remuneration to all directors based on their participation in the Company's operation and contribution value and the typical pay levels adopted by peer companies, irrelevant with profit or loss retained by the Company.

Chapter 5. Managers

Article 18: The Company shall appoint several managers. The appointment and dismissal thereof and remuneration to them shall be governed by Article 29 of the Company Act.

Chapter 6. Accounting

Article 19: At the end of each fiscal year of the Company, the Board of Directors shall prepare the following documents and submit them to the Audit Committee for audit within 30 days before the date of the annual general meeting and then for ratification by the annual general meeting.

(1) Business Report

(2) Financial statements

(3) Earnings appropriation or loss compensation plan

Article 20: Subject to the profit sought for the current year, the Company shall allocate 2% of the profit as the remuneration to employees. The Board of Directors may resolve to distribute the remuneration in the form of stock or in cash, and the receivers of such stock dividend or cash dividend shall include employees of associates that meet certain conditions. The Board of Directors may also resolve to no more than 2% of said profit

as the remuneration to directors. The remuneration to directors may be allocated in cash only and shall be resolved subject to approval of a majority of the directors attending a meeting of the Board of Directors at which at least two-third of directors are present, and reported to a shareholders' meeting.

In the employee remuneration ratio mentioned in the preceding paragraph, no less than 50% of the remuneration shall be distributed to the entry-level employees.

However, the profit must first be taken to offset against the Company's cumulative losses, if any, and then the remuneration to employees and directors may be allocated subject to the proportions referred to in the preceding paragraph.

Article 20-1: If there is a surplus after account settlement of the fiscal year, the Company shall pay applicable taxes and cover losses carried forward pursuant to laws, followed by the allocation of 10% of the remainder as legal reserve, unless said legal reserve amounts to the Company's total paid-in capital, and then the special reserve or special surplus reserve is appropriated from the balance, if any. After that, if there is still a balance, it will be deemed as the distributable earnings generated in the current year, and be pooled with the undistributed earnings carried forward from previous years for distribution as shareholder dividend under a proposal prepared by the Board of Directors subject to the resolution made by a shareholders' meeting.

The Company's dividend policy is set forth in response to the current and future development plan and by taking into consideration the investment environment, funding needs and domestic/foreign competition, as well as shareholders' equity. The Company may distribute no less than 20% of the distributable earnings generated in the current year as the shareholder dividend and bonus in that year. The shareholder dividend and bonus may be allocated in cash or in the form of stock, provided that the cash dividend allocable shall be no less than 20% of the total dividends.

Chapter 7. Supplementary Provisions

Article 21: Any matters not covered herein shall be governed by the Company Act.

Article 22: The Articles were established on July 13, 1987.

1st amendments hereto were made on February 25, 1988.

2nd amendments hereto were made on February 15, 1990.

3rd amendments hereto were made on September 5, 1990.

4th amendments hereto were made on July 26, 1991.

5th amendments hereto were made on August 12, 1992.

6th amendments hereto were made on August 22, 1993.

7th amendments hereto were made on November 14, 1994.

8th amendments hereto were made on August 8, 1996.

9th amendments hereto were made on October 1, 1997.

10th amendments hereto were made on December 31, 1998.

11th amendments hereto were made on July 13, 1999.

12th amendments hereto were made on May 7, 2000.
13th amendments hereto were made on August 31, 2002.
14th amendments hereto were made on September 25, 2002.
15th amendments hereto were made on May 26, 2004.
16th amendments hereto were made on June 7, 2004.
17th amendments hereto were made on August 15, 2005.
18th amendments hereto were made on March 24, 2007.
19th amendments hereto were made on February 12, 2008.
20th amendments hereto were made on August 22, 2008.
21st amendments hereto were made on April 20, 2010.
22nd amendments hereto were made on September 16, 2011.
23rd amendments hereto were made on September 27, 2011.
24th amendments hereto were made on August 7, 2013.
25th amendments hereto were made on September 30, 2014.
26th amendments hereto were made on January 9, 2015.
27th amendments hereto were made on June 30, 2015.
28th amendments hereto were made on June 28, 2016.
29th amendments hereto were made on June 28, 2017.
30th amendments hereto were made on June 9, 2023.
31st amendments hereto were made on June 6, 2024.
32nd amendments hereto were made on May 27, 2025.

Yuen Chang Stainless Steel Co., Ltd.

Chairman: Yen Te-Ho

Yuen Chang Stainless Steel Co., Ltd.

Shareholding by All Directors

As of the book closure date for this annual general meeting (March 29, 2026), the shareholdings of each director and all directors as recorded in the shareholders' register are as follows:

Job Title	Name	Date of election	Term of office (years)	Shares held as referred to in the roster of shareholders during the book closure period	
				Shares	Shareholding
Chairman	Yen Te-Ho	June 9, 2023	3	6,315,568	3.80%
Director	Yen The-Wei	June 9, 2023	3	1,222,482	0.73%
Director	Yuji Investment Co., Ltd. Representative: Chang Yun-Ching	June 9, 2023	3	37,731,750	22.68%
Independent director	Pan Yung-Shan	June 9, 2023	3	0	0%
Independent director	Chen Chih-Cheng	June 9, 2023	3	0	0%
Independent director	Tu Chin-Hsiang	June 9, 2023	3	0	0%
Independent director	Liu Hsin-Hung	June 9, 2023	3	133,888	0.08%
Total				45,403,688	27.29%

Note:

1. The Company's paid-in capital is NT\$1,663,868,360, with 166,386,836 shares issued.
2. According to Article 26 of the Securities and Exchange Act, the number of shares held by the all directors is 9,983,210 shares.
The minimum number of shares held by the all directors is 45,403,688 shares. The number of shares held by all directors already satisfies the statutory standards.
3. The Company has established the Audit Committee. Therefore, no requirements about minimum shareholdings by supervisors shall apply.
4. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratio at Public Companies," if more than two independent directors are elected, the shareholding ratio of all directors that is calculated proportionally will be reduced to 80%.



Headquarters

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Tel. No.: (07)969-5858 Fax No.: (07)968-5768

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

Stainless Steel Processing Center of Dafa Plant

Address: No. 12, Huaxi Rd., Daliao Dist., Kaohsiung City

Tel. No.: (07)787-9118 Fax No.: (07)787-9728

Ningbo Qiyi Precision Ultra-Thin Stainless Steel Rolling Mill

Address: No. 2, Nanbin N. Rd., Binhai New Area in the south of Ningbo, Ninghai County,
Ningbo City

Tel. No.: (86)574-59996888 Fax No.: (86)574-59990532

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