Stock Code: 2017

官田鋼鐵股份有限公司
Quintain Steel Co.,LTD

2025 Annual Shareholders' Meeting

Meeting Agenda Handbook

Date: 10:00 a.m. (Wednesday), May 28, 2025

Place: No. 47, Xinjian Rd., South Dist., Tainan City (Hotel Château Anping)

Disclaimer:

This English translation is prepared in accordance with the Chinese version and is for reference purposes only. If there are any inconsistency between the Chinese original and this translation, the Chinese version shall prevail.

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I. Meeting Agenda

Quintain Steel Co., Ltd., 2025 Annual Shareholders' Meeting Agenda

Shareholders meeting will be held by means of: Physical shareholders' meeting

Date: 10:00 a.m. (Wednesday), May 28, 2025

Place: No. 47, Xinjian Rd., South Dist., Tainan City (Hotel Château Anping)

Call the Meeting to Order

1. Chairperson in Position
2. Chairperson Remarks
3. Company Reports
   (1) 2024 Business Report and Financial Statement.
   (2) Audit Committee's Review Report on the 2024 Financial Statement.
   (3) Report on Endorsement/Guarantees for Others and Loaning Funds to Others in 2024.
   (4) Report on Employees' Compensation and Directors' Remuneration in 2024.
   (5) Report on the remuneration to directors in 2024.
   (6) Other Report Items.
4. Acknowledged Matters
   (1) Adoption of the 2024 Business Report and Financial Statements.
   (2) Adoption of the 2024 loss off-setting proposal.
5. Discussion Matters
   (1) Amendment to the Articles of Incorporation of the Company.
   (2) Amendment to the Rules and Procedures of Shareholders' Meeting of the Company.
6. Election Matters
   (1) Election of the 19th Board of Directors.
7. Other Motions:
   （1）Proposal for Lifting the Non-Compete Restrictions on the Company's Newly Appointed Directors and Their Representatives
8. Extemporary Motion
9. Adjournment

II. Company Reports

1. 2024 Business Report and Financial Statement

Results of Operations in 2024

(1) Operating Performance in 2024

a. Standalone Financial Statements

Unit: NT$ thousands

Item	2024	2023	Percent Change (%)
Net sales	2,652,344	2,264,865	17%
Operating costs	2,695,276	2,657,495	1%
Gross profit (loss)	(42,932)	(392,630)	89%
Operating expenses	140,196	126,471	11%
Operating profit (loss)	(183,128)	(519,101)	65%
Non-operating Income and Expenses	315,803	138,242	128%
Pre-tax income (loss)	132,675	(380,859)	135%
Net income (loss)	119,485	(258,762)	146%
Other comprehensive income	(344,570)	478,791	-172%
Total comprehensive income	(225,085)	220,029	-202%

i. Gross profit increased primarily due to higher sales volume and prices compared to the previous year.

ii. Non-operating income and expenses increased due to the disposal of an affiliated enterprise in 2024.

iii. Other comprehensive income decreased primarily due to a decline in unrealized gains or losses on equity instruments measured at fair value through other comprehensive income in 2024.

b. Consolidated Financial Statements

Unit: NT$ thousands

Item	2024	2023	Percent Change (%)
Net sales	3,281,159	3,027,797	8%
Operating costs	3,105,323	3,077,289	1%
Gross profit (loss)	175,836	(49,492)	455%
Operating expenses	412,108	393,843	5%
Operating profit (loss)	(236,272)	(443,335)	47%
Non-operating Income and Expenses	413,009	141,233	192%
Pre-tax income (loss)	176,737	(302,102)	159%
Net income (loss)	164,213	(205,733)	180%
Other comprehensive income	(389,876)	533,823	-173%
Total comprehensive income	(225,663)	328,090	-169%

i. Gross profit increased primarily due to higher sales volume and prices of the Company compared to the previous year.

ii. Non-operating income and expenses increased mainly due to the disposal of an affiliated enterprise in 2024.

iii. Other comprehensive income decreased primarily due to a decline in unrealized valuation gains and losses on equity instrument investments measured at fair value through other comprehensive income in 2024.

(2) Analysis of cash flow

a. Individual cash flow analysis

Unit: NT$ thousands

Item	2024	2023	Amount Change
Net cash provided by (used in) operating activities	(328,193)	382,212	(710,405)
Net cash provided by (used in) investing activities	(1,169,006)	86,228	(1,255,234)
Net cash provided by (used in) financing activities	1,485,839	(442,494)	1,928,333

i. The net cash inflow from operating activities increased, mainly due to higher purchase of raw materials compared to 2023.

ii. The net cash from investing activities was an outflow, mainly due to higher acquisitions of property, plant and equipment, as well as an increase in prepayments for equipment.

iii. The increase in net cash outflow from financing activities was mainly due to an increase in borrowings.

b. Consolidated Cash flow Analysis

Unit: NT$ thousands

Item	2024	2023	Amount Change
Net cash provided by (used in) operating activities	(313,153)	538,142	(851,295)
Net cash provided by (used in) investing activities	(1,618,293)	(196,293)	(1,422,000)
Net cash provided by (used in) financing activities	2,096,829	(389,704)	2,486,533

i. The net cash inflow from operating activities increased, mainly due to higher purchase of raw materials compared to 2023.

ii. The net cash from investing activities was an outflow, mainly due to higher acquisitions of property, plant and equipment, as well as an increase in prepayments for equipment.

iii. The increase in net cash outflow from financing activities was mainly due to an increase in borrowings.

(3) Profitability analysis

Item	2024		2023	
	Individual	Consolidated	Individual	Consolidated
Return on assets (%)	2.1%	2.1%	-2.5%	-1.2%
Return on shareholders' equity (%)	2.3%	2.4%	-5.3%	-3.3%
Net profit (%)	4.5%	5.0%	-11.4%	-6.8%

All indicators for the year 2024 were better than in 2023, primarily due to the net profit after tax incurred in 2024.

Business Plan for 2025

(1) Business objectives

a. Improve the activation rate among factories (OEM included) to strengthen the competitiveness of the products.

b. Increase sales of the construction screw (threaded rod included) and metal or plastic-machined screw.

c. Establish and maintain the team of rolling steel, assist E-Sheng Steel Co., Ltd. to achieve the target of equipment availability of rolling steel factory.

d. Improve the quality level.

i. The renewal and integration of the production equipment and environmental equipment of spheroidized wire and galvanized wire in Madou. Optimization of manufacturing techniques and environmental protection.

ii. Reinforce the research and development of metal or plastic-machined products, as well as recruitment and training.

e. Expand international markets.

(2) Sales forecast

Our company's main business is the sales of rolling mill products, such as wire rod and materials for producing spheroidizing wires, with the processing of wire rod into products such as screws and galvanized wires as a supplementary operation. In recent years, we have been working towards expanding our production, manufacturing, and sales of high-value-added products that are closer to end-users, such as screws, various types of galvanized wires, and bolts, with plate blanks as a supplementary operation. Since 2020, we have been expanding our screw factory, establishing a heat treatment factory and a bolt factory, updating and integrating our galvanizing production line and spheroidizing production line, and gradually completing and putting them into mass production. It is estimated that the total weight of manufactured and sold products for the year 2025 will be about 168,000 tons.

(3) Sales and production policy

a. Assisting E-Sheng Steel Co., Ltd. to subcontract its manufacturing processes and diversify its product range in order to increase the utilization rate of its rolling steel factory and reduce the unit production cost.

b. Expanding the production of high-temperature hot-dip galvanized and electroplated galvanized wire products, improving the quality of various products, actively exploring new product markets, implementing on-site maintenance systems, in order to increase competitiveness in exporting to Japan and other countries.

c. Increase the selectivity of final products of spheroidized wire from Madou Factory (e.g., Blast furnace materials or Electric furnace materials).

d. Strengthen research and development of products in the metal plastic processing facility and heat treatment facility.

The effect of external competition, the legal environment, and the overall business environment

The global economy in 2024 remained under pressure from multiple factors, including prolonged monetary tightening policies implemented by major economies, escalating geopolitical tensions (such as the Russia-Ukraine war and the unrest in the Middle East), and the rise of trade protectionism, all of which contributed to a slowdown in global investment and trade activities. In addition, fluctuations in energy and raw material prices further heightened market volatility, presenting increased challenges for business operations.

Amid slowing demand growth, tightening environmental regulations, and increasing pressure to reduce carbon emissions, the steel industry faces mounting operational challenges. Nevertheless, global demand for infrastructure development and the energy transition continues to present growth opportunities. The Company remains attentive to external developments and is committed to enhancing overall competitiveness by optimizing production efficiency, advancing low-carbon transformation initiatives, and adapting its strategies with agility.

The company's future development strategy

Looking forward, we will continue to adjust our strategies to respond to the dynamic changes in the global economy and industry, seek more cost-effective production methods, and explore new markets. These measures will enhance our market competitiveness and growth potential. Additionally, we will continue to optimize our core business and explore new growth opportunities. We thank all shareholders for their ongoing support and trust, and look forward to achieving greater success together in the future.

Wish all our shareholders good health and prosperity,

Chairman: Stanley C.T,Wang Manager: Cheng-Cheng, Hsieh Accounting Supervisor: Pi-Shan Hu

2. Audit Committee's Review Report on the 2024 Financial Statements

Explanatory Notes: Please refer to page 13 of this handbook.

3. Report on Endorsement/Guarantees for Others and Loaning Funds to Others in 2024

Explanatory Notes:

(1) As of December 31, 2024, the Company endorsed and guaranteed that the actual amount used was NT$0 thousand.

(2) As of December 31, 2024, the Company loaned funds to others that the actual amount used was NT$91,000 thousand.

4. Report on Employees' Compensation and Directors' Remuneration in 2024

Explanatory Notes:

In accordance with Article 27 of the Company's Articles of Incorporation, no less than 1% of the employees' remuneration and no more than 1% of the directors' and supervisors' remuneration shall be paid out of the Company's net income before income tax for the current year after offsetting its deficit. At the 19th meeting of the 18th Board of Directors of the Company, it was approved to pay employees' compensation of NT$1,343,107 and directors' and supervisors' remuneration of NT$0 in cash.

5. Report on the remuneration to ordinary directors and independent directors in 2024

Explanatory Notes:

(1) The compensation to directors is proposed and submitted by the Remuneration Committee of the Company for the Board of Directors' approval. In accordance with the Articles of Incorporation, the Board of Directors are authorized to determine the compensation based on their level of participation, the value of contribution made to the business operation and the industry standards.

(2) Regarding the remuneration received by the directors, including remuneration policies, individual remuneration content, and amounts, please refer to page 14 of this handbook.

6. Other Report Items

(1) Report on the Condition of Shareholders' Proposal

Explanatory Notes: There is no shareholder's proposal at this annual shareholders' meeting.

III. Acknowledged Matters

Proposal 1: Adoption of the 2024 Business Report and Financial Statements.

Proposed by the Board of Directors

Explanatory Notes:

(1) The Company's 2024 Consolidated Financial Statements and Parent Company Only Financial Statements were audited by independent auditors, Mr. Liao, Hung Ju and Mr. Yang, Chao-Chin, of Deloitte & Touche with issuance of reports with unqualified opinion plus other paragraphs.

(2) The accompanying Financial Statements and Business Report were audited by Audit Committee and has been approved by the 19th Board meeting of the 18th Board of Directors.

(3) Please refer to page 15 - 34 of this handbook.

Resolution:

Proposal 2: Adoption of the 2024 loss off-setting proposal.

Proposed by the Board of Directors

Explanatory Notes:

(1) The Company's unappropriated earnings at the beginning of 2024 were NT$(101,376,505), net profit after tax for 2024 was NT$119,484,696, the re-measurement of the defined benefit plan for 2024 was recognized in retained earnings of NT$1,107,702, and the cumulative gain or loss on disposal of investments in equity instruments measured at fair value through other comprehensive income for 2024 was transferred directly to retained earnings of NT$8,628,501, and the adjustment to retained earnings due to investments accounted for using the equity method was NT$(3,494,728), NT$2,434,967 was provided for legal reserve, NT$21,914,699 was provided for special reserve, and the ending unappropriated earnings for 2024 was NT$0.

(2) Statements of loss off-setting, please refer to page 35 of this handbook.

Resolution:

IV. Discussion Matters

Proposal 1: Amendment to the Articles of Incorporation of the Company

Proposed by the Board of Directors

Explanatory Notes:

(1) Processed in accordance with the Financial Supervisory Commission's letter Financial-Supervisory-Securities-Corporate No. 1130385442 dated November 8, 2024.

(2) Due to regulatory amendments, Article 27 of the Articles of Incorporation has been revised.

(3) Please refer to page 36 for Comparison Table of Amendments to the Articles of Incorporation.

Resolution:

Proposal 2: Amendment to the Rules and Procedures of Shareholders' Meeting of the Company

Proposed by the Board of Directors

Explanatory Notes:

(1) The amendments were made in accordance with the Financial Supervisory Commission's letter Financial-Supervisory-Securities-Corporate No. 1120385664 dated December 8, 2023.

(2) Please refer to page 37 for Comparison Table of Amendment to the Rules and Procedures of Shareholders' Meeting.

Resolution:

V. Election Matters

Proposal 1: Election of the 19th Board of Directors.

Proposed by the Board of Directors

Explanatory Notes:

(1) The term of office for the Company's 18th Board of Directors will expire on May 25, 2025. In coordination with the date of this Annual General Meeting, a full re-election of directors will be conducted at this year's AGM..

(2) In accordance with Article 19 of the Articles of Incorporation and the resolution by the 19th Board Meeting of the 18th Board of Directors, there are twelve Directors (including three Independent Directors) to be elected for the 19th term of office for Directors.

(3) The newly elected Directors and Independent Directors will take office for a term of three years, from May 28, 2025 to May 27, 2028 after this Shareholders' Meeting, and may be re-elected. The original Directors will resign once the newly elected Directors take office.

(4) In accordance with the Audit Committee's organizational rules and regulations, the Audit Committee shall be composed entirely of independent directors. With the re-election of independent directors at this meeting, the term of the new Audit Committee members will be from May 28, 2025 to May 27, 2028.

(5) This election is conducted in accordance with our company's articles of incorporation and the director election method. The list of director candidates, their educational and professional backgrounds, and shareholdings are detailed in the table below. Please refer to page 48-53 for the Articles of Incorporation and the Rules for Election of Directors.

(6) Please discuss.

No	Nominated as	Name	Backgrounds	Shares
1	Director	Wang, Stanley C.T	Department of Animal Science, National Chung Hsing University Chairman, Quintain Steel Co., Ltd.	122,157
2	Director	Chen, Aaron	EMBA, National Cheng Kung University	18,372,152

			Vice Chairman, Quintain Steel Co., Ltd	
3	Director	Baulidu Investment Co.,Ltd Representative: Hsieh, Cheng-Cheng	Department of Medical Management, Chia Nan University of Pharmacy & Science General Manager, Quintain Steel Co., Ltd	63,134,229
4	Director	Baulidu Investment Co.,Ltd Representative: Chen, Chieh-Jen	EMBA, National Chiayi University Chairman, Luxe Green Energy Technology Co., Ltd.	63,134,229
5	Director	Chia Chi Sdry Enterprise Co.,Ltd Representative: Hu, Pi-Shan	Department of Business Administration, Providence University CFO, Quintain Steel Co., Ltd	14,821,454
6	Director	Liu, Fu-Tsai	High School Chairman, Hung Hsin Building Materials Co., Ltd	2,350,094
7	Director	Chen, Chien-Hsen	Advanced Management Program, School of Professional Education and Continuing Studies, National Taiwan University Chairman, Spreading International Logistics Corporation	167,340
8	Director	Hu,Chun-Hao	Department of Industrial Safety and Hygiene, Chung Hwa University of Medical Technology General Manager, Department Store Enterprise Co.	1,179,724
9	Director	Bai Jia Yuan Investment Co., Ltd. Representative: Chen, Chi-Tai	Tainan Commercial Vocational Senior High School Chairman, Chun Yu Works & Co Ltd	251,193
10	Independent Director	Wang, Hung-Chuan	EMBA, National Cheng Kung University Chairman, Fu Teng Construction Co., Ltd.	25,682
11	Independent Director	Jian, Han-Ru	Graduate Institute of Finance, National	0

			Cheng Kung University Managing Attorney, Chien Han-Ju Law Firm	
12	Independent Director	Tsai,Shuo-Chuan	Graduate Institute of Management, I-Shou University Secretary, Zihguan District Farmers' Association, Kaohsiung Adjunct Lecturer, Department of Finance, Kao Yuan University	0

Resolution:

VI. Other Motions

Proposal 1: Proposal for Lifting the Non-Compete Restrictions on the Company's Newly Appointed Directors and Their Representatives

Proposed by the Board of Directors

Explanatory Notes:

（1） In accordance with Article 209 of the Company Act, if a director who does anything for himself or on behalf of another person that is within the scope of the company's business shall explain to the shareholders' meeting the essential contents of such an act and obtain its approval.

（2） To facilitate the Company's business expansion and participation in the management of its investments, and provided that the interests of the Company are not compromised, it is proposed that the non-compete restrictions for the newly elected directors and their representatives be lifted effective from the date they assume office.

（3） This proposal has been approved by resolution of the 19th meeting of the 18th Board of Directors. Please refer to page 39 for the details of the proposed release from non-compete restrictions for directors.

（4） Please discuss.

Resolution:

VII. Extemporary Motions

VIII. Adjournment

IX. Supplemental Materials

Quintain Steel Co., Ltd.

Audit Committee's Approval and Review Report

The Board of Directors of Quintain Steel Co., Ltd. prepared the independent and consolidated financial statements in 2024, which are audited by Deloitte & Touche, business reports, loss off-setting, etc. The above mentioned has been reviewed by the Audit Committee and we have found no noncompliance. Therefore, we, the Audit Committee, hereby issue this report in compliance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Yours Faithfull

To 2025 General Shareholders' Meeting of Quintain Steel Co., Ltd.

Convener of Audit Committee
Wang, Hung Chuan
March. 03, 2025

QUINTAIN STEEL CO., LTD.

Remuneration of Directors and Independent Directors

Abbreviation in this table: C (the Company); All (all companies in the consolidated financial statements) December 31, 2024 Unit: NT$ Thousand

Title	Name	Director's Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income		Relevant Remuneration Received by Directors Who are Also Employees								Amount and Ratio of Total A, B, C, D, E, F, and G to Net Income		Compensation to Directors from Non-consolidated Affiliates or Parent Company
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
																C		All				
		C	All	C	All	C	All	C	All	C	All	C	All	C	All	Cash	Stock Market	Cash	Stock Market	C	All	
Chairman	Wang, Stanley C. T	0	0	0	0	0	0	60	60	60 0.05%	60 0.05%	2,738	2,738	0	0	2	0	2	0	2,800 2.34%	2,800 2.34%	None
Director/ Vice Chairman	Chen, Aaron	0	0	0	0	0	0	60	90	60 0.05%	90 0.08%	1,833	2,262	0	73	1	0	1	0	1,894 1.59%	2,426 2.03%	None
Director	Liu, Fu-Tsai	0	0	0	0	0	0	60	60	60 0.05%	60 0.05%	0	0	0	0	0	0	0	0	60 0.05%	60 0.05%	60
Director/ CFO	Department Store Enterprise Co. Representative: Hu, Pi-Shan	0	0	0	0	0	0	60	60	60 0.05%	60 0.05%	1,605	1,605	83	83	1	0	1	0	1,749 1.46%	1,749 1.46%	7
Director/ President	PAO LI DU investment Co. Representative: Shieh, Cheng-Cheng	0	0	0	0	0	0	60	60	60 0.05%	60 0.05%	2,108	2,108	0	0	1	0	1	0	2,169 1.82%	2,169 1.82%	None
Director	PAO LI DU investment Co. Representative: Chen, Chieh-Jen	0	0	0	0	0	0	60	60	60 0.05%	60 0.05%	426	426	0	0	0	0	0	0	486 0.41%	486 0.41%	1,446
Director	Chen, Chien-Hsen	0	0	0	0	0	0	60	60	60 0.05%	60 0.05%	0	0	0	0	0	0	0	0	60 0.05%	60 0.05%	None
Director	Baijiayuan Investment Co., Ltd. Representative: Chen, Chi-Tai	0	0	0	0	0	0	60	60	60 0.05%	60 0.05%	0	0	0	0	0	0	0	0	60 0.05%	60 0.05%	None
Director	Baijiayuan Investment Co., Ltd. Representative: Yan, Ching-Li	0	0	0	0	0	0	60	60	60 0.05%	60 0.05%	0	0	0	0	0	0	0	0	60 0.05%	60 0.05%	None
Independent Director	Wei, Hu-Chean	0	0	0	0	0	0	5	10	5 0.00%	10 0.01%	0	0	0	0	0	0	0	0	5 0.00%	10 0.01%	None
	Tsai,Shuo-Chuan	0	0	0	0	0	0	35	35	35 0.03%	35 0.03%	0	0	0	0	0	0	0	0	35 0.03%	35 0.03%	None
	Wang, Hung-Chuan	0	0	0	0	0	5	60	177	60 0.05%	182 0.15%	0	0	0	0	0	0	0	0	60 0.05%	182 0.15%	None
	Jian, Han-Ru	0	0	0	0	0	5	60	177	60 0.05%	182 0.15%	0	0	0	0	0	0	0	0	60 0.05%	182 0.15%	None

(1) The policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid:
In addition to considering the results of the performance evaluation of directors, the remuneration of the Company's independent directors is also determined in accordance with Article 23 of the Company's Articles of Incorporation, which states: "The remuneration of the Company's directors shall be based on the level of their participation in the Company's operations and the value of their contributions, with reference to domestic and international industry standards. The remuneration shall be proposed by the Compensation Committee and submitted to the Board of Directors for approval."

(2) In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities /invested enterprises): None

(3) Chairman Wang, Stanley C. T was provided with a leased company vehicle, with a rental expense of NT$836 thousand. Director and President Shieh, Cheng-Cheng was also provided with a leased company vehicle, with a rental expense of NT$244 thousand.

Independent Auditors' Report

To Quintain Steel Company Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Quintain Steel Company and its subordinates (Quintain Steel Group), which comprise the consolidated balance sheets as of December 31, 2024 and 2023 and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on the audit report of this auditor and other auditor, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2024 and 2023, and their consolidated financial performance and their consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial statements by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

We conducted our audit entrusted by Quintain Steel Group in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Quintain Steel Group with the Code of Professional Ethics for Certified Public Accountants in the Republic of China and fulfill our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. 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 Quintain Steel Group's consolidated financial statements for 2024 are stated as follows:

Revenue of goods consignment to others for sale

The main sales revenue of Quintain Steel Group comes from the manufacturing and sales of steel wire and processed products. Partial sales revenue is based on the consigment model which the revenue will be recognized when the consignees make the transaction. This normally involves in the maunal reconciliation to ensure the authenticity of sales revenue; therefore, we determine this kind of revenue as the key audit matters.

We focused on inventory net realizable valuation of inventory, and the audit procedures we performed included the following:

1. We understand and test the effectiveness between the design and implementation of internal control which is associated with the authenticity of the preceding specific revenue recognization
2. We select a sample from the preceding specific sales revenue, review the certificate of merchandise and the bank statement of the consignees to check if the revenue really occurs and review the payment collection documents to ensure the parties of receiving payment and the transaction party are consistent.

Other matters

Included in consolidated financial statement of Quintain Steel Group, financial statements about Asahi Enterprise Corp. as subsidiary, Castle Applied Inc. and Luxe Green Energy Technology Co., Ltd. as associate are audited by other auditor, thus our auditor’s opinion on the amount of aforementioned financial statements are in accordance with other auditor’s reports. The total asset amounts of aforementioned subsidiary were NT $687,472 thousand and NT $553,407 thousand, constituting 5.2% and 5% of total assets for the year ended December 31, 2024 and 2023, respectively; and the amounts of operating income were NT $0 thousand, and NT $288 thousand, accounted for less than 1% of total net consolidated operating income for the year ended December 31, 2024 and 2023 respectively. The amounts of investments on associates using equity method were NT $38,454 thousand and NT $552,757 thousand, respectively accounted for 0.3% and 5% of total consolidated assets, and shares of comprehensive income recognized with equity method were NT $12,415 thousand of losses and NT $18,887 thousand of gains, respectivley accounted for 5.5% and 5.8% of total consolidated comprehensive income for the year ended December 31, 2024 and 2023, respectively.

We have also audited the parent company only financial statements of Quintain Steel Co., Ltd. as of and for the years ended December 31, 2024 and 2023 on which we both have issued an unqualified opinion with “Other matter” paragraph for your reference.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within Quintain Steel 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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche
Engagement partner
Hong-Ru, Liao

Engagement partner
Chao-Chin, Yang

Financial Supervisory Commission
Approved-certified
No.:Jin-Guan-Certificate No.0990031652

Financial Supervisory Commission
Approved-certified No.:Jin-Guan-Certificate
No.1060023872

March 11, 2025

Quintain Steel Co., Ltd and Subsidiaries

Consolidated Balance Sheets

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

CODE	ASSETS	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	$ 522,799	4	$ 357,416	3
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	5,273	-	28,560	-
1120	Financial assets at fair value through other comprehensive income -current (Notes 4, 8, and 33)	2,015,643	15	896,376	8
1136	Financial assets at amortized cost－current (Notes 4 ,9, and 33)	114,683	1	132,767	1
1150	Notes receivable (Notes 4, 10 and 25)	92,676	1	146,778	2
1170	Accounts receivable, net (Notes 4, 10, 25, and 32)	200,116	1	129,585	1
1200	Other receivables (Notes 4 and 10)	5,652	-	1,609	-
1220	Current tax assets (Notes 4 and 27)	4,204	-	284	-
130X	Inventories (Notes 4, 5 and 11)	1,154,423	9	968,838	9
1470	Other current assets (Note 19 and 32)	141,651	1	101,360	1
11XX	Total current assets	4,257,120	32	2,763,573	25
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	446,036	3	526,848	5
1535	Financial assets at amortized cost－non-current (Notes 4, 9, and 33)	208,100	2	24,000	-
1550	Investments accounted for using equity method (Notes 4 ,13, and 33)	627,271	5	1,132,035	10
1600	Property, plant and equipment (Notes 4, 14 ,32, and 33)	3,798,486	29	3,662,564	33
1755	Right-of-use assets (Notes 4 and 15)	636,629	5	434,798	4
1760	Investment properties (Notes 4, 16, 32, and 33)	1,614,091	12	1,634,574	15
1821	Other intangible assets (Notes 4 and 18)	219,183	2	228,843	2
1805	Goodwill (Notes 4 and 17)	33,853	-	33,853	-
1840	Deferred income tax assets (Notes 4, 5, and 27)	191,654	1	198,066	2
1990	Other non-current assets (Notes 4, 19, and 32)	1,203,826	9	414,586	4
15XX	Total non-current assets	8,979,129	68	8,290,167	75
1XXX	TOTAL ASSETS	$ 13,236,249	100	$ 11,053,740	100
CODE	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 20 and 33)	$ 971,559	7	$ 798,005	7
2110	Short-term bills payable (Notes 20 and 33)	1,901,653	14	1,177,078	11
2130	Contract liabilities－current (Notes 4, 25, and 32)	68,142	1	86,205	1
2150	Notes payable (Note 21)	579	-	612	-
2170	Accounts payable (Notes 21 and 32)	29,953	-	30,250	-
2219	Other payables (Notes 22 and 32)	224,592	2	233,115	2
2213	Payables of equipment (Note 32)	67,001	-	32,088	-
2280	Lease liabilities - current (Notes 4 and 15)	78,754	1	76,083	1
2230	Current income tax liabilities (Notes 4 and 27)	22	-	25,944	-
2320	Long-term liabilities due within one year (Notes 20 and 33)	225,695	2	1,382,088	13
2399	Other current liabilities (Notes 22 and 32)	9,144	-	23,620	-
21XX	Total current liabilities	3,577,094	27	3,865,088	35
	NON-CURRENT LIABILITIES				
2540	Long-term bank borrowings (Notes 20 and 33)	2,126,680	16	216,972	2
2570	Deferred income tax liabilities (Notes 4 and 27)	4,913	-	4,913	-
2580	Lease liabilities - non-current (Notes 4 and 15)	501,289	4	311,056	3
2640	Net defined benefit liabilities (Notes 4 and 23)	9,194	-	14,488	-
2645	Guarantee deposit received	15,601	-	14,901	-
2670	Other non-current liabilities (Note 22)	1,084	-	1,009	-
25XX	Total non-current liabilities	2,658,761	20	563,339	5
2XXX	TOTAL LIABILITIES	6,235,855	47	4,428,427	40
	Equity attributable to owners of the Company (Note 24)				
	Share capital				
3110	Common stock	4,468,747	34	4,468,747	40
3200	Capital surplus	579,374	4	503,493	4
	Retained earnings				
3310	Legal reserve	93,595	1	93,595	1
3320	Special reserve	2,785	-	2,785	-
3350	Accumulated deficit	24,350	-	(101,376)	(1)
3300	Total retained earnings	120,730	1	(4,996)	-
3400	Other equity	271,345	2	625,651	6
3500	Treasury stock	(267,966)	(2)	(267,582)	(2)
31XX	Total equity	5,172,230	39	5,325,313	48
36XX	NON-CONTROLLING INTERESTS (Note 12 and 24)	1,828,164	14	1,300,000	12
3XXX	Total equity	7,000,394	53	6,625,313	60
	Total liabilities and equity	$ 13,236,249	100	$ 11,053,740	100

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

(Please refers to Deloitte & Touche's report at March 11, 2025)

Chairman: Stanley C. T, Wang Manager: Cheng-Cheng, Shieh Accounting Supervisor: Pi-Shan Hu

Quintain Steel Co., Ltd and Subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars, except Earnings (Losses) per Share)

CODE		2024 AMOUNT	2024 %	2023 AMOUNT	2023 %
4000	OPERATING REVENUE (Notes 4, 25 and 32)	$ 3,281,159	100	$ 3,027,797	100
5000	OPERATING COSTS (Notes 11, 26 and 32)	3,105,323	95	3,077,289	102
5900	GROSS PROFIT (LOSS)	175,836	5	(49,492)	(2)
	OPERATING EXPENSES (Notes 10, 26 and 32)				
6100	Selling and marketing expenses	86,874	2	83,316	3
6200	General and administrative expenses	317,285	10	308,252	10
6300	Research and development expenses	2,239	-	2,743	-
6450	Expected credit loss	5,048	-	31	-
6000	Total operating expenses	411,446	12	394,342	13
6500	OTHER OPERATING INCOME AND EXPENSES, NET (Note 26)	(662)	-	499	-
6900	LOSS FROM OPERATIONS	(236,272)	(7)	(443,335)	(15)
	NON-OPERATING REVENUE AND EXPENSES (Notes 4, 26 and 32)				
7100	Interest revenue	4,805	-	3,556	-
7010	Other revenue	61,060	2	35,472	1
7020	Other gains and losses	345,721	10	41,954	2
7060	Share of profit or loss of associates accounted for using equity method	120,373	4	156,132	5
7050	Finance costs	(118,950)	(4)	(95,881)	(3)
7000	Total non-operating revenue and expenses	413,009	12	141,233	5
7900	PROFIT(LOSS) BEFORE INCOME TAX	176,737	5	(302,102)	(10)
7950	INCOME TAX EXPENSE (BENEFIT) (Notes 4, 5 and 27)	12,524	-	(96,369)	(3)
8200	NET INCOME(LOSS) FOR THE YEAR	164,213	5	(205,733)	(7)

	2024	2023

CODE		AMOUNT	%	AMOUNT	%
	OTHER COMPREHENSIVE INCOME				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans (Note 23)	$ 349	-	($ 511)	-
8316	Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	(381,391)	(12)	529,034	18
8320	Share of other comprehensive income of associates accounted for using equity method	(8,752)	-	5,198	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or losses (Note 27)	(82)	-	102	-
8300	Other comprehensive income (loss) for the year, net of income tax	(389,876)	(12)	533,823	18
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	($ 225,663)	(7)	$ 328,090	11
	NET PROFIT (LOSS) ATTRIBUTABLE TO:				
8610	Shareholders of the Parent	$ 119,485	4	($ 258,762)	(9)
8620	Non-controlling interests	44,728	1	53,029	2
8600		$ 164,213	5	($ 205,733)	(7)
	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
8710	Shareholders of the Parent	($ 225,085)	(7)	$ 220,029	7
8720	Non-controlling interests	(578)	-	108,061	4
8700		($ 225,663)	(7)	$ 328,090	11
	EARNINGS (LOSSES) PER SHARE (Note 28)				
9710	Basic	$ 0.28		($ 0.68)	
9810	Diluted	0.28		(0.68)	

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

(Please refers to Deloitte & Touche's report at March 11, 2025)

Chairman: Stanley C. T, Wang Manager: Cheng-Cheng, Shieh Accounting Supervisor: Pi-Shan Hu

Quintain Steel Co., Ltd and Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars; Dividends per share in New Taiwan Dollars)

		Equity Attributable to Shareholders of the Parent												
		Capital Stock - Common Stock			Retained Earnings			Others						
CODE		Capital Shares (Thousand shares)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences on Translating Foreign Operations	Unrealized gains and losses on investments in Equity instruments at fair value through other comprehensive income	Total Other Equity	Treasury Shares	Total	Non-controlling Interests	Total Equity
A1	BALANCE, JANUARY 1, 2023	362,380	$ 3,623,795	$ 378,655	$ 69,801	$ -	$ 455,912	$ 580	$ 164,345	$ 164,925	($ 210,407)	$ 4,482,681	$ 1,273,991	$ 5,756,672
	2022 Earnings appropriation and distribution (Note 24)													
B1	Legal reserve	-	-	-	23,794	-	(23,794)	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	-	2,785	(2,785)	-	-	-	-	-	-	-
B5	Shareholder cash dividend-NT $0.4 per share	-	-	-	-	-	(144,952)	-	-	-	-	(144,952)	-	(144,952)
B9	Shareholder stock dividend-NT $0.4 per share	14,495	144,952	-	-	-	(144,952)	-	-	-	-	-	-	-
E1	Cash capital increase (Note 24)	70,000	700,000	115,179	-	-	-	-	-	-	-	815,179	-	815,179
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(46,952)	(46,952)
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	17,144	-	(17,144)	(17,144)	-	-	-	-
M1	Adjustment on capital surplus for paying dividend to subsidiaries	-	-	6,337	-	-	-	-	-	-	-	6,337	7,627	13,964
M5	Acquisition and disposal of partial equity of subsidiary (Note 12)	-	-	(201)	-	-	-	-	-	-	-	(201)	(1,045)	(1,246)
M7	Changes in ownership of interest in subsidiaries (Note 12)	-	-	1,047	-	-	(108)	-	-	-	-	939	25,806	26,745
N1	Employee stock options issued (Note 24)	-	-	2,817	-	-	-	-	-	-	-	2,817	-	2,817
L5	Acquisition of parent company shares by subsidiary as treasury stock transactions	-	-	-	-	-	-	-	-	-	(63,501)	(63,501)	(68,967)	(132,468)
L7	Disposal of parent company shares by subsidiary as treasury stock transactions	-	-	(341)	-	-	-	-	-	-	6,326	5,985	1,479	7,464
D1	Net profit (loss) for the year ended December 31, 2023	-	-	-	-	-	(258,762)	-	-	-	-	(258,762)	53,029	(205,733)
D3	Other comprehensive loss for the year ended December 31, 2023, after tax	-	-	-	-	-	921	-	477,870	477,870	-	478,791	55,032	533,823
D5	Total comprehensive income for the year ended December 31, 2023	-	-	-	-	-	(257,841)	-	477,870	477,870	-	220,029	108,061	328,090
Z1	BALANCE AT DECEMBER 31, 2023	446,875	4,468,747	503,493	93,595	2,785	(101,376)	580	625,071	625,651	(267,582)	5,325,313	1,300,000	6,625,313
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(20,737)	(20,737)
N1	Employee stock options issued (Note 24)	-	-	204	-	-	(67)	-	-	-	-	137	(137)	-
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income by subsidiary	-	-	-	-	-	8,517	-	(8,517)	(8,517)	-	-	-	-
C7	Changes in associates accounted for using equity method	-	-	(88)	-	-	(354)	-	-	-	-	(442)	-	(442)
M3	Disposal of investments accounted for using equity method (Note 13)	-	-	-	-	-	111	-	(111)	(111)	-	-	-	-
M5	Acquisition and disposal of partial equity of subsidiary (Note 12)	-	-	(227)	-	-	(2,021)	-	-	-	-	(2,248)	(5,401)	(7,649)
M7	Changes in ownership of interest in subsidiaries (Note 12)	-	-	75,992	-	-	(1,053)	-	-	-	-	74,939	571,283	646,222
L5	Acquisition of parent company shares by subsidiary as treasury stock transactions	-	-	-	-	-	-	-	-	-	(384)	(384)	(16,266)	(16,650)
D1	Net profit for the year ended December 31, 2024	-	-	-	-	-	119,485	-	-	-	-	119,485	44,728	164,213
D3	Other comprehensive profit or loss for the year ended December 31, 2024, after tax	-	-	-	-	-	1,108	-	(345,678)	(345,678)	-	(344,570)	(45,306)	(389,876)
D5	Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	120,593	-	(345,678)	(345,678)	-	(225,085)	(578)	(225,663)
Z1	BALANCE AT DECEMBER 31, 2024	446,875	$ 4,468,747	$ 579,374	$ 93,595	$ 2,785	$ 24,350	$ 580	$ 270,765	$ 271,345	($ 267,966)	$ 5,172,230	$ 1,828,164	$ 7,000,394

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

(Please refers to Deloitte & Touche's report at March 11, 2025)

Chairman: Stanley C. T, Wang Manager: Cheng-Cheng, Shieh Accounting Supervisor: Pi-Shan Hu

Quintain Steel Co., Ltd and Subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

CODE		2024	2023
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income (loss) before income tax	$ 176,737	($ 302,102)
A20010	Adjustments for:		
A20100	Depreciation expense	206,162	197,405
A20200	Amortization expense	30,355	40,651
A20300	Expected credit loss	5,048	31
A20400	Net gain on fair value changes of financial assets and liabilities at fair value through profit or loss	(1,513)	(308)
A21200	Interest income	(4,805)	(3,556)
A21300	Dividend income	(33,980)	(9,235)
A21900	Cost of employees' remuneration	-	2,817
A22300	Share of profit or loss of associates accounted for using equity method	(120,373)	(156,132)
A20900	Finance costs	118,950	95,881
A23700	Loss for market price decline and obsolete and slow-moving inventories (reversal gain)	(27,210)	75,560
A22500	Losses (Gains) on disposal of property, plant and equipment	1,494	1,529
A22700	Losses (Gains) on disposal of investment properties	-	(13,823)
A22800	Loss on disposal of other intangible assets	4	-
A23200	Gain on investments accounted for using equity method	(355,110)	(35,072)
A29900	Gains on early termination of lease contract of lease liabilities	(113)	(28)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	54,102	(69,952)
A31150	Accounts receivable	(70,635)	(16,559)
A31180	Other receivables	(4,271)	(1,378)
A31200	Inventories	(158,375)	782,545
A31240	Other current assets	(40,027)	(8,049)
A32125	Contract liabilities	(18,063)	(479)
A32130	Notes payable	(33)	6
A32150	Accounts payable	(297)	(3,796)
A32180	Other payables	(15,533)	9,164
A32230	Other current liabilities	(14,476)	1,914
A32240	Net defined benefit liability	(4,946)	(1,996)
A32200	Provision	75	(82)
A33000	Cash (used in)/generated from operations	(276,833)	584,956
A33500	Income taxes paid (refund)	(36,320)	(46,814)
AAAA	Net cash generated from (used in) operating activities	(313,153)	538,142
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(625,236)	(152,699)
B00020	Proceeds from sale of financial assets at fair value through other comprehensive income	132,899	109,414
B00030	Refund of capital reduction from financial assets at fair value through other comprehensive income	128	-
B00100	Acquisition of financial assets at fair value through other comprehensive income	-	(20,000)
B00200	Proceeds from sale of financial assets at fair value through profit or loss	24,800	3,188

CODE		2023	2022
B00040	Acquisition of financial assets at amortized cost	($ 166,016)	($ 27,075)
B01800	Acquisition of associates	(74,687)	(12,451)
B01900	Net cash inflows from disposal of associates	-	72,936
B02400	Refund of capital reduction from investments accounted for using equity method	900	-
B02700	Acquisition of property, plant and equipment	(220,558)	(131,619)
B02800	Disposal of property, plant and equity	2,367	696
B03700	Increase in guaranteed deposits paid	(34,399)	(40,395)
B03800	Decrease in guaranteed deposits paid	35,228	-
B04500	Decrease in other receivables	(20,699)	(15,399)
B05350	Acquisition of right-of-use assets	(7,521)	(1,421)
B05400	Acquisition of investment property	(252)	(29,304)
B05500	Proceeds from disposal of investment properties	-	18,508
B06700	Increase in other non-current assets	(15,453)	-
B06800	Decrease in other non-current assets	-	668
B07100	Increase in prepayments for equipment	(789,768)	(58,754)
B07500	Interest received	4,805	3,556
B07600	Dividend received from subsidiary, associates and financial assets at fair value through other comprehensive income	151,312	114,341
B09900	Fund for improvement and expansion	(16,143)	(30,483)
BBBB	Net cash used in investing activities	(1,618,293)	(196,293)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	4,679,839	3,495,962
C00200	Decrease in short-term borrowings	(4,506,285)	(3,417,983)
C01600	Issuance of long-term bank borrowings	3,307,329	1,222,000
C01700	Repayments of long-term bank borrowings	(2,556,702)	(1,665,584)
C00500	Increase in short-term bills payable	10,759,500	8,741,953
C00600	Decrease in short-term bills payable	(10,034,000)	(9,141,453)
C04500	Dividends paid to owners of Quintain Steel Group	-	(130,988)
C04600	New shares issued	-	815,179
C05600	Interest paid	(101,896)	(86,835)
C03000	Increase in guarantee deposits	700	-
C03100	Guarantee deposits refunded	-	(100)
C04020	Repayment of principal of lease liabilities	(52,842)	(75,398)
C04900	Payments for buy-back of ordinary shares	(16,650)	(132,468)
C05000	Disposal of treasury stocks	-	7,464
C05400	Disposal of equity in subsidiaries	(7,649)	(1,246)
C05800	(Decrease) increase in non-controlling interests	646,222	26,745
C09900	Dividends paid to non-controlling interests	(20,737)	(46,952)
CCCC	Net cash flows generated from (used in) financing activities	2,096,829	(389,704)
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	165,383	(47,855)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	357,416	405,271
E00200	CASH AND CASH EQUIVALENTS, END OF YEAR	$ 522,799	$ 357,416

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

(Please refers to Deloitte & Touche's report at March 11, 2025)

Chairman: Stanley C. T, Wang Manager: Cheng-Cheng, Shieh Accounting Supervisor: Pi-Shan Hu

Independent Auditors' Report

To the Board of Directors of Quintain Steel Company Ltd.

Opinion

We have audited the accompanying parent company only financial statements of Quintain Steel Company (the Company), which comprise the parent company only balance sheets as of December 31, 2024 and 2023 and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on the audit report of this auditor and other auditor, the accompanying parent company only financial statements present fairly, in all material respects, the standalone financial position of the Company as of December 31, 2024 and 2023 and its standalone financial performance and its standalone cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial statements by Securities Issuers.

Basis for Opinion

We conducted our audit entrusted by the Company in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standard. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company with the Code of Professional Ethics for Certified Public Accountants in the Republic of China and fulfill our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. 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 the Company's parent company only financial statements for the year ended December 31, 2024 are stated as follows:

Revenue of goods consignment to others for sale

The main sales revenue of the Company comes from the manufacturing and sales of steel wire and processed products. Partial sales revenue is based on the consigment model which the revenue will be recognized when the consignees make the transaction. This normally involves in the maunal reconciliation to ensure the authenticity of sales revenue; therefore, we determine this kind of revenue as the key audit matters.

We focused on inventory net realizable valuation of inventory, and the audit procedures we performed included the following:

1. We understand and test the effectiveness between the design and implementation of internal control which is associated with the authenticity of the preceding specific revenue recognization
2. We select a sample from the preceding specific sales revenue, review the certificate of merchandise and the bank statement of the consignees to check if the revenue really occurs and review the payment collection documents to ensure the parties of receiving payment and the transaction party are consistent.

Other matters

Part of investments accounted for using equity method are audited by other auditor, thus our auditor's opinion on the parent company only financial statements about aforementioned investment amount and its profit or losses are according to other auditor's report, the aforementioned amount were NT$219,008 thousand and NT$648,513 thousand, respectively constituting 2% and 8%, respectively, of total assets for the year ended December 31, 2024 and 2023; and the comprehensive income share using equity method were NT$1,786 thousand in gains and NT$53,135 thousand in losses, constituting (1%) and 24% of total comprehensive income for the year ended December 31, 2024 and 2023, respectively.

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

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

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

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

Auditors' Responsibilities for the Audit of the Individual Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual 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 generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these individual financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional

judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the individual financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche
Engagement partner Hong-Ru Liao

Engagement partner
Chao-Chin Yang

Financial Supervisory Commission
Approved-certified
No.:Jin-Guan-Certificate No.0990031652

Financial Supervisory Commission
Approved-certified No.:Jin-Guan-Certificate
No.1060023872

March 11, 2025

Quintain Steel Co., Ltd

Parent Company Only Balance Sheets

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

CODE	ASSETS	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	CURRENT ASSETS				
1100	Cash (Notes 4 and 6)	$ 107,219	1	$ 118,579	1
1110	Financial assets at fair value through profit or loss-current (Notes 4 and 7)	5,273	-	8,620	-
1120	Financial assets at fair value through other comprehensive income -current (Notes 4 and 8)	604,392	7	475	-
1136	Financial assets at amortized cost－current (Notes 4 ,9, and 29)	89,500	1	92,500	1
1150	Notes receivables (Notes 4, 10 and 22)	91,574	1	145,613	2
1170	Accounts receivables (Notes 4, 10 and 22)	192,609	2	119,078	1
1200	Other receivables (Notes 4, 10, 14 and 28)	101,466	1	42,742	1
1220	Other receivables (Notes 4, 10, and 28)	3,918	-	215	-
130X	Current tax assets (Notes 4 and 24)	1,143,187	12	952,510	12
1470	Other current assets (Notes 16 and 28)	123,179	1	82,317	1
11XX	Total current assets	2,462,317	26	1,562,649	19
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	158,547	2	177,462	2
1535	Financial assets at amortized cost－non-current (Notes 4, 9, and 29)	17,100	-	13,000	-
1550	Investments accounted for using equity method (Notes 4 ,12, and 29)	2,106,468	22	2,419,792	30
1600	Property, plant and equipment (Notes 4, 13 ,28, and 29)	2,470,064	26	2,326,941	29
1755	Right-of-use assets (Notes 4 and 14)	256,785	3	261,224	3
1760	Investment properties, net (Notes 4,15, 28 and 29)	795,511	8	815,232	10
1840	Deferred income tax assets (Notes 4, 5, and 24)	188,543	2	194,305	3
1990	Other non-current assets (Notes 4 and 16)	1,105,097	11	347,586	4
15XX	Total non-current assets	7,098,115	74	6,555,542	81
1XXX	TOTAL ASSETS	$ 9,560,432	100	$ 8,118,191	100
CODE	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 17 and 29)	$ 529,128	5	$ 320,000	4
2110	Short-term bills payable (Notes 17 and 29)	1,167,619	12	698,479	9
2150	Notes payable (Note 18)	1	-	-	-
2170	Accounts payable (Note 18)	7,238	-	5,661	-
2219	Other payables (Notes 18 and 28)	156,114	2	150,607	2
2213	Payables on equipment (Note 28)	51,855	1	16,703	-
2280	Lease liabilities - current (Notes 4 and 14)	51,927	1	51,189	1
2320	Long-term liabilities due within one year (Notes 17 and 29)	192,000	2	1,345,144	16
2399	Other current liabilities (Notes 19 and 28)	3,644	-	18,473	-
21XX	Total current liabilities	2,159,526	23	2,606,256	32
	NON-CURRENT LIABILITIES				
2540	Long-term bank borrowings (Notes 17 and 29)	2,059,436	21	-	-
2570	Deferred income tax liabilities (Notes 4 and 24)	2,347	-	2,347	-
2580	Lease liabilities - non-current (Notes 4 and 14)	147,490	2	162,585	2
2640	Net defined benefit liabilities – non-current (Notes 4 and 20)	4,738	-	7,101	-
2645	Guarantee deposit received	13,580	-	13,580	-
2670	Other non-current liabilities (Note 19)	1,085	-	1,009	-
25XX	Total non-current liabilities	2,228,676	23	186,622	2
2XXX	TOTAL LIABILITIES	4,388,202	46	2,792,878	34
	EQUITY (Note 21)				
	Share capital				
3110	Common stock	4,468,747	47	4,468,747	55
3200	Capital surplus	579,374	6	503,493	6
	Retained earnings				
3310	Legal reserve	93,595	1	93,595	1
3320	Special reserve	2,785	-	2,785	-
3350	Unappropriated earnings	24,350	-	(101,376)	(1)
3300	Total retained earnings	120,730	1	(4,996)	-
3400	Other equity	271,345	3	625,651	8
3500	Treasury stock	(267,966)	(3)	(267,582)	(3)
3XXX	Total equity	5,172,230	54	5,325,313	66
	Total liabilities and equity	$ 9,560,432	100	$ 8,118,191	100

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

(Please refers to Deloitte & Touche's report at March 11, 2025)

Chairman: Stanley C.T,Wang Manager: Cheng-Cheng, Shieh Accounting Supervisor: Pi-Shan Hu

Quintain Steel Co., Ltd

Individual Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars, except Earnings (Losses) per Share)

CODE		2024 AMOUNT	2024 %	2023 AMOUNT	2023 %
4000	OPERATING REVENUE (Notes 4 and 22)	$ 2,652,344	100	$ 2,264,865	100
5000	OPERATING COSTS (Notes 11, 20, 23, and 28)	2,695,276	102	2,657,495	117
5900	GROSS LOSS	(42,932)	(2)	(392,630)	(17)
	OPERATING EXPENSES (Notes 10, 20, 23, and 28)				
6100	Selling and marketing expenses	56,252	2	51,029	3
6200	General and administrative expenses	81,601	3	72,668	3
6300	Research and development expenses	2,239	-	2,743	-
6450	Expected credit losses	104	-	31	-
6000	Total operating expenses	140,196	5	126,471	6
6900	LOSS FROM OPERATIONS	(183,128)	(7)	(519,101)	(23)
	NON-OPERATING REVENUE AND EXPENSES (Notes 23 and 28)				
7100	Interest revenue	3,447	-	2,288	-
7010	Other revenue	18,635	1	12,017	-
7020	Other gains and losses	192,231	7	(3,590)	-
7070	Share of profit or loss of subsidiaries, and associates	180,255	7	195,468	9
7050	Finance costs	(78,765)	(3)	(67,941)	(3)
7000	Total non-operating revenue and expenses	315,803	12	138,242	6
7900	PROFIT(LOSS) BEFORE INCOME TAX	132,675	5	(380,859)	(17)
7950	Income tax expense (benefit) (Notes 4, 5 and 24)	13,190	-	(122,097)	(6)
8200	NET INCOME(LOSS) FOR THE YEAR	119,485	5	(258,762)	(11)

CODE		2024 AMOUNT	2024 %	2023 AMOUNT	2023 %
	OTHER COMPREHENSIVE INCOME				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans (Note 20)	$ 663	-	($ 200)	-
8316	Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	(160,515)	(6)	43,895	2
8330	Share of other comprehensive income of subsidiaries and associates accounted for using equity method	(184,585)	(7)	435,056	19
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or losses (Note 4 and 24)	(133)	-	40	-
8300	Other comprehensive income for the year, net of income tax	(344,570)	(13)	478,791	21
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	($ 225,085)	(8)	$ 220,029	10
	EARNINGS (LOSSES) PER SHARE (Note 25)				
9710	Basic	$ 0.28		($ 0.68)	
9810	Diluted	0.28		(0.68)	

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

(Please refers to Deloitte & Touche's report at March 11, 2025)

Chairman: Stanley C. T, Wang Manager: Cheng-Cheng, Shieh Accounting Supervisor: Pi-Shan Hu

Quintain Steel Co., Ltd
Individual Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

Code		Common Share Capital			Retained Earnings			Other Equity				
		Capital Shares (Thousand shares)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated deficit)	Exchange differences on Translating Foreign Operations	Unrealized gains and losses on investments in Equity instruments at fair value through other comprehensive income	Total Other Equity	Treasury Shares	Total Equity
A1	BALANCE, JANUARY 1, 2023	362,380	$ 3,623,795	$ 378,655	$ 69,801	$ -	$ 455,912	$ 580	$ 164,345	$ 164,925	($ 210,407)	$ 4,482,681
	2022 Earnings appropriation and distribution (Note 21)											
B1	Legal reserve	-	-	-	23,794	-	(23,794)	-	-	-	-	-
B3	Special reserve	-	-	-	-	2,785	(2,785)	-	-	-	-	-
B5	Shareholder cash dividend-NT $0.4 per share	-	-	-	-	-	(144,952)	-	-	-	-	(144,952)
B9	Shareholder stock dividend-NT $0.4 per share	14,495	144,952	-	-	-	(144,952)	-	-	-	-	-
E1	Cash capital increase (Note 21)	70,000	700,000	115,179	-	-	-	-	-	-	-	815,179
O1	Disposal of investments in equity instruments at fair value through other comprehensive income by subsidiaries	-	-	-	-	-	16,851	-	(16,851)	(16,851)	-	-
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	293	-	(293)	(293)	-	-
M1	Adjustment on capital surplus for paying dividend to subsidiaries	-	-	6,337	-	-	-	-	-	-	-	6,337
M5	Acquisition and disposal of partial equity of subsidiary	-	-	(201)	-	-	-	-	-	-	-	(201)
M7	Changes in ownership of interest in subsidiaries (Note 12)	-	-	1,047	-	-	(108)	-	-	-	-	939
N1	Employee stock options issued (Note 21)	-	-	2,817	-	-	-	-	-	-	-	2,817
L5	Acquisition of parent company shares by subsidiary as treasury stock transactions	-	-	-	-	-	-	-	-	-	(63,501)	(63,501)
L7	Disposal of parent company shares by subsidiary as treasury stock transactions	-	-	(341)	-	-	-	-	-	-	6,326	5,985
D1	Net loss for the year ended December 31, 2023	-	-	-	-	-	(258,762)	-	-	-	-	(258,762)
D3	Other comprehensive loss for the year ended December 31, 2023, after tax	-	-	-	-	-	921	-	477,870	477,870	-	478,791
D5	Total comprehensive income for the year ended December 31, 2023	-	-	-	-	-	(257,841)	-	477,870	477,870	-	220,029
Z1	BALANCE AT DECEMBER 31, 2023	446,875	4,468,747	503,493	93,595	2,785	(101,376)	580	625,071	625,651	(267,582)	5,325,313
C7	Changes in associates accounted for using equity method	-	-	(88)	-	-	(354)	-	-	-	-	(442)
M1	Disposal of investments accounted for using equity method by subsidiaries	-	-	-	-	-	16	-	(16)	(16)	-	-
O1	Disposal of investments in equity instruments at fair value through other comprehensive income by subsidiaries	-	-	-	-	-	8,517	-	(8,517)	(8,517)	-	-
M3	Disposal of investments accounted for using equity method	-	-	-	-	-	95	-	(95)	(95)	-	-
M5	Acquisition and disposal of partial equity of subsidiary	-	-	(227)	-	-	(2,021)	-	-	-	-	(2,248)
M7	Changes in ownership of interest in subsidiaries (Note 12)	-	-	76,196	-	-	(1,120)	-	-	-	-	75,076
L5	Acquisition of parent company shares by subsidiary as treasury stock transactions	-	-	-	-	-	-	-	-	-	(384)	(384)
D1	Net profit for the year ended December 31, 2024	-	-	-	-	-	119,485	-	-	-	-	119,485
D3	Other comprehensive profit or loss for the year ended December 31, 2024, after tax	-	-	-	-	-	1,108	-	(345,678)	(345,678)	-	(344,570)
D5	Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	120,593	-	(345,678)	(345,678)	-	(225,085)
Z1	BALANCE AT DECEMBER 31, 2024	446,875	$ 4,468,747	$ 579,374	$ 93,595	$ 2,785	$ 24,350	$ 580	$ 270,765	$ 271,345	($ 267,966)	$ 5,172,230

The accompanying notes are an integral part of these financial statements.
(Please refers to Deloitte & Touche's report at March 11, 2025)

Chairman: Stanley C. T, Wang Manager: Cheng-Cheng, Shieh Accounting Supervisor: Pi-Shan Hu

Quintain Steel Co., Ltd

Individual Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

CODE		2024	2023
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Profit(losses) before income tax	$ 132,675	($ 380,859)
A20010	Adjustments for：		
A20100	Depreciation expense	120,834	123,064
A20300	Expected credit impairment loss	104	31
A20400	Net gain on financial assets at fair value through profit or loss	(775)	(368)
A21200	Interest income	(3,447)	(2,288)
A21300	Dividend income	(4,548)	(33)
A21900	Cost of Changes employees' remuneration	-	2,817
A22400	Share of profit or loss of subsidiaries and associates accounted for using equity method	(180,255)	(195,468)
A20900	Finance costs	78,765	67,941
A23700	Loss for market price decline and obsolete and slow-moving inventories (reversal gain)	(32,099)	91,880
A22500	Loss on disposal of property, plant and equipment	833	1,494
A22700	Loss on disposal of investment properties	-	281
A23200	Gain on disposal of investments accounted for using equity method	(199,285)	-
A24100	Net loss on foreign currency exchange	7,296	-
A29900	Gains on early termination of lease contract of lease liabilities	-	(5)
A30000	Net changes in operating assets and liabilities:		
A31130	Notes receivables	54,039	(69,889)
A31150	Accounts receivables	(73,635)	(22,236)
A31180	Other receivables	(4,441)	568
A31200	Inventories	(158,578)	764,494
A31240	Other current assets	(40,640)	(4,644)
A32130	Notes payables	1	-
A32150	Accounts payables	1,577	3,456
A32180	Other payables	1,156	5,016
A32230	Other current liabilities	(14,829)	1,881
A32240	Net defined benefit liabilities	(1,700)	(1,629)
A32200	Provision	76	(82)
A33000	Cash generated from (used in) operations	(316,876)	385,422
A33500	Income tax paid	(11,317)	(3,210)
AAAA	Net cash generated from (used in) operating activities	(328,193)	382,212
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(276,194)	(31)
B00020	Sale of financial assets at fair value through profit or loss	-	2,393

CODE		2024	2023
B00030	Refund of capital reduction from financial assets at fair value through other comprehensive income	$ 128	$ -
B00200	Sales of financial assets at fair value through profit or loss	4,122	3,188
B00040	Acquisition of financial assets at amortized cost	(4,100)	(12,000)
B00050	Disposal of financial assets at amortized cost	3,000	-
B01800	Acquisition of associates	(6,375)	-
B02700	Acquisition of property, plant and equipment	(173,524)	(87,944)
B02800	Proceeds from disposal of property, plant and equity	2,367	696
B03700	Increase in guaranteed deposits paid	(1,470)	(81,243)
B03800	Decrease in guaranteed deposits paid	1,660	40,256
B04400	Increase in other receivables	(52,500)	-
B04500	Decrease in other receivables	-	58,160
B05400	Acquisition of investment properties	(252)	(2,949)
B05500	Proceeds from disposal of investment properties	-	118,204
B06800	Decrease in other non-current assets	387	666
B07100	Increase in prepayments for equipment	(789,725)	(58,754)
B07500	Interest received	1,589	1,904
B07600	Dividend received	121,881	103,682
BBBB	Net cash generated from (used in) investing activities	(1,169,006)	86,228
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	2,250,435	2,080,286
C00200	Decrease in short-term borrowings	(2,045,963)	(2,138,619)
C00500	Increase in short-term bills payable	7,360,000	5,613,000
C00600	Decrease in short-term bills payable	(6,890,000)	(6,043,000)
C01600	Increase in long-term borrowings	3,194,688	1,101,000
C01700	Repayments of long-term borrowings	(2,293,724)	(1,481,000)
C04020	Repayment of principal of lease liabilities	(21,505)	(55,528)
C04500	Dividends paid	-	(144,952)
C04600	New shares issued	-	815,179
C05400	Acquisition of subsidiaries' shares (Note 12)	-	(128,750)
C05600	Interest paid	(68,092)	(60,110)
CCCC	Net cash flows generated from (used in) financing activities	1,485,839	(442,494)
EEEE	NET INCREASE (DECREASE) IN CASH	(11,360)	25,946
E00100	CASH AT THE BEGINNING OF THE YEAR	118,579	92,633
E00200	CASH, END OF YEAR	$ 107,219	$ 118,579

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

(Please refers to Deloitte & Touche's report at March 11, 2025)

Chief of Board：Stanley C. T, Wang　　Manager：Cheng-Cheng, Shieh　　Accounting Manager：Pi-Shan Hu

QUINTAIN STEEL CO., LTD.

2024 Statement of Appropriation of Profit and Make up for Loss

Unit: NT$

Item	Amount	
Unappropriated earnings at beginning of 2024		(101,376,505)
Net profit after tax for 2024	119,484,696	
Remeasurement of defined benefit plans recognized in retained earnings	1,107,702	
Cumulative gain transferred directly to retained earnings from disposal of equity instruments measured at fair value through other comprehensive income	8,628,501	
Adjustment to retained earnings due to equity method investments	(3,494,728)	
Subtotal: Current year net profit plus items recognized directly in retained earnings		125,726,171
Less: Appropriated for legal reserve		(2,434,967)
Less: Appropriated for special reserve		(21,914,699)
Earnings available for distribution in 2024		0
Items of Distribution:		
Stock dividends: NT$0 per share	0	
Cash dividends: NT$0 per share	0	
Total distribution		0
Unappropriated earnings at end of 2024		0

Chairman: Stanley C.T,Wang Manager: Cheng-Cheng, Shieh Accounting Supervisor: Pi-Shan, Hu

QUINTAIN STEEL CO., LTD.

Comparison Table of Amendments to the Articles of Incorporation

AFTER THE REVISION	BEFORE THE REVISION	REASONS
Article 27 In the event the Company makes a profit during the fiscal year it shall set aside no less than 1% of the profits as employees' compensation (Of the employee' compensation amount in the first paragraph, not less than 60% shall be allocated as compensation for base-level employees), which shall be distributed in the form of shares or cash as resolved by the Board of Directors. And the employees entitled to receive employees' compensation may include employees of the subsidiaries of the Company meeting certain requirements. The requirements are determined by the board of directors or its authorized person. In addition, the Company may allocate no more than 1% of the aforementioned earnings as remuneration for directors and supervisors, subject to a resolution of the Board of Directors adopted by the attendance of at least two-thirds of all directors and the approval of a majority of the attending directors. The proposals for the distribution of Employees' Compensation and directors' and supervisors' remuneration shall be reported to the shareholders' meeting. However, priority shall be given to reservation of funds for compensation of cumulative losses, if any. And the distribution of employees' compensation and bonus to directors and supervisors shall be set aside by ratio in the preceding subparagraph.	Article 27 In the event the Company makes a profit during the fiscal year it shall set aside no less than 1% of the profits as employees' compensation, which shall be distributed in the form of shares or cash as resolved by the Board of Directors. And the employees entitled to receive employees' compensation may include employees of the subsidiaries of the Company meeting certain requirements. The requirements are determined by the board of directors or its authorized person. In addition, the Company may allocate no more than 1% of the aforementioned earnings as remuneration for directors and supervisors, subject to a resolution of the Board of Directors adopted by the attendance of at least two-thirds of all directors and the approval of a majority of the attending directors. The proposals for the distribution of Employees' Compensation and directors' and supervisors' remuneration shall be reported to the shareholders' meeting. However, priority shall be given to reservation of funds for compensation of cumulative losses, if any. And the distribution of employees' compensation and bonus to directors and supervisors shall be set aside by ratio in the preceding subparagraph.	1. Amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act: Listed companies are required to stipulate in their Articles of Incorporation a certain percentage of annual earnings to be allocated for salary adjustments or compensation distributions to base-level employees.
Article 30 This Articles of Incorporation were established on July 13, 1973, and have since been amended by resolutions of the Shareholders' Meeting, with each amendment duly approved and registered with the competent authority. The most recent (thirty- fourth) amendment was approved at the Shareholders' Meeting on May 28, 2025, and shall take effect upon approval.	Article 30 This Articles of Incorporation were established on July 13, 1973, and have since been amended by resolutions of the Shareholders' Meeting, with each amendment duly approved and registered with the competent authority. The most recent (thirty-third) amendment was approved at the Shareholders' Meeting on May 30, 2024, and shall take effect upon approval.	Amended in accordance with the resolution date of the Shareholders' Meeting.

QUINTAIN STEEL CO., LTD.

Comparison Table of Amendment to the Rules and Procedures of Shareholders' Meeting

AFTER THE REVISION	BEFORE THE REVISION	REASONS
Article 3: Unless otherwise provided by law or regulation, this Company's shareholders meetings shall be convened by the board of directors. Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, a company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors. Changes to how this Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice. This Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Company has the paid-in capital of NT$2 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of	Article 3: Unless otherwise provided by law or regulation, this Company's shareholders meetings shall be convened by the board of directors. Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, a company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors. Changes to how this Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice. This Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Company has the paid-in capital of NT$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of	In coordination with regulatory amendments, the scope of listed and OTC-listed companies required to disclose the shareholders' meeting handbook and related information no later than 30 days before the annual shareholders' meeting has been expanded.

AFTER THE REVISION	BEFORE THE REVISION	REASONS
shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Company and the professional shareholder services agent designated thereby. hereinafter omitted.	shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Company and the professional shareholder services agent designated thereby.	
Article 22: The Rules were first amended on May 9, 1998. The second amendment was made on May 30, 2002. The third amendment was made on June 30, 2006. The fourth amendment was made on May 18, 2012. The fifth amendment was made on June 27, 2013. The sixth amendment was made on June 6, 2014. The seventh amendment was made on June 22, 2015. The eighth amendment was made on July 30, 2021. The ninth amendment was made on May 31, 2023. The tenth amendment was made on May 28, 2025.	Article 22: The Rules were first amended on May 9, 1998. The second amendment was made on May 30, 2002. The third amendment was made on June 30, 2006. The fourth amendment was made on May 18, 2012. The fifth amendment was made on June 27, 2013. The sixth amendment was made on June 6, 2014. The seventh amendment was made on June 22, 2015. The eighth amendment was made on July 30, 2021. The ninth amendment was made on May 31, 2023.	Add the date of this amendment.

QUINTAIN STEEL CO., LTD.

Details of the Lifting of Non-Competition Restrictions for Director Candidates (Including Independent Directors)

Director Name	Concurrent Company	Concurrent Position	Remarks (For PRC companies, please disclose address)
Baijiayuan Investment Co., Ltd. Representative: Chen, Chi-Tai	Chun Yu Works & Co Ltd	Chairman	
	Baijiayuan Investment Co., Ltd.	Chairman	
	Chun Bang Precision Co.,Ltd.	Chairman	
	Chun Yu Bio-Tech Corp.	Chairman	
	Chun Yu Investment Co Ltd	Chairman	
	Chun Zu Machinery Industry Co., Ltd.	Director	
	Shanghai Chun Zu Machinery Industry Co., Ltd.	Director	6639, Jihe Road, Baihe Town, Qingpu District, Shanghai, China
	Chun Yu Works(U.S.A), Inc.	Director	
	Chunyu (Dong Guan) Metal Products Co., Ltd	Director	Songmushan Administration Zone, Dalang Town, Dongguan City, Guangdong Province
	Shanghai Uchee Hardware Products Co., Ltd.	Director	No. 5, Minying Rd., Luojing Town, Baoshan District, Shanghai City, China.
	PT moonlion Industries Indonesia	Supervisor	
	Ofco Industrial Corp.	Director	
	Taiwan Styrene Monomer Corporation	Director	
	Yung Fu Co., Ltd	Director	
	Tong Horng Metal Industrial Co., Ltd	Supervisor	
	TSG Sports Marketing Co., Ltd	Supervisor	
	TSG Hawks Baseball Co., Ltd	Supervisor	

QUINTAIN STEEL CO., LTD.

Rules of Procedure for Shareholder Meetings

Article 1: Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures. Any matter not provided in these Rules and Procedures shall be handled in accordance with relevant laws and regulations.

Article 2: The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. The registration time shall at least thirty minutes prior to the commencement of the meeting; the location for registration shall be clearly indicated, and adequate and qualified personnel shall be assigned to handle the registration.

Article 3: Unless otherwise provided by law or regulation, this Company's shareholders meetings shall be convened by the board of directors.

Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, a company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors.

Changes to how this Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

This Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Company has the paid-in capital of NT$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Company and the professional shareholder services agent designated thereby.

This Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of

the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

A shareholder may propose a recommendation for urging the company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4: For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Company, if the shareholder intends to attend the meeting in person, a written notice of proxy cancellation shall be submitted to this Company in accordance with applicable laws and regulations. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5: This Company shall furnish the attending shareholders or proxy (hereinafter referred to as "shareholders") with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

<u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Company two days before the meeting date.</u>

<u>In the event of a virtual shareholders meeting, this Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u>

Article 5-1: To convene a virtual shareholders meeting, this Company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.

2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
    A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
    B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
    C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
    D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholder meeting online shall be specified. Except in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the shareholders shall at least be provided with connection facilities and necessary assistance, and the period during which shareholders may apply to the company and other related matters requiring attention shall be specified.

Article 6: If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the matter shall be handled in accordance with applicable laws and regulations. When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 7: Attendance at shareholders meetings shall be calculated based on numbers of shares.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

Article 8: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be

set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.
The chair may not declare the meeting adjourned prior to completion of deliberation on the shareholders' meeting (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
After the shareholders' meeting is adjourned, shareholders shall not elect another chairperson to reconvene the meeting at the original venue or at another location.

Article 9: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. Shareholders may speak only after being called upon in sequence by the chairperson (or by a person designated by the chairperson).
A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
Except with the consent of the chair, a shareholder (including individuals and legal entities) may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal. In the event of a dispute or failure to determine the speaking representative, the chairperson may designate one representative from among them to speak. Any speech made by additional representatives beyond the designated speaker shall be deemed as not having been made.
After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
Any shareholder who violates the provisions regarding speaking under these Rules shall have such speech deemed as not having been made. The chairperson may stop the shareholder from speaking, and the speech shall not be recorded in the meeting minutes. The matter shall be handled in accordance with the provisions of Article 15.
The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 10: Voting at a shareholders meeting shall be calculated based the number of shares.
With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is

exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 11: Unless otherwise provided by law, each share issued by the Company shall be entitled to one vote.

When this Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

Where the chairperson consults all shareholders present and no objection is raised, the proposal shall be deemed approved and shall have the same effect as if it had been resolved by voting. If any objection is raised, the proposal shall be resolved by vote in accordance with the preceding paragraph.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When this Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 12: The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and

supervisors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received, and a record made of the vote.

The ballots for the election together with the electronic voting data shall be sealed with the signatures of the monitoring personnel and kept in proper custody 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.

Article 13: Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be distributed to all shareholders by public announcement within 20 days after the conclusion of the meeting.

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

For resolutions adopted in the manner described in the preceding paragraph, where the chairperson has consulted the shareholders and no objections were raised, the minutes shall state: “Approved without objection upon consultation with all shareholders present by the chairperson.” However, where the resolution is adopted by voting, the number of voting rights in favor shall be specified.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 14: On the day of a shareholders meeting, this Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies shall make an express disclosure of the same at the place of the shareholders meeting.

In the event a virtual shareholders meeting, this Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 15: Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

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

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 16: When a meeting is in progress, the chair may announce a break based on time considerations.

If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting

may adopt a resolution to resume the meeting at another venue.
A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 17: When this Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.
In the event of a virtual shareholders meeting, this Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 18: In the event of a virtual shareholders meeting, this Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.
In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.
For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.
For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.
During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.
When this Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.
Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
When postponing or resuming a meeting according to the second paragraph, this Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.
For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Company hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 19: When convening a virtual-only shareholders meeting, this Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online. Except in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public

Companies, the shareholders shall at least be provided with connection facilities and necessary assistance, and the period during which shareholders may apply to the company and other related matters requiring attention shall be specified.

Article 20: Any matters not provided for in these Rules shall be handled in accordance with the Company Act and other applicable laws and regulations.

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Article 21: This Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, this Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, this Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 22: The Rules were first amended on May 9, 1998.

The second amendment was made on May 30, 2002.

The third amendment was made on June 30, 2006.

The fourth amendment was made on May 18, 2012.

The fifth amendment was made on June 27, 2013.

The sixth amendment was made on June 6, 2014.

The seventh amendment was made on June 22, 2015.

The eighth amendment was made on July 30, 2021.

The ninth amendment was made on May 31, 2023.

QUINTAIN STEEL CO., LTD.

Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Company shall be incorporated, as a company limited by shares, under the Company Act of the Republic of China, and its name shall be 官田鋼鐵股份有限公司 in the Chinese language, and QUINTAIN STEEL CO., LTD. in the English language.

Article 2: The scope of business of the Company shall be as follows:

1. CA01060 Steel Wires and Cables Manufacturing
2. CB01010 Mechanical Equipment Manufacturing
3. A401010 Livestock Farm Management
4. F501060 Restaurants
5. F401010 International Trade
6. H701010 Housing and Building Development and Rental
7. CA05010 Powder Metallurgy
8. CA02010 Manufacture of Metal Structure and Architectural Components
9. CA01070 Scrapped Car and Boat Dismantling and Scrap Lron and Steel Metal Processing
10. CA01020 Iron and Steel Rolling and Extruding
11. CH01030 Stationery Goods Manufacturing
12. C901050 Cement and Concrete Products Manufacturing
13. F107200 Wholesale of Chemical Feedstock
14. C901040 Manufacture of Ready-mix Concrete
15. IG03010 Energy Technical Services
16. EZ99990 Other Engineering
17. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: For business purposes, the Company may make equity investments in other enterprises. The total amount of the Company's reinvestment shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act. Any matters regarding the reinvestment shall be resolved in accordance with the resolutions of the Board of Directors.

Article 4: The Company may provide endorsement and guarantee to other companies. The process shall be handled in accordance with the Company's Operating Procedures of Endorsement/Guarantee.

Article 5: The Company is headquartered in Tainan City in Taiwan, and shall be free, upon approval of the Board of Directors and government authorities in charge, to set up representative or branch offices at various locations within or outside the territory of the Republic of China, whenever the Company deems it necessary.

Article 6: Unless otherwise provided by the Company Act or other applicable laws and regulations, the Company shall publish its public announcements in a prominent section of a daily newspaper or evening newspaper circulated at the location of the Company's head office, and may also issue notices by circular letter.

Chapter 2 Capital Stock

Article 7: Article 6 The total capital stock of the Company shall be in the amount of 6,000,000,000 New Taiwan Dollars, divided into 600,000,000 shares, at ten New Taiwan Dollars each, and may be paid-up in installments.

Article 8: All matters relating to the Company's shares and stock affairs shall be handled in accordance with the relevant regulations prescribed by the competent authority.

Article 9: All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, change of address or similar stock transaction conducted by shareholders of the Corporation shall follow the "Guidelines for Stock Operations

for Public Companies" unless specified otherwise by law and securities regulations.

Article 10: The transfer of shares shall be effected by the transferor and the transferee completing and signing a transfer application and affixing their seals, and applying to the Company for share transfer registration. Unless the transfer has been duly registered and recorded in the shareholders' register of the Company, it shall not be asserted against the Company.

Article 11: In the event of loss or damage of share certificates, the matter shall be handled in accordance with the regulations prescribed by the competent authority.

Article 12: Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of regular meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter 3 Shareholders' Meetings

Article 13: Shareholders' meetings are classified into regular shareholders' meetings and special shareholders' meetings. Unless otherwise provided by the Company Act, such meetings shall be convened by the Board of Directors. A regular shareholders' meeting shall be held once a year within six months after the end of each fiscal year; however, with just cause and approval from the competent authority, this requirement may be waived. A special shareholders' meeting may be convened as necessary in accordance with the law. The convening of shareholders' meetings shall be conducted in accordance with the Company Act and relevant regulations.

Article 14: If a shareholder is unable to attend a shareholders meeting, he/she may appoint a representative to attend it, with a Shareholder Proxy Form issued by the Company, in accordance with Article 177 of the Company Act of the Republic of China and the Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 15: Where a shareholders' meeting is convened by the Board of Directors, the chairperson of the meeting shall be appointed in accordance with Paragraph 3, Article 208 of the Company Act. Where the meeting is convened by a party other than the Board of Directors, the chairperson shall be the convener. If there is more than one convener, one among them shall be elected to act as the chairperson.

Article 16: Unless otherwise provided by law, each share issued by the Company shall carry one voting right, which may be exercised in writing or by electronic means.

Article 17: Resolutions at a Shareholders' Meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total outstanding shares.

Article 18: Resolutions adopted at the shareholders' meeting shall be recorded in the meeting minutes and handled in accordance with Article 183 of the Company Act.

Chapter 4 Directors

Article 19: The Company shall have nine to thirteen directors, including three independent directors. The number of directors to be elected for each term shall be determined by resolution of the Board of Directors. The term of office for directors shall be three years, and they are eligible for re-election.

The election of directors shall adopt a candidate nomination system in accordance with Article 192-1 of the Company Act. Shareholders shall elect directors from the list of nominated candidates.

Independent and non-independent directors shall be elected at the same time, with the number of elected directors calculated separately for each category.

Article 20: Pursuant to Article 14-4 of the Securities and Exchange Act, the Company has established an Audit Committee, which shall be composed entirely of independent

directors. The powers, duties, and related matters concerning the Audit Committee and its members shall be handled in accordance with the Securities and Exchange Act and other applicable laws and regulations.

Article 21: The board of directors shall be formed by directors. The Directors shall elect from among themselves a Chairman of the Board of Directors, and may elect a Vice Chairman of the Board of Directors, by a majority in a meeting attended by over two-thirds of the Directors. The chairperson and vice chairperson shall execute all affairs of the Company in accordance with applicable laws and regulations, the Articles of Incorporation, and resolutions of the shareholders' meeting and the Board of Directors. The chairperson shall represent the Company externally.

The duties and responsibilities of the Board of Directors shall be as follows:

1. Formulation of the Company's business policies.
2. Establishment and amendment of the Company's organizational structure, and the establishment or dissolution of branch offices.
3. Review and approval of important regulations and contracts.
4. Decisions on investments and reinvestments.
5. Appointment and dismissal of the Company's managerial officers, as well as supervisors of finance, accounting, and internal audit, and determination of their remuneration.
6. Appointment and dismissal of certified public accountants, other key personnel, and consultants.
7. Within the scope of authorized capital, approval of shareholders' contributions to capital by offsetting monetary claims against the Company, or by providing technology or goodwill required by the Company.
8. Within the scope of authorized capital, approval of issuance of new shares as consideration for acquiring shares of another company.
9. Resolution on the issuance of employee stock options.
10. Resolution on repurchase of the Company's shares for transfer to employees or for capital reduction.
11. Resolutions on other significant matters and other duties and responsibilities conferred by laws and regulations or the shareholders' meeting.

Article 22: The company is authorized to purchase liability insurance for its directors and key executives. Matters related to insurance policies and coverage are fully entrusted to the Board of Directors, which has complete authority to handle the insurance arrangements.

Article 23: The remuneration for the company's directors is determined based on their level of participation in company operations and their contribution value. Additionally, compensation levels are benchmarked against domestic and international industry standards. The Compensation Committee proposes the remuneration plan, which is then submitted for approval by the Board of Directors.

The organizational procedures and operational guidelines for the Compensation Committee are established by the Board of Directors in accordance with Article 14-6 of the Securities and Exchange Act, along with other relevant laws and regulations issued by regulatory authorities.

Article 24: Except as otherwise stated in the Act or in the Company Act, a board of directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors. A director may authorize another director to attend a Board meeting on his or her behalf by providing a written proxy specifying the scope of authorization; however, each director may act as proxy for only one other director.

Article 25: The duties and responsibilities of Audit Committee shall be as follows:

1. Adoption or amendment of an internal control system pursuant to Article 14-1.
2. Assessment of the effectiveness of the internal control system.
3. Adoption or amendment, pursuant to Article 36-1, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, monetary loans to

others, or endorsements or guarantees for others.

4. A matter relating to the personal interest of a director.
5. A material asset or derivatives trade.
6. A material monetary loan, endorsement, or provision of guarantee.
7. The offering, issuance, or private placement of any equity-type securities.
8. The engagement, discharge, or compensation of an attesting CPA.
9. The appointment or discharge of a financial, accounting, or internal auditing officer.
10. Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
11. Any other material matter so required by the company or the Competent Authority.

The preceding matters shall require the approval of one-half or more of all audit committee members and be submitted to the board of directors for a resolution.

With the exception of subparagraph 10, any matter under a subparagraph of the preceding paragraph that has not been approved by one-half or more of all audit committee members may be undertaken upon the approval of two-thirds or more of all directors.

Chapter 5 Accounting

Article 26: The fiscal year for the Corporation shall be from January 1 of each year to December 31 of the same year. At the end of each fiscal year, the Company shall conduct financial closing procedures. Upon the approval of more than one-half of all members of the Audit Committee, and resolution by the Board of Directors, the following documents shall be prepared in accordance with the Company Act and submitted to the annual shareholders' meeting for acceptance:

1. Business Report;
2. Financial Statements;
3. Proposal Concerning the Distribution of Earnings or Covering of Losses.

Article 27: In the event the Company makes a profit during the fiscal year it shall set aside no less than 1% of the profits as employees' compensation, which shall be distributed in the form of shares or cash as resolved by the Board of Directors. And the employees entitled to receive employees' compensation may include employees of the subsidiaries of the Company meeting certain requirements. The requirements are determined by the board of directors or its authorized person. In addition, the Company may allocate no more than 1% of the aforementioned earnings as remuneration for directors and supervisors, subject to a resolution of the Board of Directors adopted by the attendance of at least two-thirds of all directors and the approval of a majority of the attending directors. The proposals for the distribution of Employees' Compensation and directors' and supervisors' remuneration shall be reported to the shareholders' meeting. However, priority shall be given to reservation of funds for compensation of cumulative losses, if any. And the distribution of employees' compensation and bonus to directors and supervisors shall be set aside by ratio in the preceding subparagraph.

Article 27-1: In the event of a surplus in the company's annual financial statements, taxes and donations shall be paid in accordance with the law, and after compensating for accumulated losses, ten percent of the remaining profits shall be set aside as statutory surplus. However, when the statutory surplus reaches the company's paid-up capital, no further allocation is required. The remaining profits shall be allocated or reversed according to legal regulations, and if there is still a surplus, it shall be distributed as dividends, along with any accumulated undistributed profits, subject to the proposal of the Board of Directors and the resolution of the shareholders' meeting.

The Company's dividend policy is formulated in alignment with its current and future development plans, taking into account factors such as the investment environment, capital requirements, domestic and international competitive

conditions, and the interests of shareholders. In principle, the distribution of shareholders' dividends shall be adjusted based on changes in internal and external business conditions as well as the Company's cash flow status at the time. Cash dividends shall account for no less than ten percent (10%) of the total dividends distributed.

Chapter 6 Supplementary Provisions

Article 28: The internal organization of the Company and the detailed procedures of business operation shall be determined by the Board of Directors.

Article 29: In regard to all matters not provided for in these Articles of Incorporation, the Company Act of the Republic of China and other applicable laws and regulations shall govern.

Article 30: This Articles of Incorporation were established on July 13, 1973, and have since been amended by resolutions of the Shareholders' Meeting, with each amendment duly approved and registered with the competent authority. The most recent (thirty-third) amendment was approved at the Shareholders' Meeting on May 30, 2024, and shall take effect upon approval.

QUINTAIN STEEL CO., LTD.

Procedures for Election of Directors

Article 1: Unless otherwise provided in the Company Act or the Articles of Incorporation of this Company, the directors of this Company shall be elected in accordance with the rules specified herein.

Article 2: In the election of directors of this Company shall adopt the cumulative voting method with open ballots, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons.

For the ballots mentioned in the preceding paragraph, the names of voters may be represented by shareholders' numbers.

Article 3: This Company's directors shall be elected by adopting the candidate nomination system specified in Article 192-1 of the Company Act, and shareholders shall elect directors from the list of nominated candidates.

Where the number of independent directors falls below the minimum specified in the proviso under Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held by the company at the next shareholders' meeting. In the event that all the independent directors have been discharged, an extraordinary shareholders' meeting shall be convened by the company to hold a by-election within sixty days from the date of such occurrence.

Article 4: Before an election begins, the chairman of the shareholders' meeting shall assign several ballot counters and monitors who are shareholders to perform their respective tasks. The ballot box shall be prepared by the Board of Directors and it shall be inspected publicly by the monitors before the vote.

Article 5: The number of directors for the election shall be in accordance with the Company's articles of incorporation and approved by the board of directors. The election of independent directors and non-independent directors shall be held together, provided the elected number of independent directors and non-independent directors shall be calculated separately. 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.

Article 6: Election ballots shall be prepared and issued by the Company, numbered in accordance with the attendance certificate numbers, and shall indicate the number of voting rights.

Article 7: Ballots shall be deemed void under the following conditions:

1. Ballots not prepared by the convener;
2. Blank ballots not completed by the voter;
3. Writing is illegible or has been altered by the voter;
4. The name of the candidate filled in does not match any name on the list of nominated director candidates;
5. Additional text is written on the ballot other than the allocation of voting rights.

Article 8: 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 were elected, shall be announced by the chair on the site. The results shall be duly recorded.

Article 9: If a shareholder leaves during the meeting, he or she may authorize another attending shareholder to cast the vote on his or her behalf.

Article 10: In regard to all matters not provided for in these Procedures for Election of Directors, the Company Act of the Republic of China and other applicable laws and regulations shall govern.

Article 11: These Rules and any revision thereof shall become effective after approval at the shareholders' meeting.

Quintain Steel Co., Ltd.

Shareholdings of All Directors

1. The total paid in capital of the Corporation is NT$4,468,746,910 and the total issued and outstanding capital stock is 446,874,691 shares.
2. In accordance with the provisions of Article 26 of the Securities and Exchange Act, all directors other than independent directors are required to hold a minimum of 17,874,988 shares (4%).
3. The Company has appointed more than two independent directors. According to the ratio specified in the previous clause, the shareholding requirement for all directors other than independent directors may be reduced to 80%, with a minimum holding of 14,299,990 shares.
4. The Corporation has established an Audit Committee, the minimum shareholding requirements for supervisors do not apply.
5. As of the closing date of the regular shareholders' meeting of the current year (March 30, 2025), shareholdings of individual and all Directors in the shareholder roster are as follows:

Title	Name	Date elected	Term (year)	Shareholding while elected		Current shareholding	
				Shares	%	Shares	%
Chairman	Stanley C.T, Wang	20220526	3	97,263	0.03	122,157	0.027
Director	Aaron Chen	20220526	3	11,079,430	3.24	18,372,152	4.111
Director	Liu, Fu-Tsai	20220526	3	2,131,799	0.62	2,350,094	0.526
Director	Chen, Chien-Hsen	20220526		133,237	0.04	167,340	0.037
Director	Chia Chi SDRY Enterprise Co., Ltd.	20220526	3	11,800,820	3.45	14,821,454	3.317
	Representative: Hu, Pi-Shan	20220526	3	42,635	0.01	47,000	0.011
Director	Baulidu Investment Co., Ltd.	20220526	3	53,220,833	15.57	63,134,229	14.121
	Representative: Hsieh, Cheng-Cheng	20220526	3	8,741	0.00	9,035	0.004
	Representative: Chen, Chien-Jen	20220526	3	46,188	0.01	58,009	0.013
Director	Bai Jia Yuan Investment Co., Ltd.	20220526	3	200,000	0.06	251,193	0.056
	Representative: Yan, Ching-Li	20220526	3	0	0	0	0.00
	Representative: Chen, Chi-Tai	20220526	3	0	0	0	0.00
Independent Director	Wang, Hung-Chuan	20220526	3	20,449	0.01	25,682	0.006
Independent Director	Jian, Han-Ru	20220526	3	0	0	0	0.00
Independent Director	Tsai,Shuo-Chuan	20240530	3	0	0	0	0.00
Total (excluding independent directors)				**78,760,946**	**23.03**	**99,332,663**	**22.223**