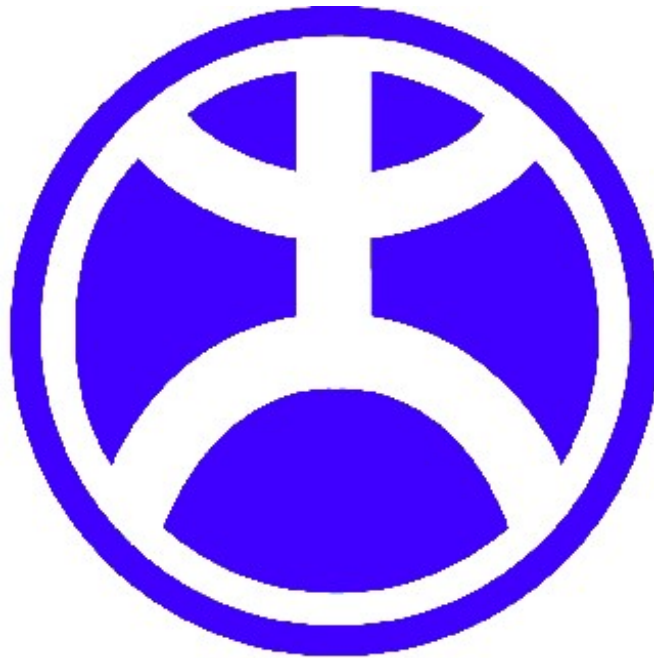


Stock Symbol: 2027

TA CHEN STAINLESS PIPE CO., LTD



Annual Report Query Website: [http:// mops.twse.com.tw](http://mops.twse.com.tw)

Company Website: www.tachen.com.tw

Year 2024 (January 1, 2024 to December 31, 2024) Annual Report

Published on: April 30, 2025

- I. Name, Job Title, Contact Tel. and E-mail Addresses of Spokesperson and Deputy Spokesperson:
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- Stainless Steel Pipe Factory
(Tainan's 1st Factory): No.125, Xintian 2nd St., Rende Dist., Tainan City
Welded Pipe Components
Factory (Tainan's 2nd Factory):
Tel.: (06)270-1756
- Curtain Board Factory: No.3, Ln. 138, Xintian 2nd St., Rende Dist., Tainan City
Tel.: (06)270-1756
- Valve Factory: No.122, Yilin Rd., Rende Dist., Tainan City
Tel.: (06)270-1756
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City
Tel.: (02)2506-7067
- III. Name, Address, Website and Tel. of Bodies for Stock Transfer:
Name: President Securities Corp. (Registrar Department)
Address: B1, No.8, Dongxing Rd., Songshan Dist., Taipei City
Tel.: (02)2746-3797
Website: <http://www.pscnet.com.tw>
- IV. Name of Auditors, Accounting Firm, Address, Website and Tel. of Recent Financial Reports:
Name of Auditors: Chi-Chen Lee, Chao-Chin Yang
Name of Accounting Firm: Deloitte & Touche
Address: 13F., No.189, Sec. 1, Yongfu Rd., West Central Dist., Tainan City
Tel.: (06)213-9988
Website: <http://www.deloitte.com.tw>
- V. Name of Trading Bodies where Foreign Securities are Listed for Trading and Method for Checking Overseas Securities Information: None
- VI. Company website: <http://www.tachen.com.tw>

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1. Report to Shareholders

1.1 Business Report of the Previous Fiscal Year (2024 Fiscal Year – January 1, 2024 to December 31, 2024)

(I) Implementation results of the business plan of the Previous Fiscal Year:

1. Implementation of the Business Report of the Previous Fiscal Year:

The turnover of the Company in 2024 is NT\$90,398,484 thousand, which is NT\$10,858,117 thousand less than that in 2023, with a decrease of 11%; profit before tax is NT\$6,564,674 thousand, which is NT\$3,043,666 thousand less than that of 2023, with a decrease of 32%. The detailed reasons of which are as follows:

(1) Stainless Steel Department

Unit: NTD Thousands / Tons

	2024	2023	Increase (Decrease)	Increase (Decrease) %
Operating Revenue	33,619,025	36,173,532	(2,554,507)	(7)
Operating cost	28,733,067	30,462,338	(1,729,271)	(6)
Gross Profit	4,885,958	5,711,194	(825,236)	(14)
Sales Volume	183,114	171,167	11,947	7
Production Volume	187,347	184,143	3,204	2
Unit Price	184	211	(27)	(13)
Unit Cost	157	178	(21)	(12)

In 2024, the Company continued to be affected by interest rate hikes in the United States, resulting in conservative procurement behavior from customers. Although sales volume began to recover, the decline in average sale price and product gross margins led to a decrease in gross profit of NT\$825,236 thousand, representing a 14% year-over-year reduction compared to 2023.

(2) Fastener Department

Unit: NTD Thousands / Tons

	2024	2023	Increase (Decrease)	Increase (Decrease)%
Operating Revenue	20,676,603	22,734,778	(2,058,175)	(9)
Operating Income	13,408,223	14,759,316	(1,351,093)	(9)
Gross Profit	7,268,380	7,975,462	(707,082)	(9)
Sales Volume	164,674	169,825	(5,151)	(3)
Production Volume	173,618	165,964	7,654	5
Unit Price	126	134	(8)	(6)
Unit Cost	81	87	(6)	(7)

In 2024, revenue from fastener products decreased by NT\$2.1 billion compared to the same period last year. This was primarily due to the impact of the global economic environment, characterized by rising interest rates and inflationary pressures, as well as a slowdown in demand within the fastener market, which led to a decline in sales orders. As a result, revenue, cost, and gross profit each decreased by 9% year-over-year.

(3) Aluminium Product Department

Unit: NTD Thousands / Tons

	2024	2023	Increase (Decrease)	Increase (Decrease) %
Operating Revenue	33,585,449	39,623,276	(6,037,827)	(15)
Operating Income	29,497,537	34,580,796	(5,083,259)	(15)
Gross Profit	4,087,912	5,042,480	(954,568)	(19)
Sales Volume	234,202	266,610	(32,408)	(12)
Production Volume	238,110	210,398	27,712	13
Unit Price	143	149	(6)	(4)
Unit Cost	126	130	(4)	(3)

In 2024, the Company continued to be affected by interest rate hikes in the United States, leading to conservative purchasing behavior from customers. Although sales volume has started to recover, the decline in average sale price and product gross margins resulted in a decrease in gross profit of NT\$954,568 thousands, representing a 19% decline compared to 2023.

(4) Window decoration and other product department

Unit: NTD Thousands / Tons

	2024	2023	Increase (Decrease)	Increase (Decrease) %
Operating Revenue	2,517,407	2,725,015	(207,608)	(8)
Operating Income	1,672,036	1,997,354	(325,318)	(16)
Gross Profit	845,371	727,661	117,710	16
Sales Volume	Note	Note	-	-
Production Volume	Note	Note	-	-
Unit Price	-	-	-	-
Unit Cost	-	-	-	-

Note : Not applicable due to unit differences.

In 2024, the window decoration and forging products business experienced a slight 8% decline in operating revenue due to adjustments in pricing strategy. However, overall gross profit increased by NT\$117,710 thousand, representing a 16% growth compared to the previous year.

(II) Execution of Operating Income and Expense Budget: Not Applicable

(III) Financial Income and Expenses:

Unit: NTD thousands

Item	2024	2023	Amount Increased / Decreased
Net Cash Inflow from Operating Activities	15,249,191	25,262,647	(10,013,456)
Net Cash Inflow (Outflow) from Investing Activities	(6,480,002)	(9,533,931)	3,053,929
Net Cash Inflow (Outflow) of Fundraising Activities	(11,211,247)	(17,595,358)	6,384,111

1. The primary reason is that inventory reduction was accelerated in 2023, while inventory levels stabilized in the current year, resulting in a decrease in net cash inflow from operating activities compared to the previous year.
2. The primary reason is that capital expenditures related to U.S. plant expansion increased in 2023, and a larger amount of U.S. dollar time deposits were made

during that year, leading to higher net cash outflows.

3. The primary reason is the lower repayment of short- and long-term borrowings and reduced cash dividend payments in the current year.

(IV) Analysis of Profitability:

	2024	2023
Return on Assets (%)	4.10	5.50
Return on Shareholders' Equity (%)	6.12	9.18
Ratio of Operating Profit in Paid-in Capital (%)	25.11	36.38
Ratio of Net Profit Before Tax in Paid-in Capital (%)	26.97	39.47
Net Profit Rate (%)	5.22	6.73
Earnings per Share (NTD) – After Tax	1.53	2.30

In 2024, the Company was primarily affected by continued interest rate hikes in the United States, which led to conservative purchasing behavior among customers in the U.S. market. Although sales volume has begun to recover, due to the decrease in sales price and product gross profit, pre-tax profit and net profit are still lower than 2023.

(V) Research Development:

For the goal to become a professional manufacturer of vertical and horizontal stainless steel industry and relevant products, apart from improving the quality and research efficiency of existing products, the Company also aggressively reaches out to the field of plastic and wooden curtain products, and have achieved good results of its work.

1.2 Business Summary of the Current Fiscal Year (January 1st, 2025 to December 31st, 2025)

(I) The operating policies for the current fiscal year are as follows:

1. Improve production and marketing to lower costs and increase product competitiveness.
2. Strengthen the marketing channel expansion of the US subsidiary and increase revenue and profits.

(II) The Company's expected sale volume and basis of which in 2025 are as follows:

Unit: Tons

Major Products	Annual Expected Sale volume (Ton)	Basis
Stainless Steel Products	200,000	Past sales performance and expected supply and demand situation of the current fiscal year
Screws and Screw-Nuts	200,000	
Aluminium Products	280,000	
Window decoration product	20,000	
Total	700,000	

(III) Important Production and Marketing Policy

1. Continue to expand foreign market.
2. Increase efficiency of machine equipment production.
3. Strict quality control for stable product quality.
4. Comprehensive information operation, increase business management efficiency, strengthen Company's competitiveness.

1.3 Development strategy of the Company in the future: Link closely the golden triangle of "Taiwan Operation", "Global Production" and "Global Sales", creating a new pattern for traditional industries.

1.4 Impact of external environment of competition, regulatory environment and overall business operation environment

1. Pricing competition of the steel market is fierce. Paired with trade barriers in various countries around the world, dumping cases are not uncommon.
2. The impact of the regulatory aspect is relatively low.
3. Stainless steel, screws, screw-nuts and aluminium products are all basic materials of industrial development, which is closely related to the performance of the overall economic environment.

Chairman: Li-Yun Hsieh

CEO: Rung-Kun Shieh

2. Corporate Governance Report

2.1 Information of Directors, Supervisors, CEO, Deputy CEO, Assistant Manager, Head of Departments and Branch Organizations

(I) Directors and Supervisors:

April 13th, 2025

Post	Nationality or Country of Registration	Name	Gender / Age Distribution (note 10)	Date of Inauguration	Duration (year)	Date of Initial Inauguration	Sharehold by Time of Election		Current Sharehold		Current Sharehold of Partner, Underaged Children		Sharehold in The Name of Others		Main History of Education	Other Posts in This Company or Other Companies	Partner or Close Relatives in The Posts of Other Managers, Directors or Supervisors			Remarks
							Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio			Post	Name	Relationship	
Chairman	Taiwan (R.O.C.)	Li-Yun, Hsieh (note 6)	Female/D	June 26 th , 2023	3	June 15 th , 2006	119,884	0.01%	143,860	0.01%	383,758	0.02%	—	—	Graduated from Tatung Institute of Commerce and Technology, Banking Finance Manager, Director of Ta Chen Stainless Pipe Co., Ltd.	Note 1	Director/CEO	Rung-Kun Shieh	Younger Brother	None
		Company Representative: Wei-Yi Investment Co., Ltd.	—				156,461	0.01%	187,753	0.01%	—	—	—	—	—		—	—	—	—
Director	Taiwan (R.O.C.)	I-Lan Ou (note 7)	Female/C	June 26 th , 2023	3	June 26 th , 2023	2,889,584	0.14%	2,928,500	0.12%	—	—	—	—	Graduated from National Taiwan University, Civil Engineering Graduated from North Carolina State University, MSc Civil, Construction, Environment Engineering China Engineering Consultants, Inc.	Chairman of Rigid Industrial Co., Ltd. Director of Tri-Treasure Co., Ltd. Director of Hapag-Lloyd Taiwan Ltd. Director of Brighton-Best International (Taiwan) Inc. Supervisor of Ta Chen Empire Co., Ltd. Person in charge of Li Zhi Investment Co., Ltd.	—	—	—	None
		Company Representative: Li Zhi Investment Co., Ltd.	—				371,968	0.02%	446,361	0.02%	—	—	—	—	—		—	—	—	—
Director	Taiwan (R.O.C.)	Shi-Hsien, Tu	Male/B	June 26 th , 2023	3	June 19 th , 2008	6,409,386	0.32%	7,691,263	0.32%	8,822	—	—	—	Graduated from University of California, Berkeley, Double Major in Economics and Biochemistry	Vice President of Ta Chen International, Inc.	—	—	—	None

Post	Nationality or Country of Registration	Name	Gender / Age Distribution (note 10)	Date of Inauguration	Duration (year)	Date of Initial Inauguration	Sharehold by Time of Election		Current Sharehold		Current Sharehold of Partner, Underaged Children		Sharehold in The Name of Others		Main History of Education	Other Posts in This Company or Other Companies	Partner or Close Relatives in The Posts of Other Managers, Directors or Supervisors			Remarks
							Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio			Post	Name	Relationship	
														Vice President of Ta Chen International, Inc.						
Director	Taiwan (R.O.C.)	Rung-Kun Shieh (Note 8)	Male/D	June 26 th , 2023	3	June 19 th , 2017	33,858,048	1.67%	40,629,657	1.67%	29,762,209	1.22%	—	—	Graduated from Fu Jen University, Business Management. Sales manager of San Shing Fastech Corp. Director of Wei Mei Roller Blind Co., Ltd.	Note 2	Chairman	Li-Yun, Hsieh	Elder Sister	
		Company Representative: Ta Ying Cheng Investment Co., Ltd.						79,251,507	3.91%	95,101,808	3.91%	—	—	—	—	—	—	—	—	—
Director	Taiwan (R.O.C.)	Chao-Jin Tsai	Male/C	June 26 th , 2023	3	June 10 th , 2011	3,414,317	0.17%	4,097,180	0.17%	458	—	—	—	Graduated from Kaohsiung Municipal Lujhu Junior High School CEO of Fang Sheng Screw Co., Ltd. Chairman of Zhao Han Co., Ltd.	Note 3	—	—	—	None
Director	Taiwan (R.O.C.)	Yong-Yu Tsai (note 9)	Male/C	August 30 th , 2023	3	June 22 th , 2020	706,349	0.03%	847,618	0.03%	3,510,472	0.14%	—	—	National Open University, Department of Financial Management Supervisor, Kaohsiung Bank Director, Hwa Fong Rubber Ind, Co. Ltd. Director of Atlas Distribution Services Ltd.	Note 4	—	—	—	None
Director	Taiwan (R.O.C.)	Erh-Yi Hsieh	Male/A	June 26 th , 2023	3	June 26 th , 2023	963,671	0.05%	1,069,142	0.04%	—	—	—	—	Global Logistics Management Department, National Yunlin University of Science and Technology Chairman, Wan Duan Investment Co., Ltd. Director, Noei Geeng Enterprise Co., Ltd. Director, Hupao Technology Co., Ltd. Director, Xie Xin Enterprise Co., Ltd. Director, Yuqing Value Investment Co., Ltd.	—	—	—	—	None

Post	Nationality or Country of Registration	Name	Gender / Age Distribution (note 10)	Date of Inauguration	Duration (year)	Date of Initial Inauguration	Sharehold by Time of Election		Current Sharehold		Current Sharehold of Partner, Underaged Children		Sharehold in The Name of Others		Main History of Education	Other Posts in This Company or Other Companies	Partner or Close Relatives in The Posts of Other Managers, Directors or Supervisors			Remarks
							Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio			Post	Name	Relationship	
Director	Taiwan (R.O.C.)	Mei-Feng Lin	Female/C	June 26 th , 2023	3	June 19 th , 2017	208,561	0.01%	250,273	0.01%	—	—	—	—	Graduated from Chihlee University of Technology Supervisor of Ta Chen Stainless Pipe Co., Ltd. CFO of Linfangjin Charitable Foundation	CFO of Linfangjin Charitable Foundation Supervisor of Huajin Corp.	—	—	—	None
		Company Representative: Linfangjin Charitable Foundation	—				2,326,797	0.11%	2,648,156	0.11%	—	—	—	—	—	—	—	—	—	—
Independent Director	Taiwan (R.O.C.)	Chun-An Sheu	Male/D	June 26 th , 2023	3	June 19 th , 2017	—	—	—	—	34,804	—	—	Note 5	Compensation Committee member and Audit Committee member of the Company; Independent Director, Compensation Committee member, and Audit Committee member of Asustek	—	—	—	None	
Independent Director	Taiwan (R.O.C.)	Ming-Chang Shen	Male/D	June 26 th , 2023	3	June 19 th , 2017	—	—	—	—	—	—	—	Graduated from Fu Jen University, Business Management Member of Compensation Committee of Ta Chen Stainless Pipe Co., Ltd. Senior Associate General Manager of Yuanta Core Pacific Securities Co., Ltd. Bonds and Finance Manager of Union Bank of Taiwan Director of Entie Securities Finance Co.	Compensation Committee member and Audit Committee member of the Company; Independent Director, Compensation Committee member and Audit Committee member of Brighton-Best International (Taiwan) Inc Independent Director, Compensation Committee member and Audit Committee member of Right Way Industrial Co., Ltd.	—	—	—	None	
Independent Director	Taiwan (R.O.C.)	Guang-Hsiang Wang	Male/D	June 26 th , 2023	3	June 19 th , 2017	803	—	963	—	3,471	—	—	University of Taiwan, MSc Administrative Leadership (Studied for 3 years, with 40 credits) Department of General Affairs Manager	Compensation Committee member and Audit Committee member of the Company Independent Director, Compensation Committee member and	—	—	—	None	

Post	Nationality or Country of Registration	Name	Gender / Age Distribution (note 10)	Date of Inauguration	Duration (year)	Date of Initial Inauguration	Sharehold by Time of Election		Current Sharehold		Current Sharehold of Partner, Underaged Children		Sharehold in The Name of Others		Main History of Education	Other Posts in This Company or Other Companies	Partner or Close Relatives in The Posts of Other Managers, Directors or Supervisors			Remarks
							Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio	Number of Shares	Sharehold Ratio			Post	Name	Relationship	
																Audit Committee member of Right Way Industrial Co., Ltd.				
Independent Director	Taiwan (R.O.C.)	Kuang-Tzu Wang	Female/ B	August 30 th , 2023	3	August 30 th , 2023	—	—	—	—	—	—	—	—	EMBA Master, NCCU Department of Public Finance, National Chengchi University Vice-President of Cathay Venture Inc. President of Cathay Investment Inc. Manager of International Investment Department, Cathay Life Insurance Co., Ltd. Director of Symphox Information Co., Ltd. Director of Cathay Securities Investment Consulting Co., Ltd. Director of Taipei Financial Center Corp.	Compensation Committee member and Audit Committee member of the Company; Independent Director, Compensation Committee member and Audit Committee member of Brighton-Best International (Taiwan) Inc	—	—	—	None

Note 1: Chairman of Brighton-Best International (Taiwan) Inc., Chairman of Ta Chen (B.V.I.) Holdings, Ltd., Chairman of Shijiazhuang Yi Tai Precision Casting Co., Ltd., Chairman of Ta Chen (Boye) Machinery Co., Ltd., Director of Brighton-Best International (UK), Limited., Director of Brighton-Best International (AU), Pty Ltd., Director of Brighton-Best International (NZ), Limited, Chairman of WEI MEI ROLLER BLIND CO., LTD., Director of Brighton-Best International Inc. (Cayman), Director of Chengrong (Shanghai) International Trade Co., Ltd., Chairman of Ta Chen Empire Co. Ltd., Chairman of Yinrong (Shanghai) Investment Management Corp. Ltd., Director of Ta Chen (Hong Kong) Corp. Limited, Chairman of Ta Chen Lung Mei Home Life Co., Ltd. and Chairman of Wei Mei Hsin Shu Interior Decoration Co., Ltd., Chairman of Xie Xin Enterprise Co., Ltd., Chairman of Hupao Technology Co., Ltd., Chairman of Noei Geeng Enterprise Co., Ltd., Chairman of Right Way Industrial Co., Ltd., Chairman of Right Way Industrial (Malaysia) Sdn. Bhd, Chairman of TRIM Engineering Sdn. Bhd., Chairman of Excellent Growth Investments Limited, Member of Clarke St. Property Holding, LLC.

Note 2: Director of Ta Chen International, Inc., Director/CEO of Brighton-Best International (Taiwan) Inc., Director of Ta Chen (B.V.I.) Holdings, Ltd., Director and CEO of Shijiazhuang Yi Tai Precision Casting Co., Ltd., Director and CEO of Ta Chen (Boye) Machinery Co., Ltd., Director of TCI Investment Group, Inc., Director of Brighton-Best International, Inc., Director of Brighton-Best International (UK), Limited., Director of Brighton-Best International (AU), Pty Ltd., Director of Brighton-Best International (NZ), Limited, Director and General Manager of Ta Chen Empire Co. Ltd., Director of Ta Chen Lung Mei Home Life Co., Ltd.

Note 3: Director and CEO of Fang Sheng Screw Co., Ltd., Supervisor of Fang Sheng Precision Technology Co., Ltd., Director of Taiwan TV Co., Ltd., Director of Brighton-Best International (Taiwan) Inc., Chairman of Chao Han Co., Ltd.

Note 4: Chairman of Jinn Her Enterprise Co., Ltd., Chairman of Tamron Construction Co. Ltd., Chairman of Tamron Recreation Co. Ltd., Chairman of Long Teng Recreation Co. Ltd., Chairman of Te Teng Investment Co. Ltd., Chairman of Foundation of Kaohsiang City Jin Her Social Welfare Charity Foundation, Director of Brighton-Best International (Taiwan)

Inc. and Supervisor of Jinn Chiang Construction Co., Ltd., Director of Yong Fu Yu Green Energy Technology Co., Ltd.

Note 5: Graduated from National Chung Hsing University, Accounting and Statistics, Embry-Riddle Aeronautical University MBA, USA, Chief/Deputy Director of National Taxation Bureau of Taipei, Ministry of Finance, Deputy Director of National Taxation Bureau of Taipei, Ministry of Finance, Deputy Director of Taxation Administration, Ministry of Finance, Director of National Taxation Bureau of Tainan, Ministry of Finance, Supervisor of Taiwan Tobacco & Liquor Corporation, Supervisor of Taiwan Financial Holdings Co., Ltd., Independent Director and Member of Remuneration Committee and Audit Committee of Brighton-Best International (Taiwan) Inc., Independent Director and Member of Remuneration Committee and Audit Committee of Voltronic Power Technology Corp., Director of HungKuo Delin University of Technology, Independent Director and Member of Remuneration Committee and Audit Committee of AAEON Technology Inc.

Note 6: Li-Yun Hsieh first served as the Company's Director on June 15, 2006 until now. Notwithstanding, the juristic person represented by her has changed during the period. She was elected as the Company's Chairman on July 28, 2010.

Note 7: I-Lan Ou first served as the Company's Director on December 6, 2013 until now. Notwithstanding, the juristic person represented by her has changed during the period.

Note 8: Rung-Kun Shieh first served as the Company's Director on January 17, 1990 until now. Notwithstanding, the juristic person represented by him has changed during the period.

Note 9: Yong-Yu Tsai first served as the Company's Director on June 22, 2020 and was discharged on June 25, 2023. On August 30, 2023, he served as a director of the Company again.

Note 10: The age range codes stand for the following: A: 41-50 years old, B: 51-60 years old, C: 61-70 years old and D: 71-80 years old.

Note 11: If the Company's Chairman and President or equivalent (the supreme management) are the same person, spouses or relatives within 1st degree of kinship, disclose the reason, rationality, necessity and responsive measures: None.

1. Main corporate shareholder of the Company :

April 13th, 2025

Name of Corporate Shareholder	Main Shareholders of Corporate Shareholder
Ta Ying Cheng Investment Co., Ltd.	Kun Hua Yong Cheng Social Welfare Foundation, Tainan.(49.5%)、Ling-Hwa Wang (49.9%)、Wei-Yi Investment Co., Ltd. (0.6%)
Linfangjin Charitable Foundation	Sheng Xian Lin (50.9%)(deceased)、You Mei Lin (37.6%)、Fang-Jin Lin (11.5%)(deceased)
Wei-Yi Investment Co., Ltd.	Wei-Ting Guo(50.00%)、Si-Yao Guo50.00%)
Li Zhi Investment Co., Ltd.	I-Lan Ou(55.09%)、Yu-Zhi Lin(17.63%)、Wei-Lun Ou (13.64%)、Shi-Yu Wang (13.64%)

2. Main shareholders of corporate shareholder as main shareholder of other corporate shareholders :

April 13th, 2025

Name of Corporate Shareholder	Main Shareholders of Corporate Shareholder
Kun Hua Yong Cheng Social Welfare Foundation, Tainan.	Rung-Kun Shieh (40.94%)、Ling-Hwa Wang (23.85%)、J&P Holding Company Limited(15.56%)、Li-Yun Hsieh (4.67%)、Bing-Shan Cheng (2.45%)、Chao-Mei Hung (2.32%)、Ta Chen Stainless Pipe Co., Ltd. (2.23%)、Ta Ying Cheng Investment Co., Ltd. (2.14%)、Pei-Rong Hsieh (2.00%)、Ya-Hua Yang (1.93%)

3. Information disclosure of director's professional qualifications and independence of the independent directors

Conditions Name	Professional qualifications and experience	Independence status	Number of companies to which also serving as independent directors
Chairman Li-Yun Hsieh	The Company's current Chairman of Board With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	-	-
Director I-Lan Ou	With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	-	-

Conditions Name	Professional qualifications and experience	Independence status	Number of companies to which also serving as independent directors
Director Shi-Hsien Tu	With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	-	-
Director Rung-Kun Shieh	Current President of the Company; once serving in San Shing Fastech Corp. in charge of international business. With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	-	-
Director Chao-Jin Tsai	With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	-	-
Director Yong-Yu Tsai	With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	-	-
Director Erh-Yi Hsieh	With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	-	-
Director Mei-Feng Lin	With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	-	-
Independent director Ming-Chang Shen	The Company's current Independent Director, serving as a member of the Company's Remuneration Committee and Audit Committee. Once serving as Senior Associate General Manager of Capital Securities, Bonds and Finance Manager of Union Bank of Taiwan, Director of Entie Securities Finance Co., Ltd. With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	1) Not an employee of the Company or any of its affiliates. 2) Not a director or supervisor of the Company or any of its affiliates. 3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.	2

Name	Professional qualifications and experience	Independence status	Number of companies to which also serving as independent directors
Independent director Chun-An Sheu	The Company's current Independent Director, and a member of the Company's Remuneration Committee and Audit Committee; once serving as Section Chief/Deputy Director-General of National Taxation Bureau of Taipei, MOF; Deputy Director-General of National Taxation Bureau of the Northern Area, MOF; Deputy Director-General of Taxation Administration, MOF; Director-General of National Taxation Bureau of the Southern Area, MOF; Supervisor of Taiwan Tobacco & Liquor Corp.; Supervisor of Taiwan Financial Holding Co., Ltd.; Independent Director/Remuneration Committee member and Audit Committee member of Voltronic Power Technology Corp.; Director of Hungkuo Delin University of Technology; Independent Director/Remuneration Committee member and Audit Committee member of AAEON Technology Inc. With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	<p>(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer in the preceding subparagraph (1) or any of the persons in the preceding subparagraphs (2) and (3).</p> <p>(5) Not a director, supervisor, or employee of any juristic-person shareholder that has 5% or more of the total shares issued by the Company, or of top-5 juristic-person shareholders of the Company, or of the juristic-person shareholders who appoint their representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2, Article 27 of the Company Act.</p> <p>(6) Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company.</p> <p>(7) Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company.</p>	2
Independent director Guang-Hsiang Wang	The Company's current Independent Director, and a member of the Company's Remuneration Committee and Audit Committee. Chief of Department of General Affairs, MOF; Supervisor of Financial Information Service Co., Ltd.; Director of Bank Taiwan Securities Co., Ltd.; Director of Taiwan Business Bank; Standing Supervisor of Small and Medium Business Credit Guarantee Fund; Supervisor of Farmers Bank of China; Director of the General Affairs Department, Directorate General of Budget, Accounting and Statistics, Executive Yuan; Inspector/Director/Section Chief/Senior Executive Officer/Chief Secretary of Department of Finance, Taipei City Government; Assistant Revenue Officer/Revenue Officer/Subsection Chief/Revenue Assessor of Taipei City Revenue Service. With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	<p>(8) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company.</p> <p>(9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliated company of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or</p>	1

Conditions Name	Professional qualifications and experience	Independence status	Number of companies to which also serving as independent directors
Independent director Kuang-Tzu Wang	The Company's current Independent Director, and a member of the Company's Audit Committee. Once serving as Vice-President of Cathay Venture Inc.; President of Cathay Investment Inc.; Manager of International Investment Department, Cathay Life Insurance Co., Ltd.; Director of Symphox Information Co., Ltd.; Director of Cathay Securities Investment Consulting Co., Ltd.; Director of Taipei Financial Center Corp. With more than five years experience in commerce, legal, finance, accounting or work experience required by the Company's business. And none of the circumstances set forth in Article 30 of the Company Act.	any affiliated company of the Company for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. Note: (2) ~ (5)~(7) of the above mentioned do not apply to independent directors appointed in accordance with Securities and Exchange Act, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent company.	1

4. The Board of Directors' diversity and independence:

(1) The Board of Directors' diversity

The Company adopted the composition of the Board of Directors to be determined by taking diversity into consideration, and that an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

- A. Basic requirements and values: Gender, age, nationality, and culture.
- B. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, and industry experience.

All members of the Board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:

- A. Ability to make operational judgments.
- B. Ability to perform accounting and financial analysis.
- C. Ability to conduct management administration.
- D. Ability to conduct crisis management.
- E. Knowledge of the industry.
- F. An international market perspective.
- G. Ability to lead.
- H. Ability to make policy decisions.

There are currently twelve directors in the Board of Directors, including four independent directors and three directors who also concurrently serve as the employees of the Company

(accounting 33.33% and 25% of the all directors, respectively). The seniority of the three independent directors are between three to nine years. One director aged 41-50 years old only; Two directors aged 51-60 years old; four aged 61-70 years old, and five aged 71-80 years old. They possess abundant experience, industrial knowledge, and rich experience in the professional areas such as operation and management. Other than the aforesaid, the Company also emphasizes the gender equality of the Board's composition. There are four female directors in the Board, as much as 33.33%.

The implementation of the Board of Directors' diversity policy is as follows:

(1) Basic composition:

Diversity cores Name of director	Basic composition:							
	Nationality	Gender	Serving as an employee concurrently	Age				Seniority as an independent director
				41-50	51-60	61-70	71-80	3-9 years
Li-Yun Hsieh	Republic of China	Female					V	
I-Lan Ou		Female				V		
Shi-Hsien Tu		Male	V		V			
Rung-Kun Shieh		Male	V				V	
Chao-Jin Tsai		Male				V		
Yong-Yu Tsai		Male				V		
Erh-Yi Hsieh		Male	V	V				
Mei-Feng Lin		Female				V		
Ming-Chang Shen		Male					V	V
Chun-An Sheu		Male					V	V
Guang-Hsiang Wang		Male					V	V
Kuang-Tzu Wang		Female				V		

(2) Professional knowledge and skills:

Name of director	Professional knowledge and skills							
	Ability to make operational judgments	Ability to perform accounting and financial analysis	Ability to conduct management administration	Ability to conduct crisis management	Knowledge of the industry	An international market perspective	Ability to lead	Ability to make policy decisions
Li-Yun Hsieh	V	V	V	V	V	V	V	V
I-Lan Ou	V	V	V	V	V	V	V	V
Shi-Hsien Tu	V	V	V	V	V	V	V	V
Rung-Kun Shieh	V	V	V	V	V	V	V	V
Chao-Jin Tsai	V		V	V	V	V	V	V
Yong-Yu Tsai	V		V	V	V	V	V	V
Erh-Yi Hsieh	V		V	V	V	V	V	V
Mei-Feng Lin	V	V	V	V		V	V	V
Ming-Chang Shen	V	V	V	V		V	V	V
Chun-An Sheu	V	V	V	V		V	V	V
Guang-Hsiang Wang	V	V	V	V		V	V	V
Kuang-Tzu Wang	V	V	V	V		V	V	V

The concrete management target and the current achievement of the Board of Directors' diversity policy are as follows:

A. Concrete management target:

- a. at least five directors possessing one of the aforesaid abilities among all directors;
- b. individual director shall have five abilities in the table above.

B. Current achievement: The current Board members all meet the target of diversity policy.

(2) The Board of Directors' independence:

Among twelve directors of the Company, there are four independent directors, accounting for 33.33%. Other than the Chairman, Li-Yun Hsieh, and Director Rung-Kun Shieh are relatives within 2nd degree of kinship with each other; the other ten directors are not spouses or relatives within 2nd degree of kinship with each other, in conformity with Paragraph 3, Article 26-3 of the Securities and Exchange Act.

II Information of CEO, Vice CEO, Assistant Manager, Other Department and Branch Office Manager :

April 13th, 2025

Post	Nationality	Name	Sex	Date of Inauguration	Shareholding		Shareholding of Partner, Underaged Children		Shareholding In the Name of Others		Main Education	Other Posts in This Company or Other Companies	Partner or Close Relatives in The Posts of Other Managers, Directors or Supervisors			Remarks
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Post	Name	Relationship	
CEO	Taiwan (R.O.C.)	Rung-Kun Shieh	Male	January 17 th , 1990	40,629,657	1.67%	29,762,209	1.22%	—	—	Graduated from Fu Jen University, Business Management Sales manager of San Shing Fastech Corp. Director of Wei Mei Roller Blind Co., Ltd.	Note 1	Assistant Manager	Rui-Cai Guo	Brother-in-law	None
Senior Vice CEO	Taiwan (R.O.C.)	Di-Jin Chang	Male	April 24 th , 1994	327,651	0.01%	42,956	—	—	—	Chung Yuan Christian University, Mechanical Engineering Head of San Shing Hardware Technology Screw Set Factory Director of Shijiazhuang Yi Tai Precision Casting Co., Ltd.	Director/Vice CEO of Brighton-Best International (Taiwan) Inc. Director of Ta Chen Empire Co., Ltd. Supervisor of Ta Chen Lung Mei Home Life Co., Ltd. Supervisor of Wei Mei Hsin Shu Interior Decoration Co., Ltd.	—	—	—	
Assistant Manager of Production Department	Taiwan (R.O.C.)	Huai-Yi Yang	Male	October 1 st , 1996	805,746	0.03%	48	—	—	—	National Cheng Kung University, Mechanical Engineering Taiwan Mechanics engineer	None	—	—	—	
Assistant Manager of Sales Department	Taiwan (R.O.C.)	Rui-Cai Guo	Male	July 1 st , 2002	383,758	0.02%	143,860	0.01%	—	—	Tatung Institute of Commerce and Technology Person in charge of Sichuan Huiyuan Optical Communications Co., Ltd. Director of Ta Chen (Changsu) Machinery Co., Ltd.	None	CEO	Rung-Kun Shieh	Brother of Wife	
Assistant Manager of Foreign Investment Department	Taiwan (R.O.C.)	Man-Ting Chen	Female	July 1 st , 2002	672,522	0.03%	—	—	—	—	Shih Chien Institute of Commerce and Technology Manager of En Lin Enterprise	None	—	—	—	
Assistant Manager of Research and Development Department	Taiwan (R.O.C.)	Song-Mao Chen	Male	July 1 st , 2002	490,279	0.02%	850	—	—	—	National Tung-Shih Senior High School Head of Yu-Nion Machinery Factory	None	—	—	—	

Post	Nationality	Name	Sex	Date of Inauguration	Shareholding		Shareholding of Partner, Underaged Children		Shareholding In the Name of Others		Main Education	Other Posts in This Company or Other Companies	Partner or Close Relatives in The Posts of Other Managers, Directors or Supervisors			Remarks
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Post	Name	Relationship	
Manager of Finance Department	Taiwan (R.O.C.)	Jian-Chong Weng	Male	October 24 th , 2007	786,901	0.03%	74,486	—	—	—	Tunghai University, Accounting Manager of Deloitte Touche Tohmatsu Limited	None	—	—	—	

Note 1: Director of Ta Chen Stainless Pipe Co., Ltd., Director of Ta Chen International, Inc., Director/CEO of Brighton-Best International (Taiwan) Inc., Director of Ta Chen (B.V.I.) Holdings, Ltd., Director and CEO of Shijiazhuang Yi Tai Precision Casting Co., Ltd., Director and CEO of Ta Chen (Boye) Machinery Co., Ltd., Director of TCI Investment Group, Inc., Director of Brighton-Best International, Inc., Director of Brighton-Best International (UK), Limited., Director of Brighton-Best International (AU), Pty Ltd., Director of Brighton-Best International (NZ), Limited, Director and General Manager of Ta Chen Empire Co., Ltd., Director of Ta Chen Lung Mei Home Life Co., Ltd..

2.2. Remuneration of Directors, independent directors, supervisors, general managers and deputy general managers in the recent fiscal year

(I) Remuneration of Directors and Independent Directors

December 31st, 2024 Unit: NT\$

Post	Name	Director Remuneration								Gross profit ratio of A, B, C and D in the total remuneration		Relevant Remuneration for Part-time Employees								Gross profit ratio of A, B, C, D, E, F and G in the total remuneration		Compensation paid by an reinvested company other than the subsidiary or the parent company
		Remuneration (A)		Retirement Pension (B)		Director Remuneration (C)		Business Execution Expense (D)				Salary, Bonus and Special Allowance (E)		Retirement Pension (F)		Employee Remuneration (G)						
		The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus	The Company	All Companies included in the Financial Report	
Chairman	Wei-Yi Investment Co., Ltd.	-	-	-	-	3,000,000	3,000,000	-	-	3,000,000	3,000,000	-	-	-	-	-	-	-	-	3,000,000	3,000,000	None
										0.08%	0.08%									0.08%	0.08%	
	Company Representative Li-Yun Hsieh	-	-	-	-	-	-	100,000	100,000	100,000	100,000	-	-	-	-	-	-	-	-	100,000	100,000	
Director	Li Zhi Investment Co., Ltd.	-	-	-	-	3,000,000	3,600,000	100,000	100,000	3,100,000	3,700,000	-	-	-	-	-	-	-	-	3,100,000	3,700,000	None
										0.09%	0.10%									0.09%	0.10%	
	Company Representative I-Lan Ou	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Director	Shih-Hsien Tu	-	-	-	-	3,000,000	3,000,000	100,000	100,000	3,100,000	3,100,000	-	8,748,426	-	-	-	-	-	-	3,100,000	11,848,426	None
										0.09%	0.09%									0.09%	0.33%	
Director	Ta Ying Cheng Investment Co., Ltd.	-	-	-	-	3,000,000	3,000,000	-	-	3,000,000	3,000,000	-	-	-	-	-	-	-	-	3,000,000	3,000,000	None
										0.08%	0.08%									0.08%	0.08%	
	Company Representative Rung-Kun Shieh	-	-	-	-	-	-	-	-	-	-	14,040,330	14,040,330	108,000	108,000	-	-	-	-	14,148,330	14,148,330	
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.40%	0.40%	
Director	Chao-Jin, Tsai	-	-	-	-	3,000,000	3,000,000	100,000	100,000	3,100,000	3,100,000	-	-	-	-	-	-	-	-	3,100,000	3,100,000	None
										0.09%	0.09%									0.09%	0.09%	
Director	Yong-Yu Tsai	-	-	-	-	3,000,000	3,000,000	100,000	100,000	3,100,000	3,100,000	-	-	-	-	-	-	-	-	3,100,000	3,100,000	None
										0.09%	0.09%									0.09%	0.09%	
Director	Erh-Yi Hsieh	-	-	-	-	3,000,000	3,000,000	-	-	3,000,000	3,000,000	740,274	740,274	45,216	45,216	1,103,429	-	1,103,429	-	4,142,858	4,142,858	None
										0.08%	0.08%									0.12%	0.12%	
Director	Linfangjin Charitable Foundation	-	-	-	-	3,000,000	3,000,000	100,000	100,000	3,100,000	3,100,000	-	-	-	-	-	-	-	-	3,100,000	3,100,000	None
										0.09%	0.09%									0.09%	0.09%	
	Company Representative Mei-Feng Lin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Post	Name	Director Remuneration								Gross profit ratio of A, B, C and D in the total remuneration		Relevant Remuneration for Part-time Employees								Gross profit ratio of A, B, C, D, E, F and G in the total remuneration		Compensation paid by an reinvested company other than the subsidiary or the parent company
		Remuneration (A)		Retirement Pension (B)		Director Remuneration (C)		Business Execution Expense (D)				Salary, Bonus and Special Allowance (E)		Retirement Pension (F)		Employee Remuneration (G)						
		The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus	The Company	All Companies included in the Financial Report	
Independent Director	Chun-An Sheu	960,000	960,000	-	-	-	-	-	-	960,000	960,000	-	-	-	-	-	-	-	-	-	960,000	960,000
										0.03%	0.03%										0.03%	0.03%
Independent Director	Ming-Chang Shen	1,200,000	2,880,000	-	-	-	-	-	8,496	1,200,000	2,888,496	-	-	-	-	-	-	-	-	-	1,200,000	2,888,496
										0.03%	0.08%										0.03%	0.08%
Independent Director	Guang-Hsiang Wang	960,000	1,440,000	-	-	-	-	-	-	960,000	1,440,000	-	-	-	-	-	-	-	-	-	960,000	1,440,000
										0.03%	0.04%										0.03%	0.04%
Independent Director	Kuang-Tzu Wang	1,280,000	2,240,000	-	-	-	-	-	15,660	-	-	-	-	-	-	-	-	-	-	-	-	-
										1,280,000	2,255,660										1,280,000	2,255,660
Former Director	Jung-Huei Hsieh (note 4)									0.04%	0.06%										0.04%	0.06%
										960,000	960,000										960,000	960,000

* Apart from the above-disclosed table, remuneration enlisted by company directors for the providence of service as stated in the financial report in the recent fiscal year is (such as the post as consultant for part-time employees): 0

Note 1. Please state the policy, system, standard and structure for paying the remuneration to ordinary directors and independent directors, as well as the relation between factors, such as duties, risks, devotion time, and the paid amount of remuneration paid:

The independent directors of the Company receive fixed remuneration, do not participate in profit distribution, and they are entitled to receive transportation expenses based on actual attendance at meetings. Moreover, the policy and standard for paying the remuneration to directors are regulated by Article 18.1 of the Company's by-law:" 3% of the Company's annual net profit before deduction of employee compensation and directors' remuneration shall be allocated to the employee's remuneration, while no more than 1.5% shall be director's remuneration. However, if the company still has accumulated losses (including adjustment of retained earnings amount), the amount of compensation should be retained in advance.

The employee's remuneration mentioned in the preceding paragraph can be given by shares or cash, and the objects of payment may include the employees of the subordinate companies that meet the conditions set by the board of directors. Nevertheless, the directors' remuneration can only be paid in cash. The resolution of the previous two items shall be passed by the board of directors and reported to the shareholders' meeting." and regulated by Article 16 of the Company's by-law:" The resolution of directors' remuneration is authorized to the board of directors and is made based on the level of the industry." In addition, the Company also utilizes the individual director performance evaluation results according to the "Board of Directors Performance Evaluation Procedures" as a reference for salary compensation.

2. In addition to the disclosure in the preceding table, the remuneration given to the directors for providing services to all the companies in the financial statement during the most recent year (including as a non-employee advisor for all companies/investees under the parent company/in the Financial Report): None.

(II) Supervisor Remuneration: In 2017, Audit Committee replaces the role of supervisors. Therefore, supervisor remuneration was not distributed in 2024.

(III) CEO and vice CEO remuneration

December 31st, 2024 Unit: NT\$

Post	Name	Remuneration (A)		Retirement Pension (B)		Bonus and Special Allowance (C)		Employee Remuneration (D)				Gross profit ratio of A, B, C and D in the total remuneration (%)		Received transfer investment remuneration from companies other than that of subsidiaries or the company
		The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company	All Companies included in the Financial Report	The Company		All Companies included in the Financial Report		The Company	All Companies included in the Financial Report	
								Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
CEO	Rung-Kun Shieh	14,040,330	14,040,330	108,000	108,000	-	-	-	-	-	-	14,148,330	14,148,330	None
												0.40%	0.40%	
Vice CEO	Di-Jin Chang	5,525,980	5,525,980	49,555	49,555	-	-	696,582	-	696,582	-	6,272,117	6,272,117	None
												0.18%	0.18%	

(IV) Remuneration distributed to Managers, Name and Amount Distributed

December 31st, 2024 Unit: NT\$

	Post	Name	Stock Bonus	Cash Bonus	Total	Gross profit ratio in total remuneration (%)
Executive Officers	CEO	Rung-Kun Shieh	-	2,954,903	2,954,903	0.08%
	Vice CEO	Di-Jin Chang				
	Vice CEO	Liang-Cheng, Hsi				
	Assistant Manager	Song-Mao Chen				
	Assistant Manager	Huai-Yi Yang				
	Assistant Manager	Rui-Cai Guo				
	Assistant Manager	Man-Ting Chen				
	Finance Manager	Jian-Chong Weng				

(V) Comparison and analysis of total remuneration paid to company directors, supervisors, CEO and vice CEO of the Company and all companies included in the consolidated report in the recent two years, rate of which in gross profit after tax, and explanation of remuneration policies, standards and combos, and the relevance of procedure of setting remuneration, operation performance and future risks.

1. Director, supervisor, CEO and vice CEO remuneration standard

Items	2024		2023	
	The Company	All Companies included in the Consolidated Report	The Company	All Companies included in the Consolidated Report
Director's total remuneration	44,291,188	56,783,770	45,788,603	56,901,831
Ratio of director's total remuneration to net income after tax	1.25%	1.60%	0.86%	1.07%
President and vice president's total remuneration	20,420,447	20,420,447	23,358,919	23,358,919
Ratio of president's and vice president's total remuneration to net income after tax	0.58%	0.58%	0.44%	0.44%

2. Remuneration policies, standards and packages, and the procedures through which remuneration is determined

The Company's remuneration policies, standards and packages, and procedures through which the remuneration is determined are evaluated by the Company's Remuneration Committee and then proposed to the Board of Directors as reference for its decision making. The remuneration to directors and employees is allocated pursuant to the Articles of Incorporation, and submitted to the Board of Directors for approval and then to a shareholders' meeting for ratification. The remuneration to employees is determined in reference to the pay level among peer companies and industrial competition, as an important basis for the distribution.

(1) Determination of remuneration to directors

- (a) The independent directors of the Company receive fixed remuneration, do not participate in profit distribution, and they are entitled to receive transportation expenses based on actual attendance at meetings. Moreover, the policy and standard for paying the remuneration to directors are regulated by Article 18.1 of the Company's by-law: "3% of the Company's annual net profit before deduction of employee compensation and directors' remuneration shall be allocated to the employee's remuneration, while no more than 1.5% shall be director's remuneration. However, if the company still has accumulated losses (including adjustment of retained earnings amount), the amount of compensation should be retained in advance. The employee's remuneration mentioned in the preceding paragraph can be given by shares or cash, and the objects of payment may include the employees of the subordinate companies that meet the conditions set by the board of directors. Nevertheless, the directors' remuneration can only be paid in cash. The resolution of the previous two items shall be passed by the board of directors and reported to the shareholders' meeting." and regulated by Article 16 of the Company's by-law: "The resolution of directors' remuneration is authorized to the board of directors and is made based on the level of the industry." In addition,

the Company also utilizes the individual director performance evaluation results according to the "Board of Directors Performance Evaluation Procedures" as a reference for salary compensation.

- (b) Upon review by the Remuneration Committee, the proposal was submitted to the Board of Directors. The Board of Directors resolved on July 12, 2023 to pay each independent director NT\$80,000 per month. The monthly remuneration to Independent Director Ming-Chang Shen should be adjusted to NT\$100,000.
- (2) The standards for payment of remuneration to the President and vice presidents were approved by the Chairman and also the Board of Directors. The year-end bonus to the management varies depending on the business performance and future industrial risk.

3. The correlation with risks and business performance for director

In addition to the annual evaluation results generated according to the "Regulations Governing Performance Evaluation on the Board of Directors," the Company performed the evaluation of the procedures for determining the remuneration also based on and the directors' participation in the Company's operations and personal performance contributions. The evaluation items included the occurrence of ethical risk incidents or other risk incidents posing adverse effects on the Company's image/goodwill, and staff corruption practices. The proportion of remuneration is also calculated in reference to the target achievement rate, profitability, operating efficiency, and degree of contribution, and the reasonable remuneration is paid. Meanwhile, the remuneration system for directors, as well as the reference for future nomination for reappointment, is reviewed from time to time subject to the actual operating condition and relevant laws and regulations.

The management's important decisions made after balancing various risk factors. The performance of relevant decisions is reflected in the Company's profitability. Bonuses are calculated based on individual performance based on achievement rate, growth rate, risk, and performance, and are then sent to the Salary and Remuneration Committee for review before being submitted to the Board of Directors for resolution. Therefore, director remuneration is related to the performance of controlling future risks.

4. The correlation with risks and business performance for president and vice president

The management's performance important decisions made after balancing various risk factors. The performance of relevant decisions is reflected in the Company's profitability. The remuneration for managers is determined based on their professional experience and industry standards. Bonuses are awarded based on performance indicators, including financial and business metrics (such as profit growth, operational management quality improvement, and net profit after tax), comprehensive management indicators (such as organizational leadership and management ability, risk management, innovation and integration, and ESG sustainable development strategies), as well as other special contributions or significant achievements. The remuneration for managers are reviewed by the remuneration committee and passed by the board of directors, therefore, the remuneration of the management level is related to the performance of risk control.

2.3 Operation of Company Governance

(I) Operation of the Board of Directors

In 2024, the Board of Directors meeting was held for 6(A) times. Attendance of directors, supervisors are as follows:

Post	Name (Note 1)	Number of actual attendance (B)	Number of entrusted attendance	Ratio of actual attendance (%) [B / A] (Note 2)	Remarks
Chairman	Li-Yun Hsieh Company representative: Wei-Yi Investment Co., Ltd.	6	0	100%	None
Director	I-Lan Ou Company representative: Li Zhi Investment Co., Ltd.	6	0	100%	None
Director	Shih-Hsien Tu	0	6	0%	None
Director	Rung-Kun Shieh Company representative: Ta Ying Cheng Investment Co., Ltd.	5	1	83.33%	None
Director	Chao-Jin Tsai	6	0	100%	None
Director	Yong-Yu Tsai	6	0	100%	None
Director	Erh-Yi Hsieh	6	0	100%	None
Director	Mei-Feng Lin Company representative: Linfangjin Charitable Foundation	5	1	100%	None
Independent Director	Chun-An Sheu	6	0	100%	None
Independent Director	Ming-Chang Shen	6	0	100%	None
Independent Director	Guang-Hsiang Wang	6	0	100%	None
Independent Director	Kuang-Tzu Wang	6	0	100%	None

Other important items :

I. If operation of the Board of Directors fulfills any of the following conditions, the date, period, content of motion of BoD meetings, opinions of all independent directors and the Company's opinion on independent directors shall be processed in accordance with:

(I) Regulations stated in Article 14-3 of the Securities and Exchange Act:

Refer to page 27-28 of the current annual report for the operation of the Audit Committee and other information to note Item 1-1.

(II) Apart from the above-mentioned items, other board resolutions that have been objected to or retained by independent directors with written record: None.

II. For execution of directors' evasion of interest motions, the name of the directors, content of motion, reason for interests to be evaded and participation in voting shall be stated in detail :

Date of Board of Directors Meeting	Name of Directors	Content of Motion	Reason for Interests to be Evaded	Participation in Voting
March 12 th , 2024	Li-Yun Hsieh Rung-Kun Shieh	Bonus remuneration of the Company's directors, supervisors and managers shall reference to the usual condition of companies of the industry, and in consideration of personal performance, in order to decide the bonus remuneration of the Company's directors, supervisors and managers. Such decision shall be passed by the	Based on the regulations set by the Board of Directors, the interests of stakeholders shall be evaded.	Passed without Objection

		Compensation and Remuneration Committee.		
November 12 th , 2024	Li-Yun Hsieh	Review on salaries and bonuses of Chairman, already approved by the Remuneration Committee.	Based on the regulations set by the Board of Directors, the interests of stakeholders shall be evaded.	Passed without Objection
November 12 th , 2024	Li-Yun Hsieh Rung-Kun Shieh	Bonus remuneration of the Company's directors, supervisors and managers shall reference to the usual condition of companies of the industry, and in consideration of personal performance, in order to decide the bonus remuneration of the Company's directors, supervisors and managers. Such decision shall be passed by the Compensation and Remuneration Committee.	Based on the regulations set by the Board of Directors, the interests of stakeholders shall be evaded.	Passed without Objection

III. The TWSE/TPEX-listed company shall disclose the evaluation cycle and period, scope of evaluation, method and contents of evaluation about the Board of Directors' self (or peer) performance evaluation :

The Company has formulated the regulations governing performance evaluation on the Board of Directors, which were already approved by the Board of Directors, in order to specify that the internal performance evaluation of the Board of Directors shall be carried out every year, and that an external professional independent institution or external experts and scholars shall conduct the evaluation at least once every three years. The scope of Board of Directors' evaluation includes the performance evaluation on the overall Board of Directors, individual directors and functional committees.

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Method of Evaluation	Contents of Evaluation
Internal evaluation conducted per year	2024.01.01-2024.12.31	Board of Directors, Board Members and Board's Functional Committees	Directors' Self-Evaluation	<p>(1) Performance evaluation on the Board of Directors: Degree of engagement in the Company's operation, quality of the Board of Directors' decision making, formation and structure of the Board of Directors, election and continuing education of directors, and internal control.</p> <p>(2) Performance evaluation on Board members: Alignment with the Company's goals and mission, awareness toward directors' responsibilities and duties, degree of engagement in the Company's operation, management of internal relations and communication, expertise and continuing education of directors, and internal control.</p> <p>(3) "Performance evaluation on functional committees: Degree of engagement in the Company's operation, awareness toward functional committees' responsibilities and duties, enhancement of quality of the functional committees' decision making, formation of the functional committees and election of the committee members, and internal control.</p>
The external evaluation is conducted at least once triennially	2022.06.26-2023.06.25	Board of Directors, Board Members and Board's Functional Committees	Commissioning of external professional organizations	<p>(1) Review the operations of the Company's Board of Directors based on the five major standards, including the degree of engagement in the Company's operation, quality of the Board of Directors' decision making, formation and structure of the Board of Directors, election and continuing education of directors, and internal control.</p> <p>(2) Review the engagement by the Company's directors based on the six major standards, including alignment with the Company's goals and mission, awareness toward directors'</p>

					<p>responsibilities and duties, degree of engagement in the Company's operation, management of internal relations and communication, expertise and continuing education of directors, and internal control.</p> <p>(3) Review the operations of the Company's functional committees based on the five major standards, including the degree of engagement in the Company's operation, awareness toward functional committees' responsibilities and duties, enhancement of quality of the functional committees' decision making, formation of the functional committees and election of the committee members, and internal control.</p>
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- IV. Evaluation on the goal (such as the establishment of Audit Committee, improve information transparency, etc.) and execution of strengthening the role of the Board of Directors for the recent years:
- (i) The Company has already established the method of proceedings for its Board of Directors, which shall be followed for the operation of the BOD.
 - (ii) All major motions passed by the Company's Board of Directors shall be announced according to set regulations.
 - (iii) The company has established an Audit Committee to replace the role of supervisors.

Note 1: For when directors and supervisors are of corporates, the name of corporate shareholders and its representatives shall be disclosed.

Note 2:

- (1) Before the end of the year, if directors or supervisors resign, the date of resignation shall be listed in the remarks column. Ratio of actual attendance (%) is calculated according to the number of BOD meeting held during his or her employment and the number of actual attendances.
- (2) Before the end of the year, if directors or supervisors are re-elected, the name of both the new and old director or supervisor shall be listed, stating in the remarks column if the director or supervisor is the old or new one, as well as the date of re-election. Ratio of actual attendance (%) is calculated according to the number of BOD meeting held during his or her employment and the number of actual attendances.

(II) Operation of Audit Committee Participation in the Board of Directors:

1. Audit Committee

The Company elected independent directors at the shareholders' meeting on June 26th, 2023 and The Special Shareholders Meeting on August 30th, 2023, and established the audit committee to replace the role of supervisors. In 2024, 6 audit committee meetings were held in total 6(A). Attendance of independent directors are as follows:

Post	Name (Note 1)	Number of Actual Attendance (B)	Number of Entrusted Attendance	Ratio of Actual Attendance (%) [B/A] (Note 1, 2)	Remarks
Independent Director	Chun-An Sheu	6	0	100%	None
Independent Director	Ming-Chang Shen	6	0	100%	
Independent Director	Guang-Hsiang Wang	6	0	100%	
Independent Director	Kuang-Tzu Wang	6	0	100%	

Other important items:

I. If operation of the Board of Directors fulfills any of the following conditions, the date, period, content of motion of Board of Directors meetings, opinions of all independent directors and the Company's opinion on independent directors shall be processed in accordance with:

(I) Regulations stated in Article 14-5 of the Securities and Exchange Act:

Date of Board of Directors Meeting	Period	Content of Motion	Resolution of Audit Committee	Resolution of Board of Directors
March 12 th , 2024	5 st meeting, 13 th Session	The proposal for the The Company proposed 2023 business report and financial statement submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for The Company has prepared the 2023 statement of internal control system submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the allocation of 2023 earnings submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to lend funds of USD 60 million to TCI TEXARKANA, INC. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to lend funds of NTD 200 million to Ta Chen Lung Mei Home Life Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company's wholly owned reinvestment subsidiary, Ta Chen (Hong Kong) Limited to lend funds of USD 1 million to Ta Chen (Boye) Machinery Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for amendments to the company's "Rules of Procedure for Board of Directors Meetings" and the "Audit Committee Charter" submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the amendment to the subsidiary's "Procedures for Acquisition and Disposal of Assets" submitted by the Audit Committee.	Passed without Objection	Passed without Objection
May 9 th , 2024	6 st meeting, 13 th Session	The proposal for the Company's consolidated financial statement for the 2024 first quarter submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to lend funds of NTD 80 million to Wei Mei Roller Blind Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
July 16 th , 2024	7 st meeting, 13 th Session	The proposal for the Company to provide a guarantee/endorsement to Wei Mei Hsin Shu Interior Decoration Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal by Audit Committee to sell assets to Ta Chen Lung Mei Home Life Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection

August 12 th , 2024	8 st meeting, 13 th Session	The proposal for the Company's consolidated financial statement for the 2024 second quarter submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to lend funds of USD 30 million to TKA submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for increased investment of NTD 200 million to Ta Chen Lung Mei Home Life Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company's wholly owned reinvestment subsidiary, Ta Chen (B.V.I.) Holdings Ltd. to lend funds of CNY 25 million to Ta Chen (Boye) Machinery Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to lend funds of USD 3 million to Ta Chen (Hong Kong) Limited submitted by the Audit Committee.	Passed without Objection	Passed without Objection
November 12 th , 2024	9 st meeting, 13 th Session	The proposal for the Company's consolidated financial statement for the 2024 third quarter submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to provide a guarantee/endorsement to Wei Mei Hsin Shu Interior Decoration Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the adoption of new "Procedures for Acquisition and Disposal of Assets" for the subsidiary submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the company increase its investment in Weimei Window Decorations by NTD 80 million and acquire shares of Weimei Window Decorations from non-related parties submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the Company to provide a guarantee/endorsement of CNY 36 million to Ta Chen (Boye) Machinery Co., Ltd. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the company to add or amend the Company's internal control systems, internal audit implementation rules, and related management measures submitted by the Audit Committee.	Passed without Objection	Passed without Objection
December 16 th , 2024	10 st meeting, 13 th Session	The proposal for Ta Chen (B.V.I.) Holdings Ltd., a wholly-owned subsidiary of the company, invest USD 7.5 million in TMCT PRODUCTS INC. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for TMCT PRODUCTS INC., a second-tier subsidiary of the company, invest in NASH METALS, LLC. submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for Ta Chen International Inc., a subsidiary of the company, increase its capital investment in TCI TEXARKANA, INC. by USD 60 million submitted by the Audit Committee.	Passed without Objection	Passed without Objection
		The proposal for the company approve the "Pre-Approval Policy for Non-Assurance Services" submitted by the Audit Committee.	Passed without Objection	Passed without Objection
Procedures for adopting Audit Committee's opinions: All proposals must be approved by a majority vote of all Audit Committee members and by resolution of the Board of Directors.				
(II) Apart from the above-mentioned items, other motions not approved by the Audit Committee or resolved by more than two-third of all directors: None.				
II. For execution of independent directors' evasion of interest motions, the name of the independent directors, content of motion, reason for interests to be evaded and participation in voting shall be stated in detail: None				
III. Communication between independent directors, internal audit manager and accountants (including method and results of communication of major events such as corporate finance, business performance). (i) Audit manager shall present audit reports to independent directors regularly, and present audit reports to the Board of Directors on a regular basis, allowing corporate governance unit to fully understand the Company's risk assessment and control status. (ii) Where the CPAs has communicated with the Company's corporate governance unit under the Statement of Auditing Standards No. 62, and also communicated with the corporate governance unit about the key audit matters identified in the audit report pursuant to the Statement of Auditing Standards No. 58.				

Note 1: Before the end of the year, if an independent director resigns from his/her position, the resignation date should be marked in the remarks column. The actual presence rate (%) should be calculated based on how often the Audit Committee meeting was convened (times) and his/her actual presence (times) during his/her term of office.

Note 2: If a re-election of independent directors had taken place prior to the close of the financial year, old and new independent directors are listed, in which case, the remarks column would specify whether they are former, newly elected or re-elected directors, and the date of the reelection. The actual presence rate (%) should be calculated based on how often the Audit Committee meeting was convened (times) and his/her actual presence (times) during his/her term of office.

(III) Differences and reasons of company governance and code of practice of listed and OTC corporate governance

Item for Evaluation	Operation			Differences and reasons of which with code of practice of listed and OTC corporate governance
	Yes	No	Summary	
I. Did the Company follow regulations stated in “Corporate Governance Best Practice Principles for Listed and OTC Companies” and disclose corporate governance guidelines?	√		The Company has stipulated a “corporate governance code” and gets approved by the board of directors.	No major differences found.
II. Structure of Company shareholding and shareholder equity				
(i) Did the Company establish internal operating procedures to deal with shareholder recommendations, doubts, disputes and litigation matters, and implement which according to procedures.	√		(i) The Company has established the spokesman and the agent spokesman system in charge of handling shareholders’ suggestions, doubts and disputes.	No major differences found.
(ii) Does the Company possess the name list of main shareholders in control of the Company, and the name list of major shareholders with the ultimate control?	√		(ii) The Company appoints a professional stock agency and a speciality to take charge of relevant businesses, and has the list on hand which lists major shareholders who substantially control the company.	No major differences found.
(iii) Did the Company establish, execute risk control and firewall mechanism between the Company and its affiliates submitted the performance evaluation result to the Board and applied the same as reference for remuneration to individual directors and nomination?	√		(iii) The Company has established the “Rules Governing Financial and Business Matters Between Affiliated Enterprises” in order to establish the risk control mechanism and adequate firewall with affiliated companies.	No major differences found.
(iv) Did the Company establish internal regulations, and prohibit insiders from using unpublished information to buy and sell securities?	√		(iv) The Company stipulates “Regulations for handling internal material information and preventing insider trading” to ban against insiders for trading with undisclosed information.	No major differences found.
III. Formation of Board of Directors and its responsibilities				
(i) Does the Board of Directors have member diversity policies and specific management goals regulated and implemented substantively?	√		(i) The Company’s Board of Directors is composed of 12 members, including 4 independent directors. Each director specializes in their own area of expertise, including business management, finance, civil engineering, professional abilities. The Company has also implemented a diversified approach in its formation of the Board of Directors. For details, please refer to Page 16 (4. The Board of Directors’ diversity and independence).	No major differences found.
(ii) Apart from establishing the reimbursement and salary committee and audit committee, did the Company voluntarily formulate committees of other functions?		√	(ii) The Company has established a remuneration and salary committee according to legal regulations; in the future, the Company will formulate committees of other functions according to needs for which.	Will be processed according to the related regulations according to actual needs
(iii) Did the Company set methods for evaluation for performance of the Board of Directors? Would such performance evaluation be conducted yearly on a regular basis?		√	(iii) The Company has formulated the Regulations for Evaluating Board of Directors’ Performance and the evaluation method. Since 2020, the Company has conducted performance evaluations on the Board of Directors at the end of each year. The Company has reported to the Board of Directors the performance evaluation report of the Board of Directors and all functional committees for 2024 on March 12, 2025. Meanwhile, the Company will report the performance evaluation results to the Board of Directors and take such results as a reference for each director's remuneration, nomination, and re-appointment.	No major differences found.
(iv) Does the Company evaluate the independency of accountants on a regular basis?		√	(iv) The Company’s Audit Committee evaluates the independence and competency of the CPAs once a year and submits to the board of directors for resolution. The Company demands that the external auditors should provide “Statement of Independence” and “AQI Report”, and also conduct the assessment in	No major differences found.

Item for Evaluation	Operation		Differences and reasons of which with code of practice of listed and OTC corporate governance																											
	Yes	No		Summary																										
			<p>accordance with the norms referred to in the notes and 13 AQIs. Upon confirmation, it was found that, except the fees for certification and taxation affairs, the CPAs had no financial interests or business relationship with the Company. The CPAs' family members were also found free from any violations of the independence requirements. Meanwhile, in reference to the AQI information, the audit quality provided by the CPAs and their firms were also held satisfying the Company's requirements. The assessment results for the most recent year have been discussed and approved by the Audit Committee on March 12, 2024, and also reported to and approved by the Board of Directors on the same day. As a result, they were all held meeting the Company's criteria of independence and competency.</p> <p>(Note), and sufficient to serve as the Company's CPAs.(Note) Evaluation criteria for independence and competency of CPAs</p> <table border="1"> <thead> <tr> <th>Evaluation item</th> <th>Yes</th> <th>No</th> </tr> </thead> <tbody> <tr> <td>1. Not an employee of the company or any of its affiliates.</td> <td>✓</td> <td></td> </tr> <tr> <td>2. Not a director or supervisor of the company or any of its affiliates. (Not applicable concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).</td> <td>✓</td> <td></td> </tr> <tr> <td>3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.</td> <td>✓</td> <td></td> </tr> <tr> <td>4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer or any of the persons in the preceding three subparagraphs.</td> <td>✓</td> <td></td> </tr> <tr> <td>5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company.</td> <td>✓</td> <td></td> </tr> <tr> <td>6. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company.</td> <td>✓</td> <td></td> </tr> <tr> <td>7. Not a spouse or relative within the second degree of kinship with other directors.</td> <td>✓</td> <td></td> </tr> <tr> <td>8. None of the circumstances in the subparagraphs of Article 30 of the Company Act.</td> <td>✓</td> <td></td> </tr> </tbody> </table>	Evaluation item	Yes	No	1. Not an employee of the company or any of its affiliates.	✓		2. Not a director or supervisor of the company or any of its affiliates. (Not applicable concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).	✓		3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.	✓		4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer or any of the persons in the preceding three subparagraphs.	✓		5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company.	✓		6. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company.	✓		7. Not a spouse or relative within the second degree of kinship with other directors.	✓		8. None of the circumstances in the subparagraphs of Article 30 of the Company Act.	✓	
Evaluation item	Yes	No																												
1. Not an employee of the company or any of its affiliates.	✓																													
2. Not a director or supervisor of the company or any of its affiliates. (Not applicable concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).	✓																													
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7. Not a spouse or relative within the second degree of kinship with other directors.	✓																													
8. None of the circumstances in the subparagraphs of Article 30 of the Company Act.	✓																													

Item for Evaluation	Operation				Differences and reasons of which with code of practice of listed and OTC corporate governance
	Yes	No	Summary		
			9. Not elected in the capacity of the government, a juristic person, or a representative thereof, as provided in Article 27 of the Company Act.	✓	
			10. Not served as a director, managerial officers or position may greatly influence the audit cases.	✓	
			11. Not in the managerial functions involving the Company's decision-making.	✓	
IV. Has the Company established adequate and competent corporate governance personnel, and assigned a corporate governance manager in charge of corporate governance affairs (including but not limited to provision of information required by directors and supervisors for business execution, by laws for matters relating to board meetings and Shareholder's meetings, and information on corporate registration and amendment registration, as well as record minutes of board meetings and shareholders meetings, etc.)?	√		<p>The board of directors approved the establishment of "corporate governance manager" by resolution on May 13, 2019. Manager of finance and accounting division, Jian-Chong Weng serves as the corporate governance manager to protect shareholders' equity and enhance the functionality of board of directors.</p> <p>1. Scope of duties</p> <ol style="list-style-type: none"> (1) Handle relevant matters to board of directors' meeting and shareholders' meeting. (2) Prepare the minutes of board of directors' meeting and shareholders' meeting. (3) Assist the directors to take office and continued advanced studies. (4) Provide the information required by the directors to conduct operations. (5) Assist the directors in law compliance. (6) Other matters established in accordance with Articles of Incorporation or contract. <p>2. Implementation situation in 2024</p> <ol style="list-style-type: none"> (1) Handle relevant matters of board of directors' meeting and shareholders' meeting in accordance with the law. (2) Assist the directors on relevant matters of advanced studies (the situation of advanced studies of directors have been declared on Market Observation Post System). (3) Inspect whether the Company satisfied the scoring criteria for corporate governance evaluation indicators. (4) Comply with the latest law related to business operation fields and corporate governance, revise internal regulations related to corporate governance and submit to board of directors for resolution. <p>3. Advanced studies of corporate governance manager :</p> <ol style="list-style-type: none"> (1) Name of the Course : Corporate Strategies and Responses Amid Global Economic and Financial Changes Date : May 9, 2024 Institute : Taiwan Securities Association Duration : 3 hours (2) Name of the Course : Opportunities and Challenges for Industrial Transformation in Taiwan under Geopolitical Tensions Date : November 12, 2024 Institute : Taiwan Securities Association Duration : 3 hours (3) Name of the Course : Series of Courses for Directors, Supervisors, and Corporate Governance Officers – Carbon Trading Mechanisms and Applications of Carbon Management Date : December 9, 2024 Institute : Securities and Futures Institute Duration : 3 hours (4) Name of the Course : Series of Courses for Directors, Supervisors, and Corporate Governance Officers – Shareholders' Meetings, Management 		No major differences found.

Item for Evaluation	Operation			Differences and reasons of which with code of practice of listed and OTC corporate governance
	Yes	No	Summary	
			Control, and Equity Strategies Date : December 12, 2024 Institute : Securities and Futures Institute Duration : 3 hours	
V. Did the Company establish channels for communication with stakeholders (including but not limited to shareholders, employees, clients and suppliers, etc.), setup stakeholder areas on the Company website, and respond appropriately to important corporate social responsibility issues of concern to stakeholders?	√		The Company has established on our website specialized session for stakeholder : http://www.tachen.com.tw/ ° The Company has established the post of a spokesperson and acting spokesperson, as a channel for communication with stakeholders. If necessary, please contact the Company at all times by telephone, letter, fax or email.	No major differences found.
VI. Did the Company entrust professional stock personnel(s) to handle relevant affairs regarding the hosting of shareholders' meetings?	√		The Company has entrusted professional stock personnel(s) from President Securities Corp. to handle relevant affairs regarding the hosting of shareholders' meetings.	No major differences found.
VII. Information disclosure (i) Did the Company establish a Company website to disclose financial and corporate governance information? (ii) Did the Company adopt other methods of information disclosure (such as constructing an English website, appoint professional personnel for collection and disclosure of the Company's information, establish the spokesperson system, including legal corporates meetings in the Company website, etc.)? (iii) Did the company announce and file its annual financial reports within 2 months from the end of the fiscal year? Does the company announce and file the financial reports for Q1, Q2 and Q3, as well as the operation status of each month before the due date?	√ √		(i) The Company website is managed and maintained by professional personnel(s). Changes of information are updated at once for referencing by shareholders and stakeholders. (ii) The Company adopts other methods of information disclosure: 1. Appoint professional personnel responsible for regularly and irregularly report financial and business information on information disclosure channels. 2. Apart from having established the spokesperson system, the Company also respond to legal corporate incoming calls or receive legal organizations to the Company for visits at all times, and discloses such information on the Company website. (iii) The Company announces and files the annual financial report within 75 days after the end of the fiscal year according to the requirements of the Securities and Exchange Act and related laws and regulations. In addition, the financial reports for the 1st, 2nd, and 3rd quarters, as well as the operating status for each month, are announced before the specified deadline.	No major differences found. No major differences found. It will be subject to the provisions of applicable laws and regulations based on the actual condition.
VIII. Are there any other important information of the Company that are useful for understanding the operation of corporate governance (including but not limited to employee equity, employee care, relationship with investors, relationship with suppliers, rights of stakeholders, training of directors and supervisors, execution of risk management policies and standards of risk evaluation, execution of customer policies, insurance the Company purchased for directors and supervisors, etc.)?	√		(i) Protection of employee equity of the Company is executed in full according to legal regulations. (ii) Apart from encouraging department managers to proactively care for their employees, employee care is also executed through the proper functioning of Employees' Welfare Committee. (iii) The Company sustains communication between professionals and investors, publish instant self-closing profit and loss and Company's major information, so as to protect the rightful equity of investors. (iv) Maintain and sustain long-term cooperation with suppliers, ensuring easiness in cooperation. (v) Interested rights: Under legal regulations of which, the Company protects the rights of stakeholders, ensures all motions with possible interest conflict for directors have been evaded. (vi) Training for directors and supervisors: The Company irregularly provides relevant information according to amendments of the Securities Law. The related training of which also complies with the regulations of governing agencies. (vii) Execution of risk management policy and risk evaluation standards: The Company produced its internal management manual according to legal regulations, and conducts the different risk management and evaluation according to which.	No major differences found.

Item for Evaluation	Operation		Differences and reasons of which with code of practice of listed and OTC corporate governance
	Yes	No	
			(viii) Execution of customer policy: The Company maintains smooth channels of communication with customers, execution of which is good. (ix) Insurance the Company purchased for directors and supervisors: Yet to be implemented. In the future, the Company will execute which according to actual needs and relevant legal regulations.
<p>IX. According to the recent publication of corporate governance evaluation report by Taiwan Stock Exchange Corporate Governance Center, improvements made and areas to be improved (with priorities to be strengthened and ways of improvement stated) have been explained in detail.</p> <p>1. According to the results of the 11th Company Corporate Governance Report, improvements made are as follows :</p> <p>(1) Establish a supplier management policy and require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, and labor rights.</p> <p>2. In 2025, the relevant items of corporate governance will be disclosed in priority according to the 12th Company Corporate Governance Evaluation System Handbook.</p>			

(IV) Composition, function and operation of Remuneration Committee:

(1) Information about the Remuneration Committee members: All are the Company's independent directors. Please refer to Pages 11-14 for the information disclosure of director's professional qualifications and independence of the independent directors.

(2) Operation of Reimbursement and Salary Committee

I. The Company's Remuneration and Salary Committee is composed of a total of 3 members.

II. The current tenure of members is from June 26th, 2023 to June 25th, 2026. The recent (2024) Reimbursement and Salary Committee held a total of 2 meetings (A).

Qualifications of members and attendance of which are as follows:

Post	Name	Number of actual attendance (B)	Number of entrusted attendance	Ratio of actual attendance (%) [B/A]	Remarks
Convener	Ming-Chang Shen	2	0	100	None
Member	Chun-An Sheu	2	0	100	
Member	Guang-Hsiang Wang	2	0	100	

Other important items:

I. If the Board of Directors does not adopt or modify according to suggestions of the reimbursement and salary committee, the date and period of BoD meeting, content of motion, BoD decision and the Company's processing of suggestions of the reimbursement and salary committee shall be listed (if the reimbursement and salary passed by the BoD is higher than the suggested reimbursement and salary by the reimbursement and salary committee, the difference and reason of which shall be stated): None.

II. For decisions made by the reimbursement and salary committee, if members with opposing or reserved opinions presents records or written statements, he or she shall state the date and period of the reimbursement and salary committee meeting, content of motion, opinions of all members as well as processing of members' opinions:

Date of Reimbursement and Salary Committee Meeting & Period	Content of Motion	Resolution
March 12 th , 2024 3 st meeting, 5 th Session	1. Deliberated the distribution of directors' remuneration and employees' remuneration of 2023. 2. Review on the salary, bonus and remuneration to the Company's managers and directors.	Passed without Objection
November 12 th , 2024 4 st meeting, 5 th Session	1. Review of the Chairman's remuneration. 2. Review on the salary, bonus and remuneration to the Company's managers and directors.	Passed without Objection

(V) Implementation status of sustainable development practices, and variance from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance

Promotional items	Implementation status			Variance from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance
	Yes	No	Summary	
I. Does the Company implement a governance framework that supports sustainable development, and designated a unit that specializes (or is involved) in the promotion of sustainable development? Is the unit empowered by the Board of Directors and run by senior management, and how does the Board supervise progress?	√		<p>1. The Finance Department is the unit that specializes in the promotion of sustainable development to aid the President is in charge of the overall planning about the sustainability issues, and has each department use the best effort to perform the corporate social responsibility ex officio, in order to ensure that the sustainable development strategies are precisely practiced in the Company's routine operation.</p> <p>2. In 2024, the main promotion items included the sustainable development of the Company's GHG inventory and verification. The determination of "GHG inventory and verification schedule planning" was already established in 2023, and the execution progress thereof was reported to the Board of Directors on a quarterly basis (on March 12, 2024, on May 9, 2024, August 12, 2024 and November 12, 2024), together with the report on the implementation of ethical corporate management in 2024 (Date: November 12, 2024). The Board of Directors reviewed the relevant issues and provided opinions when necessary, and provided the management team with suggestions for improvement.</p>	No major differences found.
II. Has the Company conducted risk evaluation for the environmental, social and corporate governance issues related to the operations of the Company based on the materiality principle, and formulated related risk management policies or strategies? (Note)	√		<p>The boundary of risk assessment refers to the Company and its subsidiaries in Taiwan, and the results of communication with internal and external stakeholders in accordance with the principle of materiality are used to assess environmental, social and corporate governance issues related to operations. The management guidelines for related risk issues are shown in the table below :</p> <p>(I) Environmental issues:</p> <ol style="list-style-type: none"> 1. Climate Change: Conduct regular inventory of greenhouse gas emissions in accordance with the "GHG Protocol" to check the impact posed on the Company's operations. Based on the results of carbon inventory, continue to implement carbon reduction measures, such as implementation of or replacement with energy-saving equipment and installation of new solar power generation units, to effectively reduce the risk over Scope 1 emissions and the indirect emission of Scope 2 GHG caused by consumption of power. 2. Environmental protection: The Company primarily focuses on the U.S. market, and the products must comply with environmental protection regulations. Therefore, the Company has obtained the "ISO14001" environmental management system certification since July 2024, which is effective until July 2027. Subsequently, the Company will obtain the certification periodically. 3. Climate risk assessment: The Company's climate risk identification process is established based on the TCFD 	No major differences found.

Promotional items	Implementation status			Variance from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance
	Yes	No	Summary	
			<p>structure. After cross-departmental discussions on the results of climate risks and opportunities, three opportunities and four risks were identified.</p> <p>(II) Social issues:</p> <ol style="list-style-type: none"> Occupational Safety and Health: The Company has received the "ISO45001" occupational safety and health management certification which is effective until August 2025. Meanwhile, the Company will organize at least one fire protection drill and labor safety education and training each year to train the employees' abilities in emergency response and self-management of safety. Talent attraction and retention/ diversity, inclusion and equality: The Company holds the principle of equality and openness, and does not discriminate based on gender, religion, race and political preference. Health checks are scheduled regularly, and related health courses are arranged to promote the health of employees. <p>(III) Corporate Governance:</p> <ol style="list-style-type: none"> Information security: The Company implements various information security management mechanisms, conducts various information security education, training and promotion from time to time; the regular backup mechanisms are in place for key systems and databases, and various information security events are simulated and tested, to ensure the security control over the information systems and user. Business ethics: The Company has established ethical management best practice principles and code of conduct. In compliance with external regulations and internal regulations, the Company will promote to and communicate with all directors and colleagues and organize educational and training programs for the goal of zero violations at least once per year, establish the grievance mechanism protecting whistleblowers and encourage employees to report any illegal or unethical conduct. The supervisor of the President's Office accepts the reported cases and reports the same to the President. 	
<p>III. Environmental issues:</p> <p>(1) Does the Company establish proper environmental management systems based on the characteristics of its businesses?</p>	√		<p>(1) The Company has established the environmental safety and health management regulations in accordance with environmental protection laws and regulations (such as the Air Pollution Control Act, Waste Disposal Act, and Toxic and Concerned Chemical Substances Control Act) formulated by the Ministry of Environment, and has obtained the "ISO 14001" environmental management system certification in 2024.</p>	No major differences found.
<p>(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?</p>	√		<p>(2) The Company actively promotes various energy reduction measures, selects high energy efficiency and energy-saving equipment, reduces energy consumption of enterprises and products, and expands the use of renewable energy, in order to optimize energy use efficiency.</p>	No major differences found.
<p>(3) Does the Company evaluate the current and future potential risks and opportunities brought by the climate change, and take measure to respond to the climate related issues?</p>	√		<p>(3) The Company's assessment on climate change-related risks and opportunities and countermeasures are listed in Table 2-2-3 of this annual report.</p>	

Promotional items	Implementation status			Variance from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance																		
	Yes	No	Summary																			
(4) Does the company calculate the greenhouse gases (GHG) emission, water consumption and total weight of wastes for the past two years, and formulated the strategies for energy conservation, carbon reduction, GHG emission reduction, water saving and management of other wastes?	√		<p>1. GHG Emissions: In response to the sustainable development roadmap for TWSE/TPEX-listed companies, the 2024 disclosure of the consolidated company's greenhouse gas inventory results, the parent company only assurance status and reduction policies are required. The relevant information is listed in (VI) Climate-related information on TWSE/TPEX-listed companies on Page 40 of this annual report.</p> <p>2. Water Resource Management: The water consumption is for the parent company only company, and the water category is for daily water consumption. Besides, it does not fall within the water resource stress area. The water consumption in the last two years is shown in the table below:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Water consumption (m3)</th> <th>Water intensity (m3/NT\$ Million for operating revenue)</th> </tr> </thead> <tbody> <tr> <td>112</td> <td>95,825.5439</td> <td>10.0390</td> </tr> <tr> <td>113</td> <td>91,482.0345</td> <td>9.5021</td> </tr> </tbody> </table> <p>3. Waste Management: The scope of waste output covers the parent company only. The types of waste of the Company are not hazardous. The output of waste in the last two years is shown in the table below:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Output (tons)</th> <th>Waste intensity (product per ton/mt)</th> </tr> </thead> <tbody> <tr> <td>112</td> <td>746.24</td> <td>0.0187</td> </tr> <tr> <td>113</td> <td>856.20</td> <td>0.0176</td> </tr> </tbody> </table>	Year	Water consumption (m3)	Water intensity (m3/NT\$ Million for operating revenue)	112	95,825.5439	10.0390	113	91,482.0345	9.5021	Year	Output (tons)	Waste intensity (product per ton/mt)	112	746.24	0.0187	113	856.20	0.0176	No major differences found.
Year	Water consumption (m3)	Water intensity (m3/NT\$ Million for operating revenue)																				
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Year	Output (tons)	Waste intensity (product per ton/mt)																				
112	746.24	0.0187																				
113	856.20	0.0176																				
<p>IV. Social issues</p> <p>(1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p>	√		<p>(1) The Company complies with the laws and regulations of Taiwan. It follows the "Labor Standards Act" of Taiwan and also formulates the "human right policy," to maintain and protect employee's basic human rights, Ta Chen Stainless Pipe supports and abides by the spirit of human rights protection and basic principles as promulgated in the "UN Universal Declaration of Human Rights," "The United Nations Global Compact," "International Labor Convention" and "OECD Guidelines for Multinational Enterprises." The Company treats all of its employees with a fair and just attitude with respect and posts the Policy on the Company's website.</p> <p>The relevant policies and specific plans are summarized as follows:</p> <table border="1"> <thead> <tr> <th>Human Rights Policy</th> <th>Concrete programs</th> </tr> </thead> <tbody> <tr> <td>The Company provides a safe and healthy work environment to help employees maintain physical and mental health and work-life balance.</td> <td>The Company hires security personnel to maintain the safety of the factory premises in the operating environment for 24 hours a day. It also arranges fire protection equipment inspections on a quarterly basis each year, and maintains the soundness and safety of various facilities.</td> </tr> <tr> <td>Help employees maintain physical and mental health and work-life balance.</td> <td>Implement a leave system that encourages employees to balance work and life.</td> </tr> </tbody> </table>	Human Rights Policy	Concrete programs	The Company provides a safe and healthy work environment to help employees maintain physical and mental health and work-life balance.	The Company hires security personnel to maintain the safety of the factory premises in the operating environment for 24 hours a day. It also arranges fire protection equipment inspections on a quarterly basis each year, and maintains the soundness and safety of various facilities.	Help employees maintain physical and mental health and work-life balance.	Implement a leave system that encourages employees to balance work and life.	No major differences found.												
Human Rights Policy	Concrete programs																					
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Promotional items	Implementation status			Variance from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance
	Yes	No	Summary	
(2) Does the Company formulate and implement reasonable policies of staff welfare (including compensation, vacation and other welfares), and reflect the operating performance or achievement in the compensation of the employees properly?	√		(2) The employees are paid based on the position level and work experience, and the salary raise or promotion is announced randomly. The bonus is distributed randomly based on the performance of employees. Moreover, the employee remuneration is appropriated based on the Articles of Association.	No major differences found.
(3) Does the Company create a safe and healthy working environment and provide safety and health education for employees regularly?	√		<p>(3) the Company has obtained ISO 45001:2018 certification. The certificate is effective from August 17, 2022 to August 16, 2025. In 2024, a total of 20 safety and health education and training courses were executed, attended by a total of 910 persons. Meanwhile, a number of emergency response drills and personnel training programs were organized too. Safety and health work was carried out in accordance with the regulations, and the relevant measures and implementation are as follows:</p> <ol style="list-style-type: none"> 1. To strengthen employees' daily safety awareness and prevent serious occupational disasters, the Company implements hazard identification and risk assessment. If a safety risk is found by the on-site unit, a target management program will be proposed, and followed up until the improvement is completed. There were 22 target programs in 2024, and all of them were improved. There were 3 occupational injury cases in 2024. The Company has performed root cause analysis for it and enhanced the education for employees about the operations to prevent such accidents from occurring again. 2. The Company has completed the employees' health protection and promotion pursuant to laws, in order to boost the labor health service guidelines as stipulated by the Ministry of Labor. The Company arranges the health checkup that meets laws and regulations regularly, and plans the health courses and arranges physicians to provide on-site services on a monthly basis. Further, with regards to the maternal health protection plan, the responsible personnel will interview pregnant employees to evaluate the potential impact on their health and determine if said employees require health interviews or relevant health information. 3. For employees struggling with overwhelming work load due to shift work, night shifts, or extended work hours, the Company has formulated the relevant illness prevention plan for potential employees. When carrying out the active employees' health checkup, complete the risk identification checklist. Based on the risk factors evident from the result of their health check-up, select and verify the health risk levels. High risk employees would be interviewed by a physician, who will also provide specific health advice and reminders. In addition, the physician will also notify their supervisors to ensure that appropriate assistance is provided. Our occupational health specialist would provide relevant health information by email or notify employees with medium to low health risks to arrange for interviews. 4. The Company has 24-hour security personnel to maintain the safety of the factory premises in the operating environment. It also arranges fire protection equipment inspections on a quarterly basis each year, and maintains the soundness and safety of various facilities to ensure a safe working environment. No fire incidents occurred in 2024. 	No major differences found.
(4) Does the Company provide employees with opportunities for career development and	√		(4) In addition to arranging the necessary trainings for new recruits based on the duties of the target	No major differences found.

Promotional items	Implementation status			Variance from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance
	Yes	No	Summary	
training?			position, the Company also encourages the training courses to enhance the competencies of the employees. In case of courses suitable for further study or training, it will also assign personnel to participate in, so as to improve the working efficiency.	
(5) Does the Company follow regulations and international standards in the customer health, safety, customer privacy, marketing and labeling of its products and services, and set policies and appeal procedures for protection of consumer's rights and interests?	√		(5) Due to the characteristics of the industry, the Company's related products and services are in compliance with relevant laws and regulations, and provide warranty. Moreover, it has fully established channels for consumer complaints.	No major differences found.
(6) Does the Company formulate the supplier management policies and require suppliers to follow relevant norms on environmental protection, occupational safety and health, or labor's human rights, and disclose the implementation?	√		(6) The Company established the "Cod of Ethics for Suppliers" to enable the suppliers to understand and satisfy the social, environmental and ethical requirements on the Company's labor interest and right, health and occupational safety & health, environmental protection, ethical conduct and management system.	No major differences found.
V. Does the Company, following internationally recognized guidelines, prepare and publish reports such as its corporate social responsibility report to disclose non-financial information of the Company? Does the Company obtain a third-party verification or assurance for such reports?	√		The 2023 Report has been compiled and prepared in accordance with the GRI (Global Reporting Initiative) Standards Core option published by the GRI. Meanwhile, relevant disclosures have been made according to the SASB Standards for the iron steel producers industry in the extractives and mineral processing sector as well as the TCFD. Legendary & Steadfast Accountancy (LSA) provided the independent limited assurance in accordance with the ISAE 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information.	No major differences found
VI. If the Company has established its own sustainability policies in accordance with "Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies," please describe the current practices and any deviations thereof from such principles: The Company is yet to establish its own corporate social responsibility guidelines according to "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies". For the corporate social responsibilities guidelines stated in "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies", the Company has considered the current operation of the Company and the legal regulations. The Company will implement which gradually, with no major differences found.				
VII. Other important information beneficial for understanding the operation of corporate social responsibility: (i) Environmental protection: The Company has been certified in accordance with ISO 14001:2015. The waste generated by the Company is processed by competent units according to environmental protection regulations. General waste is concentrated for management and sorted before processing; all in compliance with the relevant environmental protection act proposed by the government, so as to protect the environment and save resources. (ii) Social participation, social contribution, social service and social welfare: The company actively participates in community development and related public welfare activities, continues to give back its business results to the society every year, and also invites company colleagues to participate in the event. Donations and service targets range from infants and young children to the elderly, physically and mentally handicapped, etc. A total of NT\$ 8,175,300 was donated in 2024. (iii) Consumer equity: The Company values product quality and safety, instantly handle class complaints and provide customers with complete product information to protect consumer rights. (iv) Human rights: 1. The relevant human resource guidelines of the Company complies with regulations of the Labor Standards Act. The employee-related matters are handled by professional personnel(s) so as to protect the basic rights of employees. 2. Recruitment, interview, promotion, performance evaluation or changes in post for job-seekers and employees of the Company shall not be different by sex; relevant regulations have been set to protect the implementation of which. (v) Safety and hygiene: The Company has obtained ISO 45001:2018 certification, and provides employees with safety and health education and disaster prevention training measures based on their work to ensure a safe working environment.				

Note: The materiality principle refers to those related to environmental, social and corporate governance issues that have significant influence on the Company's investors and other interested parties.

(VI) Climate-related information of TWSE/TPEX listed companies

1 Climate-related information implementation

Item	Status of implementation												
<p>1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.</p>	<p>(1) The highest decision-making unit for the Company’s risk management is the Board of Directors. The Board is responsible for approving risk management policy and important risk management system and to monitor the system’s execution. This is to ensure the effectiveness of risk management. Climate risks and opportunities-related topics will be incorporated into the regular reporting items.</p> <p>(2) The chief corporate governance officer is the person in charge of promoting issues related to sustainability and climate change, and continues to identify the risks and opportunities of climate change every year, and manages response plan and progress tracking.</p>												
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy and finance of the Company (short-, mid-, and long-term).</p>	<p>The Company conducts the climate change risk (laws & regulations, technology, market, goodwill, immediate physical risk and long-term physical risk) and opportunity assessments each year, in order to understand the potential operational and financial impacts posed by significant climate-related risks and opportunities to the Company. Assess the part of the value chain where risk and opportunity factors are occurring (own operations, upstream suppliers or downstream customers), time interval (1~3 years for the short term, 3~5 years for the medium term, and over 5 years for the long term), possibility and level of impact; after that, select three significant risks upon discussion, as the risks to be addressed by the Company, and assess the possible opportunities.</p> <table border="1" data-bbox="464 1160 1517 2094"> <thead> <tr> <th data-bbox="464 1160 603 1227">Risk factor</th> <th data-bbox="603 1160 799 1227">Period of occurrence</th> <th data-bbox="799 1160 1161 1227">Financial impact</th> <th data-bbox="1161 1160 1517 1227">Responsive strategy</th> </tr> </thead> <tbody> <tr> <td data-bbox="464 1227 603 1713">Transition risk</td> <td data-bbox="603 1227 799 1713">Laws & regulations: Carbon pricing mechanism</td> <td data-bbox="799 1227 1161 1713">Mid-term (within 3-5 years) Increased operating cost</td> <td data-bbox="1161 1227 1517 1713"> <ul style="list-style-type: none"> ● Continue to promote manufacturing process for reduced carbon, and replacement of old equipment for new ones ● Incorporated energy-saving and carbon reduction requirements into procurement policy ● Continue to pay attention to policy and law changes and related requirements in the country of the transaction party </td> </tr> <tr> <td data-bbox="464 1713 603 2094"></td> <td data-bbox="603 1713 799 2094">Market: Increase in raw material costs</td> <td data-bbox="799 1713 1161 2094">Mid-term (within 3-5 years) Increased direct cost</td> <td data-bbox="1161 1713 1517 2094"> <ul style="list-style-type: none"> ● Strengthen local supply chain, continue to manage raw material warehouse stock level, and incorporate climate factors into management considerations ● Enhance negotiations with suppliers, evaluate and promote supplier carbon inventory </td> </tr> </tbody> </table>	Risk factor	Period of occurrence	Financial impact	Responsive strategy	Transition risk	Laws & regulations: Carbon pricing mechanism	Mid-term (within 3-5 years) Increased operating cost	<ul style="list-style-type: none"> ● Continue to promote manufacturing process for reduced carbon, and replacement of old equipment for new ones ● Incorporated energy-saving and carbon reduction requirements into procurement policy ● Continue to pay attention to policy and law changes and related requirements in the country of the transaction party 		Market: Increase in raw material costs	Mid-term (within 3-5 years) Increased direct cost	<ul style="list-style-type: none"> ● Strengthen local supply chain, continue to manage raw material warehouse stock level, and incorporate climate factors into management considerations ● Enhance negotiations with suppliers, evaluate and promote supplier carbon inventory
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Item	Status of implementation				
		Laws & regulations: Compulsory use of renewable energy	Mid-term (within 3-5 years)	Increased operating cost Increase in capital investments	<ul style="list-style-type: none"> ● Continue to promote solar energy power generation installation plan.
	Physical risk	Short-term: Increase in the frequency and intensity of extreme weather events	Short-term (within 1-3 years)	Increased operating cost	<ul style="list-style-type: none"> ● Enhance the evaluation on the system and drills for the emergency response capability of factory premises and offices ● Continue to maintain operations responding to climate hazard mechanisms
	Opportunity	Financial impact		Strategy for realizing opportunities	
	Adopting low carbon energy	Decreased operating cost		<ul style="list-style-type: none"> ● Change in fuel for the use of boiler ● New system development and reduced power usage ● Gradual switch to self-use for renewable energy ● Continue to evaluate low-carbon energy sources 	
	Adopt incentive policy	Decreased operating cost		<ul style="list-style-type: none"> ● Evaluate solar power installation and matching level to government reward policy 	
Establishment of supplier sustainability management mechanism	Decreased direct cost		<ul style="list-style-type: none"> ● Collaborate with suppliers to mitigate the effects posed by climate impacts on the Company. ● Suppliers with climate change response capabilities shall be selected as the first priority. 		
3. Describe the financial impact of extreme climate events and transformation actions.	<p>(1) Financial impact of extreme climate events: Extreme weather and climate events might affect the supply of raw materials, including increase in raw material costs and operating costs (logistics and transportation). Meanwhile, it might affect factory operations, including factory operation and personnel safety, etc., thus resulting in increase in operating costs.</p> <p>(2) Financial impact of transformation actions: In response to climate change, and in consideration of the Company's characteristics, the Company has planned two major transformation directions:</p> <p>a. Supplier sustainability management: Strengthen the frequency, and diversity of issues, of the communication with suppliers, understand the current market situation, establish the supply chain flexibility, seek second suppliers, local suppliers, etc., and provide customers with diversified products and alternative products as options, which might increase operating costs in the short term, but may reduce direct costs and operating costs in the long run.</p> <p>b. Business location planning: For the new business locations, the consideration is given to areas with low climate sensitivity, and the adjustment of business activities during the renovation period to meet the low-carbon demand, which might result in decrease in operating costs.</p>				
4. Describe how climate risk identification,	The Company has established the climate change risk management process. By identifying the climate-related risks and opportunities regularly, the Company				

Item	Status of implementation
assessment, and management processes are integrated into the overall risk management system.	has various responsible departments control risks and formulates responsive measures against the risk management status and disclosure in accordance with the Company's "Risk Management Regulations," to produce internal and external reports on a regular basis. The Company has incorporated the climate change risk management procedure into the Company's existing risk management procedures.
5. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used shall be explained.	The Company is engaged in the industry other than those with high carbon intensity and total carbon emissions. In order to verify the impact posed by the climate change on operations, the Company assesses climate risks and opportunities through scenario analysis. The transformation risk primarily takes the net zero emission in 2050 into consideration when setting the scenario, while the physical risk primarily takes into account the SSP-8.5 scenario.
6. If there is a transformation plan in response to the management of climate-related risks, describe the content of the plan, and the indicators and goals used to identify and manage physical risks and transformation risks.	By 2025, Ta Chen Group will complete the GHG inventory of all of its business locations, and continue to identify risks and opportunities based on the area and nature of each business location and to improve the countermeasures. Accordingly, the Group's future climate-related indicators and target items are set as a basis for demonstrating the performance of active mitigation and adaptation of climate impacts of Ta Chen Stainless Pipe.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be explained.	The Company has not yet adopted an internal carbon pricing policy.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	In response to international trends and the national targets for Net Zero by 2050, Ta Chen Stainless Pipe identifies the climate change risks and opportunities and develops the carbon management reduction plan year by year, in order to combine the sustainability goals promoted currently. Considering the characteristics of the industry and the Group's existing inspection plan, 2024 is set as the base year, and the Scope 2 operating activities of all consolidated companies within Ta Chen Stainless Pipe schedule to reduce the carbon emission by 0.15% each year since 2025, and by 1% in 2030. Considering the characteristics of the Company's operation and carbon emission structure, the Company plans to save power consumption as the overall strategy for reduction of GHG gas. The implementation status in 2024 is as follows: 1. Replace the 2 fixed frequency air compressors to variable frequency air compressors: Save the energy by 172,840 kWh throughout the year. 2. Reduce the air outlet pressure of 5 operating air compressors of the curtain plant to improve the average operating current and reduce the energy consumption: Save the energy by 203,018 kWh throughout the year. Achievement status in 2024: Said reduction measures were calculated based on the electricity coefficient of 0.494 (CO2e/kWh) published by the Energy Administration, MOEA, which has

Item	Status of implementation
	already saved the emissions by 185.6738 (tons of CO ₂ e) after the conversion and reached the target set for 2024 (Scope 2 reduced by 1% compared to 2023). However, due to the change of the scope of inventory in 2024, the base year for reduction was set again. Therefore, no achievement status is applicable.
9. GHG inventories, assurance status, and reduction goals, strategies, and concrete action plans (to be specified in 1-1 and 1-2 separately).	Please refer to Tables 1-1 and 1-2 below.

1-1 The Company's GHG Inventory and Assurance in the Recent Two Years

1-1-1 GHG inventory information

Describe the GHG emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NTD million), and data coverage for the most recent two years.

Item/Year	Scope 1: Total Emissions (tons CO ₂ e)	Scope 2: Total Emissions (tons CO ₂ e)	Scope 1+Scope 2: Total Emissions (tons CO ₂ e)	Scope 1+Scope 2: Intensity (Metric tons of CO ₂ e / NT\$ Million)
2023 年度	1,347.1867	9,762.2988	11,109.4855	1.1639
2024 年度	89,530.6715	73,097.3148	162,627.9863	1.7990

Note 1: Scope of GHG inventory: The parent company only in 2023, and all subsidiaries included into the consolidated financial statements, except Nash Metals, LLC controlled by the Company upon acquisition on December 31, 2024, in 2024.

Note 2: Scope 1+2 emission intensity = Scope 1+2 total emissions ÷ Operating Revenue of the financial statements falling within the scope.

Note 3: Greenhouse Gas Inventory Standards: ISO 14064-1 issued by the International Organization for Standardization (ISO) in 2023 ; Greenhouse Gas Protocol (GHG Protocol) in 2024

Note 4: As the consolidated company didn't receive RECs in both fiscal years, the reference data of its location within Scope 2 are equivalent to the market reference data.

1-1-2 GHG assurance information

Describe the status of assurance in the last 2 years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.

Item/Year	2023	2024
Scope of assurance	Scope 1 & Scope 2 of the Parent Company (Standalone Basis)	Ta Chen Group (Ta Chen 、 Brighton-Best 、 Tachen Jitai 、 Ta Chen (Boye) 、 Right Way 、 Right Way (Malaysia)) Scope 1 and Scope 2
Assurance organization	SGS Taiwan Limited (SGS)	SGS Taiwan Limited (SGS)
Assurance criteria	ISO14064-3:2019	(Note)
Assurance opinion	Unqualified opinion	(Note)

Note: As of the date of the annual report publication, the assurance body had conducted verification of direct and indirect greenhouse gas emissions within the 2024 organizational boundaries from April 14 to April 30, 2025, and had completed on-site verification at the factory. The complete assurance information for the year 2024 will be disclosed in the Sustainability Report.

1-2 GHG reduction goals, strategies and concrete action plans

In order to plan the GHG reduction strategies and in response to international trends and the national targets for Net Zero by 2050, Ta Chen Stainless Pipe identifies the climate change risks and opportunities and develops the carbon management reduction plan year by year, in order to combine the sustainability goals promoted currently. Considering the characteristics of the industry and the Group's existing inspection plan, 2024 is set as the base year, and the Scope 2 operating activities of all consolidated companies within Ta Chen Stainless Pipe schedule to reduce the carbon emission by 0.15% each year since 2025, and by 1% in 2030.

(I) GHG reduction strategies and specific action plans in 2024:

Considering the characteristics of the Company's operation and carbon emission structure, the Company plans to save power consumption as the overall strategy for reduction of GHG gas. The implementation status in 2024 is as follows:

1. Replace the 2 fixed frequency air compressors to variable frequency air compressors: Save the energy by 172,840 kWh throughout the year.
2. Reduce the air outlet pressure of 5 operating air compressors of the curtain plant to improve the average operating current and reduce the energy consumption: Save the energy by 203,018 kWh throughout the year.

(II) Achievement status in 2024:

Said reduction measures were calculated based on the electricity coefficient of 0.494 (CO₂e/kWh) published by the Energy Administration, MOEA, which has already saved the emissions by 185.6738 (tons of CO₂e) after the conversion and reached the target set for 2024 (Scope 2 reduced by 1% compared to 2023). However, due to the change of the scope of inventory in 2024, the base year for reduction was set again. Therefore, no achievement status is applicable.

(VII) Operation of the Company's business integrity, deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons

Item for Evaluation	Operation			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary	
I. Establish ethical management policy and procedure				
(i) Does the Company have bylaws and external documents approved by the Board that uphold its policy and business integrity, and are the Board and top management team committed to implementing such policy?	√		(i) The Company has stipulated "Guidelines for ethical management operations and behaviors.	No major differences found
(ii) Does the company establish the evaluation mechanism for the risk of unethical conducts, so as to regularly analyze and evaluate the operating activities associated with high risk of unethical conduct, and establish appropriate preventive measures at least for the business activities prescribed in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	√		(ii) Aside from prohibition of unethical behaviors by "Guidelines for ethical management operations and behaviors", the followed decree and policy is also disclosed."	No major differences found.
(iii) Has the Company established relevant programs which are duly enforced to prevent unethical conduct and provide implementation procedures, guidelines, penalties and grievance channels? Does the Company implement and regularly review to revise them?	√		(iii) "Guidelines for ethical management operations and behaviors" stated clearly the range of protected programs and the responsible unit	No major differences found
II. Implementation of ethical corporate management				
(i) Does the Company evaluate the ethical record of transacting bodies, and clarify ethical behavior terms in the contracts with transacting bodies?	√		(i) The Company adopts credit operation for transacting bodies. When cooperating with the enterprise, the Company will fulfill the stated content of signed contracts, in order to implement the concept of ethical business	No major differences found

Item for Evaluation	Operation			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary	
(ii) Has the company set up a special (concurrent) unit under the direct supervision of the Board, to handle the implementation of the Company's ethical standards and report the ethical policies and unethical conduct prevention program to the BoD periodically (at least annually)?	√		management. (ii) 1. The Company's Finance Department is a dedicated unit for the promotion of ethical management. It is responsible for the formulation and supervision of the implementation of ethical management policies and preventive plans, assists the President in formulating policies and coordinates with relevant departments to implement ethical management related issues. 2. On November 12, 2024, the Company's Finance Department reported to the Board of Directors on the implementation of ethical corporate management for the year ended December 31, 2024. The Board of Directors reviewed the relevant issues and provided opinions when necessary, and provided the management team with suggestions for improvement.	No major differences found
(iii) Did the Company establish anti-interest conflict policy, provide suitable channels for statements, and implement the execution of which?	√		(iii) The Company's "Procedure for Ethical Management and Guidelines for Conduct" has expressly stated the requirements about avoidance of conflict of interest. Anyone shall recuse themselves from the motion with which he/she has a conflict of interest at the time of resolution. The Company provides employees with uninterrupted grievance channels. Any employee may file a complaint with his/her immediate supervisor via such channels, directly or indirectly.	No major differences found.
(iv) To implement relevant policies on ethical conduct, does the Company establish effective accounting and internal control systems? Does the internal audit unit make related audit plans based on the evaluation results of the unethical conduct prevention program, so as to audit the compliance with unethical conduct prevention program by the internal auditors or the entrusted CPA?	√		(iv) Internal audit of the Company is implemented according to set audit plans, so as to ensure that the Company's internal operation follows the different legal regulations and policies.	No major differences found.
(v) Does the Company regularly host internal and external training on ethical management?	√		(v) The Company takes advantage of important meetings to communicate the ethical management best-practice principles from time to time, and demand strict implementation of the same principles.	No major differences found.
III. Operation of the Company's reporting system				
(i) Does the Company establish the actual report and reward system, and formulate a convenient report channel, assign responsible personnel according to the reported target?	√		(i) Article 23 of the "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Management and Guidelines for Conduct" of the Company are the provisions related to the whistleblowing system. When any of the Company's personnel finds any unethical conducts, he/she should take the initiative to report to independent directors, managerial officers, the internal audit officer, or other appropriate person.	No major differences found.
(ii) Does the Company establish standard operating procedures for investigating complaints, and the subsequent measures taken after the investigation and ensuring that such complaints are handled in a confidential manner?	√		(ii) The Company has established the standard operating procedures and related confidentiality mechanisms for the investigation of reported matters in Article 23 of the "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Management and Guidelines for Conduct."	No major differences found.
(iii) Does the Company adopt protective measures to ensure that the reporting party is not mistreated due to reporting?	√		(iii) The Company has prescribed the relevant protection measures in Article 23 of the "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Management and Guidelines for Conduct."	No major differences found.
IV. Enhance information disclosure				
Does the Company disclose the content of its set	√		The Company website publishes the relevant	No major differences found.

Item for Evaluation	Operation		Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	
ethical management guidelines and efficiency of which on its website and public information observatories?			financial and management information, allowing investors to learn more about the operation of the Company. The information is also disclosed in public information observatories.
V. If the Company has its own corporate ethical management guidelines according to "C Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please clarify differences between the operation of which and the set guidelines: The Company is yet to establish its own corporate ethical management guidelines according to "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies". For the corporate ethical management guidelines stated in "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", the Company has considered the current operation of the Company and the legal regulations. The Company will implement which gradually, with no major differences found.			
VI. Other important information beneficial for understanding the operation of corporate ethical management: (such as review and amendments of its set ethical management guidelines, etc.): None.			

(VIII) Other important information that can increase understanding to the Company's corporate governance:

Succession planning for directors and key management

1. Board of Directors members

The Board of Directors is elected in accordance with the "Procedures for Election of Directors" and "Corporate Governance Best Practice Principles" of the Company, which stipulate that the composition of the Board of Directors shall be diversified. Meanwhile, the Company also formulates the diversity policy based on the Company's own operation, business model and development needs, including but not limited to, basic conditions and values, and professional knowledge and skills.

The Company's succession planning for directors will be based on the following criteria for selection of talents internally and externally:

- (1) Possessed the ability in planning, decision-making, and leadership over the Company's operations;
- (2) Uphold the values consistent with the Company's core values;
- (3) Have experience in the industry relevant to the Company's operation;
- (4) Able to provide the Company a board of directors that can effectively coordinate and meet the needs of the Company.

The Company plans the succession of directors in the following manners:

- (1) The incumbent directors shall recommend suitable candidates;
- (2) Directors recommended by shareholders;

The results of the performance evaluation of the Board of Directors shall be used as the reference for the nomination of directors for re-election.

2. Succession planning and operation of key management personnel

The Company's employees at managerial level (inclusive) or above are important to the management, and the Company has implemented the succession planning for key management step by step, including cross-disciplinary training of senior executives, and implementation of the job representative system. Each management level has a functional substitute. In order to cultivate key management personnel and their functional substitutes, the Company organizes internal and external training courses from time to time. In addition to professional ability training, the training contents also contain cultivation of the ability of judgment, management and solution of problems to improve the quality of decision-making by the management and prepare the high-quality manpower for the Company's long-term development.

The successors to the Company's key management should not only possess integrity, innovation, customer-oriented core competence, professional knowledge and technical skills, but also share the same values as the Company's, so that the Company's spirit and culture may be shaped from top to bottom.

(IX) Execution of the internal control system:

1. Internal control statement

Ta Chen Stainless Pipe Co., Ltd
Internal Control Statement

Date: March 12th, 2025

Regarding the Company's internal control system in the year 2024, according to the results of self-check, statements are made as follows:

- I. The Company is aware of the construction, implementation and maintenance of the internal control system is the responsibility of the Company's Board of Directors and managers, and has established the system of which. The goal is to achieve the goals in operation performance and efficiency (including profit gained, performance and protection of asset safety, etc.), to provide reasonable assurance that objectives related to the reliability, timeliness, and transparency of financial reporting, and compliance with applicable standards and relevant laws and regulations, are achieved.
- II. The internal control system has its own natural limitations, regardless of how complete its design is, effective internal control system can only provide reasonable guarantee to achieving of the above-mentioned three goals; moreover, due to changes in environment and situations, the effectiveness of the internal control system may be due to change. The Company's internal control system is designed with a self-supervision mechanism. If problems are identified, the Company will take immediate correction.
- III. The Company determines whether the design and implementation of the internal control system is effective according to the items of determination for the effectiveness of an internal control system as stated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as "Governing Regulations"). The items of determination for the effectiveness of an internal control system adopted by the "Governing Regulations" divides an internal control system to its five main key components according to the management control process: 1. Control environment, 2. Risk evaluation, 3. Control operation, 4. Information and communication, and 5. Supervision. Each component includes various sub-items. For details of which, please see the regulations of the "Governing Regulations".
- IV. The Company has adopted the above-mentioned the items of determination for the effectiveness of an internal control system, in order to check the design of the internal control system and the effectiveness of its implementation.
- V. Based on the results of the aforementioned assessment, the Company concludes that as of December 31, 2024, its internal control system — including the supervision and management of subsidiaries — was effectively designed and implemented with respect to the achievement of operational effectiveness and efficiency, the reliability, timeliness, and transparency of reporting, and compliance with applicable regulations and relevant laws. The system provides reasonable assurance regarding the attainment of the aforementioned objectives.
- VI. This Statement will be the main content of the Company's annual report and public explanatory report and made available to external parties. If the above-mentioned public content is found to be false, concealing, or any other unlawful condition, the Company fall liable to the legal responsibilities stated in Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.
- VII. This statement is accepted by the Company's Board of Directors on March 12th, 2025. Amongst the 12 listed directors, 0 opposed to the statement, the remaining attendance agreed to the content of this statement, thereby issued this statement officially.

Ta Chen Stainless Pipe Co., Ltd

Chairman: Li-Yun Hsieh Stamp
CEO: Rung-Kun Shieh Stamp

2. For when accounts are entrusted to audit internal control system, information of the accountants' audit report shall be disclosed: Not applicable to the Company.

(X) In the recent fiscal year, until the date of the publication of this annual report, important decisions made by the Shareholders' meeting and the Board of Directors

1. The contents of important resolution made by 2024 annual general meeting, and implementation status thereof :

(1). Ratification of 2023 business report and financial statements.

Implementation status: The motion has been passed unanimously.

(2). Ratification of the 2023 earnings distribution plan, distribution of cash out of capital reserve.

Implementation status: August 11, 2024 was set as the record date. All have been distributed in full per the resolution made by the shareholders' meeting on September 4, 2024. (The cash dividend was NT\$1.2 per share.)

2. Important resolutions of the Board of Directors:

Date of Meeting	Session	Important resolutions
March 12 th , 2024	5 st meeting, 13th Session	<ol style="list-style-type: none"> 1. Approval of the 2023 business report and financial statements. 2. Approval of the Company's 2023 Declaration of Internal Control. 3. Approval of the proposal for suspension of repatriation of various overseas subsidiaries' accumulated earnings to the parent company. 4. Approval of the proposal for distribution of directors' remuneration and employees' remuneration of 2023. 5. Approval of the proposal for remuneration of Directors. 6. Approval of the 2023 earning distribution. 7. Set the date, time, place and agenda of the Company's 2024 annual general meeting. 8. Approval of the proposal for the Company's plan to loan the fund USD 60 million to TKA. 9. Approval of the proposal for the Company to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd. 10. Approval of the proposal for the Company to lend funds of NTD 200 million to Ta Chen Lung Mei Home Life Co., Ltd. 11. Approval of the proposal for the Company's wholly owned reinvestment subsidiary, Ta Chen (Hong Kong) Limited to lend funds of USD 1 million to Ta Chen (Boye) Machinery Co., Ltd. 12. Approval of the amendments to "Rules of Procedure for the Board of Directors" and "Audit Committee Charter" 13. Approval of the proposal to amend the "Procedure Governing the Acquisition or Disposal of Assets" for the company and Subsidiaries. 14. Approval of the proposal for "evaluation on the independence of the Company's external auditors."
May 9 th , 2024	6 st meeting, 13th Session	<ol style="list-style-type: none"> 1. Approval of the proposal for the Company's consolidated financial statement for the 2024 first quarter. 2. Approval of the proposal for the Company's plan to loan the fund, NTD 80 million to Wei Mei Roller Blind Co., Ltd. 3. Approval of the proposal for the Company plan to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd.
July 16 th , 2024	7 st meeting of 13th Session	<ol style="list-style-type: none"> 1. Approval of the proposal for Setting the Ex-Dividend Date. 2. Approval of the proposal for the Company plan to provide a guarantee/endorsement to Wei Mei Hsin Shu Interior Decoration Co., Ltd. 3. Approval of the proposal for the Company plan to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd. 4. Approval of the proposal to sell assets to Ta Chen Lung Mei Home Life Co., Ltd.

Date of Meeting	Session	Important resolutions
August 12 th , 2024	8 st meeting of 13th Session	<ol style="list-style-type: none"> 1. Approval of the proposal for the Company’s consolidated financial statement for the 2024 second quarter. 2. Approval of the proposal for the Company plan to lend funds of USD 30 million to TKA 3. Approval of the proposal for increased investment of NTD 200 million to Ta Chen Lung Mei Home Life Co., Ltd. 4. Approval of the proposal for the Company’s wholly owned reinvestment subsidiary, Ta Chen (B.V.I.) Holdings Ltd. plan to lend funds of CNY 25 million to Ta Chen (Boye) Machinery Co., Ltd. 5. Approval of the proposal for the Company plan to lend funds of USD 3 million to Ta Chen (Hong Kong) Limited. 6. Approval of the Company’s 2023 Sustainability Report.
November 12 th , 2024	9 st meeting of 13th Session	<ol style="list-style-type: none"> 1. Approval of the proposal for the Company’s consolidated financial statement for the 2024 third quarter. 2. Approval of the proposal for the Company plan to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd. 3. Approval of the proposal for the Company plan to provide a guarantee/endorsement to Wei Mei Hsin Shu Interior Decoration Co., Ltd. 4. Approval of the proposal for adoption of new “Procedures for Acquisition and Disposal of Assets” for the subsidiary. 5. Approval of the proposal for the company increase its investment in Weimei Window Decorations by NTD 80 million and acquire shares of Weimei Window Decorations from non-related parties. 6. Approval of the proposal for the Chairman's remuneration. 7. Approval of the proposal for the salary, bonus and remuneration to the Company's managers. 8. Approval of the proposal for the Company plan to provide a guarantee/endorsement of CNY 36 million to Ta Chen (Boye) Machinery Co., Ltd. 9. Approval of the Company's 2025 business plan. 10. Approval of the “2025 Annual Audit Plan.” 11. Approval the add or amendments of the Company's internal control systems, internal audit implementation rules, and related management measures.
December 16 th , 2024	10 st meeting of 13th Session	<ol style="list-style-type: none"> 1. Approval of the proposal for Ta Chen (B.V.I.) Holdings Ltd., a wholly-owned subsidiary of the company, invest USD 7.5 million in TMCT PRODUCTS INC. 2. Approval of the proposal for TMCT PRODUCTS INC., a second-tier subsidiary of the company, invest in NASH METALS, LLC. (Formerly named AMERINOX TEXARKANA, LLC, renamed to NASH METALS, LLC on November 6, 2024) 3. Approval of the proposal for Ta Chen International Inc., a subsidiary of the company, increase its capital investment in TCI TEXARKANA, INC. by USD 60 million.
March 12 th , 2025	11 st meeting of 13th Session	<ol style="list-style-type: none"> 1. Approval of the proposal for the company's subsidiary, Ta Chen International Inc., to increase capital in Primus Pipe and Tube Holding, Inc. (hereinafter referred to as PPTH) by USD 45 million. 2. Approval of the proposal for the company’s second-tier subsidiary, PPTH, to establish a new investment in Bristol Pipe and Tube, Inc. (hereinafter referred to as Bristol) in the amount of USD 45 million. 3. Approval of the proposal for the company’s second-tier subsidiary, Bristol, to acquire significant assets. 4. Approval of the proposal to establish new Guidelines for Endorsements and Guarantees by the company's subsidiary. 5. Approval of the proposal for endorsements and guarantees by the company's subsidiary. 6. Approval of the proposal for the Company plan to provide a guarantee/endorsement to Ta Chen Lung Mei Home Life Co., Ltd. 7. Approval of the proposal for the Company plan to lend funds of USD 60 million to TKA. 8. Approval of the 2024 business report and financial statements. 9. Approval of the Company's 2024 Declaration of Internal Control. 10. Approval of the proposal for suspension of repatriation of various overseas subsidiaries’ accumulated earnings to the parent company. 11. Approval of the proposal for distribution of directors' remuneration and employees’ remuneration of 2024. 12. Approval of the proposal for remuneration of Directors.

Date of Meeting	Session	Important resolutions
		13. Approval of the 2024 earning distribution. 14. Approval of the proposal to amend the Company's Articles of Incorporation. 15. Approval of amending the Company's "internal control systems", and "internal audit enforcement rules". 16. Set the date, time, place and agenda of the Company's 2025 annual general meeting. 17. Approval of the proposal for "evaluation on the independence of the Company's external auditors." 18. Approval of the implementation status of the IFRS Sustainability Disclosure Standards adoption plan.
April 15 th , 2025	12 st meeting of 13th Session	1. Approval of the proposal for disposal of the equity in the investee, Shijiazhuang Tachen Jitai Machinery Co., Ltd. and Ta Chen (Boye) Machinery Co., Ltd., in part by Ta Chen B.V.I., a subsidiary wholly owned by the Company. 2. Approval of the proposal for the company's subsidiary, Ta Chen International Inc., to provide endorsements and guarantees for Bristol Pipe and Tube, Inc.

(XI) In the recent fiscal year, until the date of the publication of this annual report, opposing opinion of directors or supervisors on the passing of major decisions with records or written statements, the major content of which: Not applicable to the Company.

2.4 Auditor Reimbursement Information

(I) Paid to CPA, CPA's firm and its affiliates the audit, non-audit fees and the non-audit service content should be disclosed.

Units: NT\$ Thousand

Name of the CPA's firm	The CPA name	The audit period	Audit fee	Non-audit fee					Total	Remarks
				System design	Business registration	Human resources	Others (Note)	Sum		
Deloitte & Touche	Chi-Chen Lee Chao-Chin, Yang	January 1st, 2024 ~ December 31st, 2024	15,130	-	115	-	2,974	3,089	18,219	—

Note: Non-audit fees - others, including the transfer pricing and tax consultation service fees.

(II) The Company has not changed accounting firm, and the audit public fee has not decreased more than 10% compared to that of the previous year.

2.5 Information on Change of Auditors: NA.

2.6 If Company Directors, CEO, Managers of Financial or Accounting Affairs Have Worked for an Auditing Office or Affiliates in The Previous Year: Not applicable to the Company.

2.7 Changes in Equity Transfer and Pledge for Directors, Supervisors, Managers and Major Shareholders

(I) Changes in equity of directors, supervisors, managers and main shareholders

Post	Name	2024		2025 until April 13 th		Remarks
		Increased (decreased) number of shares hold	Increased (decreased) number of pledged shares	Increased (decreased) number of shares hold	Increased (decreased) number of pledged shares	
Chairman	Li-Yun Hsieh	—	—	—	—	—
Company Representative	Wei-Yi Investment Co., Ltd.	—	—	—	—	—
Director	I-Lan Ou	(41,000)	—	(289,000)	—	—
Company Representative	Li Zhi Investment Co., Ltd.	—	—	—	—	—
Director	Shih-Hsie, Tu	—	—	—	—	—
Director and CEO	Rung-Kun Shieh	—	—	—	—	—
Company Representative	Ta Ying Cheng Investment Co., Ltd.	—	—	—	—	—
Director	Yong-Yu Tsai	—	—	—	—	—
Director	Chao-Chin Tsai	—	—	—	—	—
Director	Erh-Yi Hsieh	—	—	—	—	—
Director	Jung-Huei Hsieh	—	—	—	—	—
Director	Mei-Feng Lin	—	—	—	—	—
Company Representative	Linfangjin Charitable Foundation	(9,000)	—	(9,000)	—	—
Independent Director	Chun-An Sheu	—	—	—	—	—
Independent Director	Ming-Chang Shen	—	—	—	—	—
Independent Director	Guang-Hsiang Wang	—	—	—	—	—
Independent Director	Kuang-Tzu Wang	—	—	—	—	—
Vice CEO	Di-Jin Chang	—	—	—	—	—
Assistant Manager	Huai-Yi Yang	(28,000)	—	(116,000)	—	—
Assistant Manager	Man-Ting Chen	—	—	14,000	—	—
Assistant Manager	Song-Mao Chen	(30,000)	—	—	—	—
Assistant Manager	Rui-Cai Guo	(10,000)	—	—	—	—
Finance (accounting) Department Manager	Jian-Chong Weng	(125,000)	(300,000)	(30,000)	—	—

(II) Information of rights transfer: None.

(III) Information of pledged rights: None.

2.8 Shareholding Ratio Accounts for the Relationship Between the Top Ten Shareholders

April 13th, 2025

Name	Stocks hold by the person		Stocks hold by the partner, underaged children		Stocks hold by the name of others		For top 10 shareholders that are the 6 th related party, partner, close relative of another according to Financial and Accounting Standards, the name and relationship of which		Remarks
	Numbers of shares	Ratio of shares hold	Numbers of shares	Ratio of shares hold	Numbers of shares	Ratio of shares hold	Name	Relationship	
Brighton-Best International (Taiwan) Inc.	167,203,884	6.87%	—	—	—	—	Ta Chen Empire Co., Ltd. Tong Yi Investment Co., Ltd.	Parent and Subsidiary Companies Director of Brighton-Best International (Taiwan) Inc.	—
Person in charge: Li-Yun Hsieh	143,860	0.01%	383,758	0.02%	—	—	Rung-Kun Shieh	Sister	—
Yuanta/P-shares Taiwan Dividend Plus ETF	123,102,213	5.06%	—	—	—	—	—	—	—
Ta Chen Empire Co., Ltd.	120,339,371	4.94%	—	—	—	—	Brighton-Best International (Taiwan) Inc.	Parent and Subsidiary Companies	—
Person in charge: Li-Yun Hsieh	143,860	0.01%	383,758	0.02%	—	—	Rung-Kun Shieh	Sister	—
Ta Ying Cheng Investment Co., Ltd.	95,101,808	3.91%	—	—	—	—	—	—	—
Representative: Bing-Shan Cheng	560	—	216,038	0.01%	—	—	—	—	—
Custody of the Norges Bank Investment Account by Citibank (Taiwan) Ltd.	81,900,069	3.36%	—	—	—	—	—	—	—
Han-Yin Hsieh	66,661,246	2.74%	—	—	—	—	Rung-Kun Shieh Pei-Rong, Hsieh	Father Sister	—
Pei-Rong Hsieh	65,773,756	2.70%	—	—	—	—	Rung-Kun Shieh Han-Yin, Hsieh	Father Brother	—
Allianz Global Investors Taiwan Intelligence Trends Fund	40,740,000	1.67%	—	—	—	—	—	—	—
Rung-Kun Shieh	40,629,657	1.67%	29,762,209	1.22%	—	—	Li-Yun, Hsieh Han-Yin, Hsieh Pei-Rong, Hsieh	Sister Father Father	—
Tong Yi Investment Co., Ltd.	39,969,478	1.64%	—	—	—	—	Brighton-Best International (Taiwan) Inc.	Director of Brighton-Best International (Taiwan) Inc.	—
Person in charge: Su-Gan, Tai Chen	—	—	—	—	—	—	—	—	—

2.9 Comprehensive Shareholding Ratio

Unit: Share; % April 13th, 2025

Transfer investment business (Note)	The Company's investment		Investment by directors, supervisors, managers and direct or indirect controlled businesses		Comprehensive investment	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholdin g Ratio	Number of Shares	Shareholding Ratio
Ta Chen International Inc	734,836	100.00%	—	—	734,836	100.00%
Ta Chen (B.V.I.) Holdings, Ltd.	32,625,300	100.00%	—	—	32,625,300	100.00%
Brighton-Best International (Taiwan) Inc.	440,610,040	42.72%	15,076,037	1.46%	455,686,077	44.18%
WEI MEI ROLLER BLIND CO., LTD.	7,000,000	70.00%	—	—	7,000,000	70.00%
TA CHEN LUNG MEI HOME LIFE CO., LTD	30,995,367	99.99%	—	—	30,995,367	99.99%
Ta Chen (Hong Kong) Limited	10,000,000	100.00%	—	—	10,000,000	100.00%
Yinrong (Shanghai) Investment Management Co., Ltd.	—	100.00%	—	—	—	100.00%
TY Steel Co., Ltd.	105,583,200	38.75%	—	—	105,583,200	38.75%
Ta Chen GREEN SYSTEM CO., LTD.	6,000,000	50%	—	—	6,000,000	50%
Right Way Industrial Co., Ltd.	779,000	0.26%	53,540,000	17.86%	54,319,000	18.12%
City Mocean Co., Ltd.	490,000	49%	—	—	490,000	49%

Note: Long-term investment of the Company with the equity method.

3. Fundraising

3.1 Source of Equity:

Unit: NTD

April 13th, 2025

Date	Publishing price (NTD)	Authorized share capital		Paid-in share capital		Remarks		
		Number of shares	Value	Number of shares	Value	Source of shares	Shares paid by assets other than cash	Others
September, 2018	-	950,000,000	9,500,000,000	983,790,052	9,837,900,520	Surplus 37,838,079 shares	None	Note 1
October, 2018	42	1,500,000,000	15,000,000,000	1,233,790,052	12,337,900,520	Seasoned public offerings 250,000,000 shares	None	Note 2
October, 2019	-	1,800,000,000	18,000,000,000	1,233,790,052	12,337,900,520	Authorized share capital offerings 300,000,000 shares	None	Note 3
August, 2020	-	1,800,000,000	18,000,000,000	1,258,465,853	12,584,658,530	Surplus 24,765,801 shares	None	Note 4
October, 2020	18	1,800,000,000	18,000,000,000	1,658,465,853	16,584,658,530	Seasoned public offerings 400,000,000 shares	None	Note 5
October, 2021	43	2,200,000,000	22,000,000,000	2,008,465,853	20,084,658,530	Seasoned public offerings 350,000,000 shares	None	Note 6
August, 2022	-	3,000,000,000	30,000,000,000	2,028,550,512	20,285,505,120	Surplus 20,084,659 shares	None	Note 7
August, 2023	-	3,200,000,000	32,000,000,000	2,434,260,615	24,342,606,150	Surplus 405,710,103 shares	None	Note 8

Note 1: Approved by Ministry of Economic Affairs on September 18, 2018 economic attribute No. 10701115690

Note 2: Approved by Ministry of Economic Affairs on October 29, 2018 economic attribute No. 10701133230

Note 3: Approved by Ministry of Economic Affairs on October 29, 2019 economic attribute No. 10801077700

Note 4: Approved by Ministry of Economic Affairs on September 4, 2020 economic attribute No. 10901140830

Note 5: Approved by Ministry of Economic Affairs on November 5, 2020 economic attribute No. 10901205840

Note 6: Approved by Ministry of Economic Affairs on November 15, 2021 economic attribute No. 11001205380

Note 7: Approved by Ministry of Economic Affairs on August 2, 2022 economic attribute No. 11101147830

Note 8: Approved by Ministry of Economic Affairs on August 23, 2023 economic attribute No. 11230155170

Type of stocks	Authorized share capital			Remarks
	Circulating shares	Unissued shares	Total	
Registered common stock	2,434,260,615	765,739,385	3,200,000,000	Listed shares

3.2 Major Shareholders

April 13th, 2025

Name of major shareholders	Shares	Numbers of shares hold	Shareholding ratio (%)
Brighton-Best International (Taiwan) Inc.		167,203,884	6.87%
Yuanta/P-shares Taiwan Dividend Plus ETF		123,102,213	5.06%
Ta Chen Empire Co., Ltd.		120,339,371	4.94%
Ta Ying Cheng Investment Co., Ltd.		95,101,808	3.91%
Custody of the Norges Bank Investment Account by Citibank (Taiwan) Ltd.		81,900,069	3.36%
Han-Yin Hsieh		66,661,246	2.74%
Pei-Rong Hsieh		65,773,756	2.70%
Allianz Global Investors Taiwan Intelligence Trends Fund		40,740,000	1.67%
Rung-Kun Shieh		40,629,657	1.67%
Tong Yi Investment Co., Ltd.		39,969,478	1.64%

3.3 Company Dividend Policy and Implementation:

(I) Company's dividend policy:

If the Company's yearly account is found to have net profit after tax, such profit shall be prioritized for the use of making up for accumulated losses (including adjustment of the amount of retained earnings). By law, 10% of which shall be listed as lawful earned surplus. However, if the accumulated lawful earned surplus has reached the Company's paid-in capital, the limitation does not apply to the situation, then the special earned surplus shall be allocated or evaded according to legal regulations or competent authorities. The remaining surplus, combined with the undistributed surplus earnings by the beginning of the current period (including adjustment of the amount of undistributed surplus earnings), shall be planned for distribution by the Board of Directors before asking the shareholders' meeting to decide upon distribution of shareholders' bonus dividends.

The Company's dividend policy is based on the current and future plans of development upon consideration of the investment environment, capital requirement, local and international competition. Combined with considerations such as that of shareholder profits, surplus earnings to be distributed per year shall allocate no less than 20% for shareholders' bonus dividends; when distributing shareholders' bonus dividends, such distribution shall be paid in cash or stocks, the cash dividend within shall be no less than 20% of the total dividend.

(II) Distribution of bonus dividends by the current shareholders' meeting is as follows:

	Amount distributed per share	Source
Cash dividend	NT\$1.10	Unappropriated earnings

3.4 Impact of The Current Free Placement of the Company's Operating Performance and Earnings Per Share:

The Company does not disclose complete financial forecast and therefore does not apply.

3.5 Salary of Employees, Directors and Supervisors:

(I) Ratio and scope of remuneration of employees, directors and supervisors according to the Company Act :

According to Article 18-1 of the Company Act, for the current gross profit before tax of the Company of the year before deduction of employee and director remuneration, 3% of which shall be listed as employee remuneration, and that for director remuneration shall be no more than 1.5%. However, if the Company is still suffering from accumulated losses (including adjustment of the amount of undistributed surplus earnings), the amount of compensation shall be retained in advance.

The above-listed employee remuneration can be delivered in stocks or cash. The subject of payment shall include the employees of the subordinate company that meet the conditions set by the Board of Directors. The above-listed director remuneration can only be delivered by cash. The above two items shall be decided by the Board of Directors, and reported in shareholders' meeting.

(II)The annual financial statement of parent company only has approved and publicized that in the Board of Directors' resolutions if any material changes are made for the distributed amounts, the changed adjustment should be shown in the annual fee. Further amount changes after the approval and publicized date of the annual financial statement of parent company only should be coped with by accounting estimation change and be input to the statement for the year followed. If the Board of Directors' meeting made a resolution that the employee's compensations are distributed by stock, the stock bonus amount should be decided by the resolution bonus amount divided by the stock fair value, where the stock fair value refers to the closing price of the previous day of the shareholders' meeting (considering the influence of ex-right and ex-dividend)

(III) Information of employee, director and supervisor remuneration passed by the Board of Directors:

1. Compensation for employees: NT\$123,455,783 distributed in the form of cash
2. Compensation for directors: NT\$24,000,000 distributed in the form of cash
3. Amount of dividend to be delivered to employees and ratio of which in the total of the current net profit after tax and employee dividend: Not applicable.

(IV) Remuneration delivered to employee, director and supervisor from surplus earnings in the previous year:

In 2023, the Company's estimated listed employee, director and supervisor remuneration were NT\$185,806,919 and NT\$24,000,000 in cash respectively. The ratio of which in the year's profit before tax were 3.00% and 0.39% respectively; the actual distributed amount is approximately identical to that of the estimated value.

3.6 Shares Bought Back of The Company:

(I) Repurchases already completed: None.

(II) Repurchases Still in execution: None.

3.7 Corporate Bonds Processing:

(I) Corporate bond processing: None.

(II) Information of transferred corporate bond : None.

(III) Issued of exchanged corporate bond : None.

(IV) Fundraising and issuance of common bond in shelf registration: None.

(V) Issued recognized dividend corporate bond : None.

(VI) Privately raised corporate bond processing in the recent three years: None.

3.8 Special Stock Processing: None.

3.9 Overseas Depositary Receipt Processing: None.

3.10 Employee Stock Option Certificate Processing: None.

3.11 Limitation of Employees' Rights for New Shares: None.

3.12 Merging, Acquisition or Transfer of Shares of The Company to Issue New Shares: None.

3.13 Execution of Funding Plans: Not applicable.

4. Operation Overview

4.1 Business Item

(I) Business scope

1. Major content of operating business:
 - Production and sales of products such as stainless steel pipes, square pipes, flat bars, pipe fittings, valves, nipples, and castings.
 - Production and sales of products such as aluminum coil plates.
 - Manufacturing and processing of plastic shutters and trading business of wooden shutters.
 - Trading of aluminum products, stainless steel products, screw and nut products, hand tools, and industrial consumables.
2. Current major product and ratio in operation:

Name of product	Percentage %
Stainless steel product	37%
Screws, screw-nuts	23%
Aluminum product	37%
Window decoration and other products	3%

3. Development plan of new products and services: None.

(II) Industry overview

1. Current industry and development

(1) Stainless steel manufacturing industry:

The steel industry is an industry of capital and skills. Its linkage with industries is deep and broad, industries such as the metal manufacturing industry, machinery industry, transportation industry, construction industry and mechanical appliance industry rely on steel materials as its basic material. The development of which is closely related to the overall economy, acting as the basic industry of the nation's construction. Steel products can be categorized into common steels and special steels according to the manufacturing process of which. Special steels refer to the steel products where alloys such as nickels are added in the production of which, in order to improve the original characteristic of common steels, or equip which with other characteristics to produce the needed steels for different uses. Such steels are referred to as high-grade steel materials. Stainless steel is a main type of such special steels. It is anti-corrosion, antioxidant, electromagnetic, aesthetic and hygienic, creating a wide application field for stainless steel. In recent years, in the development of stainless steel, "alternative growth" is a force for growth for the industry. Nowadays, carbon steels and timber are gradually replaced by stainless steel as carbon steels require processing such as sandblasting and painting for its transformation from raw materials to finished products when applied in the different major industries. Such processing can generate pollution to the environment, which is against the increasingly popular trend of environmental protection of recent years. On the other hand, production with stainless steel can skip such processing procedures. With its appealing appearances and features such as being easy to clean, stainless steel are gradually widely applied in the production of medical and food appliances. Timber is most widely used in traditional

construction and the manufacturing of furniture. However, with drastic changes in climate globally in recent years, in order to ease global warming, forest protection has become an important topic of future development. As a result, the demand for timber is gradually enlarging with the decreasing supply of which. Stainless steel can act as an alternative substitute in some markets. As stainless steel can replace carbon steels, the use of which can be wider in the more industrialized countries. Therefore, the production of stainless steel and the level of consumption of a country can reflect the level of industrial development and national living standard of the country itself.

In 2025, the United States has imposed 25% tariff on imported steel and aluminum from all countries (originally 10% tariff on imported aluminum) under Section 232 tariff. As the tariff rate in Taiwan is the same as that in other countries, with the price advantage, it helps improve the competitiveness of Taiwan's downstream industries to export to the USA.

Notwithstanding, how the possible market variables, including the impacts posed by geopolitical risks and uncertainties, effect of the EU CBAM and the global net zero emission requirements, will affect the cost of steel still remains to be observed.

(2) Screw and screw-nut industry:

Fasteners are made from wires (coil). The fastener has two categories, one is thread products, which include bolt, stud, screws, and nuts; another is non-thread products, which includes packing ring, rivet, tip, and anchor. The main function of fasteners is to combine various components into a unit or system, making it easier to assemble or disassemble assembler, through the securing function of the fastener, complete assembling a product, show its ability, and enhance the convenience on assembly, repair, replacement, or re-assembly, although it is not a cutting-edge technology, its relevant industries such as machine tool, industry machinery, electronics, electric machine, transportation, household appliances, furniture, and aerospace industry, etc. The area covers large to architectural engineering small to IC chip and applies broadly, known as "the rice of industry", it plays a big part in modernized industry, the amount of its usage often is seen as the index of the development in a country's industry. The application of the fastener industry is so broad that its sales performance is not affected by a single industry, he performance is mainly affected by the global economy.

Additionally, the usage of fastener products is positively correlated with the industrial development level of a country, the market of fastener is mainly centralized highly industrialized countries, the top two markets are the United States and EU. For import demand of a single country in 2024, the highest country was the US of US\$6,634 million, and in recent years, Mainland China has been the country of fastest growth in the import price, which kept up with the US becoming the second largest import country. From the view of the global fastener market demands, for the time being, the most high-profile project is the US\$1.2 trillion Plan of Infrastructure signed by US President Biden in November 2021. The infrastructure plan is intended for the hardware facility construction extending to highway, railway, bridge and power supply system. Said hardware facility construction is expected to drive the demand for raw materials including plastics, steel and cement needed by the bridge and road construction project. Looking ahead to 2025, the continued impact of inflation in Europe and the U.S. and the Russia-Ukraine War will slow down the economic recovery. Meanwhile, the challenges brought by the European

Union's carbon border adjustment mechanism (CBAM) are also important issues. Notwithstanding, if the Company can effectively transform itself and respond to the situation, or the Russia-Ukraine War tends to be eased and the Europe and USA cut the interest rate and adopt the QE policy, the fastener industry's overall competitiveness is likely to recover gradually.

Statistics of the Purchase Value of Major Fastener Import Countries
2018~2024

Unit: US\$ million

Country	2018	2019	2020	2021	2022	2023	2024
EU	6,691	6,713	5,322	6,767	8,591	7,225	NA
United States	5,733	5,554	4,805	6,063	7,762	6,340	6,634
Mainland China	3,220	2,839	2,789	3,281	2,858	2,446	2,479
Canada	1,643	1,659	1,384	1,639	1,983	1,980	1,908
Japan	1,097	1,105	892	1,000	1,151	985	965

Note: N/A, the latest statistics are yet to be published

Source of data: Fastener World, ITSI, "Customs Statistics" for China data; Brighton-Best International (Taiwan) Inc. compilation

From the global export market point of view, the major fastener export countries have been growing approximately steadily from 2018 to 2024, Asia (Mainland China, Taiwan, and Japan) is the main global supply region, among those three countries, China and Taiwan are the main supply country for medium and low carbon steel; Although North American and EU are the main import regions, at the same time export fasteners with high added value, forming a global division and complementary ecology, supplying industries in different countries. Despite the geopolitical tensions in Europe and the uncertainty of tariff barrier of the USA, the orders transferred from China have been benefiting Taiwan and other Asian countries. The export momentum of these countries is expected to recover, and the export performance in 2025 is expected to be better than that in 2024.

Statistics of Purchase Value of Major Fastener Export Countries
2018~2024

Unit: US\$ million

Country	2018	2019	2020	2021	2022	2023	2024
Mainland China	6,451	6,419	6,961	9,305	11,179	9,149	9,569
Taiwan	4,637	4,829	3,969	5,323	6,129	4,600	4,374
United States	4,348	4,397	3,622	4,127	4,765	5,447	5,628
EU	5,299	5,494	4,886	5,535	5,707	6,166	NA
Japan	3,033	2,807	2,363	2,827	2,592	2,407	2,269
Canada	483	505	429	522	625	644	653

Note: N/A, the latest statistics are yet to be published

Source of data: Fastener World, ITSI, "Customs Statistics" for China data; Brighton-Best International (Taiwan) Inc. compilation

(3) Aluminum industry:

Aluminum is a relatively soft and malleable silvery white metal. It is the third most abundant element on earth (third only to oxygen and silicon). It is also the most abundant metal, the mass of which is around 8% of solid matters on earth. In the recent fifty years, aluminum has become one of the most widely applied metals in the world. After being refined to the structure of aluminum alloys, it is light, durable to heat, durable to corrosion with excellent electrical and thermal conductivity and easy to be processed in terms of metal characteristics. Therefore, apart from acting as key materials in aerospace and military industries, it is also widely used in transportation, mechanical appliances, construction, publishing, electronics, electronic appliances and furniture. Also, in the current trend for lighter and environmentally friendly products in metal industries, aluminum is regarded as one of the new green materials.

According to the latest data released by the International Aluminium Institute (IAI), the global primary aluminum output in 2024 totaled 72.76 million tons, of which China's output was 43.82 million tons, accounting for 60%. China is still the main origin of primary aluminium. However, after the U.S. Department of Commerce imposed anti-dumping and countervailing duties on Chinese aluminum alloy products in 2018, the volume of direct sales of Chinese aluminum products to the U.S. has been greatly declined. In 2019, the manufacturers in Europe and the Middle East were rising and sold a large number of products to the United States. On March 9, 2020, the Aluminum Association has filed the application for investigation on anti-dumping and countervailing duty imposed on 18 countries. The U.S. Trade Commission (USTC) ruled on April 23, 2020 that the U.S. aluminum market was indeed damaged, and initiated the investigation on the 18 countries officially. The ruling was finalized on March 2, 2021. At present, the relevant manufacturers from said countries shall still be subject to anti-dumping or countervailing duty, respectively, when selling the relevant products to the United States.

(4) Window decoration industry:

Ta Chen Lung Mei Home Life Co., Ltd. Invested by the Company owns 65 sales locations throughout Taiwan, engaged in selling the curtain products made by itself, and also roller blinds, dimming curtains, venetian blinds, vertical blinds, soft gauze curtains (upright soft gauze curtains/horizontal soft gauze curtains/big S soft gauze curtains/Venus soft gauze curtains)/organ curtains/3D art curtains made by the affiliated company, WEI MEI HSIN SHU INTERIOR DECORATION CO., LTD., as well as the shutters produced by the Company. In June 2022, the Company acquired the equity of Right Way via the subsidiary, Brighton-Best International (Taiwan) Inc. Therefore, the Company is expected to launch into the production of system furniture.

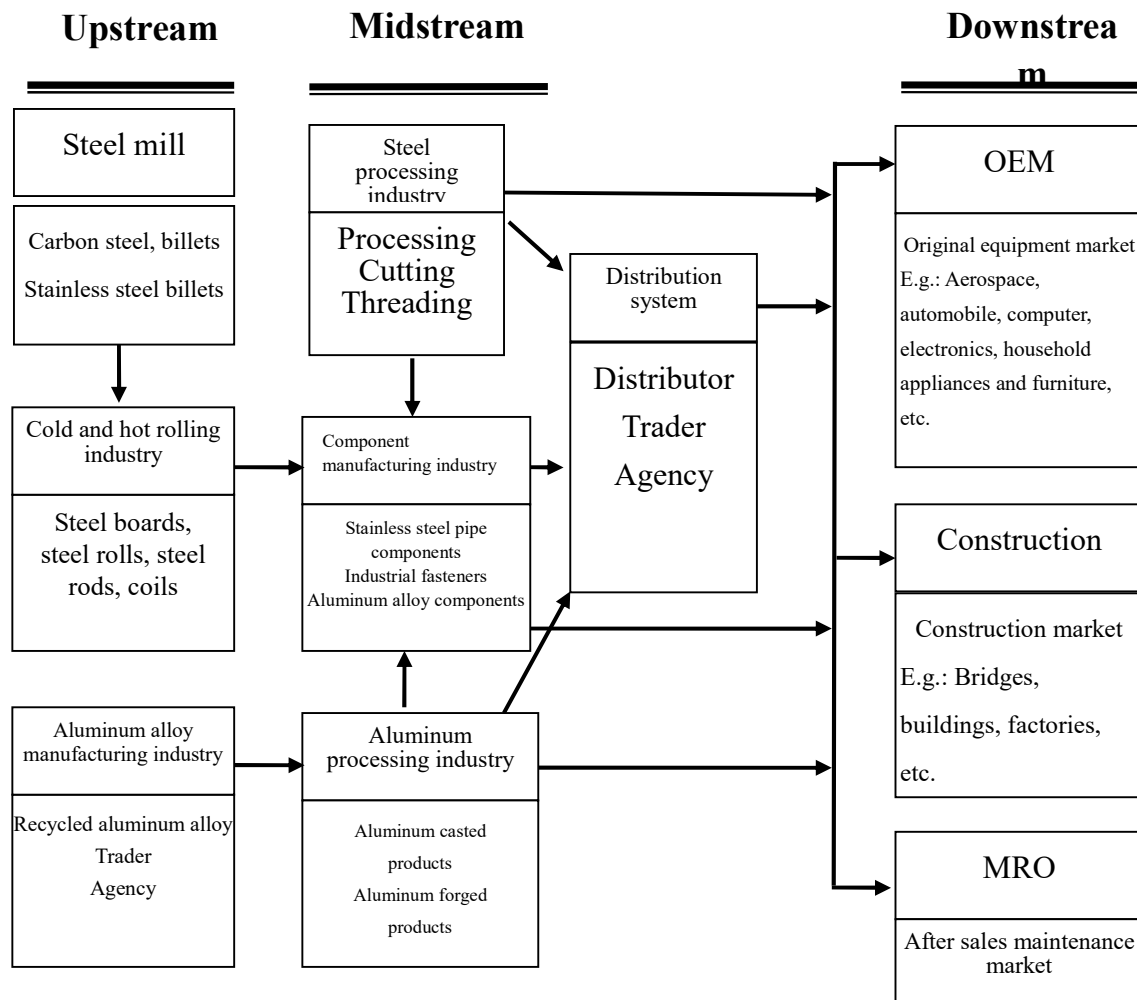
Ta Chen Lung Mei Home Life Co., Ltd. also worked with banks to provide consumers with the cardless installment consumption preferential treatment. Meanwhile, coupled with the convenience delivered by the one-stop shopping service for various products provided by the Company, the Company will continue to increase its market share in the domestic market.

2. Linkage between the industry's upstream, midstream and downstream enterprises

Ta Chen Stainless Pipe Co., Ltd. and its subsidiaries are mainly in the

business of stainless steel, aluminium, fasteners, and related industries. Its upstream source is metal refineries such as China Steel, Tang Eng Iron Works, and Yieh Hsing Enterprise, who produce stainless steel or carbon steel slabs or billets, which are then processed by hot rolling, cold rolling, and wire drawing, to produce stainless steel or carbon steel plates, tapes, and coils, to be sold to manufacturers through steel distributors, processing, and component manufacturing industries. In aluminium production, upstream manufacturers refine recycled aluminium to produce secondary aluminium alloy ingot and aluminium alloy ingots for extrusion (primary aluminium and scraps of aluminium), which are processed by casting and forging to produce aluminium products (plates, sheets, rolls, foils, bars, wires, drops), to be sold through distributors to manufacturers. International sales of metal materials and fasteners are through a complex global network of inter-connected supply chains in each country, forming competitive-cooperative relationships between international distributors and local distributors. Overall, the capacity of any single manufacturer of metal materials and fasteners is limited. As a result, in terms of an industry, the midstream and downstream are tied closely together, with high dependency on each other. Ta Chen Stainless Pipe Co., Ltd. integrates suppliers in Asia to provide high-quality stainless steel, aluminum materials and fasteners through our own offline and online distribution channels to retailers, distributors, and resellers.

Inter-relationship Diagram of the upstream, midstream and downstream of the stainless steel, aluminum and fastener industries



3. Development trend and competition

With the development of time and space, in the current trends of globalization and liberalization, the industry supply chain is circulated via the globalized network from acquisition of raw materials to the production and delivery of the final product to the hands of consumers. Not only are consumers of products globalized, competitions also exist across the globe. As the Company falls under the stainless steel, aluminum and industrial fastener international channel industry, there are two main trends of development: 1. Lower cost; 2: Increase value. The future development trends of the international channel industry are as follows:

(1) Trend of global operation management

The development of the international channel industry is moving towards the operation of “Global Logistics”, especially for global cross-national large OEM leading enterprises. In response to global competition, OEM end-users are focusing their internal resources on core operations, outsourcing the rest of its operations to external professional channel industries. By doing so, the large number of suppliers is greatly reduced. The non-core procurement items such as raw materials or components would be outsourced to a single or few quality professional channel enterprises in the way of turnkey by signing a long-term supplying contract, forming a long-term partnership. By Vendor Managed Inventory (short for “VMI”), the company gets to significantly improve the service of which. Channel enterprises are responsible for items including continue to lower cost of purchase, take up liability of product quality with free inspection, construct and manage inventory by request, manage suppliers by request, provide JIT on-time delivery, so as to lower overall cost and achieve the goal of JIT on-time production, sales and delivery. For the trend, as professional distributors or agencies possess inventory management abilities, they are gradually overtaking the OEM market. Small manufacturers and importers are gradually forced out of the market in the fierce competition created by the decrease of suppliers by OEM customers. This might be due to insufficient width of supplying goods or being unable to manage inventory and other add-on services by request. Under global operation management, professional distributors or agencies must also bear issues such as huge inventory and capital backlog. Therefore, they must seek out the supporting service of primary wholesalers to create partnership with which for its smooth operation. The primary wholesale industry is moving towards the development of logistics management and e-commerce in hope to achieve the operation goals of “buy all at once” and “customer virtual warehouse”, in order to cater to the demand for stocks of professional distributors or wholesalers at all times while reducing inventory costs effectively. In such situations, the primary wholesale industry integrates the demand for stocks of professional distributors or wholesalers to take on greater power in procurement, so as to enjoy a greater space for negotiations on pricing, lowering the cost of which and promote its competitiveness in the professional channel market.

(2) Development of integration of the industrial network

In the fierce competition of the channel market, enterprises must respond to the demand of upstream and downstream customers faster. In its chase for maximum competitiveness, many enterprises have started to integrate their different commercial channel mechanisms. By joint planning and operation, the enterprises communicate with one another to share information on operation and business strategies, creating a highly integrated supply chain channel system, significantly raising the performance of the channel industry in general; also, by introducing an information management system to enhance the add-on value of products, the new method of operation is promised to hold the analysis of Big Data as one of the major trends in the future. With the analytic technique of which, enterprises target previous records of use and habits of customers to

gradually construct the habits of use of customers of their own. By understanding the demand of customers to its fullest, the channel enterprises can tailor design the suitable product or service for which, such as the order of a certain type of fasteners at certain times throughout the year, or possible orders than happen only once in a few years, the enterprise can proactively request upon such orders when the time for order draws close, so as to increase the possibility of order confirmation.

4. Product competition

Now, as an international primary distributor, the Company and its subsidiaries (referred to as “Ta Chen Stainless Steel Group”) mainly provide the global regions with quality and cheap products such as stainless steel materials and components, aluminum alloy materials and components and industrial fasteners through 41 operating spots in 8 countries such as the USA, Canada, the UK, Belgium, Australia, New Zealand and Brazil to local retailers, distributors or secondary wholesalers. As such, the Group becomes the largest import primary wholesaler of stainless steel materials, aluminum materials and industrial fasteners in the USA.

The production, supply and demand of China's stainless steel play a very important role in the global stainless steel market. The capacity arrangement of steelmakers in China and the domestic demand in China will indirectly affect the price of the global stainless steel market. In order to prevent the dumping of stainless steel products from China, countries around the world have imposed anti-dumping and countervailing duty measures against China. Meanwhile, the measures, such as M&A and alliances, are also applied to control the low cost of raw materials and expand the production scale to reduce costs and increase market share.

Looking into the future development of Taiwan's stainless steel industry, it is estimated that the future trend is industry holding company. The combo structure of which can include upstream production to processing of cold rolling stainless steel, paired with the infusion of international outlook, making the original money-losing procedure to a money-making treasure, bringing profit to all participants.

Fasteners are used in multiple industries. There are up to 600,000 types of products, the competition between which is complex and diverse. Taiwan's fastener industry is mostly for the supply of the MRO market, only a small number of enterprises focus on the OEM market. The main MRO product is the common fasteners. It is basically a market of free competition based on the pricing of products. Level of competition depends on the supply and demand of the market at the time. When the economy is weak with a low demand, some enterprises would lower the pricing of their products out of operating pressure, resulting in a decrease of quotation for the industry, reducing the profits earned by fellow enterprises and even causes severe losses. Taiwan is actually in a leading position in the international MRO export sales market; competition from countries such as mainland China, Thailand, Malaysia and Vietnam is in fact still led by Taiwanese enterprises. The differences between which are only in the different locations of factories. In other words, as the entry barrier for MRO export sales market is relatively low, competition has always been fierce. In recent years, due to shifting out of some enterprises, competition has expanded from local Taiwan to China and Southeast Asia, while the actual competition remains between that of Taiwanese enterprises. Despite the fact that a few mainland Chinese enterprises chose to enter into the competition, they are still immature to challenge the leading position of Taiwanese fastener enterprises (generally speaking) in the MRO export sales market.

In recent years, due to rising trade protectionism, high anti-dumping duties and penalties have frequently emerged, making this one of the most prominent and

widely discussed issues in the global fastener industry. However, “high anti-dumping tax penalty” is not the most suited strategy and weapon for solving the imbalance between export and import trades. Especially with the current rise of global environmental protection thinking, raw materials can be hard to obtain. As a result, prices of raw materials gradually increase. Some enterprises even choose to set a lower price for orders, forcing fastener import countries to stop low price dumping through legal means in order to protect the local fastener industry. Nonetheless, in the international supply and demand of the fastener trading industry, many enterprises are striving to lower cost by operating strategies such as wittiness, ability, technology and management skills in order to provide competitive, high-quality and cheap fastener products for importers to enter the international market. Compared with those that decrease their prices through cheap factory appliances, taking advantage of labors, raw materials or even violate environmental policies to create the illusion of products with unbelievably low costs, such enterprises have invested a lot of effort and resources in their operations. Anti-dumping protectionism is undoubtedly unfair to them. Especially for major importing countries such as Europe, the USA and Japan, the topic of anti-dumping protectionism is often raised, and most of which is against Asian countries. Such a phenomenon has created endless trouble for many Taiwanese enterprises that devote themselves in the development of high-quality products. The use of anti-dumping protectionist means to lower trade deficit creates a negative influence on the increasingly globalized international market. Countries should strengthen their communication channels for both parties to communicate and understand each other smoothly. It is only through understanding and trust that enterprises can accurately position their products and find the best direction for product development. By such, the industry would give up on uncompetitive products and price-cutting competition, benefiting not only the enterprises themselves but importing customers too, raising national competitiveness of the country’s overall fastener industry, creating a win-win situation for both transacting parties. In the current trend for environmental production, as a key downstream industry of the international manufacturing industry, the fastener industry must be in line with international environmental protection policies and strive to contribute to the global environment.

(III) Technology, research and development overview

1. Technical level and R&D of business lines

The stainless steel tubes, accessories and valves are all manufactured by the Group with the matured production technology. Meanwhile, the Group has adopted materials of the same quality for several decades. None of the mid-stream processors is capable of catching up with the Group in the R&D of automated machines and substitute materials. Nevertheless, the production process design and planning, improvement of output efficiency, arrangement for production routes and control over stable quality may be completed only relying on the R&D Dept. staff's experience and directions. The Company's R&D Dept. is primarily engaged in improving the overall production process, reducing wear and tear to improve the output and production efficiency, and cutting production costs. The staff establishes the standard product design and production procedures based on their skills and experience gained from physical achievements to ensure product quality. They also keep improving their own technical abilities through R&D and production personnel's internal and external training programs.

2. Investment in R&D expenses: The Company's R&D Dept. is primarily engaged in improving the overall production process. Therefore, no R&D expenses should be disclosed.

3. Results of research and development:

(1) Improve and reduce the use of welding gas in pipe factory.

(2) Complete automation and optimization of tailor plan in cutting factory.

(3) Improve and reduce the use of acids in pickling treatment in fitting factory.

(4) Improve surface renovation cost plan of casting factory and reduce drying time for shell molds in casting factory.

(5) To improve efficiency of sales, production of raw materials and assembly of customized products of curtain boards have been planned to be carried out in the same factory. Information system is to be used for monitoring the production progress of orders, in order to overcome the long-term risk of customized production orders for not being able to be delivered on time, raising Company competitiveness significantly. Automation and optimization of packing plans in curtain board factory have also been completed.

(IV) Short-term and long-term operation development plan

Short-term: Apart from focusing on the manufacturing of aluminum plates, stainless steel pipes, pipe components and valves, the Company also actively expands to the manufacturing of products of the different areas of expertise. The main target of which is plastic curtain boards. In the short term, the Company aims to strengthen self-brand promotion and mass production in order to expand market share.

Long-term: Taking Taiwan and mainland China as the center of product production, the USA as center of sales channels, Taiwan as the operational management control hub, the Company hopes to create a strong and unbreakable operational structure. In the long term, based on the finished American channel construction, the Company hopes to seek out for other competitive products, create a basis for sustainable operation of the Company based on the channel network the Company holds in the international market.

4.2 Market, Production and Sales Overview

(I) Market analysis:

1. Sales regions of the Company's main products:

Unit: NTD thousands

Year Value Item	2024	
	Value	%
Export revenue		
America	82,359,857	91%
Europe	1,789,720	2%
Australia	3,319,501	4%
Asia	651,795	1%
Others	171,079	0%
Subtotal	88,291,952	98%
Domestic sales revenue	2,106,532	2%
Total	90,398,484	100%

2. Market share:

Ta Chen Stainless Steel Group is a primary distributor of stainless steel materials, aluminum materials and industrial fasteners. Sales of the Group covers more than 50 countries across the world. Nonetheless, it remains insignificant compared to that of the vast international market of stainless steel materials, aluminum materials and industrial fasteners. However, the focus of the operation of Ta Chen Stainless Steel Group is mainly based on the American market. Its American subsidiary, Ta Chen International Inc. (hereinafter referred to as "TCI") specializes in stainless steel and aluminum distribution. In the part of stainless steel, TCI is the largest primary stainless steel product distributor in the USA. In the part of aluminum, TCI acquired ERI in May 2017 and acquired the plant under Alcoa in October, 2018, whose aluminum sales accounts for more than half of the market share of non-continuous casting general-purpose aluminium. Furthermore, Brighton-Best International, Inc. (hereinafter referred to as "BBI-USA") is also the largest primary industrial standard fastener distributor in the USA.

3. Supply, demand and growth of the market in the future:

The Company specializes in the production of welded stainless steel pipes and components. Under the effort of all employees, the Company has become one of the most important supplier in the production of welded stainless steel pipes and components in Taiwan. About 98% of the products in the Company are exported, mainly to the US market, while markets such as Europe, Australia, Southeast Asia, Africa, and Israel also account for a certain proportion. Stainless steel pipes and components are mainly used in the petrochemical and food industries as stainless steel possess the metal characteristics of being non-corrosive and anti-rust. Therefore, many industries have gradually chose to use stainless steel pipes in order to increase the service years of which. The industry holds great promises. The Company is a professional manufacturer of stainless steel welded pipes. Competitiveness can be greatly increased after reducing production costs with excellent product quality and economic scale of production and sales.

Since the Company went public, the channel for obtaining funds has been smooth. Through active use of the long-established sales channel in foreign countries, America's largest stainless steel product distributor is constructed. The Company has established shipping warehouses in 8 major cities in the USA (Los Angeles, Chicago, Houston, Atlanta, Tampa Bay, Philadelphia, Seattle, Cleveland). After years of effort and a rigorous and strict information linkage control system, the Company can monitor the

channel sales in the USA accurately in Taiwan, providing the basis for adjustments of pricing according to instant feedback of the market at all times.

This year, upon customers' completion of destocking and increasing basic industrial demand in the USA, the Company expects to keep growing relying on the strengths residing in marketing channels and integrated production and sales.

4. Advantages and disadvantages of competitive niche, countermeasures and development prospects of market shares:

(1) Competitive niche

A. Geographical advantage, being able to negotiate with buyers and sellers on pricing

The Company is located in Southern Taiwan, which is close to the production center in mainland China and Southeast Asia. From its location, the Company acts as a supply center of stainless steel materials, aluminum materials and fasteners, so as to seek out for the best source of products to expand supply basis. In terms of analysis on procurement bargaining ability, Asia is the supply center of stainless steel materials and fasteners. Asian countries are export-oriented, presenting a buyer-oriented market. However, the Group is the largest stainless steel and industrial fastener channel enterprise in the USA. The economic scale of sales performance of the Group attracts stainless steel products and industrial fastener manufacturers across the globe for their products to be sold to the USA through the Group's subsidiaries, TCI and BBI-USA, making them the best sales channels. Moreover, as the Group has a large procurement demand for secondary channel industry, it is also beneficial to the bargaining capability of the Company, giving its pricing stronger market competitiveness. Furthermore, the Company complies with recent trends of globalization and integration. Apart from integrating vertically with upstream manufacturers of its product groups, the Company also ships low-cost high-quality products to places of high profit and demand, displaying a strong management ability of the international supply chain. In the scale of economies, the Company provides one of the most competitive advantages in local procurement costs, reducing downstream channel operation costs effectively. The level of dependency and convenience is relatively higher for purchasing customers. Therefore, in terms of bargaining capability with purchasing customers, the Company is more than adequate in the area of expertise.

B. Strong logistics coordinating ability

The Company owns an e-commerce platform and a total of 41 physical warehouses across the globe. As a result, the Company can integrate the complex procedures of commercial flow management, logistics management and product information management into a 24-hour e-commerce operation and management. Around 80% of the Company's customers order online, which not only raises operation efficiency, but also lowers operation costs; also, orders made in the morning can be delivered in the afternoon of the same day, freeing customers of the problem of least procurement amount or stocking period. The Company thus becomes the virtual warehouse of customers, deepening the partnership relationship between which. This e-commerce platform system and vast physical warehouses are not built in a few years' time. Also, with the domination of the Ta Chen Stainless Steel Group in the American market, the space for operation of emerging enterprises or that with a smaller scale has been compressed. In other words, the entry barrier for the American market is relatively high, ensuring the competitive advantage for the Ta Chen Stainless Steel Group in the industry.

(2) Advantages

A. The American market has the advantage of economic scale

Looking back into the developing experience of channel industries across the world, key to the industry is the formation of an economic scale, so as to achieve the needed capability and channel brand value to bargain with buyers. Ta Chen

Stainless Steel Group is already in a leading position in the league of major enterprises of stainless steel materials, aluminum materials and industrial fasteners, occupying a dominant portion of market share, thereby gradually displaying a more significant economic scale. For now, the Group has already established many distribution networks in the USA, with more than 3,800 customers, thereby strengthening the Group's capability and channel brand value to bargain with buyers. With the growth of its operating scale, the unit operating costs are decreased by year, making the Group one of the most competitive enterprise in the industry. By such, the Group can assist downstream channel enterprises to lower operating costs efficiently, which is an advantage no small-scale enterprises can offer. Moreover, in terms of potential competitors, as the construction of channels is both of a high cost and hard, especially as Ta Chen Stainless Steel Group is the dominant enterprise in America's primary wholesale market, operation of emerging enterprises in the future is relatively limited, resulting in limited influence of which on the overall stainless steel materials and industrial fastener market.

B. Having a category economic potential

Apart from economic scale, another key to channel industry is the formation of a category scale, so as to provide customers with a complete one-stop purchase solution. Ta Chen Stainless Steel Group currently possess international competitiveness in the channel service expertise. When the Group was first established, channel services were based only on stainless steel valves, the supply of products such stainless steel materials, industrial fasteners, aluminum alloy materials and industrial tools were gradually added by year. The type of products supplied now has already reached more than 70,000. Furthermore, with the help of physical warehouses and e-commerce system, the Group developed category economy effectively, thereby lowering operating costs. Also, the Company is planning to further fulfill the complete procurement demand of customers in industrial components. The Company will expand its supply range to industrial hardware components through its existing advantaged supply channels, reaching the desired category scope with half the effort needed.

C. Internationalized supply chain management capability

In terms of channel enterprises, apart from the economic scale and scope economy of products, key to the success for channel enterprises is the supporting operational capability of the management of channels and products; in other words, companies only with the hardware (channels, products) and lack of a supporting software (operational management capability) is sure to fail as a channel enterprise. The nature of the channel industry is to obtain products from upstream suppliers, fulfill the needs of downstream customers through established channel networks in the right quantity, quality, timing and integration of services. Sales channel networks require structural efforts. In order to smoothen the delivery of products, channel enterprises must consider cross-national operation as multi-national supply chain management capability is key to success in the channels industry. Upon basis of Ta Chen Stainless Steel Group's long-term development of physical channels and e-commerce platform, the Group possesses unique cross-national supply chain management capability. With the development of a comprehensive information management system, information of suppliers can be systemized, and the procedures from ordering, finishing to delivery can be monitored by a systematic network; downstream channel enterprises can quote, order, inquire about made orders through such system. The interface design of which allows customers to easily locate desired products. Customers can also make use of product codes they have to search for products provided by Ta Chen Stainless Steel Group. They can link to the Ta Chen Stainless Steel Group system easily, and know if the Group provides their desired products, as well as the expected date of delivery so as to monitor the preceding operations at all times. The construction of this e-commerce management platform and comprehensive information management system was not completed in a short period of time. Entry barrier for which is relatively high, creating a distinct advantage for the Group in the industry.

(3) Disadvantages and countermeasures

A. International enterprise, large risk in currency exchange rates

As an international channel enterprise, Ta Chen Stainless Steel Group sets its procurement center of Asia in Taiwan for exports to sale points of subsidiaries in Europe, America and Australia. For its operation, the Group cannot completely evade the risk of currency exchange rates. However, in recent years, the Company strives to lower the risk of currency exchange rates by gradually using USD for all procurements. The use of USD has been adopted to more than 80% of the Company's procurements, thereby decreasing the USD exposure ratio; furthermore, in order to ensure the local competitiveness of subsidiaries, sales to the subsidiary of another country shall be mainly made in local currencies. Therefore, the parent company is subject to the risk of currency exchange rates for accounts receivable of non-American subsidiaries, creating uncertainties for the Company's profit earnings.

Countermeasure:

The Company employs professional personnel for control of execution by collecting relevant information on changes in currency exchange rates and predictions of which to its fullest. Furthermore, in order to reduce the risk of currency exchange rates, the Company adopts actual countermeasures. Apart from paying for purchases in the same currency for natural safe haven effect, the Company also expands foreign currency financing quota and strive for goals such as continuing to improve the foreign exchange hedging operation mode.

B. Stainless steel and aluminum materials can be easily influenced by fluctuations of pricing in the nickel and aluminum market

Ta Chen Stainless Steel Group belongs to the channel industry of stainless steel materials and aluminum materials. Amongst which, the market price of stainless steel materials and aluminum materials are highly positively correlated with the pricing of nickels and aluminum metals respectively. In recent years, apart from the impact imposed by the loose monetary policy of the different countries, which causes international funds to flow from bulk supplies, nickel and aluminum metal manufacturing countries are uncertain about their policies on the mining of nickel and aluminum ores, resulting in abnormal fluctuations in the pricing of nickel and aluminum in the international market. Therefore, great changes can occur to the industry and its profit in a short period of time, increasing the operational risk of the Company.

Countermeasure:

Ta Chen Stainless Steel Group estimates its needed number of expensive metal safe havens according to its inventory and scale of operation. Then, the Group contacts the bank to sign a contract for the exchange of nickel and aluminum metals, canceling out the fluctuations in nickel and aluminum metal prices, thereby achieving a safe haven effect, ensuring normal profit for the Group's products.

C. Prevalence of international trade protectionism

With polarized development of the world's trade, on one end countries are actively promoting international cooperation for free trade agreements in order to release one another of tariff restrictions. On the other end, countries are building trade barriers via anti-dumping or countervailing taxes in order to protect local businesses. In recent years, as Asia has gradually become the supply center for stainless steel materials, aluminum materials and industrial fasteners, enterprises from Taiwan, mainland China and ASEAN countries are often targeted by Europe and the USA for anti-dumping taxes or investigations. Despite not being the anti-dumping target as the Company belongs to the channel industry, if its suppliers are taxed by anti-dumping or countervailing taxes, the after-tax cost of finished products can be significantly increased. Therefore, the Company must seek out for other suppliers to produce alternative source of materials, resulting in the risk of unsteady incoming goods in the short period of time.

Countermeasure:

The Company is actively seeking out to expand its supply source of goods through international procurement. Therefore, even if the global trade war happens, the Company can still purchase its needed products locally. Also, in recent years, the ratio of purchase from the top 10 suppliers is gradually reduced by year. It is clear that the phenomenon of the Company's heavy reliance on a single supplier has been reduced effectively, thereby raising freedom in procurement.

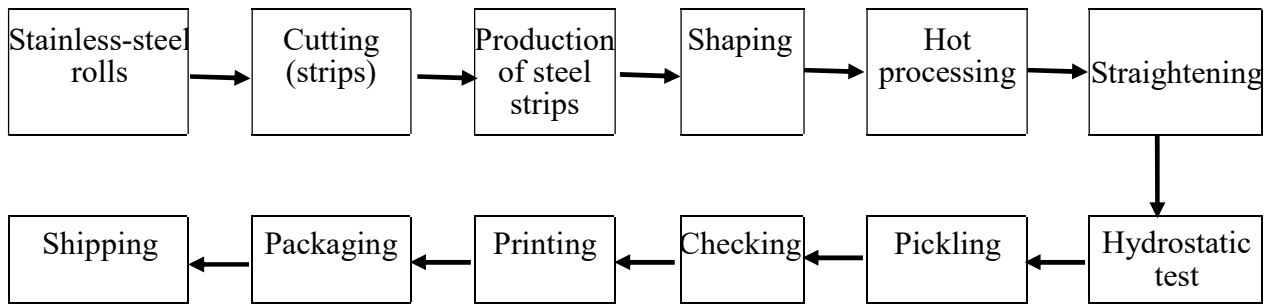
(II) Major use and production process of main products

1. Major use of products:

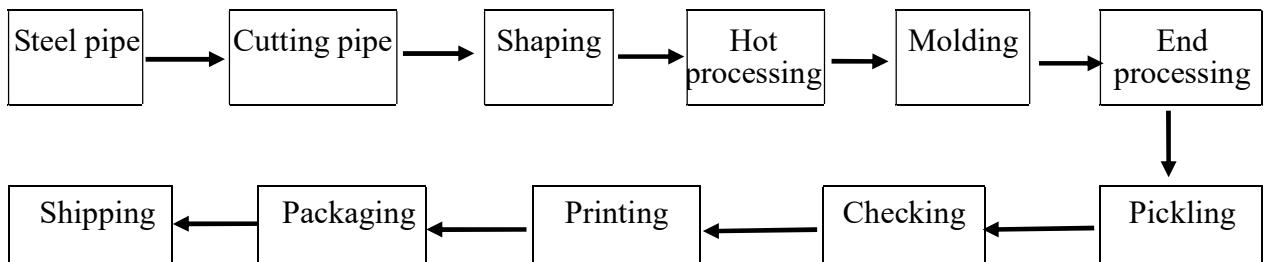
Product	Major use
Stainless steel products	Chemical, medical, pharmaceutical, food and brewery industries, etc.
Screws and screw-nuts	Fasteners and components used in mechanics industry
Aluminum products	Industrial and construction materials
Window decoration & other products	Home decoration and auto industry accessories, etc.

2. Production process:

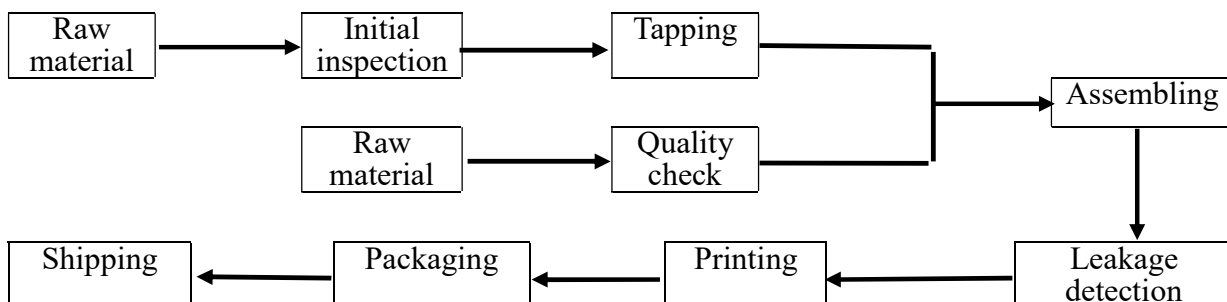
* Stainless-steel pipe:



* Stainless-steel sphere welded pipe component:



* Stainless-steel sphere valve:



(III) Supply of main raw materials

1. Stainless steel rolls are mainly purchased locally, the ratio of which is also gradually increased. Also, the Company maintains certain procurement relationship with foreign suppliers in case for need. In general, the supply of raw materials in the future is confirmed.
2. The raw material of welded pipe components is stainless steel pipe produced by the Company's stainless steel pipe factory. By such, the Company can not only handle 100% of its source of raw materials, the cost of production is also reduced.
3. The raw materials of stainless steel sphere valves are stainless steel molded billets. Currently, the Company is operated solely on the processing and assembling of externally purchased raw materials, the source of which is confirmed, resulting in a relatively low operating risk. Also, the Company invested in mainland China's Yi Tai Billet Factory for the supply of molded billets for the production of valves, creating independency on the source of raw materials.
4. The main raw materials of plastic curtain boards are polyethylene. As there are a mass number of local suppliers, the source of purchase is confirmed.

(IV) List of main customers and suppliers in the recent two years

1. Suppliers with more than 10% of the year's total purchase in the recent two years

Unit: NTD Thousands

Item	2023				2024				2025 (until the previous season)			
	Name	Value	Ratio in the year's total net purchase (%)	Relationship with the issuing party	Name	Value	Ratio in the year's total net purchase (%)	Relationship with the issuing party	Name	Value	Ratio in the year's total net purchase (until that of the previous season) (%)	Relationship with the issuing party
1	None	-	-	None	None	-	-	None	None	-	-	None
2	Others	72,185,975	100		Others	73,728,154	100		Others	18,432,039	100	
	Total net purchases	72,185,975	100		Total net purchases	73,728,154	100		Total net purchases	18,432,039	100	

Reasons for changes: Changes in customer product demand.

2. Customers with more than 10% of the year's total sales in the recent two years

Unit: NTD Thousands

Item	2023				2024				2025 (until the previous season)			
	Name	Value	Ratio in the year's total net sale (%)	Relationship with the issuing party	Name	Value	Ratio in the year's total net sale (%)	Relationship with the issuing party	Name	Value	Ratio in the year's total net sale (until that of the previous season) (%)	Relationship with the issuing party
1	RELIANCE	10,928,943	11	None	RELIANCE	9,876,440	11	None	RELIANCE	2,890,683	11	None
2	Others	90,327,658	89		Others	80,522,044	89		Others	23,205,223	89	
	Total net sales	101,256,601	100		Total net sales	90,398,484	100		Total net sales	26,095,906	100	

Reasons for changes: Changes in customer product demand

4.3 Employee Information of The Recent Two Years Until Publishing Date of This Annual Report

Year		2023	2024	The current year until March 31 st , 2025
Number of employees	Manufacturing	3,274	3,232	3,239
	Sales	854	760	752
	Administration	1,114	1,122	1,126
	Total	5,242	5,114	5,117
Average age		41.69	42.64	42.74
Average seniority of laborers		9.47	9.93	10.14
Distribution ratio of education	PhD	0.00%	0.00%	0.02%
	Master	2.76%	2.84%	2.81%
	Undergraduate/Coll ege	29.97%	29.62%	29.06%
	High school	48.84%	49.28%	49.93%
	Below high school	18.43%	18.26%	18.17%

4.4 Information of Environmentally Friendly Expense

- (I) In the recent year until publication of this annual report, total losses and punishment due to environmental pollution: None.
- (II) Countermeasures and future possible expenses:
 3. The Company currently leads to no pollution situation.
 4. In order to implement environmental protection, the Company prepared the budget in the control over pollution and waste and disposal thereof each year. Apart from improvements made by the Company in areas for improvement according to punishments made by environmental protection related units in the past, the Company also entrusts relevant units to process wastes regularly and conduct inspection tests. For now, the wastewater treatment equipment and dust collection equipment of each plant have been purchased, assembled and completed. It is estimated that in the future, no major environmental protection expenses will be required apart from maintenance fees of relevant environmental equipment.

4.5 Labor Relationships

- (I) Employee welfare measures:
 1. The rules of the Company's current employees were stipulated in accordance with the Labor Standards Act. As for compensation, the Company has been referring to salary standards, price index, and the annual pay adjustments of the same trades, and ensures that the salary adjustment remain above standards.
 2. In addition to providing labor insurance, National Health Insurance, and statutory leave in accordance with applicable laws and regulations, the Company also offers various employee benefits, such as group insurance and childcare subsidies. Furthermore, an Employee Welfare Committee has been established to oversee and implement employee welfare programs. In addition to occasional welfare activities, the Company provides regular benefits including domestic employee trips, holiday bonuses and gifts, educational subsidies for employees' children, birthday cash gifts, as well as allowances for bereavement, marriage, and childbirth.
 3. Implementation of an employee stock ownership trust.
 4. Provision of regular advanced health check-ups for employees.
 5. Organization of diverse health promotion seminars.
 6. Provide free organic vegetarian lunches. The remaining of which can be taken away by employees.

- (II) Welfare plan after retirement:

1. Defined contribution plan

In the consolidated company, the Company and its subsidiary, Brighton-Best International (Taiwan) Inc. is subject to the pension system of Taiwan's "Labor Pension Act", which belongs to the defined contribution plan managed by the government. According to which, the Company shall contribute 6% of the monthly salary of the employee to the individual account at the Bureau of Labor Insurance.

For employees of the subsidiaries of the consolidated company in mainland China, the UK, Canada and Brazil, they belong to the pension plan operated by the local government. The subsidiary shall contribute a certain ratio of the employee's salary cost to the pension plan for providence of the plan. The consolidated company is solely responsible for the contribution of certain amounts of value of the government operated pension plan.

For employees of the consolidated company in its American local subsidiary, the local government has established an employee pension (401K Profit Sharing Plan) for voluntary participation amongst formal employees with more than 12 months of working experience at the Company and over 21 years of age (inclusive). The Company shall contribute the relevant pension for the Plan.

2. Defined welfare plan

The Company is subject to the pension system of Taiwan's "Labor Standards Act" for a defined welfare plan. Payment to the employee's pension is according to his or her years of service and average salary 6 months before the approved retirement day. The Company allocates contributions to the employee retirement fund based on a specified percentage of the total monthly salaries of its employees. The funds are deposited, under the name of the Labor Retirement Reserve Supervisory Committee, into a dedicated account with Bank of Taiwan. The Bureau of Labor Funds, Ministry of Labor will invest the plan assets to local (foreign) equity bonds, debt bonds and bank savings on its own and entrusted management. According to regulations on the retention and usage of labor

retirement pensions, the minimum income of annual final settlement of which shall not be less than fixed profit of local banks in 2 years.

Since the implementation of the Labor Pension Act on July 1st, 2005, the Company adopted a defined contribution system. After the implementation of which, employees can choose to comply with the applicable pension regulations of the Labor Standards Act or retain the experience of working at the Company before implementation of which and the pension system of the Act. For employees that apply to the Act, the Company is responsible for the monthly contribution of employee pension, which shall not be less than 6% of the employee's monthly salary.

(III) Employee training:

Apart from the compulsory training according to content of work, the Company also encourages newcomers to participate in training courses for employees' vocational abilities. When the suitable training courses are made available, the Company also send employees for the participation of which to improve working efficiency.

(IV) Agreement between labor and management, and the maintenance measures of various employee rights:

Communication channel of the Company between labor and management is smooth. The Company also values and implements agreements made between labor and management fully. The Company protects the various employee rights, and process which according to the relevant legal regulations.

(V) Losses due to labor and management disputes in the recent year until publication date, estimated value and content of current and future possible countermeasures:

The Company always regards employees as the Company's most valuable assets, attaches great important to the future development of which and maintains a harmonious relationship between labor and management. No losses have occurred out of labor and management disputes.

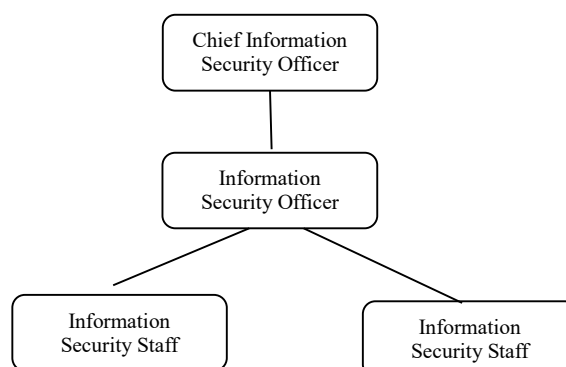
4.6 Cyber security management

(I) Cyber security management strategy and framework

1. Cyber security risk management framework

Ta Chen Stainless Pipe Co., Ltd. (hereinafter referred to as the "Company") has established the "Information Security Organization" and also the "information security policy." The "Information Security Organization" appoints one Chief Information Security Officer leading one dedicated Information Security Officer and two Information Security Staffs. The organization is responsible for executing the information operation security management planning, establishing and maintaining the information security management system, handling the overall planning about information security and protecting the enactment and execution of related policies, risk management and audit on compliance.

(1) Information Security Organization:



(2) Job descriptions:

I. Chief Information Security Officer.

- Authorization and supervision of cyber security management policies and objectives.
- Authorization of annual work plans on cyber security.

- Supervision of cyber security protective measures.
- Review and supervision of cyber security incidents.

II. Information Security Officer

- Research of cyber security policies and objectives.
- Preparation of annual work plans on cyber security.
- Communication of the Company's cyber security policies and objectives.
- Responsible for promoting the businesses including internal cyber security audit and education & training.
- Responsible for establishing the cyber security protective facilities, reporting cyber security incidents and promoting response business.
- Responsible for the execution of the Company's obligation to comply with the requirements posed by the competent government agencies or specific non-government agencies under their charge.

III. Information Security Staff

- Execution of regulations & procedures and systems related to information security.
- Execution of data and cyber business security protection practices.
- Execution of cyber security incident reporting and response mechanism.
- Tally of and risk assessment on information and cyber businesses.
- Research and establishment of, and assessment on, the cyber security technology.

2. Information security policy

(1) Information security management strategy and framework

The Company's information security policy covers the Company and all companies in the Group. The information security objectives are stated as follows:

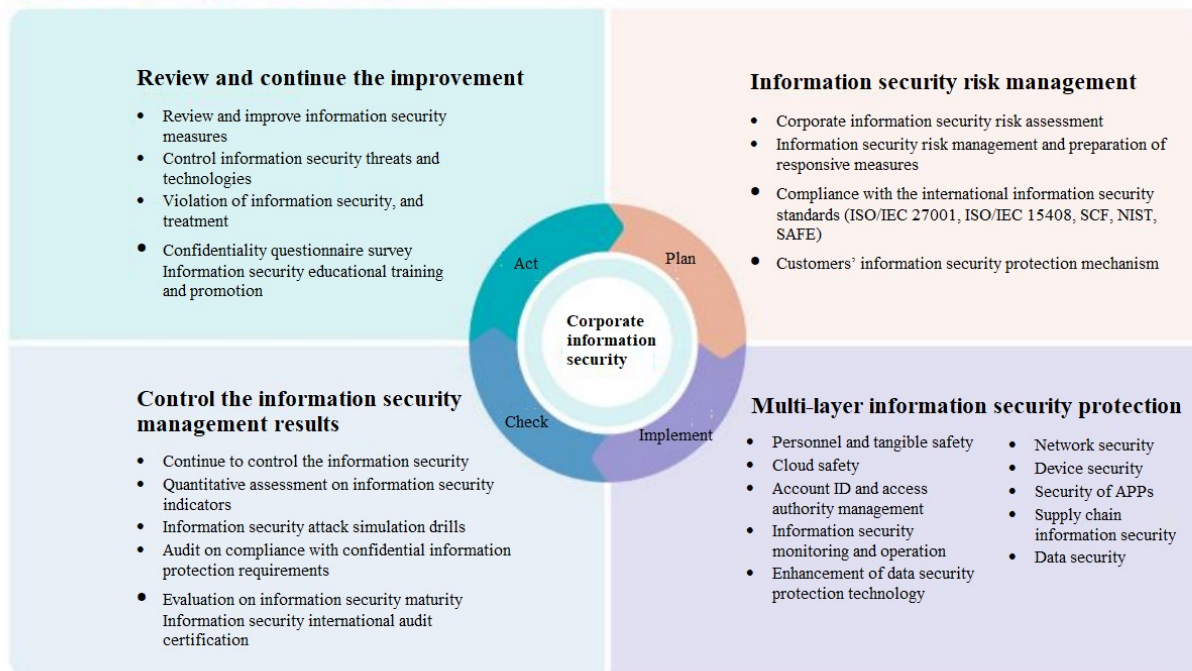
- I. Keep the information system continue operating.
- II. Prevent the invasion and destruction of hackers and viruses, etc.
- III. Prevent improper intention and unfair use.
- IV. Avoid accidents caused by human errors.
- V. Maintain the physical environmental security.

The Company's information security policy covers: Organization and division of labor and responsibilities, personnel management and education & training, computer system management, network management, system access management, system development and maintenance management, information asset security classification, physical and environmental management, and backup and recovery plans.

The Company's information security management practices aim at the five major information security protection themes, including anti-virus, anti-hacking, non-disclosure, business continuity and physical security, including establishment of firewalls, intrusion detection, anti-virus systems, and performance of social engineering drills, etc., to keep improving the Company's defense against external attacks, ensure the internal confidential information protection ability and enhance personnel's information security awareness.

(2) Information security risk management and continuing improvement framework

In 2023, the Company implement and build the complete Information Security Management System (ISMS) in order to mitigate the corporate information security threats from the aspects including system, technology, and procedure, establish the information security protection environment in line with customers' needs, and keep implementing the "Plan-Do-Check-Act" (PDCA) cycle for continuous improvement.



(3) Concrete management programs

In order to achieve the information security policies and objectives, and establish the comprehensive information security protection, the management practices and specific management programs promoted by the Company are stated as follows:

I. Network security

Implement the firewall equipped with online monitoring functions to control the data transmission and access to resources between outsiders and the Company's intranet. Start the planning to retain external consultants to scan vulnerabilities, fix risks and simulate hackers' skills to conduct penetration tests, in order to find possible potential risks, and continue to improve the network management and network security.

II. Device security

The Company's important host equipment are all placed in the control room equipped with access control measures.

III. Security of APPs

The Company's main application system, ERP, supports the Company's business, accounting, procurement, general affairs, accounts, control over supplies, warehouse, personnel and production reporting, are all handled by the Company's development team. Meanwhile, the Company introduces the version control tools to ensure the security of APPs.

IV. Data security

In order to ensure the data security, the Company doesn't provide remote login directly, Adopt the mandatory multi-factor authentication (MFA) for e-mail transmission and reception to prevent data from being spied or intercepted when they are transmitted over the line. Meanwhile, it introduced the AI tool to guard the Company's information security. In order to prevent others from peeping or catching the data when the data is transmitted via phone or Internet. Meanwhile, it implements the AI tool, Darktrace, to guard the Company's information security. Meanwhile, in order to ensure that the confidential and sensitive data contained in any scrapped media will not be disclosed to the public, the company has established the "Regulations Governing Management of Scrapping of Media." When any server host or storage medium is scrapped, the Company's dedicated department is responsible for removing the data and information, degaussing or using tools to remove the data. If it is impossible to do so, the Company shall wreck the same physically to ensure that the data have been destroyed in whole. The whole destruction process shall be recorded and supervised by

dedicated personnel.

V. Backup device

Install backup hosts in different buildings of the data center at the factory premises; perform the backup of necessary data and software of the equipment in the data center regularly to recover the normal operations rapidly through the backup data and maintain the Company's important operating activities, if it is impossible for the machine and equipment in the data center to operate normally due to force majeure, such as earthquake, fire, and intentional damage. Meanwhile, in order to enable the personnel to be sufficiently competent to respond to any accident suffered by the Company, the Company has established the "Disaster Recovery Plan" and exercised the recovery drills regularly, and recorded and followed up the relevant situation.

VI. Backup environment

There are two important hosts and firewalls in the Company's data center. Meanwhile, the HA architectures can serve as the backup for each other. In order to ensure the safety and stable operation of the important equipment and device, the Company executed formal contracts with suppliers. For example, Systex Software and Dell Technologies are both the suppliers executing the long-term maintenance service contracts with the Company, in order to secure the stability and complete functions of the server for the Company. Meanwhile, in order to receive the support rapidly, the Company also executed the contract about response to data and application systems with the supporting suppliers.

VII. Information security management system

In 2023, the Company retains external consultants to help the implementation and promotion of the Company's ISMS. The "Information Security Organization" convenes the management review meetings to review the information security risk analysis results and take corresponding protective measures and programs to ensure the applicability, adequacy and effectiveness of the continuing operation of the information security management system, and report the information security management results and information security strategic orientation to the Board of Directors each year for regular review and amendments.

(4) Efforts spending for cyber security management

The implementation results and follow up planning of the information security measures in 2024

I. Information security policy:

Re-check and amend/add the contents in 2022. Retain external consultants and focus on ISO 27001 to establish the complete information security management regulations in 2023.

II. The Company's dedicated department shall perform social engineering drills for the colleagues throughout the Company.

III. Renew the backup software contract to ensure the Company's normal backup operations.

IV. Procure servers to ensure that the Company's hardware supports the Company's operations stably.

V. Hyper-converged construction and relocation project

VI. Retain external technical consultants to execute the database health checkup.

VII. Procure the license of anti-virus software for one-year period to enhance the anti-virus mechanism.

The resource and amount invested in said cyber security management have amounted to NT\$11,837,613 in total.

(II) Cyber security risk and responsive measures

1. Risk over information technology security, and management measures

The Company has established the comprehensive network and computer-related information security protection measures. Notwithstanding, it cannot guarantee that the

computer system which controls or maintains the important business functions, such as manufacturing, sales operations and accounting, of the Company's factories can absolutely evade any third parties' cyber attacks that intend to paralyze the system, or any illegal invasion to the Company's intranet to engage in activities undermining the Company's operations and injuring the Company's goodwill. Considering that under any serious cyber attack, it is impossible for the system to continue supporting operations, the Company might lose important data, and the production line might be shut down accordingly, the Company continues to review and evaluate its information security regulations and procedures to ensure the adequacy and effectiveness thereof. Notwithstanding, they cannot guarantee that no impact will be posed by emerging new risks and attacks to the Company amid the ever-changing information security threats. Hackers might launch attacks in an attempt to steal the Company's business secrets and other confidential information, e.g. The proprietary information of customers or other stakeholders, and the personal data of the Company's employees. Hackers are also likely to implement computer virus, destructive software or ransomware into the Company's network system, in an attempt to interrupt the Company's operations, blackmail or extort the Company for the right to control the computer system, or spy on the Company's confidential information. These attacks might cause the Company to pay damages to customers for the losses resulting from delay or interruption of orders, or to bear huge expenses for remedy and improvement, in order to improve the Company's network security system, and might also cause the Company to be involved in the disclosure of the information of employees, customers or third parties for whom the Company shall bear the confidentiality obligation and to bear significant legal liability for any legal action or regulatory investigation therefor.

In order to prevent and mitigate the damage caused by such attacks, the Company practices relevant improvement measures and keeps updating the same in terms of the three indicators, i.e. management, technology and personnel.

(1) Management:

As a TWSE listed company, the Company has established an internal control system for the information circulation. It also retains external auditors to assess the Company's computer security environment each year. In order to improve the management further, in 2023, take into account the practices suggested by the best practice standards under ISO 27001, ISO 27002, establish more complete information security management regulations, and keep implementing the "Plan-Do-Check-Act" (PDCA) cycle for continuous improvement.

(2) Technology:

Improve the network firewall and network controls to prevent the computer viruses from spreading across machine and factory premises; establish endpoint anti-virus measures subject to the computer type; plan to conduct regular scans of vulnerability and penetration tests in the entire system architecture to discover any vulnerability and potential risks voluntarily, and then fix and respond to the same.

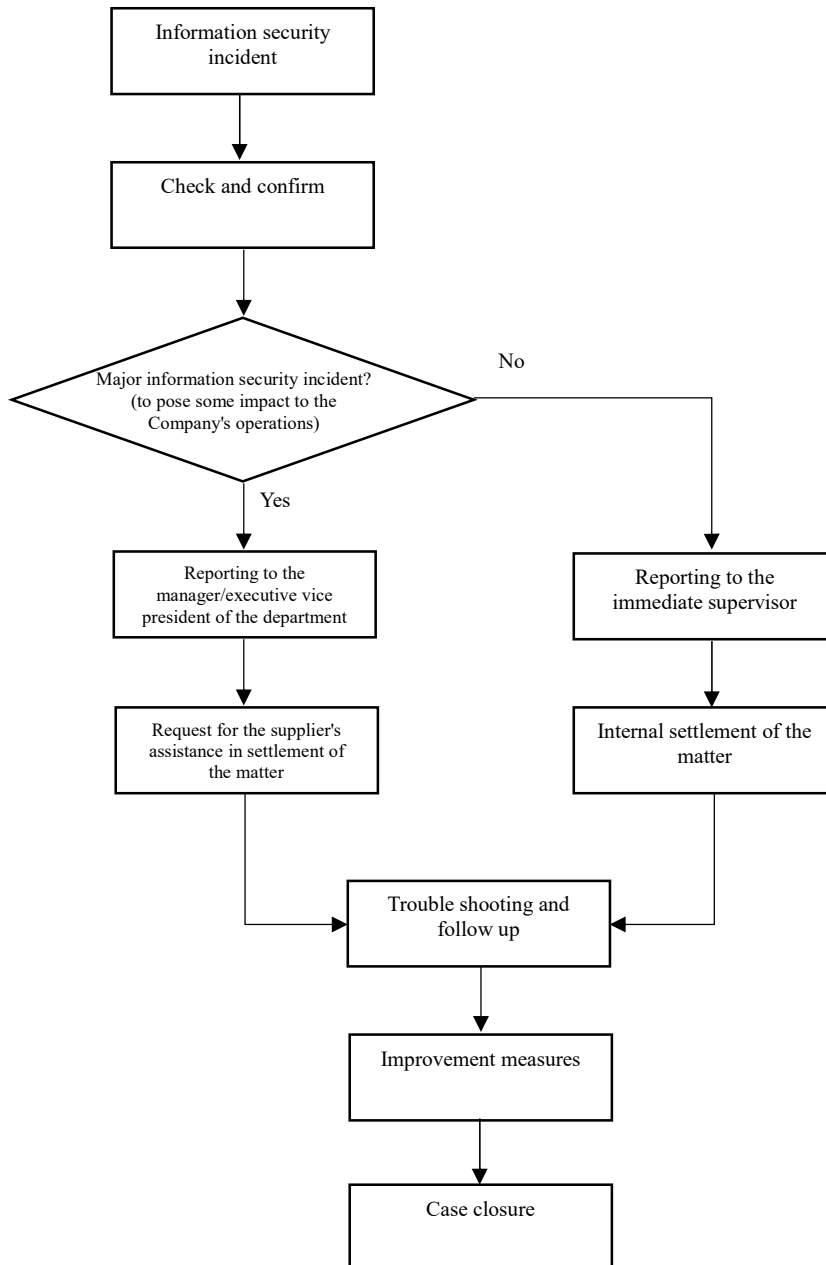
(3) Personnel:

For the internal personnel, exercise the social engineering drills to improve employees' information security awareness and avoid opening phishing emails negligently; for the external personnel, the service contract executed by the Company with any third-party service contractor would require them to comply with the confidentiality and network security requirements. Notwithstanding, as it cannot guarantee that each third-party service contractor will strictly comply with the obligation, the Company chooses to work with large-scale and renowned system maintenance service providers. In the future, the Company will also improve the suppliers' evaluation practices to regularly assess the services provided by the suppliers, the level of risk over their access to the Company's information assets, and the service level, in order to mitigate the risk over the material adverse effects, including the loss

caused to the Company by a third party’s intentional or negligent disclosure of the Company's important data, the damage to the commitments of the Company to customers and other stakeholders, and hazard caused to the Company's operating results, financial position, outlook and goodwill.

(III) Material cyber security incidents

No material cyber security incident has arisen in 2024. Notwithstanding, the Company has established the “Material Information Security Incident Reporting” regulations, procedures and follow up requirements:



(IV) List any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

4.7 Important Contracts

Nature of contract	Litigant	Period of contract	Main content	Restrictions
The Company – Syndicated Credit Borrowing Contract	17 banks such as Chang Hwa Bank	January 2023 to January 2028	Total credit NT\$15,600,000,000	For restrictions in the ratio of finance in the consolidated balance sheet, please refer to the consolidated financial report.
Subsidiary, Ta Chen International, Inc.(TCI) – Syndicated Credit Borrowing Contract	JPM Bank Syndicated Loan	May 2017 to November 2026	Total credit US\$975,000,000	For restrictions in the ratio of finance in the consolidated balance sheet, please refer to the consolidated financial report.
Second-tier Subsidiary, BBIUS – Syndicated Credit Borrowing Contract	13 banks such as East West Bank	August 2013 to August 2026	Total credit US\$260,000,000	For restrictions in the ratio of finance in the consolidated balance sheet, please refer to the consolidated financial report.
Subsidiary, Brighton-Best International Inc. (Taiwan) – Syndicated Credit Borrowing Contract	27 banks such as Chang Hwa Bank	April 2024 to April 2029	Total credit NT\$7,500,000,000	For restrictions in the ratio of finance in the consolidated balance sheet, please refer to the consolidated financial report.
Subsidiary, TCI Texarkana, Inc.(TKA) – Syndicated Credit Borrowing Contract	FIRST COMMERCIAL BANK Syndicated Loan	March 2022 to August 2028	Total credit US\$318,000,000	For restrictions in the ratio of finance in the consolidated balance sheet, please refer to the consolidated financial report.
Subsidiary, TCI Texarkana, Inc.(TKA) –Equipment Mortgage Loan Agreement	First American Bank	October 2021 to March 2028	Following the bank's payment of the equipment cost to the supplier, TKA agrees to repay the bank in accordance with the terms of the agreement within a period of five years.	None

5. Review Analysis and Risk Matters of Financial Status and Financial Performance

5.1 Comparative Analysis of Financial Status of Recent Two Years

Analytical benchmark: For changes before and after the period reaching more than 20%, and the amount of changes reaching NTD \$10,000,000

Unit: NTD Thousands

Item \ Year	2024	2023	Difference		Explanation
			Value	%	
Current assets	\$ 75,766,247	\$ 81,934,807	(\$ 6,168,560)	(8)	-
Funds and investments	2,827,008	3,226,798	(399,790)	(12)	-
Fixed assets	35,121,593	29,769,074	5,352,519	18	-
Other assets	24,032,866	20,184,633	3,848,233	19	-
Net assets	137,747,714	135,115,312	2,632,402	2	-
Current liability	23,489,941	27,994,397	(4,504,456)	(16)	-
Other liability	34,487,501	32,641,606	1,845,895	6	-
Net liability	57,977,442	60,636,003	(2,658,561)	(4)	-
Share capital	24,342,606	24,342,606	-	-	-
Additional paid-in capital	23,155,021	23,001,551	153,470	1	-
Retained surplus	19,024,070	18,361,404	662,666	4	-
Shareholder equity and other items	5,411,695	1,740,595	3,671,100	211	(1)
Treasury stock	(4,388,208)	(4,386,159)	(2,049)	0	-
Non-control equity	12,225,088	11,419,312	805,776	7	-
Net shareholder equity	79,770,272	74,479,309	5,290,963	7	-

Explanation:

(1) The changes in other items of the shareholder equity is primarily a result of the appreciation of USD against NTD resulting in the increase in exchange gains on translation of foreign financial statements.

Effect of changes on the company's financial condition: The Company's financial condition has not changed significantly.

Future response actions: Not applicable

5.2 Comparative Analysis of Financial Performance of Recent Two Years:

(I) Analysis of Financial Performance changes of the recent year (changes before and after the season reaching more than 20%, and the amount of changes reaching NTD \$10,000,000)

Unit: NTD Thousands

	2024		2023		Increase (decrease) Amount	Change %
	Subtotal	Total	Subtotal	Total		
Operating income		\$ 90,398,484		\$ 101,256,601	(\$10,858,117)	(11)
Operating cost		<u>73,310,863</u>		<u>81,799,804</u>	(8,488,941)	(10)
Operating gross profit		17,087,621		19,456,797	(2,369,176)	(12)
Operating expense		<u>10,941,106</u>		<u>10,585,408</u>	355,698	3
Other profit and loss		(34,394)		(15,415)	(18,979)	(123)
Operating revenue		<u>6,112,121</u>		<u>8,855,974</u>	(2,743,853)	(31)
Non-operating income and expense		452,553		752,366	(299,813)	(40)
Interest revenue	\$ 281,202		\$ 286,613		(5,411)	(2)
Other income	124,275		335,834		(211,559)	(63)
Other profit and loss	1,356,860		1,550,003		(193,143)	(12)
Financial cost	(1,094,946)		(1,267,070)		172,124	14
Share of profit (loss) of associates and joint ventures accounted for using equity method	(214,838)		(153,014)		(61,824)	(40)
The year's net revenue before tax		6,564,674		9,608,340	(3,043,666)	(32)
Income tax fee		<u>1,844,086</u>		<u>2,797,796</u>	(953,710)	(34)
The year's net profit (net loss)		4,720,588		6,810,544	(2,089,956)	(31)
Other comprehensive profit and loss		<u>4,169,964</u>		<u>(959,454)</u>	5,129,418	(535)
The year's net comprehensive profit and loss		<u>\$ 8,890,552</u>		<u>\$ 5,851,090</u>	3,039,462	52
The Company owner		\$ 3,538,282		\$ 5,330,802	(1,792,520)	(34)
Non-control equity		<u>1,182,306</u>		<u>1,479,742</u>	(297,436)	(20)
		<u>\$ 4,720,588</u>		<u>\$ 6,810,544</u>	(2,089,956)	(31)
Net comprehensive profit and loss belonging to:						
The Company owner						
Non-control equity		\$ 7,254,879		\$ 4,360,849	2,894,030	66
Income tax fee		<u>1,635,673</u>		<u>1,490,241</u>	145,432	10
		<u>\$ 8,890,522</u>		<u>\$ 5,851,090</u>	3,039,462	52
Explanation of analysis of changes in increased or decreased ratio:						

1. The decrease in operating profits is mainly due to the continued high interest rate imposed by the FED, which suppress the demand in the U.S. market and result in weak demand and decrease in sales.
2. The increase in other gains and losses from the previous year is primarily a result of the disposal of fixed assets by the indirect subsidiary, TKA, to replace and update the assets.
3. The increase in the share of the loss of the associate accounted for using equity method is primarily a result of the increase in investment loss of TY Steel, an associate.
4. The decrease in income tax expenses is primarily a result of the decrease in the operating profit this year resulting in the provision of lower income tax.
5. The changes in other comprehensive income is primarily a result of the appreciation of the foreign exchange rate for USD against NTD in 2024. Besides, the Company primarily adopts USD when investing overseas subsidiaries, thus resulting in the increase in exchange gains on translation of foreign financial statements.

(II) Estimated sales of the future year and main influencing factors affecting the consistent growth or declination based on the Company's expected sales:

The United States has imposed 25% tariff on imported steel and aluminum from all countries (originally 10% tariff on imported aluminum) under Section 232 tariff, and canceled the tariff exemption for steel and aluminum. Notwithstanding, the Company has owned the aluminum production factory and a stainless steel pipe plant in the United States and, therefore, it can directly meet the local operating needs of the United States. Besides, with the low-price steel and aluminum stock already held by the Company prior to the announcement of the tariff policy, the Company expects that the selling price, sale volume and interest spread will increase this year, and the overall operation is expected to be better than that in 2024.

5.3 Review and Analysis of Cash Flow

(I) Analysis of cash flow changes of the recent year (changes before and after the season reaching more than 20%)

Unit: NTD Thousands

Year	2024	2023	Increased (decreased) Ratio (%)
Cash flow ratio	64.92%	90.24%	(28)
Cash flow adequacy ratio	117.98%	81.61%	45
Cash flow reinvestment ratio	9.93%	17.69%	(44)
Explanation of the analysis of changes in increased (decreased) ratio: The decrease in cash flow ratio and cash flow reinvestment ratio in the current period from last year is mainly due to the Company's acceleration of the de-stocking last year, and the stable de-stocking this year, thereby resulting in the decrease in net cash inflow from operating activities in the current period. The increase in cash flow adequacy ratio in the current period is mainly due to the increase in net cash inflow from operating activities in the last five years from the previous period, and the decrease in total capital expenditure, inventory, and cash dividends in the last five years from the previous period.			

1. Improvement for inadequate fluidity:

If the Company's operating capital is inadequate, the bank will offer financing services. Thus, there is no fluidity risk for not being able to raise enough capital for the fulfilment of contractual duties.

(III) Cash fluidity analysis of the future year

Unit: NTD Thousands

Cash balance at the beginning of term ①	Estimated net cash flow of the year from operating activities ②	Estimated cash outflow of the year ③	Estimated amount of cash balance (shortfall) ① + ② - ③	Remedial measures for estimated cash shortfalls	
				Investment plan	Financial plan
\$7,248,742	\$10,000,000	\$10,000,000	\$7,248,742	-	-
Analysis of changes in cash flow of the year: 1. Operating activity: The US market is growing stably and the Company's operating revenue is expected to keep growing. Therefore, the cash inflow from operating activities are expected to increase. 2. Investment activity: The Company is estimated to increase fixed assets, increasing the net cash outflow of investment activities. 3. Financial activity: The Company is estimated to decrease amount of loan, which will result in an increase in cash outflows from financing activities. Note: Information summarized in consolidated views according to International Financial Reporting Standards.					

5.4 Impact of Major Capital Expenditures on Financial Operations in The Recent Fiscal Year: None.

5.5 Major Reasons for the Recent Annual Investment Policy, Profit or Loss, Improvement Plan and Investment Plan for The Upcoming Fiscal Year:

(I) Main reasons of profit or loss of transfer investments and improvement plans

Unit: NTD Thousands

Item / Introduction	Investing value	Policy	Profit (loss) of investment in 2024	Main reasons of profit or loss	Improvement plan
Ta Chen International, Inc.	23,327,317	Operated according to the supervision of the subsidiary	1,840,831	The US market slows down and operating revenue decreases.	None
Ta Chen (B.V.I.) Holdings Ltd.	990,817	Operated according to the supervision of the subsidiary	255,100	The main reason for the profit sought in the current period is that the subsidiary, TMCT, acquired the company, Nash, as an indirect subsidiary, and the original investment under the equity method was regarded as the gains from disposal.	None
Brighton-Best International (Taiwan) Inc.	8,500,081	Operated according to the supervision of the subsidiary	2,309,240	Due to the stable source of customers and the continuous introduction of new products, it gained profits continuously.	None
Yin Rong (Shanghai) Investment Management Co., Ltd.	2,532	Operated according to the supervision of the subsidiary	4,079	The government's tax clearance process was completed in November 2024, and the income tax gains were recognized.	None
WEI MEI ROLLER BLIND CO., LTD.	180,000	Operated according to the supervision of the subsidiary	12,117	The reasons why the profit was sought in the current period is that the investee, Wei Mei Hsin Shu, engaged in the manufacturing and sale of window decorations and had the stable source of customers.	None
Ta Chen Lung Mei Home Life Co., Ltd.	1,606,468	Operated according to the supervision of the subsidiary	(201,219)	In order to transform from the pure curtain sales to the whole-house decoration service, the Company recruited the design personnel, and reduced the number of employees to cut the relevant management expenses and reduce losses.	None
Ta Chen (Hong Kong) Limited	279,720	Operated according to the supervision of the subsidiary	10,510	As the bridge of funds dispatching for relevant enterprises in Mainland China, the interest income refers to the main income.	None
TY Steel Co., Ltd.	889,216	The investment in associates is intended to increase the product types and seek the stable source of supplies in	(680,098)	In consideration of the highly competitive market, it still generates losses for the time being.	None

Item / Introduction	Investing value	Policy	Profit (loss) of investment in 2024	Main reasons of profit or loss	Improvement plan
		the upstream segment.			
Ta Chen Green System Co., Ltd.	60,000	Affiliated enterprises without substantial control	(1,469,548)	It was incorporated in April 2022, and no profit has been sought so far.	None
Right Way Industrial Co., Ltd.	17,843	Operated according to the supervision of the subsidiary	41,721	The source of customers is becoming more and more stable, and the business scale is expanded to develop the Company's business.	None
City Mocean Co., Ltd.	4,900	Affiliated enterprises without substantial control	(2,984)	It was incorporated in August 2022, and no profit has been sought so far.	None

(II) Investment plan of the future year: In March 2025, a new company, Bristol Pipe and Tube, Inc., was established in the U.S.A to increase the self-made stainless steel products in the U.S.A. It is expected that the market changes will be considered in the coming year, and the investment in overseas subsidiaries will be increased to expand the economic scale and strengthen the competitiveness.

5.6 Evaluative Analysis of Risk Matters of the Recent Fiscal Year Until Publishing Date of This Annual Report

(I) Impact of interest, changes in currency exchange rates and inflation on the profit and loss of the Company, and future countermeasures:

Unit: NTD Thousands

Item	Impact on the profit and loss of the Company			Future countermeasures
	Title	2024	2023	
Interest rate	Short-term loan	13,156,899	17,955,293	Based on its industrial characteristic, the Company must apply for short-term and long-term loans for operation. The Company will continue to strengthen its financial structure and enable financial operators to better understand the Company's nature of operation to compete for better loan terms, thereby minimizing interest influence in the Company's planned deployments.
	Long-term liability	24,555,397	24,145,542	
	Interest fee	1,094,946	1,267,070	
Changes in currency exchange rates	Exchange profit (loss)	957,343	130,184	Mainly due to the important USD asset position held by the Company, if NTD appreciates, there is a risk of currency exchange lost. The Company will engage in safe-haven forwarding foreign exchange trading according to fluctuations in currency exchange rates in the market, so as to lower risk of currency exchange losses.

Risk over inflation:

The inflation risk affecting the Company's profit and loss main resides in the nickel and aluminum metal price and crude oil price. Stainless steel and aluminum are the main raw materials of the Company's products, and the gross profit of sales is the primary factor affecting the Company's products. The Company's products are mainly exported, and the sea and land freight accounts for a relatively large proportion of the operating revenue. The crude oil price is the main factor affecting the freight. The Company always pays attention to the fluctuation of the market price of raw materials and maintains good interaction with suppliers and customers to mitigate the impact posed by the inflation.

(II) Main reasons of profit or loss and future countermeasures for policies of engaging in high-risk, highly leveraged investments, capital loans and others, endorsement guarantees and derivatives transactions:

The Company's engagement in derivative product transactions is based on the procedures of asset acquisition or disposal. The main goal of which is to lower currency exchange rate risk. The Company will engage in related derivative commodity transactions conservatively according to market changes.

If the target of capital loan or endorsement guarantee is the transfer invested enterprise directly or indirectly owned by the Company, there is no need for credit investigations and risk evaluations.

(III) Future research and development plans and estimated input expenses for future research and development projects:

As the Company manufactures stainless steel that are promised to stay unchanging for decades of years, future research and development plans will focus on improving manufacturing procedures, efficiency improvement and stabilized quality. The Company has entrusted specialized technicians for the research and development of which.

(IV) Major policies and legislative changes in Taiwan and in foreign countries, their impact on the Company's financial operations and countermeasures:

In consideration of the global net-zero policy and the trend of carbon border adjustment mechanisms applicable in Europe and the USA, the Company has worked with the professional consulting service team to create the carbon emission information in response to future relevant control measures, and also to help the Company review the carbon emission hotspots and adjust production lines to achieve the goal for sustainable development. No significant adverse impact is expected to be posed to the Company due to changes in domestic or foreign policies and laws.

(V) Impact of technological and industrial changes on the Company's financial operations and

countermeasures:

The main products sold by the Company are standard industrial products. It is expected that the Company's finance and business are not likely to be affected by technological changes and significant changes in the industry. For the cyber security, to respond to the evolving situation of cyber security threats, the Company establishes the mechanism of mainframe backup and remote backup of data in the information system structure, to ensure uninterrupted services, while conducting various simulation tests in the data room, to ensure the normal operation of the information system and data safeguard, and lower the risk of system interruption caused by unexpected natural disasters and man-made negligence. The Company also promotes the information security policies regularly, to improve the cyber security awareness and lower the cyber security risks. There was no loss suffered by the company in the most recent fiscal year and up to the date of publication of the annual report due to significant cyber security incidents.

(VI) Impact and countermeasures of changes in corporate image on corporate risk management:

For years, the Company has strived to maintain its corporate image. The Company complies with legal regulations. Until publication of this annual report, there has been no occurrence the influenced upon the corporate image of the Company.

(VII) Estimated benefit and possible risks of merge:

As the United States has imposed a 25% tariff on all steel products by 2025, the Company's subsidiary in the United States established a new company, Briston Pipe and Tube, Inc., in March 2025 to acquire the main operating assets from the local stainless steel manufacturers in the United States. The Company expects to increase the quantity and sales of self-made stainless steel pipe products in the United States.

(VIII) Estimated benefit and possible risks of expansion of plants:

The debottlenecking project of the TKA's aluminum plant production line in the United States and the construction project of the second cold rolling production line were activated in 2021. The cold rolling production line was already completed at the end of 2024, while the hot rolling production line is scheduled to be completed at the end of 2025. Then, the production capacity may increase to 31,000 tons per month, and the market share of aluminum materials may be upgraded further in the future. The Group's factory expansion project has taken into account the investment effect and possible risks. Any major capital expenditure shall also be reported to the Audit Committee for review and to the Board of Directors for approval.

(IX) Possible risks of centralized purchase or sales: None.

(X) Impact and risk of major transfer or change in directors, supervisors or major shareholders with more than 10% of the Company's shareholding: None.

(XI) Impact and risk to the Company of changes in franchise: Not applicable.

(XII) If the Company's directors, supervisors, CEO, actual owner, major shareholders with more than 10% of the Company's shareholding and subsidiaries are included in involved in major litigation, non-litigation or administrative litigation that has been determined or is still in the process of which, the results of such litigations might cause major influence on prices of shareholders' equity or bonds. Statements, value, start date, major parties involved and items processed until publication of this annual report: None.

(XIII) Other important risks: None.

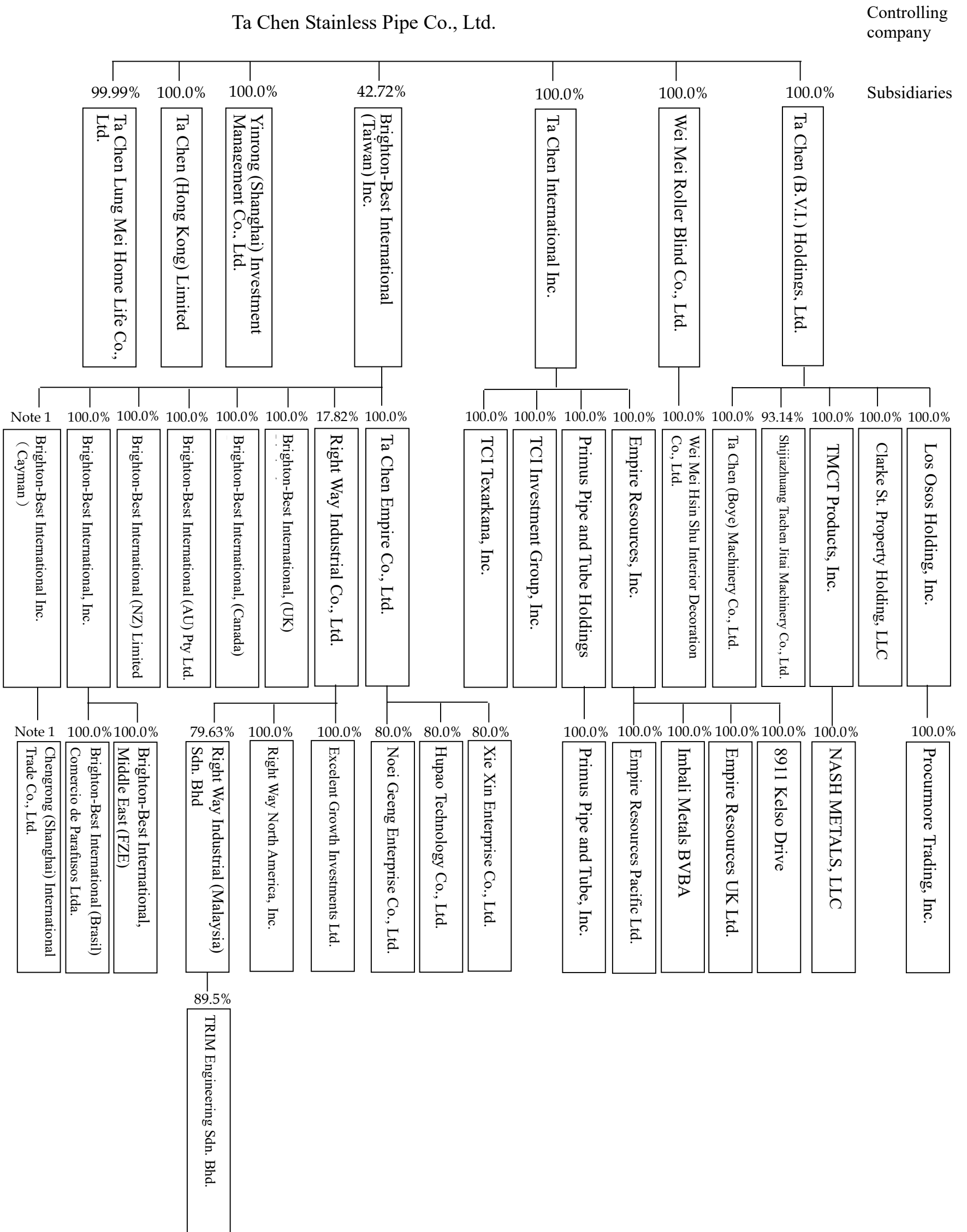
5.7 Other Important Items: None.

6. Special Items

6.1 Related Information of Affiliates

(I) Consolidated business report of affiliates

1. Affiliates organizational structure :



Note 1 : The investment has not been actually remitted.

2.Name, establishing date, address, paid-in capital, main operating items of affiliates: :

Unit: NTD thousand / thousand (USD / CAD / AUD / NZD / GBP / BRL)

Name of enterprise	Establishing date	Address	Paid-in capital	Main operating or manufacturing item
Ta Chen International Inc.	November, 1989	5855 Obsipio AVE Long Beach CA. 90805 U.S.A.	USD 742,906	Manufacturing and sales of products such as stainless steel pipes, stainless steel rolls and pipe components
TCI Investment Group, Inc.	April, 2014	5855 Obsipio AVE Long Beach CA. 90805 U.S.A.	USD 3,000	Import, export and sales of screws and screw-nut products
Empire Resources, Inc.	August, 1990	2115 Linwood Ave Fort Lee, NJ 07024 USA	USD 60,000	Import, export and sales of stainless steel and aluminum products
Empire Resources Pacific Ltd.	May, 1996	4/631 SEVENTEEN MILE ROCKS ROAD, SEVENTEEN MILE ROCKS QUEENSLAND 4073 AUSTRALIA	-	Import, export and sales of stainless steel and aluminum products
Imbali Metals BVBA	February, 2005	Leopoldstraat 45 B-2800 Mechelen Belgium	EUR 19	Import, export and sales of stainless steel and aluminum products
Empire Resources UK Ltd.	February, 2015	Castlemill, Burnt Tree, Dudley, West Midlands, DY4 7UF United Kingdom	GBP 5,400	Import, export and sales of stainless steel and aluminum products
8911 Kelso Drive	June, 2015	ESSEX, MD 21221 USA	-	Import, export and sales of stainless steel and aluminum products
Primus Pipe and Tube Holding, Inc.	July, 2017	5855 Obispo Ave, Long Beach, California. United States	USD 29,000	General investment
Primus Pipe and Tube, Inc.	April, 1990	241 W Clarke St, Wildwood, Florida, United States	USD 0.01	Manufacturing and sales of stainless steel
TCI Texarkana, Inc.	October, 2018	5855 Obsipio AVE Long Beach CA. 90805 U.S.A.	USD 460,000	Sales of aluminium plates and tapes
Ta Chen (B.V.I.) Holdings, Ltd.	October, 1997	Portcullis Chambers 4 th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town Tortola VG1110, British Virgin Island	USD 32,625	General investment
Shijiazhuang Tachen Jitai Machinery Co., Ltd.	August, 1995	No. 26, Fengchan Road, Jingji Technology Development Area, Shijiazhuang City, Hebei Province, China	USD 5,100	Manufacturing and sales of stainless steel valves and stainless steel precision casted products
Ta Chen (Boye) Machinery Co., Ltd.	December, 2006	No. 3, Boxing West Road, Xiancheng, Boye County, Hebei Province, China	USD 11,935.2	Manufacturing and sales of stainless steel valves and stainless steel precision casted products
TMCT Products, Inc.	June, 2019	5855 Obsipio AVE Long Beach CA. 90805 U.S.A.	USD 13,000	General investment
Nash Metals, LLC	July, 2019	101 Bob Bunch Parkway, Nash, TX 75569 U.S.A.	USD 126	Aluminum products manufacturing industry
Clarke St. Property Holdings, LLC	July, 2020	5855 Obsipio AVE Long Beach CA. 90805 U.S.A.	USD 500	General investment
Los Osos Holdings, Inc.	November, 2020	850 New Burton Road, Suite 201, Dover, DE 19904	USD 3,904	General investment
Procurmore Trading, Inc.	September, 2021	850 New Burton Road, Suite 201, Dover, DE 19904	USD 20	Import, export and sales of aluminum products
Brighton-Best	July, 2007	Block B, No.122, Yilin Rd., Rende Dist.,	NTD 10,315,000	Import, export and sales

Name of enterprise	Establishing date	Address	Paid-in capital	Main operating or manufacturing item
International (Taiwan) Inc.		Tainan City 717, Taiwan (R.O.C.)		of screws and screw-nut products
Brighton-Best International, Inc.	December, 2007	5855 Obispo AVE Long Beach CA. 90805 U.S.A.	USD 186,000	Import, export and sales of screws and screw-nut products
Brighton-Best International, (UK) Limited	December, 2007	Fastener Complex D1 Cradley Business Park, Overend Road, Cradley Heath, West Midlands B64 7DW	GBP 9,200	Import and sales of screws and screw-nut products
Brighton-Best International, (Canada) Inc.	December, 2007	2100 Codlin Crescent Etobicoke Ontario, M9W 7J2 Canada	CAD 12,004	Import and sales of screws and screw-nut products
Brighton-Best International, (AU) Pty Ltd.	December, 2007	31-33 Canterbury RD. Braeside, Vic 3195, Australia	AUD 54,000	Import and sales of screws and screw-nut products
Brighton-Best International, (NZ) Limited.	December, 2007	28B Pavillion Dr. Airport Oaks Mangere, Auckland, New Zealand	NZD 786	Import and sales of screws and screw-nut products
Brighton-Best International, (Brasil) Comercio de Parafusos Ltda.	December, 2007	Rua Dos Missionarios, 410 Jardim Caravelas, São Paulo-SP, CEP: 04729-001	BRL 362	Import and sales of screws and screw-nut products
Brighton-Best International, Middle East (FZE)	July, 2023	Saif Office Q1-05-010/A Sharjah - U.A.E	USD 30	Import and sale of protective products
Brighton-Best International Inc. (Cayman)	February, 2016	Portcullis TrustNet (Cayman) Ltd., The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands.	Note 1	General investment
Chengrong (Shanghai) International Trade Co., Ltd.	June, 2016	Room 351, Building 2, No. 507 Huajing Road, Xuhui District, Shanghai, China	Note 1	General trading business
Ta Chen Empire Industry Co., Ltd.	January, 2018	No. 122, Yilin Road, Rende District, Tainan City	NTD ..5,300,000	Trading of aluminum boards and aluminum rolls
Brighton-Best (Hong Kong) Limited	May, 2019	Room 1902,19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Note 2	General investment
Brighton-Best (Hong Kong) Holding Limited	May, 2019	Room 1902,19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Note 3	General investment
Noei Geeng Enterprise Co., Ltd.	June, 1995	No. 40-6, Sec. 1, Zhongshan Rd., Guiren Dist., Tainan City, Taiwan (R.O.C.)	NTD 97,232	Manufacture screws and nuts
Hupao Technology Co., Ltd.	September, 2010	1F & 2F., No. 40-2, Sec. 1, Zhongshan Rd., Guiren Dist., Tainan City, Taiwan (R.O.C.)	NTD 238,865	Energy Technical Services
Xie Xin Enterprise Co., Ltd.	March, 2017	No. 11, Ln. 2, Sec. 1, Zhongshan Rd., Guiren Dist., Tainan City, Taiwan (R.O.C.)	NTD 356,464	Manufacture screws and nuts
Right Way Industrial Co., Ltd.	March, 1965	No. 1015, Zhongzheng W. Rd., Rende Dist., Tainan City, Taiwan (R.O.C.)	NTD 3,003,885	Engine, automotive and motorcycle parts manufacturing
Right Way Industrial (Malaysia) Sdn. Bhd/Right Way Industrial (Malaysia) Sdn. Bhd	April, 1989	Lot 20 & 21 Hicom industrial Estate, Section 26, Sector B, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia P. O, Box 7165	MYR 36,000	Manufacture of automobile and motorcycle pistons
TRIM Engineering Sdn. Bhd.	April, 2001	Lot 28 & 29, Kaw. Perindustrian Ayer Keroh, 75450 Melaka. Malaysia	MYR 10,000	Connecting rod manufacturing
Excellent Growth	August,	Vistra Corporate Services Centre,	NTD 626,415	General investment

Name of enterprise	Establishing date	Address	Paid-in capital	Main operating or manufacturing item
Investments Limited	1995	Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.		
Right Way North America Inc	October, 2010	150 West First Street, New Richmond, WI 54017, USA	NTD 1,575	Trading of Automobile Engine Parts
Yinrong (Shanghai) Investment Management Co., Ltd.	July, 2015	Room 2001, 2F, Building 1, No. 146, East 1st Fute Road No,146, China (Shanghai) Pilot Free Trade Zone	USD 77.24	General investment
Ta Chen (Hong Kong) Limited	May, 2019	RM 1902, 19/F LEE GARDEN ONE, 33 HYSAN AVENUE, CAUSEWAY BAY, HONG KONG	USD 9,000	General trading business
Ta Chen Lung Mei Home Life Co., Ltd.	May, 1987	No. 1, Keji 1st Rd., Annan Dist., Tainan City 709, Taiwan (R.O.C.)	NTD 310,000	Manufacture and sale of curtains and cloth products
Wei Mei Roller Blind Co., Ltd.	August, 2016	4F., No.122, Yilin Rd., Rende Dist., Tainan City 717, Taiwan (R.O.C.)	NTD 180,000	General investment
Wei Mei Hsin Shu Interior Decoration Co., Ltd.	April, 1987	No. 11, Ln. 93, Benzhou Rd., Gangshan Dist., Kaohsiung City, Taiwan (R.O.C.)	NTD 75,000	Manufacture and sale of curtains and cloth products

Note 1 : The investment has not been actually remitted.

Note 2 : The company received official approval for dissolution on December 13, 2024.

Note 3 : The company received official approval for dissolution on February 9, 2024.

Industry covered by overall operating business of affiliates and division of work:

Main operating business of overall affiliates is the manufacturing, processing and sales of stainless steel pipes, stainless steel pipe components, manufacturing and sales of stainless steel pipe, pipe components, pipe sections and, stainless steel rolls (boards), screws, screw-nuts and aluminum products, investment, etc. Ta Chen International, Inc. and Primus Pipe and Tube, Inc are responsible for the sales of stainless steel pipes, pipe sections, pipe components and stainless steel (boards) of Ta Chen Stainless Steel Pipe Co., Ltd. in America. The above-mentioned products are partly provided by Ta Chen Stainless Steel Pipe Co., Ltd. Shijiazhuang Tachen Jitai Machinery Co., Ltd. and Ta Chen (Boye) Machinery Co., Ltd. are responsible for the manufacturing and sales of stainless steel precision casting products in mainland China, and are the source of precision casted billets for the valve factory of Ta Chen Stainless Steel Pipe Co., Ltd. Empire Resources, Inc., Empire Resources Pacific Ltd., Imbali Metals BVBA, Empire Resources UK Ltd. and 8911 Kelso Drive operate the import, export and sales of stainless steel and aluminum products.

TCI Investment Group, Inc, Brighton-Best International (Taiwan) Inc. and its affiliates, Brighton-Best International, Inc., Brighton-Best International, (UK) Limited, Brighton-Best International, (CANADA) Inc., Brighton-Best International, (AU) Pty Ltd., Brighton-Best International, (NZ) Limited, Brighton-Best International (Brasil) Comercio de Parafusos Ltda. operate sales of screws and screw-nuts.

Ta Chen Empire Co., Ltd., TCI Texarkana, Inc. and Nash Metals, LLC are in the business of selling and manufacture aluminium products.

Ta Chen Lung Mei Home Life Co., Ltd. and Wei Mei Hsin Shu Interior Decoration Co., Ltd. are in the business of manufacture and sale of curtains, cloth products, and Interior design.

Right Way Industrial Co., Ltd. Is in the business of producer of quality pistons for motorcycles, commercial vehicles, automobiles, etc. In 2023, the system cabinet business was added, and it cooperated with Ta Chen Lung Mei Home Life Co., Ltd. Lung Mei received orders and handed over to Right Way for production.

3. Information of corporate directors, supervisors and CEO of affiliates :

Unit: NTD thousands / thousand (USD / CAD / AUD / NZD / GBP / BRL)

Name of enterprise	Post	Name or company representative	Shares hold		
			Amount	Shareholding ratio (%)	
Ta Chen International Inc.	Director	Ta Chen Stainless Pipe Co., Ltd. Representative : Rung-Kun Shieh	USD	742,906	100.0
	Director	Ta Chen Stainless Pipe Co., Ltd. Representative : Ling-Hwa Wang	USD	742,906	100.0
	Director & CEO	Ta Chen Stainless Pipe Co., Ltd. Representative : Johnny Hsieh	USD	742,906	100.0
	Director	Ta Chen Stainless Pipe Co., Ltd. Representative : Peggy Hsieh	USD	742,906	100.0
Empire Resources, Inc.	Director	Ta Chen International Inc. Representative : Johnny Hsieh	USD	60,000	100.0
Empire Resources Pacific Ltd.	Director	Empire Resources, Inc. Representative : Johnny Hsieh			100.0
Imbali Metals BVBA	Director	Empire Resources, Inc. Representative : Johnny Hsieh	EUR	19	100.0
	Director	Empire Resources, Inc. Representative : Peggy Hsieh	EUR	19	100.0
	Director	Empire Resources, Inc. Representative : Diederik Oosters	EUR	19	100.0
Empire Resources UK Ltd.	Director	Empire Resources, Inc. Representative : Johnny Hsieh	GBP	5,400	100.0
	Director	Empire Resources, Inc. Representative : Peggy Hsieh	GBP	5,400	100.0
8911 Kelso Drive	Director	Empire Resources, Inc. Representative : Johnny Hsieh			100.0
	Director	Empire Resources, Inc. Representative : Peggy Hsieh			100.0
Primus Pipe and Tube Holding, Inc	Director	Ta Chen International Inc. Representative : Johnny Hsieh	USD	29,000	100.0
Primus Pipe and Tube , Inc.	Director	Primus Pipe and Tube Holding, Inc Representative : Johnny Hsieh	USD	0.01	100.0
TCI Texarkana, Inc.	Director	Ta Chen International Inc. Representative : Johnny Hsieh	USD	400,000	100.0
TCI Investment Group, Inc.	Director	Ta Chen International Inc. Representative : Rung-Kun Shieh	USD	3,000	100.0
	Director	Ta Chen International Inc. Representative : Ling-Hwa Wang	USD	3,000	100.0
Ta Chen (B.V.I.) Holdings, Ltd.	Chairman	Ta Chen Stainless Pipe Co., Ltd. Representative : Li-Yun Hsieh	USD	32,625	100.0
	Director	Ta Chen Stainless Pipe Co., Ltd. Representative : Rung-Kun Shieh	USD	32,625	100.0

Name of enterprise	Post	Name or company representative	Shares hold		
			Amount	Shareholding ratio (%)	
Shijiazhuang Tachen Jitai Machinery Co., Ltd.	Chairman	Ta Chen (B.V.I.) Holdings, Ltd. Representative : Li-Yun Hsieh	USD	4,750	93.1
	Director & CEO	Ta Chen (B.V.I.) Holdings, Ltd. Representative : Rung-Kun Shieh	USD	4,750	93.1
	Director	Hebei Machinery & Equipment Import and Export Corp. Representative : Wei-Hao Yu	USD	350	6.9
	Director	Ta Chen (B.V.I.) Holdings, Ltd. Representative : Ming-Hui Hsieh	USD	4,750	93.1
	Director	Ta Chen (B.V.I.) Holdings, Ltd. Representative : Yi-Jun Wang	USD	4,750	93.1
	Director	Ta Chen (B.V.I.) Holdings, Ltd. Representative : Hung-Chang Hsu	USD	4,750	93.1
	Ta Chen (Boye) Machinery Co., Ltd.	Chairman	Ta Chen (B.V.I.) Holdings, Ltd. Representative : Li-Yun Hsieh	USD	11,935.2
Director & CEO		Ta Chen (B.V.I.) Holdings, Ltd. Representative : Rung-Kun Shieh	USD	11,935.2	100.0
Director		Ta Chen (B.V.I.) Holdings, Ltd. Representative : Ling-Hwa Wang	USD	11,935.2	100.0
Director		Ta Chen (B.V.I.) Holdings, Ltd. Representative : Ming-Hui Hsieh	USD	11,935.2	100.0
Director		Ta Chen (B.V.I.) Holdings, Ltd. Representative : Yi-Jun Wang	USD	11,935.2	100.0
Director		Ta Chen (B.V.I.) Holdings, Ltd. Representative : Hung-Chang Hsu	USD	11,935.2	100.0
Director		Ta Chen (B.V.I.) Holdings, Ltd. Representative : Johnny Hsieh	USD	13,000	100.0
Nash Metals, LLC	Member	TMCT Products, Inc. Representative : Johnny Hsieh	USD	126	100.0
Clarke St. Property Holdings, LLC	Member	Ta Chen (B.V.I.) Holdings, Ltd. Representative : Li-Yun Hsieh	USD	500	100.0
Los Osos Holdings, Inc.	Director	Ta Chen (B.V.I.) Holdings, Ltd. Representative : Johnny Hsieh	USD	3,904	100.0
Procurmore Trading, Inc.	Director	Los Osos Holdings, Inc. Representative : Jung Yao Hsieh	USD	20	100.0
Yinrong (Shanghai) Investment Management Co., Ltd.	Chairman	Ta Chen Stainless Pipe Co., Ltd. Representative : Li-Yun Hsieh	USD	77.24	100.0
Wei Mei Roller Blind Co., Ltd.	Chairman	Ta Chen Stainless Pipe Co., Ltd. Representative : Li-Yun Hsieh		18,000,000 Shares	100.0
Wei Mei Hsin Shu Interior Decoration Co., Ltd.	Director	Wei Mei Roller Blind Co., Ltd. Representative : Li-Yun Hsieh		7,500,000 Shares	100.0
	Supervisor	Wei Mei Roller Blind Co., Ltd. Representative : Di-Jin Chang		7,500,000 Shares	100.0

Name of enterprise	Post	Name or company representative	Shares hold			
			Amount	Shareholding ratio (%)		
Ta Chen Lung Mei Home Life Co., Ltd.	Chairman	Ta Chen Stainless Pipe Co., Ltd. Representative : Li-Yun Hsieh		30,995,367 Shares	99.99	
	Director	Ta Chen Stainless Pipe Co., Ltd. Representative : Rung-Kun Shieh		30,995,367 Shares	99.99	
	Director	Jun-Peng Guo		4,183 Shares	0.01	
	Supervisor	Di-Jin Chang		-	-	
Ta Chen (Hong Kong) Limited	Director	Ta Chen Stainless Pipe Co., Ltd. Representative : Li-Yun Hsieh	USD	9,000	100.0	
Brighton-Best International (Taiwan) Inc.	Chairman	Ta Chen Stainless Pipe Co., Ltd. Representative : Li-Yun Hsieh		440,610,040 Shares	42.72	
	Director & CEO	Ta Chen Stainless Pipe Co., Ltd. Representative : Rung-Kun Shieh		440,610,040 Shares	42.72	
	Director	Tong Yi Investment Co., Ltd. Representative : Wen-Ling Ke		29,464,000 Shares	2.9	
	Director	Chao Sheng Co., Ltd. Representative : Chao-Chin Tsai		30,850,000 Shares	3.0	
	Director	Jinn Her Enterprise Co., Ltd. Representative : Yong-Yu Tsai		67,848,000 Shares	6.6	
	Director	Wise Creation Investment Ltd. Representative : I-Lan Ou		354,089 Shares	0.1	
	Director	Fang-Kuan Lin		22,355,500 Shares	2.2	
	Director	Hsiang-Chen You		-	-	
	Director	Di-Jin Chang		1,071,000 Shares	0.1	
	Independent Director	Ming-Chang Shen		-	-	
	Independent Director	Zhao-Ming Meng		-	-	
	Independent Director	Kuang-Tzu Wang		-	-	
	Brighton-Best International, Inc.	Director	Brighton-Best International (Taiwan) Inc. Representative : Rung-Kun Shieh Representative : Ling-Hwa Wang	USD	186,000	100.0
	Brighton-Best International, (Canada) Inc.	General Manager	Jun Xu			
Director		Brighton-Best International (Taiwan) Inc. Representative : Li-Yun Hsieh (note 1)	CAD	12,004	100.0	
Brighton-Best International, (UK) Limited	General Manager	Li-Yun Hsieh (note 1)				
	Director	Brighton-Best International (Taiwan) Inc. Representative : Luc Daigle (note 1) Representative : Peter Joseph Bolic	CAD	12,004	100.0	
Brighton-Best International, (UK) Limited	Director	Brighton-Best International (Taiwan) Inc. Representative : Li-Yun Hsieh Representative : Rung-Kun Shieh	GBP	9,200	100.0	

Name of enterprise	Post	Name or company representative	Shares hold		
			Amount	Shareholding ratio (%)	
Brighton-Best International, (AU) Pty Ltd.	Director	Representative : Jun Xu Representative : Pei-Rong Hsieh Brighton-Best International (Taiwan) Inc.	AUD	54,000	100.0
Brighton-Best International, (NZ) Limited	Director	Representative : Li-Yun Hsieh Representative : Rung-Kun Shieh Representative : Jun Xu Representative : Pei-Rong Hsieh Representative : Karen Van Cuylenburg Brighton-Best International (Taiwan) Inc.	NZD	786	100.0
Brighton-Best International, (Brasil) Comercio de Parafusos Ltda.	Director	Maria Luiza Rodrigues	BRL	362	100.0
Brighton-Best International Middle East (FZE)	Director	Brighton-Best International, Inc. Representative : Ting Yueh Jen			
Brighton-Best International Inc. (Cayman)	Director	Jun Xu	USD	30	100.0
Chengrong (Shanghai) International Trade Co., Ltd.	Director	Pei-Rong Hsieh		Note 2	Note 2
Ta Chen Empire Co., Ltd.	Director	Li-Yun Hsieh		Note 2	Note 2
	Chairman	Brighton-Best International (Taiwan) Inc. Representative : Li-Yun Hsieh		530,000,000 Shares	100.0
	Director & CEO	Brighton-Best International (Taiwan) Inc. Representative : Rung-Kun Shieh		530,000,000 Shares	100.0
	Director	Brighton-Best International (Taiwan) Inc. Representative : Di-Jin Chang		530,000,000 Shares	100.0
	Supervisor	Brighton-Best International (Taiwan) Inc. Representative : I-Lan Ou		530,000,000 Shares	100.0
Brighton-Best (Hong Kong) Limited	Director	Li-Yun Hsieh		Note 3	Note 3
Brighton-Best (Hong Kong) Holding Limited	Director	Li-Yun Hsieh		Note 4	Note 4
Noei Geeng Enterprise Co., Ltd.	Chairman	Ta Chen Empire Co., Ltd.		7,778,598 Shares	80.0
	Director	Representative : Li-Yun Hsieh Ta Chen Empire Co., Ltd.		7,778,598 Shares	80.0
	Director	Representative : Jiun-Liang Lin Ta Chen Empire Co., Ltd. Representative : Erh-Yi Hsieh		7,778,598 Shares	80.0

Name of enterprise	Post	Name or company representative	Shares hold		
			Amount	Shareholding ratio (%)	
Hupao Technology Co., Ltd.	Supervisor	Bing-Wen Lin			
	Chairman	Ta Chen Empire Co., Ltd. Representative : Li-Yun Hsieh		19,109,228 Shares	80.0
	Director	Ta Chen Empire Co., Ltd. Representative : Jiun-Liang Lin		19,109,228 Shares	80.0
	Director	Ta Chen Empire Co., Ltd. Representative : Erh-Yi Hsieh		19,109,228 Shares	80.0
Xie Xin Enterprise Co., Ltd.	Supervisor	Bing-Wen Lin			
	Chairman	Ta Chen Empire Co., Ltd. Representative : Li-Yun Hsieh		28,517,132 Shares	80.0
	Director	Ta Chen Empire Co., Ltd. Representative : Jiun-Liang Lin		28,517,132 Shares	80.0
	Director	Ta Chen Empire Co., Ltd. Representative : Erh-Yi Hsieh		28,517,132 Shares	80.0
Right Way Industrial Co., Ltd.	Supervisor	Bing-Wen Lin			80.0
	Chairman	Brighton-Best International (Taiwan) Inc. Representative : Li-Yun Hsieh		53,540,000 Shares	17.8
	Director & CEO	Brighton-Best International (Taiwan) Inc. Representative : Shih-I Lo		53,540,000 Shares	17.8
	Director	Brighton-Best International (Taiwan) Inc. Representative : Chien-Te Li Representative : Sheng Tien Chiu Rui-Cai Guo Po-Han Chen		53,540,000 Shares	17.8
	Independent Director	Ming-Chang Shen Kuang-Hsiang Wang Yen-Hsiu Yeh			
	Chairman	Right Way Industrial Co., Ltd. Representative : Li-Yun Hsieh	MYR	30,276	79.6
Right Way Industrial (Malaysia) Sdn. Bhd	Director & CEO	Right Way Industrial Co., Ltd. Representative : Ai-Lee Huang			
	Director	Right Way Industrial Co., Ltd. Representative : Shih-I Lo Representative : Chien-Te Li			
	Chairman	Right Way Industrial (Malaysia) Sdn. Bhd Representative : Li-Yun Hsieh	MYR	7,235	90.0
TRIM Engineering Sdn. Bhd.	Director	Right Way Industrial (Malaysia) Sdn. Bhd Representative : Shih-I Lo Representative : Ai-Lee Huang			
	Chairman	Right Way Industrial Co., Ltd. Representative : Li-Yun Hsieh	NTD	723,972	100.0
Excellent Growth Investments Limited	Director	Right Way Industrial Co., Ltd. Representative : Shih-I Lo Representative : Chien-Te Li			
	Chairman	Right Way Industrial Co., Ltd. Representative : Li-Yun Hsieh	NTD	1,575	100.0
Right Way North America, Inc.	Director	Right Way Industrial Co., Ltd. Representative : Shih-I Lo	NTD	1,575	100.0

Note 1 : The representatives of the corporate director, Ms. Shieh, Li-Yun and Mr. Luc Daigle, resigned on February 12, 2025, and were succeeded by Ms. Hsieh, Pei-Jung and Mr. Jun Xu. On the same date, Ms. Shieh, Li-Yun also resigned from her position as General Manager, and Mr. Jun Xu was appointed as her successor.

Note 2 : The investment has not been actually remitted.

Note 3 : The company received official approval for dissolution on December 13, 2024.

Note 4 : The company received official approval for dissolution on February 9, 2024.

4. Operation overview of affiliates :

Unit: NTD thousand

Name of enterprise	Capital	Net asset	Net liability	Net value	Operating revenue	Operating income	Current profit and loss (after tax)	Earnings per share (\$) (after tax)
Ta Chen International Inc.	\$ 23,327,317	\$ 75,002,848	\$ 18,506,823	\$ 56,496,025	\$ 57,610,150	\$ 1,587,985	\$ 1,840,831	\$2,505.09
TCI Investment Group, Inc.	94,950	183,219	-	183,219	-	-	(10,731)	(3,577.07)
Empire Resources, Inc.	1,714,340	4,664,148	298,212	4,365,936	4,996,812	261,474	291,235	35.3
Empire Resources Pacific Ltd.	-	1,354	1,057	297	-	(23,272)	(4)	(43.39)
Imbali Metals BVBA	624	206,865	7,284	199,581	100,800	(34,186)	(15,668)	(15,667.59)
Empire Resources UK Ltd.	208,224	478,007	64,503	413,504	589,245	25,117	11,508	2.13
8911 Kelso Drive	-	95,683	-	95,683	-	(257)	(257)	NA
Primus Pipe and Tube Holding, Inc	877,540	1,825,448	-	1,825,448	-	-	76,216	2,628.13
Primus Pipe and Tube , Inc.	873,575	2,444,359	852,720	1,591,639	2,484,239	147,457	88,901	88,900.83
TCI Texarkana, Inc.	14,280,600	40,817,947	28,414,728	12,403,219	20,955,233	279,238	102,595	1,115.16
Ta Chen (B.V.I.) Holdings Ltd.	990,817	2,319,357	-	2,319,357	-	(656)	255,100	7.82
Shijiazhuang Tachen Jitai Machinery Co., Ltd.	167,204	783,540	355,841	427,699	707,083	10,757	6,289	NA
Ta Chen (Boye) Machinery Co., Ltd.	391,289	739,637	327,156	412,481	559,123	(15,113)	(17,145)	NA
TMCT Products, Inc.	403,413	804,373	179,325	625,048	-	(13,221)	227,704	17,515.66
Nash Metals, LLC	4,131	87,715	67,378	20,337	503,064	105,753	105,803	NA
Los Osos Holdings, Inc.	110,237	84,238	-	84,238	-	-	(258)	NA
Procurmore Trading, Inc.	557	656	-	656	-	-	-	NA
Clarke St. Property Holdings, LLC	14,240	15,660	-	15,660	-	-	(189)	NA
Brighton-Best International (Taiwan) Inc.	10,315,000	34,332,546	10,258,928	24,073,618	7,342,331	524,838	2,280,218	2.22
Brighton-Best International, Inc.	5,801,521	21,209,086	5,088,582	16,120,504	18,529,775	2,101,133	1,497,979	8,032.92
Brighton-Best International, (UK) Limited	453,097	755,327	236,664	518,663	292,079	(5,691)	(5,536)	(0.60)
Brighton-Best International, (Canada) Inc.	381,149	1,610,360	398,739	1,211,621	896,113	82,946	58,497	4.87
Brighton-Best International, (AU) Pty Ltd.	1,498,544	1,815,535	960,664	854,871	996,050	(30,420)	(24,956)	(0.46)

Name of enterprise	Capital	Net asset	Net liability	Net value	Operating revenue	Operating income	Current profit and loss (after tax)	Earnings per share (\$) (after tax)
Brighton-Best International, (NZ) Limited	19,328	169,439	156,845	12,594	100,382	5,741	(9)	(9)
Brighton-Best International, (Brasil) Comercio de Parafusos Ltda.	6,486	108,867	180,458	(71,591)	76,687	(6,067)	(27,690)	(6.92)
Brighton-Best International Middle East (FZE)	959	966	-	966	-	(18)	(18)	(18,000)
Ta Chen Empire Co., Ltd.	5,300,000	5,423,046	612,454	4,810,592	993,787	55,616	162,143	0.31
Noei Geeng Enterprise Co., Ltd.	97,232	323,830	229,497	94,333	-	(1,359)	(5,712)	(0.59)
Hupao Technology Co., Ltd.	238,865	380,306	148,637	231,669	-	(1,044)	(2,969)	(0.12)
Xie Xin Enterprise Co., Ltd.	356,464	359,566	1,130	358,436	19,077	(418)	211	0.01
Right Way Industrial Co., Ltd.	3,003,885	2,984,986	268,836	2,716,150	807,243	3,075	41,721	0.14
Right Way Industrial (Malaysia) Sdn. Bhd	263,880	537,847	180,145	357,702	342,370	8,865	(6,396)	(0.18)
Excellent Growth Investments Limited	627,761	97	-	97	-	-	1	-
Right Way North America Inc.	1,639	5,974	-	5,974	7,298	(1)	-	NA
TRIM Engineering Sdn. Bhd.	73,300	284	20	264	-	(31)	(31)	-
Yinrong (Shanghai) Investment Management Co., Ltd.	2,532	6,849	-	6,849	-	-	4,079	NA
Ta Chen (Hong Kong) Limited	279,720	262,372	52	262,320	-	(210)	10,510	1.05
Wei Mei Roller Blind Co., Ltd.	180,000	207,892	1,062	206,830	-	(189)	12,117	0.67
Wei Mei Hsin Shu Interior Decoration Co., Ltd.	75,000	137,526	50,261	87,265	125,963	10,378	7,650	1.02
Ta Chen Lung Mei Home Life Co., Ltd.	310,000	1,945,468	1,794,628	150,840	1,501,185	(182,642)	(201,219)	(6.49)

Note 1 : Price is calculated according to exchange rate of the end of the year (December 31st, 2024). Prices of 2024 are calculated according to average exchange rate of all seasons of 2024.

(II) Consolidated financial report of affiliates:

The Company has prepared a 2024 consolidated financial report of affiliates (from January 1st, 2024 to December 31st, 2024). In 2024, according to the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, the Company shall list all companies included in the financial report of affiliates, which is identical to the companies included in the consolidated financial report of parent company and subsidiaries according to Article 7 of the Financial and Accounting Standards. The relevant information to be disclosed in the financial report of affiliates shall have been disclosed previously in the consolidated financial report of parent company and subsidiaries. Thus, the Company will not prepare a separate consolidated financial report of affiliates.

(III) Affiliates report: None.

6.2 Private Equity Securities of the Recent Fiscal Year Until Publishing Date of This Annual Report: None.

6.3 Other Necessary Supplementary Items: None.

6.4 If There Is Any Significant Impact on Shareholders' Equity or Securities Prices in Article 36, Paragraph 3, Section 2 of the Securities Exchange Act in the Recent Fiscal Year Until Publishing Date of This Annual Report: None.

**TA CHEN STAINLESS PIPE CO.,
LTD**

Chairman: Li-Yun, Hsieh