

Stock code : 2012



Chun Yu Works & Co., Ltd.
CHUN YU WORKS & CO.,LTD

Year 2026 shareholders' regular meeting

Meeting Agenda Handbook



Venue for the Meeting : No. 169, Xinle St., Gangshan Dist., Kaohsiung City, R.O.C

Time scheduled for the meeting : May 28, 2026, at 9:00 a.m.

Means: Physical Shareholders' Meeting

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Chun Yu Works & Co., Ltd.

Procedures for Year 2026 shareholders' regular meeting

- I. Call the meeting to order
- II. Opening speech by the chairperson
- III. Reported matters
- IV. Acknowledged matters
- V. Extempore motions
- VI. Adjournment of the meeting



Chun Yu Works & Co., Ltd.

Agenda for Year 2026 shareholders' regular meeting

Time scheduled for the meeting : May 28, 2026, at 9:00 a.m.

Venue for the Meeting : No. 169, Xinle St., Gangshan Dist., Kaohsiung City, R.O.C

Convening method : Physically convened

Procedures for the meeting :

I. Call the meeting to order

II. Opening speech by the chairperson

III. Reported matters :

(I) Report on the Operations of 2025.

(II) Report on audit committee's review report of 2025.

(III) Report on compensation for employees and remuneration for directors of 2025.

(IV) Report on the endorsements and guarantees tendered in 2025.

(V) Report on the cash dividends for distribution of 2025 profits.

(VI) Report on 2025 directors' compensation.

IV. Acknowledged matters :

(I) To approve 2025 Business Report and Financial Statements

(II) To approve the proposal for distribution of 2025 profits

V. Extempore motions

VI. Adjournment of the meeting



Reported matters

I. Report on the Operations of 2025 :

In 2025, the global steel industry was affected by the weak real estate market in China and excess production capacity. Low-priced exports exerted pressure on international markets, leading to steel prices fluctuating at relatively low levels. The downstream fastener manufacturing industry was impacted by high interest rates in Europe and the United States and the slow recovery of end-market demand, resulting in conservative order momentum. In addition, intense competition from low-priced Chinese finished products placed pressure on standard product prices and compressed profit margins. Overall, the industry remained in the final stage of destocking and a gradual demand recovery phase. However, as inflation eased and inventories were gradually replenished, signs of market stabilization have begun to emerge.

Looking ahead to 2026, it is expected that the global steel supply-demand structure will improve, driven by restocking demand in the manufacturing sector and China's production reduction policies, supporting a gradual recovery of the industry. Chun Yu will continue to focus on niche and high value-added products, promote equipment upgrades and capacity optimization, strengthen cost control and raw material management, and actively implement energy-saving and carbon reduction initiatives as well as the development of low-carbon products, in order to enhance competitiveness and expand market share.

(I) Performance in production and marketing :

In the Year 2025 our Company's consolidated operating revenue came to NT\$8,307,669,000, a decrease by 9.36% from NT\$9,165,105,000 in 2024. In terms of consolidated gross profit, in the Year 2025, it came to NT\$1,143,732,000, a decrease by 13.41% as compared with NT\$1,320,791,000 in 2024. In addition, the Company's consolidated net profit after tax came to NT\$121,580,000 in 2025, a decrease by 69.68% when compared with NT\$401,031,000 in 2024.

(II) Implementation of budget :

Here at the Company, we did not work out a financial forecast for the Year 2025.



(III) Analyses into the capability in financial revenues and expenditures :

Unit: NT\$ thousands

Items		Year 2025	Year 2024	Annual increase/ decrease rate
Operating revenues		8,307,669	9,165,105	(9.36)
Net profit before tax		249,929	528,522	(52.71)
Net profit after tax		121,580	401,031	(69.68)
The net profit is attributable to :	The Proprietor of the parent company	55,298	287,146	(80.74)
	Non-controlled equity	66,282	113,885	(41.80)

(IV) Analysis of profitability :

Items	Year 2025	Year 2024
Asset return rate (%)	1.64	3.96
Return rate on shareholder's equity (%)	2.50	7.86
Percentage of net profit before tax to the paid-in capital (%)	8.27	17.49
Net profit rate (%)	1.46	4.38
Earnings per share (EPS) (NT\$)	0.20	1.03

(V) Performance in research & development :

In fiscal 2025, we spent \$74,076 thousand on research and development, mainly to continue to refine technology, develop new products, and research and develop new processes and green materials to cut down the costs of product manufacturing. In addition, we also develop new products to meet the needs of operation in the future to the best of our effort with the use of steel billets from electric furnace for the development of low carbon products. This will help to upgrade our competitive power in market and reduce carbon emission. We will take action to perform our corporate social responsibility.

Chairman : Wong, Chung-Chun General Manager : Wu, Ju-Yan Accounting Head : Su, Hsien-Ming

**Report on audit committee's review report of 2025 :****Audit Committee Review Report**

The Board of Directors have prepared the Business Report, Financial Statements (including consolidated and separate financial statements), and the proposal for the distribution of earnings for the year 2025. The said financial statements have been audited by PwC Taiwan with the issuance of Auditors' Report. We have reviewed the said Business Report, Financial Statements, and Proposal for the Distribution of Earnings, which are appropriately prepared. We hereby present this report in accordance with the Securities and Exchange Act for your attention.

Chun Yu Works & Co., Ltd.

Convener of Audit Committee : Chien, Chin-Chen

March 05, 2026

**II. Report on compensation for employees and remuneration for directors of 2025 :**

- Descriptions : 1.The Company duly distributed remuneration to directors and employees in the Year 2025 exactly in accordance with Article 39 of the Articles of Incorporation.
- 2.For 2025, directors' remuneration amounted to NT\$1,330,000, representing 1.99% of the Company's profits for the year. Employee compensation amounted to NT\$1,340,000 (of which NT\$268,000 was allocated to non-managerial employees), representing 2% of the Company's profits for the year. All of the above were distributed in cash.
- 3.The aforementioned amounts of remunerations to directors and employees show no discrepancy at all from the amounts estimated for that year.

III. Report on the endorsements and guarantees tendered in 2025 :

- Descriptions : All endorsements/guarantees had been granted by the Company purely to meet the business needs and to facilitate finance. The amounts granted for bank loans aiming at the overseas investments were in the amounts as enumerated below :

Targets of endorsements/guarantees	Credit lines of endorsements/guarantees	Equivalent amount in New Taiwan Dollars	Amounts substantially disbursed (NTD)
ChunYu (Dong Guan) Metal Products Co., Ltd.	USD 10,000,000	314,300,000	-
Total	USD 10,000,000	314,300,000	-

V. Report on the cash dividends for distribution of 2025 profits :

- Descriptions : 1.The Table for Distribution of Earnings for the Year 2025 had been duly passed by the Board of Directors with its resolution. Please refer to the present Handbook on Attachment I for details.
- 2.Board of Directors resolved no dividend distribution for the first half year of 2025 on November 6, 2025.
- 3.The cash dividends NT\$90,648,810 for the second half of 2025(With NT\$0.3 distributed per share). The cash dividend was already duly passed in the Board of Directors in the meeting convened on March 05, 2026.

VI. Report on 2025 directors' compensation.

- Descriptions : Please refer to Attachment III of the meeting agenda for the Company's 2025 directors' remuneration policy and details.



Acknowledged matters

Motion No. I (Proposed by the Board of Directors)

Subject : The 2025 Business Report and Financial Statements

Descriptions : 1.The Company's financial statement of the Year 2025 had been duly audited by Certified Public Accountants Tien, Chung-Yu and Hsu, Huei-Yu of PWC Taiwan. For the Certified Public Accountants' audit report and the said financial statement, please refer to the present Handbook on Attachment II.

2.The aforementioned documents along with the Company's business reports were duly passed by the Board of Directors through its resolution on March 05, 2026 for which the Audit Committee further issued the Audit Report.

3.Your acknowledgment shall be very much appreciated.

Decision resolved :

Motion No. II (Proposed by the Board of Directors)

Subject : The proposal for distribution of 2025 profits.

Descriptions : 1.The Table for Distribution of Earnings for the Year 2025 had been duly resolved by the Board of Directors. Please refer to the present Handbook on Attachment I.

2.Your acknowledgment shall be very much appreciated.

Decision resolved :

Extempore motions

Adjournment of the meeting



Chun Yu Works & Co., Ltd.

Table of distribution of profits in Year 2025

Expressed in NTD

Unappropriated retained earnings at beginning of the term	291,600,172
Less: Actuarial loss from defined benefit plan recognized in retained earnings (A)	(12,952,049)
Post-adjustment unappropriated retained earnings	278,648,123
Add : Net profit after tax of Year 2025 (B)	55,297,625
Less : Legal reserve duly amortized ((A+B)*10%)	(4,234,558)
Less : Special reserve appropriated	(175,589,516)
Earnings distributable this term	154,121,674
Items of distribution	
Dividends paid to shareholders – Cash dividends (0.3/share) (The second half of 2025)	(90,648,810)
Sub-total	(90,648,810)
Unappropriated retained earnings at end of the term	63,472,864

Note:

- 1.Cash dividends allocated and cash distributed are rounded to the whole number by unconditionally rounding off decimal digits. Any amount of less than NT\$1 will be allocated to other incomes of chunyu.
- 2.The board of directors is authorized to handle relevant matters if the number of outstanding shares is so impacted that the dividend allocation ratio changes due to any shares purchased back or cancelled, debentures converted

Chairman : Wong, Chung-Chun General Manager : Wu, Ju-Yan Accounting Head : Su, Hsien-Ming



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Chun Yu Works & Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Chun Yu Works & Co., Ltd. and subsidiaries (the "Group") as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and reports of other auditors, we believe that the audit evidence we have obtained and the reports of other auditors is sufficient and appropriate to provide a basis for our opinion.

***Key audit matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

Cut-off of revenue from export sales**Description**

Refer to Note 4(31) for accounting policy on revenue recognition and Note 6(21) for details of operating revenue.

The Group derives its revenues from the sales of screws, nuts, wire rods and fastener forming machines, etc., and revenues from export sales account for a high percentage of total revenue. Export sales are recognized as revenues when control of the goods has been transferred according to the contractual terms. The revenue recognition requires that the products are delivered to the customer, the customer has full discretion over the products, and there is no unfulfilled obligation that could affect the customer's acceptance over the products, but delivery time may vary among transactions. The determination as to when products are transferred to customers involves a manual process and judgement. Given that there is a risk of material misstatement from improper revenue recognition for transactions that occur near the balance sheet date and the transaction amounts are usually material to the financial statements, we considered the cut-off of revenue from export sales a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding and assessed the accounting policies of revenue recognition on export sales.
2. Obtained an understanding and assessed the internal controls over revenue recognition on export sales, and tested the effectiveness of internal controls including the delivery process and the timing of revenue recognition.



3. Performed cut-off tests on export sales transactions that took place during a certain period before and after the balance sheet date to ascertain whether sales revenues were recognized when control of goods has been transferred to the customer and revenues were recorded in the proper period.

Valuation of inventories

Description

Refer to Note 4(10) for accounting policy on inventory, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(4) for details of inventories. As of December 31, 2025, the inventories and allowance for inventory valuation losses amounted to NT\$3,986,183 thousand and NT\$253,819 thousand, respectively.

The Group is primarily engaged in the manufacture and sales of screws, nuts, wire rods and fastener forming machines, etc. Due to the market demand, technology innovation and other factors, there is a risk of inventories losing value or becoming obsolete. The inventories are measured at the lower of cost and net realizable value. For inventory over a certain age and individually identified as obsolete or slow-moving, the net realizable values are determined by management based on periodic inventory clearance information. Given that the net realizable value used when assessing the inventories individually identified as obsolete or slow-moving involves subjective judgement, we considered the valuation of inventories a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness of policies and procedures in relation to the provision of allowance for inventory valuation losses based on the accounting principles and our understanding of the nature of the business and the industry.
2. Obtained an understanding of the warehouse management processes, reviewed the annual physical inventory count plan and participated in the annual inventory count in order to evaluate the effectiveness of procedures used by the management to identify and control obsolete inventories.
3. Verified the appropriateness of net realizable value used in inventory valuation and the logic used in the inventory aging report to ascertain the adequacy of allowance for inventory valuation losses.

***Other matter – Reference to the audits of other auditors***

We did not audit the financial statements of consolidated subsidiaries, Chun Yu Works (USA) Inc. and Pt Moon Lion Industries Indonesia, which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors. Total assets of these subsidiaries amounted to NT\$2,083,232 thousand and NT\$1,977,290 thousand, constituting 18% and 16% of the consolidated total assets as of December 31, 2025 and 2024, respectively, and the operating revenue amounted to NT\$2,224,282 thousand and NT\$2,220,099 thousand, constituting 27% and 24% of the consolidated total operating revenue for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion with an other matter paragraph on the parent company only financial statements of Chun Yu Works & Co., Ltd. as of and for the years ended December 31, 2025 and 2024.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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



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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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



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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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



Tien, Chung-Yu

Independent Accountants

Hsu, Huei-Yu

PricewaterhouseCoopers, Taiwan

Republic of China

March 5, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.



CHUN YU WORKS & CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2025		December 31, 2024			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	724,463	6	\$	1,390,365	12
1110	Financial assets at fair value through profit or loss - current	6(2)		187,757	2		210,550	2
1136	Financial assets at amortized cost - current	6(1) and 8		431,129	4		356,006	3
1150	Notes receivable, net	6(3)		381,936	3		418,851	3
1170	Accounts receivable, net	6(3) and 7		1,353,819	12		1,532,034	13
1200	Other receivables	7		19,524	-		22,368	-
1220	Current income tax assets	6(28)		24,380	-		4,791	-
130X	Inventories	5(2), 6(4)(6) and 8		3,732,364	32		3,770,253	31
1410	Prepayments	6(6) and 7		69,132	1		400,145	3
1460	Non-current assets classified as held for sale, net	6(6)(9)		28,377	-		28,377	-
11XX	Total current assets			6,952,881	60		8,133,740	67
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)		247,800	2		220,900	2
1517	Financial assets at fair value through other comprehensive income - non-current	6(5) and 8		822,795	7		619,463	5
1600	Property, plant and equipment	6(6)(10), 7 and 8		2,841,872	25		2,719,517	22
1755	Right-of-use assets	6(7) and 7		364,506	3		189,942	2
1780	Intangible assets	6(8)		5,178	-		5,072	-
1840	Deferred income tax assets	6(28)		219,400	2		185,552	2
1915	Prepayments for equipment	6(6)(8)		57,961	1		25,367	-
1920	Guarantee deposits paid	7		32,528	-		21,168	-
1990	Other non-current assets	6(6)		2,006	-		1,861	-
15XX	Total non-current assets			4,594,046	40		3,988,842	33
1XXX	Total assets		\$	11,546,927	100	\$	12,122,582	100

(Continued)



CHUN YU WORKS & CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(11) and 8	\$ 1,574,866	14	\$ 260,877	2
2110	Short-term notes and bills payable	6(12)	49,979	-	-	-
2130	Current contract liabilities	6(21)	448,611	4	493,416	4
2150	Notes payable		67	-	125	-
2170	Accounts payable	7	438,103	4	517,483	5
2200	Other payables	7	369,024	3	384,466	3
2230	Current income tax liabilities	6(28)	21,937	-	16,220	-
2250	Provisions for liabilities - current	6(14)	4,210	-	7,002	-
2280	Current lease liabilities	6(7) and 7	105,847	1	29,378	1
2310	Advance receipts	6(9) and 7	12,249	-	12,249	-
2320	Long-term liabilities, current portion	6(13)(15) and 8	6,583	-	1,603,319	13
21XX	Total current liabilities		3,031,476	26	3,324,535	28
Non-current liabilities						
2530	Bonds payable	6(13) and 8	2,997,751	26	2,996,944	25
2540	Long-term borrowings	6(15) and 8	159,957	1	16,540	-
2570	Deferred income tax liabilities	6(28)	486,432	4	485,875	4
2580	Non-current lease liabilities	6(7) and 7	190,074	2	82,028	-
2640	Net defined benefit liabilities - non-current	6(16)	92,464	1	84,835	1
2645	Guarantee deposits received		457	-	457	-
25XX	Total non-current liabilities		3,927,135	34	3,666,679	30
2XXX	Total liabilities		6,958,611	60	6,991,214	58
Equity attributable to owners of parent						
	Share capital	6(17)				
3110	Common stock		3,021,627	26	3,021,627	25
3200	Capital surplus	6(13)(17)(18)(30)	559,704	5	522,676	4
	Retained earnings	6(19)				
3310	Legal reserve		399,149	4	369,727	3
3320	Special reserve		442,934	4	430,610	4
3350	Unappropriated retained earnings		333,945	3	635,508	5
3400	Other equity interest	6(5)(20)	(618,523)	(6)	(442,934)	(4)
3500	Treasury stocks	6(17)	(267,195)	(2)	(267,195)	(2)
31XX	Equity attributable to owners of the parent		3,871,641	34	4,270,019	35
36XX	Non-controlling interest	4(3) and 6(30)	716,675	6	861,349	7
3XXX	Total equity		4,588,316	40	5,131,368	42
	Significant Contingent Liabilities and Unrecognized Contract Commitments	9				
3X2X	Total liabilities and equity		\$ 11,546,927	100	\$ 12,122,582	100

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



CHUN YU WORKS & CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

	Items	Notes	Year ended December 31			
			2025		2024	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(21) and 7	\$ 8,307,669	100	\$ 9,165,105	100
5000	Operating costs	6(4)(7)(8)(16)(26)				
		)(27) and 7	(7,163,937)	(86)	(7,844,314)	(86)
5900	Net operating margin		1,143,732	14	1,320,791	14
	Operating expenses	6(7)(8)(16)(26)(27), 7 and 12				
6100	Selling expenses		(256,726)	(3)	(315,094)	(3)
6200	General and administrative expenses		(504,116)	(6)	(486,674)	(5)
6300	Research and development expenses		(74,076)	(1)	(68,543)	(1)
6450	Expected credit losses		(9,725)	-	(804)	-
6000	Total operating expenses		(844,643)	(10)	(871,115)	(9)
6900	Operating profit		299,089	4	449,676	5
	Non-operating income and expenses					
7100	Interest income	6(3)(22)	21,557	-	38,194	-
7010	Other income	6(2)(5)(23) and 7	64,767	1	43,531	1
7020	Other gains and losses	6(2)(24), 7 and 12	(44,118)	(1)	96,653	1
7050	Finance costs	6(7)(25) and 7	(91,366)	(1)	(99,532)	(1)
7000	Total non-operating income and expenses		(49,160)	(1)	78,846	1
7900	Profit before income tax		249,929	3	528,522	6
7950	Income tax expense	6(28)	(128,349)	(2)	(127,491)	(2)
8200	Net income for the year		\$ 121,580	1	\$ 401,031	4

(Continued)



CHUN YU WORKS & CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

Items	Notes	Year ended December 31			
		2025		2024	
		AMOUNT	%	AMOUNT	%
Other comprehensive income (loss) for the year					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311 Actuarial (losses) gains on defined benefit plans	6(16)	(\$ 17,780)	-	\$ 10,346	-
8316 Unrealized losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(5)	(55,143)	(1)	(161,248)	(2)
8349 Income tax related to components of other comprehensive income (loss) that will not be reclassified to profit or loss	6(28)	3,681	-	(2,124)	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations		(151,506)	(2)	141,163	2
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(28)	25,300	1	(11,104)	-
8300 Total other comprehensive loss for the year		(\$ 195,448)	(2)	(\$ 22,967)	-
8500 Total comprehensive (loss) income for the year		(\$ 73,868)	(1)	\$ 378,064	4
Profit attributable to:					
8610 Owners of the parent		\$ 55,298	-	\$ 287,146	3
8620 Non-controlling interest		66,282	1	113,885	1
		<u>\$ 121,580</u>	<u>1</u>	<u>\$ 401,031</u>	<u>4</u>
Comprehensive (loss) income attributable to:					
8710 Owners of the parent		(\$ 133,243)	(2)	\$ 245,928	3
8720 Non-controlling interest		59,375	1	132,136	1
		<u>(\$ 73,868)</u>	<u>(1)</u>	<u>\$ 378,064</u>	<u>4</u>
Earnings per share (in dollars)	6(29)				
9750 Basic		\$ 0.20		\$ 1.03	
9850 Diluted		\$ 0.18		\$ 0.93	

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



CHUN YU WORKS & CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent											
	Share capital - common stock	Retained Earnings			Other Equity Interest					Total	Non-controlling interest	Total equity
		Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized losses from financial assets measured at fair value through other comprehensive income	Treasury stocks				
For the year ended December 31, 2024												
Balance at January 1, 2024	\$ 3,021,627	\$ 501,353	\$ 336,485	\$ 430,610	\$ 649,496	(\$ 191,581)	(\$ 203,059)	(\$ 267,195)	\$ 4,277,736	\$ 801,350	\$ 5,079,086	
Profit for the year	-	-	-	-	287,146	-	-	-	287,146	113,885	401,031	
Other comprehensive income (loss) for the year	-	-	-	-	7,076	112,954	(161,248)	-	(41,218)	18,251	(22,967)	
Total comprehensive income (loss)	-	-	-	-	294,222	112,954	(161,248)	-	245,928	132,136	378,064	
Distribution of 2023 earnings:												
Legal reserve	-	-	33,242	-	(33,242)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(274,968)	-	-	-	(274,968)	-	(274,968)	
The Company's dividends received by subsidiaries	-	21,323	-	-	-	-	-	-	21,323	-	21,323	
Decrease in non-controlling interest	-	-	-	-	-	-	-	-	-	(72,137)	(72,137)	
Balance at December 31, 2024	\$ 3,021,627	\$ 522,676	\$ 369,727	\$ 430,610	\$ 635,508	(\$ 78,627)	(\$ 364,307)	(\$ 267,195)	\$ 4,270,019	\$ 861,349	\$ 5,131,368	
For the year ended December 31, 2025												
Balance at January 1, 2025	\$ 3,021,627	\$ 522,676	\$ 369,727	\$ 430,610	\$ 635,508	(\$ 78,627)	(\$ 364,307)	(\$ 267,195)	\$ 4,270,019	\$ 861,349	\$ 5,131,368	
Profit for the year	-	-	-	-	55,298	-	-	-	55,298	66,282	121,580	
Other comprehensive loss for the year	-	-	-	-	(12,952)	(106,084)	(69,505)	-	(188,541)	(6,907)	(195,448)	
Total comprehensive income (loss)	-	-	-	-	42,346	(106,084)	(69,505)	-	(133,243)	59,375	(73,868)	
Distribution of 2024 earnings:												
Legal reserve	-	-	29,422	-	(29,422)	-	-	-	-	-	-	
Special reserve	-	-	-	12,324	(12,324)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(302,163)	-	-	-	(302,163)	-	(302,163)	
The Company's dividends received by subsidiaries	-	23,430	-	-	-	-	-	-	23,430	-	23,430	
Difference between the acquisition or disposal price and carrying amounts of subsidiaries	-	13,598	-	-	-	-	-	-	13,598	(142,465)	(128,867)	
Decrease in non-controlling interest	-	-	-	-	-	-	-	-	-	(61,584)	(61,584)	
Balance at December 31, 2025	\$ 3,021,627	\$ 559,704	\$ 399,149	\$ 442,934	\$ 333,945	(\$ 184,711)	(\$ 433,812)	(\$ 267,195)	\$ 3,871,641	\$ 716,675	\$ 4,588,316	

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



CHUN YU WORKS & CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 249,929	\$ 528,522
Adjustments			
Adjustments to reconcile profit (loss)			
Net loss (gain) on financial assets at fair value through profit or loss		45,802	(86,723)
Expected credit losses	12	9,725	804
Provision for inventory market price decline	6(4)	64,718	643
Depreciation	6(6)(7)(26)	310,762	265,401
Gains on disposal of property, plant and equipment	6(24)	(27,208)	(11,426)
Amortization	6(8)(26)	2,785	3,428
Interest income	6(22)	(21,557)	(38,194)
Dividend income	6(23)	(23,338)	(13,826)
Interest expense	6(25)	91,366	99,532
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss - current		(49,909)	(214,500)
Notes receivable		36,774	(93,802)
Accounts receivable		168,995	(36,747)
Other receivables		2,687	(3,131)
Inventories		(26,829)	(415,897)
Prepayments		332,115	(319,217)
Changes in operating liabilities			
Current contract liabilities		(44,805)	11,492
Notes payable		(58)	(313)
Accounts payable		(79,380)	23,350
Other payables		(32,262)	12,579
Provisions for liabilities - current		(2,792)	601
Advance receipts		-	12,249
Net defined benefit liabilities - non-current		(10,151)	(24,285)
Cash inflow (outflow) generated from operations		997,369	(299,460)
Interest received		21,714	39,226
Dividends received		23,338	13,826
Interest paid		(87,354)	(84,633)
Income tax paid		(146,531)	(158,236)
Net cash flows from (used in) operating activities		808,536	(489,277)

(Continued)



CHUN YU WORKS & CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets at amortized cost - current		(\$ 75,123)	(\$ 49,012)
Acquisition of financial assets at fair value through other comprehensive income - non-current		(258,475)	(99,400)
Cash paid for acquisition of property, plant and equipment	6(31)	(348,947)	(87,144)
Proceeds from disposal of property, plant and equipment		31,315	26,275
Acquisition of intangible assets	6(8)	(748)	(561)
Increase in prepayments for equipment		(49,870)	(19,272)
(Increase) decrease in guarantee deposits paid		(11,360)	3,595
Increase in other non-current assets		(145)	(278)
Net cash flows used in investing activities		(713,353)	(225,797)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(32)	2,202,746	-
Decrease in short-term borrowings	6(32)	(888,757)	(217,309)
Increase in short-term notes and bills payable	6(32)	49,979	-
Payments of lease liabilities	6(32)	(86,709)	(28,081)
Repayments of bonds payable	6(32)	(1,600,000)	-
Increase in long-term borrowings	6(32)	150,000	-
Decrease in long-term borrowings	6(32)	(6,583)	(6,583)
Payments of cash dividends	6(31)	(278,733)	(253,645)
Cash dividends paid to non-controlling interest		(61,584)	(72,137)
Decrease in non-controlling interests	6(30)	(128,867)	-
Net cash flows used in financing activities		(648,508)	(577,755)
Effect of foreign exchange rate changes on cash and cash equivalents		(112,577)	130,258
Net decrease in cash and cash equivalents		(665,902)	(1,162,571)
Cash and cash equivalents at beginning of year	6(1)	1,390,365	2,552,936
Cash and cash equivalents at end of year	6(1)	\$ 724,463	\$ 1,390,365

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



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Chun Yu Works & Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Chun Yu Works & Co., Ltd. (the "Company") as of December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and reports of other auditors, we believe that the audit evidence we have obtained and the reports of other auditors is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.



Key audit matters for the Company's 2025 parent company only financial statements are stated as follows:

Cut-off of revenue from export sales

Description

Refer to Note 4(30) for accounting policy on revenue recognition and Note 6(21) for details of operating revenue.

The Company derives its revenues from the sales of screws, nuts and wire rods, etc., and revenues from export sales account for a high percentage of total revenue. Export sales are recognized as revenues when control of the goods has been transferred according to the contractual terms. The revenue recognition requires that the products are delivered to the customer, the customer has full discretion over the products, and there is no unfulfilled obligation that could affect the customer's acceptance over the products, but delivery time may vary among transactions. The determination as to when products are transferred to customers involves a manual process and judgement. Given that there is a risk of material misstatement from improper revenue recognition for transactions that occur near the balance sheet date and the transaction amounts are usually material to the financial statements, we considered the cut-off of revenue from export sales a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding and assessed the accounting policies on revenue recognition of export sales.
2. Obtained an understanding and assessed the internal controls over revenue recognition of export sales, and tested the effectiveness of internal controls including the delivery process and the timing of revenue recognition.
3. Performed cut-off tests on export sales transactions that took place during a certain period before and after the balance sheet date to ascertain whether sales revenues were recognized when control of goods has been transferred to the customer and revenues were recorded in the proper period.

Valuation of inventories

Description

Refer to Note 4(8) for accounting policy on inventory, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(4) for details of inventories. As of December 31, 2025, the inventories and allowance for inventory valuation losses amounted to NT\$1,761,979 thousand and NT\$71,475 thousand,



respectively.

The Company is primarily engaged in the manufacture and sales of screws, nuts and wire rods, etc. Due to the market demand, technology innovation and other factors, there is a risk of inventories losing value or becoming obsolete. The inventories are measured at the lower of cost and net realizable value. For inventory over a certain age and individually identified as obsolete or slow-moving, the net realizable values are determined by management based on periodic inventory clearance information. Given that the net realizable value used when assessing the inventories individually identified as obsolete or slow-moving involves subjective judgement, we considered the valuation of inventories a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness of policies and procedures in relation to the provision of allowance for inventory valuation losses based on the accounting principles and our understanding of the nature of the business and the industry.
2. Obtained an understanding of the warehouse management processes, reviewed the annual physical inventory count plan and participated in the annual inventory count in order to evaluate the effectiveness of procedures used by the management to identify and control obsolete inventories.
3. Verified the appropriateness of net realizable value used in inventory valuation and the logic used in the inventory aging report to ascertain the reasonableness of allowance for inventory valuation losses.

Other matter - Reference to the audits of other auditors

We did not audit the financial statements of the investments accounted for under equity method, Chun Yu Works (USA) Inc. and Pt Moon Lion Industries Indonesia, which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for under equity method amounted to NT\$1,447,885 thousand and NT\$1,278,656 thousand as of December 31, 2025 and 2024, respectively, and the share of profit of subsidiaries, associates and joint ventures accounted for under equity method amounted to NT\$265,146 thousand and NT\$182,773 thousand for the years then ended, respectively.



Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the



override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion on the parent company only financial statements.

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

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



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

Tien, Chung-Yu

Independent Accountants

Hsu, Huei-Yu

PricewaterhouseCoopers, Taiwan

Republic of China

March 5, 2026

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.



CHUN YU WORKS & CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2025		December 31, 2024			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	107,258	1	\$	649,283	7
1110	Financial assets at fair value through profit or loss - current	6(2)		141,150	2		210,300	2
1150	Notes receivable, net	6(3)		24,839	-		36,996	-
1170	Accounts receivable, net	6(3)		395,252	4		465,378	5
1180	Accounts receivable - related parties	6(3) and 7		119,336	1		145,865	2
1200	Other receivables			12,652	-		12,162	-
1210	Other receivables - related parties	7		17,848	-		36,001	-
1220	Current income tax assets	6(28)		4,730	-		2,216	-
130X	Inventories	6(4)(7)		1,690,504	19		1,740,315	18
1410	Prepayments	6(7) and 7		22,769	-		358,714	4
1460	Non-current assets classified as held for sale, net	6(7)(11)		28,377	1		28,377	-
11XX	Total current assets			2,564,715	28		3,685,607	38
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)		247,800	3		220,900	3
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)		559,198	6		480,579	5
1550	Investments accounted for under equity method	6(6)		3,666,250	40		3,490,240	36
1600	Property, plant and equipment	6(7), 7 and 8		1,696,715	18		1,650,158	17
1755	Right-of-use assets	6(8) and 7		206,486	2		3,399	-
1760	Investment property, net	6(9) and 8		20,675	-		20,851	-
1780	Intangible assets	6(10)		408	-		949	-
1840	Deferred income tax assets	6(28)		152,677	2		118,518	1
1915	Prepayments for equipment	6(7)		63,405	1		22,168	-
1920	Guarantee deposits paid			14,120	-		7,129	-
15XX	Total non-current assets			6,627,734	72		6,014,891	62
1XXX	Total assets		\$	9,192,449	100	\$	9,700,498	100

(Continued)



CHUN YU WORKS & CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 1,242,066	13	\$ 153,877	2
2110	Short-term notes and bills payable	6(13)	49,979	1	-	-
2130	Current contract liabilities	6(21)	4,649	-	7,892	-
2170	Accounts payable		79,836	1	100,271	1
2180	Accounts payable - related parties	7	22,878	-	43,121	-
2200	Other payables	7	197,987	2	174,419	2
2280	Current lease liabilities	6(8) and 7	72,448	1	1,549	-
2310	Advance receipts	6(11) and 7	12,249	-	12,249	-
2320	Long-term liabilities, current portion	6(14) and 8	-	-	1,596,736	17
21XX	Total current liabilities		1,682,092	18	2,090,114	22
Non-current liabilities						
2530	Bonds payable	6(14) and 8	2,997,751	33	2,996,944	31
2540	Long-term borrowings	6(15) and 8	150,000	2	-	-
2570	Deferred income tax liabilities	6(28)	340,130	4	339,773	3
2580	Non-current lease liabilities	6(8) and 7	138,232	1	1,903	-
2640	Net defined benefit liabilities-non-current	6(16)	12,146	-	1,288	-
2645	Guarantee deposits received		457	-	457	-
25XX	Total non-current liabilities		3,638,716	40	3,340,365	34
2XXX	Total liabilities		5,320,808	58	5,430,479	56
Equity						
Share capital						
3110	Common stock	6(17)	3,021,627	33	3,021,627	31
3200	Capital surplus	6(6)(14)(17)(18)	559,704	6	522,676	5
	Retained earnings	6(19)				
3310	Legal reserve		399,149	4	369,727	4
3320	Special reserve		442,934	5	430,610	5
3350	Unappropriated retained earnings		333,945	4	635,508	7
3400	Other equity interest	6(5)(6)(20)	(618,523) (7) (		442,934) (5) (	
3500	Treasury stocks	6(17)(18)	(267,195) (3) (		267,195) (3) (	
3XXX	Total equity		3,871,641	42	4,270,019	44
Significant Contingent Liabilities and						
Unrecognized Contract Commitments						
3X2X	Total liabilities and equity		\$ 9,192,449	100	\$ 9,700,498	100

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



CHUN YU WORKS & CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	Year ended December 31			
			2025		2024	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(21) and 7	\$ 3,738,349	100	\$ 4,098,346	100
5000	Operating costs	6(4)(8)(10)(16)(26)(27) and 7	(3,723,116)	(100)	(3,947,781)	(96)
5900	Net operating margin		15,233	-	150,565	4
	Operating expenses	6(8)(9)(10)(16)(26)(27), 7 and 12				
6100	Selling expenses		(71,769)	(2)	(92,272)	(3)
6200	General and administrative expenses		(128,089)	(4)	(123,706)	(3)
6300	Research and development expenses		(2,410)	-	(3,942)	-
6450	Expected credit losses		(10,137)	-	(1,988)	-
6000	Total operating expenses		(212,405)	(6)	(221,908)	(6)
6900	Operating loss		(197,172)	(6)	(71,343)	(2)
	Non-operating income and expenses					
7100	Interest income	6(22)	5,248	-	18,266	-
7010	Other income	6(2)(5)(9)(23) and 7	50,630	1	32,493	1
7020	Other gains and losses	6(2)(24), 7 and 12	(41,170)	(1)	106,042	3
7050	Finance costs	6(8)(25) and 7	(83,864)	(2)	(84,129)	(2)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for under equity method, net	6(6)	330,432	9	300,170	7
7000	Total non-operating income and expenses		261,276	7	372,842	9
7900	Profit before income tax		64,104	1	301,499	7
7950	Income tax expense	6(28)	(8,806)	-	(14,353)	-
8200	Net income for the year		<u>\$ 55,298</u>	<u>1</u>	<u>\$ 287,146</u>	<u>7</u>
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Actuarial (losses) gains on defined benefit plan	6(16)	(\$ 10,752)	-	\$ 7,468	-
8316	Unrealized losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(5)	(70,887)	(2)	(72,299)	(2)
8330	Share of other comprehensive loss of subsidiaries, associates and joint ventures accounted for under equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(6)	(2,969)	-	(87,847)	(2)
8349	Income tax related to components of other comprehensive (loss) income that will not be reclassified to profit or loss	6(28)	2,151	-	1,494	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(6)(20)	(129,702)	(4)	118,747	3
8399	Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	6(20)(28)	23,618	1	(5,793)	-
8300	Total other comprehensive loss for the year, net of tax		(\$ 188,541)	(5)	(\$ 41,218)	(1)
8500	Total comprehensive (loss) income for the year		<u>(\$ 133,243)</u>	<u>(4)</u>	<u>\$ 245,928</u>	<u>6</u>
	Earnings per share (in dollars)	6(29)				
9750	Basic		\$ 0.20		\$ 1.03	
9850	Diluted		\$ 0.18		\$ 0.93	

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



CHUN YU WORKS & CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Other Equity Interest			Treasury stocks	Total equity
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized losses from financial assets measured at fair value through other comprehensive income		
For the year ended December 31, 2024										
Balance at January 1, 2024		\$ 3,021,627	\$ 501,353	\$ 336,485	\$ 430,610	\$ 649,496	(\$ 191,581)	(\$ 203,059)	(\$ 267,195)	\$ 4,277,736
Profit for the year		-	-	-	-	287,146	-	-	-	287,146
Other comprehensive income (loss) for the year	6(5)(6)(20)	-	-	-	-	7,076	112,954	(161,248)	-	(41,218)
Total comprehensive income (loss)		-	-	-	-	294,222	112,954	(161,248)	-	245,928
Distribution of 2023 earnings:										
Legal reserve		-	-	33,242	-	(33,242)	-	-	-	-
Cash dividends	6(19)	-	-	-	-	(274,968)	-	-	-	(274,968)
The Company's dividends received by subsidiaries	6(6)(17)(18)	-	21,323	-	-	-	-	-	-	21,323
Balance at December 31, 2024		\$ 3,021,627	\$ 522,676	\$ 369,727	\$ 430,610	\$ 635,508	(\$ 78,627)	(\$ 364,307)	(\$ 267,195)	\$ 4,270,019
For the year ended December 31, 2025										
Balance at January 1, 2025		\$ 3,021,627	\$ 522,676	\$ 369,727	\$ 430,610	\$ 635,508	(\$ 78,627)	(\$ 364,307)	(\$ 267,195)	\$ 4,270,019
Profit for the year		-	-	-	-	55,298	-	-	-	55,298
Other comprehensive loss for the year	6(5)(6)(20)	-	-	-	-	(12,952)	(106,084)	(69,505)	-	(188,541)
Total comprehensive income (loss)		-	-	-	-	42,346	(106,084)	(69,505)	-	(133,243)
Distribution of 2024 earnings:										
Legal reserve		-	-	29,422	-	(29,422)	-	-	-	-
Special reserve		-	-	-	12,324	(12,324)	-	-	-	-
Cash dividends	6(19)	-	-	-	-	(302,163)	-	-	-	(302,163)
The Company's dividends received by subsidiaries	6(6)(17)(18)	-	23,430	-	-	-	-	-	-	23,430
Difference between the acquisition or disposal price and carrying amounts of subsidiaries	6(6)(18)	-	13,598	-	-	-	-	-	-	13,598
Balance at December 31, 2025		\$ 3,021,627	\$ 559,704	\$ 399,149	\$ 442,934	\$ 333,945	(\$ 184,711)	(\$ 433,812)	(\$ 267,195)	\$ 3,871,641

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



CHUN YU WORKS & CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 64,104	\$ 301,499
Adjustments			
Adjustments to reconcile profit (loss)			
Net loss (gain) on financial assets at fair value through profit or loss		42,250	(86,658)
Expected credit losses	12	10,137	1,988
Provision (reversal of allowance) for inventory market price decline	6(4)	48,180	(3,652)
Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(6)	(330,432)	(300,170)
Depreciation	6(7)(8)(9)	167,852	105,265
Gain on disposal of property, plant and equipment	6(24)	(26,381)	(7,694)
Amortization	6(10)(26)	541	911
Interest income	6(22)	(5,248)	(18,266)
Dividend income	6(23)	(19,879)	(13,815)
Interest expense	6(25)	83,864	84,129
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss - current		-	(214,500)
Notes receivable		12,157	3,827
Accounts receivable		59,989	2,138
Accounts receivable - related parties		26,529	(26,095)
Other receivables	(	761)	(2,165)
Other receivables - related parties		18,153	(18,413)
Inventories		1,631	(420,461)
Prepayments		336,945	(336,215)
Changes in operating liabilities			
Current contract liabilities	(	3,243)	(8,291)
Accounts payable	(	20,435)	(11,404)
Accounts payable - related parties	(	20,243)	28,443
Other payables	(	9,126)	8,483
Advance receipts		-	12,249
Net defined benefit liabilities - non-current		106	1,761
Cash inflow (outflow) generated from operations		436,690	(917,106)
Interest received		5,519	19,298
Dividends received		207,526	185,509
Interest paid	(	75,211)	(69,244)
Income tax paid	(	19,353)	(25,349)
Net cash flows from (used in) operating activities		555,171	(806,892)

(Continued)



CHUN YU WORKS & CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease in financial assets at amortized cost - current		\$ -	\$ 130,000
Acquisition of financial assets at fair value through other comprehensive income - non-current		(149,506)	(99,400)
Acquisition of investments accounted for under equity method	6(6)	(128,868)	-
Cash paid for acquisition of property, plant and equipment	6(30)	(112,349)	(28,504)
Proceeds from disposal of property, plant and equipment		28,583	9,208
Increase in prepayments for equipment		(56,288)	(17,693)
(Increase) decrease in guarantee deposits paid		(6,991)	4,073
Net cash flows used in investing activities		(425,419)	(2,316)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(32)	1,547,946	10,815
Decrease in short-term borrowings	6(32)	(459,757)	-
Increase in short-term notes and bills payable	6(32)	49,979	-
Payments of lease liabilities	6(32)	(57,782)	(1,309)
Repayments of bonds payable	6(32)	(1,600,000)	-
Increase in long-term borrowings	6(32)	150,000	-
Payments of cash dividends	6(19)	(302,163)	(274,968)
Net cash flows used in financing activities		(671,777)	(265,462)
Net decrease in cash and cash equivalents		(542,025)	(1,074,670)
Cash and cash equivalents at beginning of year	6(1)	649,283	1,723,953
Cash and cash equivalents at end of year	6(1)	\$ 107,258	\$ 649,283

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



Attachment III

2025 The Policy and Details of the Remuneration of Directors

The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance:

(1) According to the Company's Articles of Incorporation, the directors of the Company are entitled to travel expenses, regardless of the Company's profit or loss. The remuneration is based on their actual participation in the Company's operations and the value of their contributions, and with reference to industry standards. The Board of Directors is authorized to determine the remuneration.

(2) The Articles of Incorporation also stipulate that if the Company generates a profit in a given year, it may allocate no more than 2% as directors' remuneration.

Title	Name	Director remuneration						The sum of A, B, C and D as a percentage of after-tax net profit(%)		Remuneration from other jobs						The sum of A, B, C, D, E, F and G as a percentage of after-tax net profit (%)		Remuneration from other business entities other than subsidiaries				
		Remuneration (A)		Retirement pension (B)		Director remuneration (C) (Note1)		Business execution expenses (D)		Remuneration, bonus and special fees (E)		Retirement Pension (F)		Employee remuneration (G) (Note1)								
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements						
														Cash	Stock	Cash	Stock					
Chairman	Taiwan Steel Group United Co., Ltd. Representative : Wong, Chung-Chun	368	368	-	-	144	909	710	1,778	2.21	5.53	2,553	4,414	-	-	94	-	246	-	7.00	13.95	Nil
Director	Taiwan Steel Group United Co., Ltd. Representative : Chen, Chi-Tai	391	391	-	-	290	1,055	710	2,013	2.51	6.25	5,320	5,419	-	-	130	-	130	-	12.37	16.29	Nil
Director	Taiwan Steel Group United Co., Ltd. Representative : Lee, Shih-Ho	173	173	-	-	144	144	710	1,280	1.86	2.89	-	-	-	-	-	-	-	-	1.86	2.89	Nil
Director	Sheng Shang Investment Co., Ltd. Representative : Huang, Li-Rong (Note2)	-	-	-	-	67	67	300	300	0.66	0.66	-	-	-	-	-	-	-	-	0.66	0.66	Nil
Director	Sheng Shang Investment Co., Ltd. Representative : Chang, Tsan-Yu (Note4)	-	-	-	-	33	33	100	100	0.24	0.24	-	-	-	-	-	-	-	-	0.24	0.24	Nil
Director	Taiwan Steel Group United Co., Ltd. Representative : Lin, Huet-Jeng (Note3)	202	202	-	-	44	809	310	1,561	1.00	4.65	-	-	-	-	-	-	-	-	1.00	4.65	Nil



Title	Name	Director remuneration				The sum of A, B, C and D as a percentage of after-tax net profit(%)		Remuneration from other jobs						The sum of A, B, C, D, E, F and G as a percentage of after-tax net profit (%)		Remuneration from re-invested business other than subsidiaries				
		Remuneration (A)		Retirement pension (B)				Director remuneration (C) (Note1)		Business execution expenses (D)		Remuneration, bonus and special fees (E)					Retirement Pension (F)		Employee remuneration (G) (Note1)	
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	Cash	Stock		The Company	All companies in the consolidated financial statements	Cash	Stock
Director	Taiwan Steel Group United Co., Ltd. Representative : Wang, Chung-Fen (Note3)	28	28	-	-	44	44	310	330	0.69	0.73	-	-	-	-	-	-	0.69	0.73	Nil
Director	Taiwan Steel Group United Co., Ltd. Representative : Yan, Cing-Li (Note3)	-	-	-	-	44	44	310	310	0.64	0.64	-	-	-	-	-	-	0.64	0.64	Nil
Director	Bai Jia Yuan Investment Co., Ltd. Representative : Wu, Yi-Ching (Note3)	-	-	-	-	44	44	310	310	0.64	0.64	-	-	-	-	-	-	0.64	0.64	Nil
Director	Bai Jia Yuan Investment Co., Ltd. Representative : Wu, Mei-Huei (Note3)	-	-	-	-	44	44	310	310	0.64	0.64	-	-	-	-	-	-	0.64	0.64	Nil
Independent Director	Chien, Chin-Chen	-	-	-	-	144	144	980	980	2.03	2.03	-	-	-	-	-	-	2.03	2.03	Nil
Independent Director	Fang, Chen-Ming	-	-	-	-	144	144	860	860	1.82	1.82	-	-	-	-	-	-	1.82	1.82	Nil
Independent Director	Lee, Chin-Chang	-	-	-	-	144	144	760	760	1.64	1.64	-	-	-	-	-	-	1.64	1.64	Nil
Note :																				
1. For the proposal of 2025 earnings distribution, the proposed allotment of shares for the remuneration of directors and employee compensation has been approved by the Board of Directors before the shareholders' meeting.																				
2. Newly appointed following the comprehensive re-election on May 26, 2025.																				
3. Resigned following the comprehensive re-election on May 26, 2025.																				
4. Representative was reassigned on October 21, 2025																				

Note :

1. For the proposal of 2025 earnings distribution, the proposed allotment of shares for the remuneration of directors and employee compensation has been approved by the Board of Directors before the shareholders' meeting.
2. Newly appointed following the comprehensive re-election on May 26, 2025.
3. Resigned following the comprehensive re-election on May 26, 2025.
4. Representative was reassigned on October 21, 2025.



Chun Yu Works & Co., Ltd. Articles of Incorporation

Chapter I General Provision

Article 1 :

The Company is duly incorporated in accordance with the Company Act and bears the title of CHUN YU WORKS & CO., LTD.

Article 2 :

The Company is engaged in the following business :

1. Manufacturing and trading of irons and steels, machines and tools.
2. Manufacturing and trading of screws, nuts, wood screws, iron nails, sanding rods, sanding disc, annealing wire, spheroidizing steel, structural steel, iron wire, and copper wire.
3. Thermal processing and acid pickling of iron and steel, and surface treatment of the above two items.
4. Manufacturing and trading of electronic and electrical appliances.
5. Manufacturing and trading of parts and components for motor vehicles and bicycles.
6. Manufacturing, repair and disassembling of surface vessels.
7. Design, manufacturing and turn-key projects for prevention of pollution and water treatment.
8. Cleanup and treatment of general solid wastes, industrial solid wastes, and toxic dumps.
9. Manufacturing and trading of sulfuric acid, oxidized iron and metallic powder injection molding parts (textile machinery, precision machinery, industrial machinery, electronic communication equipment, business machines, parts for motor vehicles, bicycles and medical devices).
10. F401010 International trade
11. F107100 Wholesale of basic chemical materials.
12. All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 :

The Company may act as guarantor in favor of a third party.

Article 3 :

The Company is not governed by Article 13 of the Company Act where direct investment is limited to 40% of the paid-in capital. Matters pertinent to direct investment shall be determined by the Board.



Article 4 :

The Company is headquartered in Kaohsiung City, and may establish branch offices in appropriate locations at home and abroad for business needs at the resolution of the Board.

Article 5 :

The Company shall make announcement in accordance with Article 28 of the Company Act.

Chapter II Shares of Stock

Article 6 :

The Company has stated capital of NT\$3,920,696,000 and equality split into 392,069,600 shares at NT\$10/share. These shares may be offered in tranches.

The Company may issue Employee Stock Options (ESO) and may reserve 5,000,000 shares of the aforementioned total shares for this purpose.

The Board of Directors is authorized to issue ESO in tranches as dictated by business needs. Employees as referred to in the preceding paragraph shall include the employees of controlled business entities or subsidiaries meeting specific conditions.

These conditions shall be set forth by the Board of Directors under resolution.

Article 6-1 : (Deleted)

Article 7 :

The Company is not required to print physical share certificates, and if so, the Company shall comply with the Company Act and other applicable laws.

Article 8 :

Shareholders or legal representatives shall fill in a specimen seal impression and send the impression cards to the Company for reference filing. Respective shareholders or legal representatives shall, based on the aforementioned impression cards on record, claim for stock dividends, bonus or exercise the rights of shareholders in writing.

Article 9 :

In the event of missing or the replacement of the impression cards of shareholders on record of the Company, proceed to the “Regulations Governing the Administration of Shareholder Services of Public Companies” issued by Financial Supervisory Commission.



Article 10 :

“Regulations Governing the Administration of Shareholders Services of Public Companies.” Shareholders shall duly observe the “Regulations Governing the Administration of Shareholders Services of Public Companies” in addition to other applicable legal rules and code governing securities in processing the assignment of shares, pledging the shares under lien, reporting lost securities, succession of securities, offering securities as gifts, and reporting loss of specimen seal impression and requesting for change of impression, changing mailing address, other shareholder services, and the exercising of the rights of shareholders.

Article 11 : (Deleted on 2002/06/28).

Article 12 : (Deleted on 2002/06/28)

Article 13 :

Transaction of shares shall be prohibited in the period of 60 days prior to a scheduled regular session of the General Meeting of Shareholders, a period of 30 days prior to a scheduled special session of the General Meeting of Shareholders, or a period of 5 days prior to the day of stock dividend or bonus payment or any other benefits decided by the Company.

Chapter III General Meeting of Shareholders

Article 14 :

The General Meeting of Shareholders may convene in regular session or special session. Regular session shall be convened once a year within 6 months after the end of the fiscal year as required by the law. Special session may be convened at any time where necessary.

Article 14-1 :

The Company's shareholders' meetings can be held by means of visual communication network or other methods promulgated by the Ministry of Economic Affairs.

Article 15 :

Notice to shareholders for the convention of a regular session shall be made 30 days in advance, and 15 days in advance for special sessions.

Shareholders shall be informed of the year, month, day, place, and the cause of convention.

Article 16 :

If a specific shareholder cannot attend a session of the General Meeting of Shareholders in person, such



shareholder may use the power of attorney prepared and printed by the Company to appoint a proxy to attend the session by specifying the scope of authorization and the affixing of the authorized signature/seal thereunto.

If one shareholder acting as the proxy of two or more shareholders, the votes to be cast by this shareholder shall not exceed 3% of the total number of votes to be cast for resolution.

Any votes in excess will not be counted for this purpose except trust enterprises or the shareholder service agents approved by competent authority.

Unless the Company Act provides otherwise, shareholders appointing proxies to attend the General Meeting of Shareholders shall be governed by the “Regulations Governing the Use of Power of Attorney by Shareholders to Attend Shareholders Meeting of Public Companies.”

Article 17 :

The Chairman shall act as the presiding officer of the General Meeting of Shareholders unless the Company Act provides otherwise. In the absence of the Chairman due to leave or for whatever reasons, the Vice Chairman shall act in the capacity as the presiding officer. If there is no Vice Chairman, or in the absence of the Vice Chairman due to leave or for whatever reasons, the Chairman shall appoint one Director to act in the capacity of the presiding officer. If the Chairman has not appointed any proxy, the Directors shall elect one among themselves to act as the presiding officer. If a session is called for by a third party outside the Board of Directors, such party shall preside over the session. If there are more than two parties calling for the session, they shall elect one among themselves to preside over the session.

Article 18 :

Unless the Company Act specifies otherwise, resolutions of the General Meeting of Shareholders shall be made in a session with the presence of shareholders representing more than half of the total outstanding shares and a simple majority of the shares represented by the shareholders in session.

Article 19 :

The exercise of voting rights by the Shareholders and the method of exercise of rights shall be governed by applicable laws.

Article 20 :

Resolutions of the General Meeting of Shareholders shall be tracked as minutes of meeting on record with the year, month, day, place, name of the presiding officer, method of resolution, the summary of the procedures, and the result inscribed therein and the confirmation of the presiding officer by affixing the authorized signature/seal thereunto.

The minutes of meeting on record shall be released to the Shareholders within 20 days after the session.

The release of the minutes of meeting on record shall be governed by the Company Act.



The minutes of the General Meeting of Shareholders on record shall be kept within the perpetuity of the Company.

The sign-in registry book for tracking the attendance of Shareholders and the power of attorney for the proxies shall be kept for at least one year. In the event of legal proceedings instated by Shareholders in accordance with Article 189 of the Company Act, the aforementioned documents shall be kept until the conclusion of the legal proceedings.

Article 21 :

Directors are entitled to traveling allowances paid by the Company notwithstanding the profit status of the Company. The remunerations to the Directors shall be commensurate with their level of participation in the operation and contribution value to the Company with reference to the industry standard, and shall be determined by the Board of Directors under authorization.

Chapter IV Directors

Article 22 :

The Company shall establish 5 to 11 seats of Directors. Each Director shall have tenure of 3 years in office, and shall be elected by the General Meeting of Shareholders from people of legal capacity. Each Director may assume a second term of office if reelected.

The Directors shall hold a minimum percentage of registered shares being in totality as stated in Article 26 of the Securities and Exchange Act.

Pursuant to Article 14-2 of the Securities and Exchange Act, at least three of the aforementioned seats of Directors shall be reserved for Independent Directors since the election of Directors in 2016, and the total number of seats for Independent Directors shall not fall below 1/5 of the seats of all Directors. The election of Directors (including Independent Directors) shall be held under the nomination of candidate. Directors shall be elected to the seats from the list of candidates by the General Meeting of Shareholders.

The nomination, method of election, and other complaint matters shall be governed by related rules and regulations of the competent authority.

Article 23 :

The Directors shall be organized into the Board of Directors (the Board). A Chairman shall be elected by the Board in a session with the presence of at least 2/3 of the Directors and a simple majority of the Directors in session for approval.

The Chairman shall execute all matters as required by law, the Articles of Incorporation, and the resolutions of the General Meeting of Shareholders and the Board.

A Vice Chairman may be elected in the same procedure as aforementioned to assist the Chairman.



Article 24 :

The Chairman shall call for the sessions of the Board and shall act as the presiding officer of all sessions of the Board unless the Company specified otherwise.

In the absence of the Chairman due to leave or for whatever reasons, the person acting on behalf of and in the name of the Chairman shall be governed by Article 208 of the Company Act.

In case a specific Director cannot attend a session of the Board in person, such Director may appoint another Director as proxy to attend the session with the authorization of power of attorney specifying the scope of authorization.

Article 25 :

Each Director shall have tenure of three years in office and may assume a second term of office if reelected. If an election of Directors cannot be held on time at the expiration of the term of office, the term of office may be extended until a new Board was elected and the new Directors have assumed office. However, the competent authority may order the Company to hold an election of a new Board within its authority. If no election has ever been held at the expiration of the current term of the Board, the current term of the Board shall be discharged as expired.

Article 26 :

The Board shall perform the following functions :

1. Review and institute the internal code of the Company.
2. Determine the business policy.
3. Review the budget and account settlement.
4. Map out the plan for distribution of earnings or covering loss carried forward.
5. Map out the plan for raising new capital or reducing capital.
6. Execute the resolutions of the General Meeting of Shareholders.
7. Exercise the authority granted by the law and the General Meeting of Shareholders

Article 27 :

The Board shall convene at least once quarterly with the Directors informed seven days in advance. The Board may also convene at any time in case of emergency.

The reasons for the convention of the Board shall be specified in the notice of meeting sent to the Directors by correspondence, e-mail, or fax.

Article 28 :

Unless the Company Act specifies otherwise, all resolutions of the Board shall be made by the Board in session with the presence of at least half of the Directors and a simple majority of the Directors in session.



Article 29 :

If any of the seats of the Directors was left vacant, the Board shall call for a special session of the General Meeting of Shareholders to elect a new Director to fill the vacancy in 60 days. No election of new Directors is required if the vacancy falls below 1/3 of the total seats.

New Directors elected in this manner shall have tenure for the duration of the remaining term of office left behind by its predecessor.

Chapter V Functional Committees

Article 30 :

The Company shall establish various functional committees in accordance with applicable laws and the internal code of the Company for vitalizing the function of monitoring and strengthening management mechanisms.

The Company has established the Auditing Committee, which was staffed with all the Independent Directors. There shall be at least three members for the committee. The Auditing Committee shall perform its function in accordance with and be governed by applicable laws and the Articles of Incorporation.

Article 31 : (Deleted on 2016/06/29).

Article 32 : (Deleted on 2016/06/29).

Article 33 : (Deleted on 2016/06/29).

Chapter VI Key Personnel

Article 34 :

The Company may appoint a number of managers and the appointment, dismissal and remuneration of whom shall be governed by Article 29 of the Company Act.

Article 35 :

The General Manager shall administer all matters of the Company to the order of the Chairman and the Board. The Deputy General Manager shall assist the General Manager in performing his duties.

Article 36 :

The Company may retain certified public accountants as accounting advisor and lawyers as legal counsel, or prominent figures of this industry as corporate advisor through the Board for business needs.

The remuneration to these professionals shall be determined by the Board.



Article 37 :

The fiscal year of the Company starts on January 1 and ends on December 31 of each calendar year.

Article 38 :

At the end of the fiscal year, the Board shall prepare the following reports and statements for the Company and refer to the General Meeting of Shareholders for recognition :

1. Business Report.
2. Financial Statements.
3. Proposal for the Distribution of Earnings or Appropriation for Covering loss carried forward.

Article 39 :

If the Company records a profit for the year, it shall allocate no less than 2% of such profit as employee compensation (of which 0.4% of the profit shall be allocated to base-level employees), and may allocate no more than 2% as directors' remuneration. However, if the Company has accumulated losses, an amount shall first be reserved to cover such losses.

Article 39-1 :

The Company may proceed to distribute earnings or appropriate for covering loss carried forward in the middle of the fiscal year under the Company Act. In distributing earnings, the Company shall estimate and appropriate for the payment of applicable taxes, covering loss carried forward under the law, and appropriate for legal reserve. If the amount of legal reserve is equivalent to the paid-in capital, no further appropriation for legal reserve will be necessary. Earnings shall be distributed in cash subject to the approval of the Board.

Where earnings may be paid in stock in which case the resolution of the General Meeting of Shareholders shall be necessary.

Further to the payment of applicable taxes and covering of loss carried forward under the law from earnings after account settlement, the Company shall appropriate 10% of the remainder as legal reserve, other reversals, or special reserve, followed by the pooling up with the undistributed earnings of the previous year as distributable income.

The Board shall propose the plan of distribution and present the plan to the General Meeting of Shareholders for approval before proceeding to distribution.

The Company may authorize the Board to make decision of paying stock dividend and bonus, additional paid-in capital or legal reserve by cash in whole or in part in a session attended by more than 2/3 of the Directors and a simple majority of the Directors in session, and report to the General Meeting of the



Shareholders regardless of the aforementioned requirement of approval by the General Meeting of the Shareholders in the first place.

The dividend policy of the Company is conditioned by the status of profit and pursued in consideration of the capital requirement of corporate development of the future and the interest of the Shareholders.

In general, cash dividend shall not fall below 50% of the total dividend payable to the Shareholders.

This rule shall be subject to change in response to the change in the operation environment of the industry or the need of the operation plan of the Company by the General Meeting of Shareholders upon the proposal of the Board.

Chapter VIII Miscellaneous

Article 40 :

Any amendment to the Articles of Incorporation shall be made by a session of the General Meeting of Shareholders with the presence of Shareholders representing more than half of the outstanding shares and the approval of Shareholders representing more than 2/3 of the voting rights.

Article 41 :

Anything not mentioned in the Articles of Incorporation shall be governed by the Company Act and other applicable laws.

Article 42 :

The Articles of Incorporation shall come into full force as of the day of resolution by the General Meeting of Shareholders. The same procedure is applicable to any amendment thereto.

Article 43 :

The Articles of Incorporation was duly instituted on 1964.11.27 ;

Amended for the 1st instance on 1966/04/15.

Amended for the 2nd instance on 1967/04/15.

Amended for the 3rd instance on 1970/04/27.

Amended for the 4th instance on 1971/06/15.

Amended for the 5th instance on 1973/04/06.

Amended for the 6th instance on 1974/06/30.

Amended for the 7th instance on 1974/09/26.

Amended for the 8th instance on 1975/06/30.

Amended for the 9th instance on 1979/05/21.

Amended for the 10th instance on 1980/05/08.

Amended for the 11th instance on 1981/05/04.



Amended for the 12th instance on 1982/08/28.
Amended for the 13th instance on 1982/10/28.
Amended for the 14th instance on 1985/04/11.
Amended for the 15th instance on 1986/04/10.
Amended for the 16th instance on 1986/07/08.
Amended for the 17th instance on 1987/04/12.
Amended for the 18th instance on 1988/05/24.
Amended for the 19th instance on 1989/03/29.
Amended for the 20th instance on 1989/12/16.
Amended for the 21st instance on 1990/08/19.
Amended for the 22nd instance on 1991/04/14.
Amended for the 23rd instance on 1992/03/26.
Amended for the 24th instance on 1993/06/06.
Amended for the 25th instance on 1994/06/18.
Amended for the 26th instance on 1995/06/17.
Amended for the 27th instance on 1996/06/22.
Amended for the 28th instance on 1997/06/21.
Amended for the 29th instance on 1998/06/20.
Amended for the 30th instance on 1999/06/26.
Amended for the 31st instance on 2000/06/17.
Amended for the 32nd instance on 2002/06/28.
Amended for the 33rd instance on 2005/06/30.
Amended for the 34th instance on 2010/06/29.
Amended for the 35th instance on 2012/06/27.
Amended for the 36th instance on 2013/06/26.
Amended for the 37th instance on 2015/06/24.
Amended for the 38th instance on 2016/03/16.
Amended for the 39th instance on 2016/06/29.
Amended for the 40th instance on 2018/06/13.
Amended for the 41st instance on 2019/06/05.
Amended for the 42nd instance on 2020/06/17.
Amended for the 43rd instance on 2022/06/22
Amended for the 44th instance on 2024/05/30
Amended for the 45th instance on 2025/05/26



Chun Yu Works & Co., Ltd. Shareholders' Meeting Procedure Rules

Article 1 :

These Regulations are duly enacted in accordance with Article V of Corporate Governance Best-Practice Principles for TSEC/TPEX Listed Companies in an attempt to set up a sound corporate governance system for the shareholders' meeting of the Company to assure sound supervisory function and strengthen managerial functions.

Article 2 :

Unless otherwise specified in laws and ordinances concerned or Articles of Incorporation, the Shareholders' Meeting Procedure Rules of the Company shall be duly stipulated based on these Regulations.

Article 3 :

The Company's shareholders' meetings shall be convened by the board of directors unless otherwise specified in the laws and ordinances concerned.

Any change in the manner of holding a shareholders' meeting shall be resolved by the Board of Directors and shall be made at the latest before the mailing of the notice of the shareholders' meeting.

The Company shall prepare the notices for shareholders' meeting, proxy form papers, issues to be posed into acknowledgement, into discussion, elections or discharge of directors and such motions and instructions data into electronic files and transmit the same into Market Observation Post System (MOPS) thirty (30) days prior to a shareholders' regular meeting and fifteen (15) days prior to a special shareholders' meeting.

The Company shall prepare a Meeting Agenda Handbook for the current shareholders' meeting and supplementary data of the meeting readily accessible to shareholders and display the same at the Company and the Company appointed shareholders' services agent fifteen (15) days prior to the meeting.

The notices and public announcement shall expressly bear the reasons to convene the meeting. Subject to consent by the counterparts, the notices may be served by electronic means.

The aforementioned handbook and supplementary information shall be made available to shareholders on the date of the shareholders' meeting in the following manner:

1. In the case of a physical shareholders' meeting, they shall be distributed on site at the shareholders' meeting.
2. When a video-assisted shareholders' meeting is held, they shall be distributed at the shareholders' meeting and transmitted to the video conference platform through electronic files.



3. When a video shareholders' meeting is held, the electronic file shall be sent to the video conference platform.

Such issues including election or discharge of directors, amendment to Articles of Incorporation, capital decrease, application for suspension from listing to public, lifting directors from the prohibition of business strife, conversion of earnings into capital increase, dissolution of the Company, merger, de-merger or issues set forth under Paragraph 1, Article 185 of the Company Act; Article 26~1 Article 43~6 of the Securities and Exchange Act and Article 56~1 and Article 60~2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be expressly enumerated in the reasons to convene the meeting with explanation of the major contents and shall not be posed through an extemporary motion.

Where the reasons to convene the meeting expressly bears the issue for an overall re-election of directors with exceptional indication of the date scheduled for their taking the tenure of office, after the re-election is completed in that meeting, such an issue shall no longer be posed through an extempore motion or other means to change the date for their taking the tenure of office.

A shareholder having more than 1% of the total outstanding shares is entitled to pose a motion to the shareholders' regular meeting but only limited to one issue. The issues shall not be enumerated more than once into the agenda. Where an issue is found meeting a situation falling within those under Paragraph 4, Article 172~1 of the Company Act, the board of directors shall not accept it into the agenda. The Company shall promulgate acceptance of suggestions from shareholders, the methods of acceptance in writing or in electronic means, venue and duration of acceptance prior to the book closure period date prior to a shareholders' regular meeting. The duration of acceptance shall not be less than ten (10) days minimum.

A suggestion posed by a shareholder shall not exceed the maximum limit of three hundred Chinese characters. In case it is in excess of three hundred Chinese characters, that issue shall not be included into the agenda. A shareholder who poses a suggestion shall participate in the shareholders' regular meeting in person or through a proxy and shall participate in the discussion process for that issue.

The Company shall keep shareholders informed of the results of handling prior to the date to serve notices to the shareholders' meeting and shall have the issues satisfactory to the requirements set forth under this Article enumerated in the notice. On the posed motions not covered into the agenda, the board of directors shall explain the reason why they are not entered during the shareholders' meeting.

Article 4 :

For each shareholders' meeting, a shareholder may issue a written proxy in the Company printed form, bearing the scope of authorized power to appoint a proxy to attend the shareholders' meeting on his or her behalf.

A shareholder may issue only one proxy form to appoint only one proxy. The proxy form shall be submitted to the Company five (5) days prior to the date scheduled for the meeting. In case two or more



written proxy forms are received from one same shareholder, the first one received by the Company shall prevail. Except the preceding proxy is declared revoked.

In the event that a shareholder intends to participate in the shareholders' meeting in person or by video to exercise voting power in writing or in electronic means after the proxy form is submitted to the Company, that shareholder shall notify the Company in writing to revoke the proxy two (2) days prior to the date scheduled for the meeting. Where that shareholder revokes beyond the specified timeframe, the voting power exercised by the authorized proxy shall prevail.

Article 5 :

A shareholders' meeting shall be convened at a venue where the Company is headquartered or a spot convenient to shareholders to participate and well oriented to convening a shareholders' meeting. A shareholders' meeting shall not start earlier than 9:00 a.m. or later than 3:00 p.m. On the venue and timepoint to convene a shareholders' meeting, the opinions of the independent directors shall be taken into adequate account. When the Company holds a video shareholders' meeting, the Company shall not be restricted from the location described above.

Article 6 :

The Company shall expressly specify in the notice of meeting the time for accepting the registration from shareholders, the location of the report and other key points for attention.

The time for accepting the registration from shareholders in the preceding paragraph shall be handled at least 30 minutes prior to the start of the meeting; the registration place shall be expressly marked and shall be adequately staffed with qualified personnel to handle the meeting.

Check-in for the video shareholders' meeting shall be accepted at the shareholders' meeting video conference platform 30 minutes prior to the commencement of the meeting. Shareholders who have completed the check-in are deemed to be present in person at the shareholders' meeting. A shareholder himself or herself shall participate in the meeting based on the participation certificates, sign-in card or other participation related certificate(s). On the certificate(s) required for a shareholder to participate in a shareholders' meeting, the Company shall not arbitrarily request provision of other supporting certificate(s). In case of solicitation of proxy forms, a solicitor shall present his or her identity certificate ready for verification.

The Company shall provide a sign-in book to facilitate the present shareholders to sign in or the present shareholders may submit their sign-in cards instead of the sign-in act.

The Company shall hand over the meeting handbook, annual report, attendance certificate, speech slips, voting ballots and other meeting materials to the present shareholders attending the shareholders' meeting. In case of election for directors, election ballots shall be additionally attached.

Where the government or juristic person is a shareholder, the representative participating in a shareholders' meeting is not confined to one person. Where a juristic person is entrusted to participate in a



shareholders' meeting, If a shareholders' meeting is held by video conference, shareholders who wish to attend the meeting by video should register with the Company at least two days prior to the shareholders' meeting. If a shareholders' meeting is held by video conference, the Company shall upload the meeting handbook, annual report and other relevant information to the video conference platform at least 30 minutes prior to the start of the meeting, and continue to disclose them until the end of the meeting.

Article 6-1 :

The Company shall convene a video meeting of the Shareholders' Meeting and shall specify the following matters in the Notice of Convocation of the Shareholders' Meeting :

1. Methods for shareholders to participate in video meetings and exercise their rights.
2. The handling of obstacles arising from the video conference platform or the participation of video parties due to natural disasters, incidents or other force majeure circumstances includes at least the following matters :
 - (1)The continuation of the pre-opening obstacle does not preclude the time of postponement or renewal of the meeting, and the date on which the assembly is postponed or renewed if it is necessary.
 - (2)Shareholders who have not registered to participate in the original shareholders' meeting by video are not allowed to participate in the adjourned or reconvened meeting.
 - (3)If a video-assisted shareholders' meeting cannot be adjourned, the shareholders' meeting shall continue if the total number of shares present reaches the legal quota for the shareholders' meeting after deducting the number of shares present at the shareholders' meeting by means of video, and the number of shares present at the shareholders' meeting by means of video shall be counted as the total number of shares present and deemed to be abstained for all motions at the shareholders' meeting.
 - (4)The handling of a situation in which the results of all motions have been announced and no extraordinary motion has been made.
3. In the event that a video shareholders' meeting is convened, the Company shall specify the appropriate alternative measures for shareholders who have difficulty participating in the shareholders' meeting by video.

Article 7 :

A shareholders' meeting convened by the board of directors` shall be chaired by the chairman. Where the chairman is on leave or unavailable to exercise his power, the vice chairman shall act as his substitute. In case of no vice chairman or where the vice chairman is on leave or unavailable to exercise his power either, the chairman shall appoint one director to act as the substitute. Where the chairman does not appoint a substitute, one director shall be elected from among themselves to act as the substitute.

Where a director act as the chairperson as mentioned under the preceding Paragraph, such a director shall be one having served directorship for more than six(6) months with adequate awareness of the Company's



financial conditions. This provision equally applies to an event where the chairperson is the representative of a juristic person director.

A shareholders' meeting convened by the board of directors shall be chaired by the chairman in person. Such a shareholders' meeting shall be attended by directors in one half majority of the total director seats in person where each functional committee shall participate in person with at least one representative. The facts of participation shall be recorded in the minutes of the shareholders' meeting.

A shareholders' meeting convened by a convener beyond the board of directors shall be chaired by that convener with convener power. In case of two or more conveners, one shall be elected from among themselves to chair the meeting.

The Company may appoint the retained Attorney(s)-at-Law, certified public accountant(s) or relevant personnel to participate in a shareholders' meeting as a guest participant.

Article 8 :

The Company shall record the shareholder registration process, the meeting process, and the vote counting process from the moment of accepting the shareholder registration into audio and videotape continually without an interruption.

The audio and videotape records mentioned under the preceding Paragraph shall be put into custody for one year minimum. Where involved in an issue with lawsuits lodged in accordance with Article 189 of the Company Act, nevertheless, the ballots shall be put under custody until the litigious process is ended.

If a shareholders' meeting is held by video conference, the Company shall keep records of the shareholders' registration, attendance, questions, voting and the Company's vote counting results, and shall continuously and uninterruptedly record and video tape the entire video conference.

The Company shall keep the aforementioned information and audio recordings for the duration of its existence and provide the audio recordings to the person entrusted to conduct the video conference for retention.

If the shareholders' meeting is held by video conference, the Company shall make audio recordings of the backstage operation interface of the video conference platform.

Article 9 :

The participation in a shareholders' meeting shall be counted based on the number of shares. The number of the participating shares shall be duly calculated based on the sign-in book or the presented sign-in cards and the number of shares reported to the video conferencing platform added with the number of shares wherewith the shareholders exercise voting powers in writing or by electronic means.

The chairperson shall call to order to the meeting as soon as time scheduled for the meeting is up and shall, meanwhile, promulgate the number of non-voting power and the number or shares represented by the present shareholders.

The chairperson shall call to order to the meeting as soon as time scheduled for the meeting is up and shall,



meanwhile, promulgate the number of non-voting power and the number or shares represented by the present shareholders and such information.

In the event that the meeting is attended by shareholders representing one half majority outstanding shares that time, nevertheless, the chairperson may announce a postponement for the meeting. The postponements shall not exceed twice in maximum and the total duration of the postponements accumulated shall not exceed one hour maximum. In the event that after two postponements where the meeting is attended by shareholders representing less than one-third of the outstanding shares, the chairperson may announce that the meeting is aborted.

If the shareholders' meeting is held by video conference, the Company shall announce the meeting adjourned on the video conference platform of the shareholders' meeting.

If a shareholders' meeting is held by video conference, shareholders who wish to attend by video shall re-register with the Company in accordance with Article 6.

In case the participation is still below the specified quota after two postponements where the meeting is attended by shareholders representing more than one-third of the outstanding shares, a tentative resolution may be adopted in accordance with Article 175 of the Company Act. The tentative resolution shall be informed to all shareholders and the shareholders' meeting shall be convened once more within one month. In the event that the shares represented by the present shareholders are up to one half majority of the total outstanding shares before the current meeting ends, the chairperson may pose the adopted tentative resolution to the shareholders for resolution anew in accordance with Article 174 of the Company Act.

Article 10 :

For a shareholders' meeting convened by the board of directors, the agenda shall be fixed by the board of directors. The relevant motions (including extempore motions and an amendment to the original proposal) shall be resolved on a case-by-case basis. The meeting shall go ahead based on the scheduled agenda which shall not be changed unless duly resolved in the shareholders' meeting.

To an event where the shareholders' meeting is convened by a convener with convening power beyond the board of directors, the provision set forth under the preceding Paragraph shall equally apply.

Until the agenda issues scheduled under the two preceding Paragraphs (including extemporaneous motions) end, the chairperson shall not announce adjournment of the meeting straight. In the event that the chairperson violates the shareholders' meeting procedure rules by announcing adjournment of the meeting, other members of the board of directors shall promptly help the present shareholders to elect one person to serve as the chairperson through the statutory procedures by one half majority vote of the present shareholders to chair and continue the meeting.

Toward the issues of the meeting and amendments or extemporaneous motion posed by shareholders, the chairperson shall grant adequate opportunities for explanation and discussion. Where the time is considered up for voting process, the chairperson may announce discontinuance from discussion and go into the voting process and shall, meanwhile, arrange a timeframe adequate for balloting.

**Article 11 :**

Before a present shareholder deliver a speech, he or she shall first fill in the statement of speech, stating the main points of the speech, shareholder account number (or participation certificate number) and account name so that the chairperson will determine the order of his or her speech.

The present shareholder who has only delivered the speech note but does not deliver a speech shall be deemed to have not delivered a speech. Where the content actually spoken is found differing from the entry onto the speech note, the contents actually spoken shall prevail.

In case of an inquiry into an issue brought to report enumerated under the agenda, a present shareholder shall not speak up until all issues brought to report have been read out or reported in full by the chairperson or a person designated by the chairperson in full. Unless approved by the chairperson, each shareholder shall not speak up more than twice, not beyond five (5) minutes in each speech.

Toward the issues brought for acknowledgement, issues under discussion, election issues enumerated under the agenda as well as all motions in extemporaneous motions, the speech by each shareholder on the same motion shall not be more than twice, not beyond five (5) minutes in each speech.

Where a present shareholder violates the rules or speaks beyond the scope of the subject issue or violates the order of the meeting, the chairperson may stop his or her speech.

While a present shareholder delivers a speech, other shareholder(s) shall not interfere with the speech unless consented by the chairperson and the speaking shareholder. The chairperson shall stop the offender, if any.

Where a corporate shareholder appoints two or more representatives to participate in a shareholders' meeting, only one shall be appointed among them can speak up on a same issue.

After a present shareholder completes his/her speech, the chairperson may reply either in person himself or through a designated person.

If a shareholders' meeting is convened by video conference, shareholders participating by video may ask questions by text on the video conference platform after the chairman announces the opening of the meeting and before the meeting is adjourned, and no more than two questions may be asked on each proposal, with each question limited to 200 words.

If the aforementioned questions do not violate the regulations or do not exceed the scope of the motion, the questions should be disclosed on the video conference platform of the shareholders' meeting for public information.

Article 12 :

The voting process in a shareholders' meeting shall be counted based on the number of shares.

In the resolution process in a shareholders' meeting, the number of shares without voting power shall not be counted into the total number of outstanding shares.

Where an issue in the shareholders' meeting involves a shareholder in the interests of the shareholder himself or herself likely to be harmful to the Company's interests, that shareholder shall not participate in



the voting process nor shall he or she exercise voting power on behalf of another shareholder.

The number of shares not entitled to voting power mentioned under the preceding Paragraph shall not be counted into the voting power of the present shareholders.

Except for a trust enterprise or a shareholder services agent approved by the competent authority over securities, when a same proxy is authorized by two or more shareholders simultaneously, the voting power represented by that proxy shall not exceed 3% of the aggregate total of outstanding shares. The voting power in excess shall not be counted.

Article 13 :

A shareholder is entitled to one voting unit for each share held except for a share subject to restriction or a share without voting power as enumerated under Paragraph 2, Article 179 of the Company Act.

Where the Company convenes a shareholders' meeting, the Company shall adopt electronic means or such means in writing to exercise the voting power. The methods to exercise the voting power shall be expressly stated onto the notices for the shareholders' meeting. A shareholder who exercises voting power in writing or in electronic means shall be deemed to have participate in the shareholders' meeting in person. Toward an extemporary motion or an amendment to the original motion in that shareholders' meeting, nevertheless, that shareholder is deemed to be in abstention. Accordingly, the Company shall refrain from posing an extempore motion or an amendment to the original motion.

For those who exercise voting power in writing or electronically per the preceding paragraph, their expressions of intent shall be delivered to our Company two days prior to the date scheduled for the meeting. In the event of repetitions of expressions of intent, the first one shall prevail. Unless the preceding expression is declared withdrawn.

A shareholder who intends to participate in a shareholders' meeting in person or by video after exercising voting power in writing or electronically shall withdraw the expression of intent in the same manner as exercising the voting power two (2) days prior to the date scheduled for the meeting. In the event that such a shareholder withdraws beyond the specified timeframe, the voting power exercised in writing or electronically shall prevail. Where a shareholder exercises voting power in writing or electronically and, as well, appoints a proxy through a proxy form to participate in a shareholders' meeting, the voting power exercised by that proxy shall prevail.

Unless otherwise specified in the Company Act and these Articles of Incorporation, a motion shall be resolved with one half majority vote cast by the total number of present shareholders. In the voting process, the total number of voting power shall be announced by the chairperson or a person designated by the chairperson on a case-by-case basis before the shareholders cast votes for resolution on a case-by-case basis. On the date after the shareholders' meeting is convened, the Company shall have the pros, cons and abstention results input into Market Observation Post System (MOPS).

Where a same motion bears amendment or replacement, the chairperson shall consolidate the amendment or replacement with the original motion to determine the order of the voting process.



Where one motion among them is passed, other motions are deemed vetoed without a need to vote once more.

The scrutineers and vote-counters for voting over proposals/motions shall be designated by the chairperson but the scrutineers shall be appointed from among shareholders.

The ballot counting operations for a voting process or election motion shall be conducted only inside the venue open to the public. The counting outcome shall be announced on-the-spot upon completion of the counting process, including the statistical power number which shall be worked out into written records.

When the Company convenes a shareholders' meeting by video conference, shareholders participating by video shall vote on each motion and election motion through the video conference platform after the chairman announces the commencement of the meeting, and shall complete the voting before the chairman announces the end of the voting, and any delay shall be deemed to be an abstention.

If the shareholders' meeting is convened by video conference, the vote shall be counted in a single session and the voting and election results shall be announced after the chairman announces the close of voting.

When the Company convenes a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting by video in accordance with Article 6 and wish to attend the physical shareholders' meeting in person shall cancel their registration in the same manner as their registration two days prior to the shareholders' meeting; if they cancel their registration after the deadline, they may attend the shareholders' meeting by video only.

A shareholder who has exercised his or her voting rights in writing or electronically and has not revoked his or her intention to attend the shareholders' meeting by video means may not exercise his or her voting rights on the original motion or propose amendments to the original motion or exercise his or her voting rights on amendments to the original motion, except for a extraordinary motion.

Article 14 :

Election of directors amidst a shareholders' meeting, if any, shall be duly handled exactly in accordance with the Director Election Procedures enacted by the Company. The election outcome shall be announced on-the-spot, including the list of successfully elected directors, election votes they won, list of unsuccessful candidates and the electoral votes that they won.

The election ballots amidst the election issue mentioned in the preceding Paragraph shall be closely sealed up and signed by the ballot scrutinizer(s) and shall be put under prudent custody for one year minimum. Where involved in an issue with lawsuits lodged in accordance with Article 189 of the Company Act, nevertheless, the ballots shall be put under custody until the litigious process is ended.

Article 15 :

Decisions resolved in a shareholders' meeting shall be worked out into the minutes which shall be signed and stamped with seal by the chairperson and shall be served to all shareholders within twenty (20) days after the meeting.



The distribution of the minutes as mentioned under the preceding Paragraph may be conducted by means of inputs into the Market Observation Post System (MOPS).

The minutes shall faithfully bear such entries as the month/day/year, venue of the meeting, name of the chairperson, method of resolution, progress of the agenda issues and outcome of revolution (including the number of statistical powers). In case of election of directors, the minutes shall disclose the ballots won by each and every candidate. The minutes shall be put into custody permanently throughout the period while the Company exists.

If a shareholders' meeting is convened by video conference, the minutes of the meeting shall, in addition to the matters required to be recorded in the preceding paragraph, also record the starting and ending time of the shareholders' meeting, the manner in which the meeting is convened, the names of the chairman and recorder, and the manner and circumstances under which the video conference platform or video participation is impeded due to natural disasters, events or other force majeure.

In addition to the aforementioned provisions, the Company shall convene a video shareholders' meeting and include in the minutes of the meeting alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video means.

Article 16 :

On the number of shares solicited by the solicitors and the number of shares under agency through the trusted proxies and number of shares of shareholders present by written or electronic means, the Company shall, on the very day when the shareholders' meeting is convened, work out the Table of Statistics based on the specified format and expressly disclose the same inside the venue of the shareholders' meeting.

if a shareholders' meeting is held by video conference, the Company shall upload the aforementioned information to the video conference platform of the shareholders' meeting at least 30 minutes prior to the start of the meeting and continue to disclose the information until the end of the meeting.

The Company shall disclose the total number of shares of shareholders present on the video conference platform at the time the video meeting starts. The same applies if the total number of shares and voting rights of the shareholders present are also counted during the meeting.

Whenever a decision resolved in the shareholders' meeting is deemed as a significant message as defined by the Taiwan Stock Exchange Corporation, the Company shall transmit such decision into the Market Observation Post System (MOPS) within the specified time limit.

Article 17 :

The meeting staff in charge of a shareholders' meeting shall wear identification certificates or armbands.

The chairperson may direct pickets or security guard personnel to help secure order in the venue. When pickets or security guard personnel are on the scene to help maintain order, they should wear a "Picket" armband or identification card.

Where the venue of the meeting is equipped with amplifying equipment, the chairperson may stop it



whenever a shareholder does not use the equipment provided by the Company to speak.

Whenever a shareholder violates the Shareholders' Meeting Procedure Rules and does not obey the chairperson's rectification and disturbs the meeting from proceeding, the picket or security personnel may, as instructed by the chairperson, ask such shareholder to leave the venue.

Article 18 :

During the progress of a meeting, the chairperson may, at his discretion, announce a break for an appropriate period of time. Upon occurrence of a force majeure, the chairperson may rule to discontinue the meeting and announce the time to resume that meeting as the actual circumstances may justify.

Whenever by any reason the venue of the shareholders' meeting becomes unable to be used for the meeting continuously (including extempore motion) before the meeting ends, the shareholders' meeting may resolve a decision to find out another venue to continue the meeting.

The shareholders' meeting may duly resolve in accordance with Article 182 of the Company Act to postpone the meeting or to resume the meeting within five (5) days.

Article 19 :

If a shareholders' meeting is held by video conference, the Company shall disclose the voting results of each motion and election results on the video conference platform of the shareholders' meeting immediately after the close of voting in accordance with the regulations, and shall continue to disclose the results for at least fifteen minutes after the meeting is adjourned by the chairman.

Article 20 :

When the Company holds a video shareholders' meeting, the chairman and the recorder shall be present at the same place in the country, and the chairman shall announce the address of such place at the time of the meeting.

Article 21 :

If a shareholders' meeting is held by video conference, the Company may provide a simple connection test for shareholders before the meeting and provide related services immediately before and during the meeting to assist in handling technical problems of communication.

If a shareholders' meeting is convened by video conference, the chairman shall, at the time of calling the meeting to order, separately announce that, except for the circumstances specified in paragraph 4 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies that do not require the adjournment or continuation of the meeting, if the meeting is adjourned by the chairman due to natural disasters, events or other force majeure circumstances, and if the video conference platform or participation by means of video conferencing is impaired for a period of 30 minutes or more, the date of the meeting shall be adjourned or renewed within five days, and the



provisions of Article 182 of the Company Act shall not apply.

In the event of an adjournment or renewal of a meeting, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the adjourned or renewed meeting.

The number of shares, voting rights and election rights exercised at the original shareholders' meeting shall be counted as the total number of shares, voting rights and election rights of shareholders present at the adjourned or renewed meeting for those shareholders who have registered to attend the original shareholders' meeting by video message and have completed reporting for the meeting and have not attended the adjourned or renewed meeting.

If the shareholders' meeting is adjourned or reconvened in accordance with the second paragraph, it is not necessary to discuss and resolve again the motions for which voting and counting have been completed and the voting results or the list of directors elected have been announced.

When the Company holds a video-assisted shareholders' meeting and there is a failure to continue the video conference as stipulated in the second paragraph, if the total number of shares present still reaches the legal quota for the shareholders' meeting after deducting the number of shares present by video, the shareholders' meeting shall continue without any adjournment or renewal of the meeting as stipulated in the second paragraph.

In the event that a meeting should be continued as described in the preceding paragraph, the number of shares attended by shareholders participating in the shareholders' meeting by way of video shall be counted as the total number of shares of shareholders present, but shall be deemed to be abstained for all motions at that shareholders' meeting.

If the Company adjourns or renews a meeting in accordance with the second paragraph, the Company shall comply with the provisions set forth in Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and shall complete the relevant preliminaries in accordance with the date of the original shareholders' meeting and the provisions of the Article.

During the period specified in the latter part of Article 12 and paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, paragraph 2 of Article 44-5, Article 44-15, and paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall postpone or renew the date of the shareholders' meeting in accordance with the provisions of paragraph 2.

Article 22 :

When the Company holds a video shareholders' meeting, the Company shall provide appropriate alternative measures for shareholders who have difficulty attending the shareholders' meeting by means of video.



Article 23 :

These Rules shall be put into enforcement after being resolved in the shareholders' meeting.

This same provision shall apply to an event of amendment.

These Rules were duly enacted on June 20, 1998 ;

Amended for 1st instance on 2002/6/28,

Amended for 2nd instance on 2015/6/24,

Amended for 3rd instance on 2020/6/17,

Amended for 4th instance on 2021/7/27,

Amended for 5th instance on 2022/6/22.



Chun Yu Works & Co., Ltd. Shareholding by Directors

- I. The Company has 302,162,700 outstanding shares for the time being.
- II. According to Article 26 of the Securities and Exchange Act, and Article 2 of the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” :
- (I) Directors of the Company shall hold at least 12,086,508 shares in totality under law.
- (II) The Company has established an Audit Committee that the requirement of shareholding by Supervisors is not applicable.
- III. As of the period prior to the regular session of the General Meeting of Shareholders where transaction of shares is prohibited, the holding of shares by the Directors individually and collectively is specified below :

March 30, 2026

Title	Name	Number of shares	Ratio %
Chairperson	Taiwan Steel Group United Co., Ltd.	469,350	0.16
	Representative : Wong, Chung-Chun		
Director	Taiwan Steel Group United Co., Ltd.		
	Representative : Chen, Chi-Tai		
Director	Taiwan Steel Group United Co., Ltd.		
	Representative : Lee, Shih-Ho		
Director	Sheng Shang Investment Co., Ltd.	12,737,500	4.22
	Representative : Huang, Li-Rong		
Independent Director	Chien, Chin-Chen	-	-
Independent Director	Fang, Chen-Ming	-	-
Independent Director	Lee, Chin-Chang	-	-
Total		13,206,850	4.38