

# Tong Ming Enterprise Co., Ltd.

# **2024 Annual Report**

*(Translation)*



# **TONG**

Growing a powerful future



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Corporate Website: <http://www.tonggroup.com.tw>

Published April 21, 2025

## **I. Company Spokesman and Acting Spokesman**

Name of Spokesman: Ko, Wen-Ling

Tel: 886-7-6226977

Name of Acting Spokesman: Yen, Hsien-Ying

Tel: 886-7-6226977

Title: President of Winlink Fasteners Co., Ltd

E-mail: wenling@winlink.com.tw

Title: Supervisor of Accounting of Tong Ming Enterprise Co., Ltd

E-mail: sam.yen@tongming.com.cn

## **II. Headquarters, branch office, and factory addresses and telephone numbers**

### **1. Group Headquarters:**

Name: Tong Ming Enterprise Co., Ltd.

Address: 2nd Floor, Windward 1, Regatta Office Park, P.O. Box 10338, Grand Cayman KY1-1003, Cayman Islands

Tel: 86-573-8220-3125

### **2. Major Business Entity**

Name: Tong Ming Enterprise (Zhejiang) Co., Ltd.

Address: No. 88 East Changsheng Road, Economic Development Zone, Jiaxing City, Zhejiang Province

Tel: 86-573-8220-3125

### **3. Samoa Subsidiary**

(1) Name: Tong Win International Co., Ltd

Address: Novasage Chambers, PO Box 3018, Level 2, CCCS Building, Beach Road, Apia, Samoa

Tel: 886-7-622-6977

(2) Name : Meta Global Co., Ltd.

Address : Vistra Corporate Services Center, Grond Floor NPF Building, Beach Road, Apia. Samoa

### **4. R.O.C. Subsidiary**

(1) Name: Winlink Fasteners Co., Ltd

Address: 15 F, No. 140, Zhongshan N. Rd., Gangshan Dist., Kaohsiung City

Tel: 886-7-622-6977

(2) Name: Tonglink Enterprise Co., Ltd

Address: 3 F, No. 140, Zhongshan N. Rd., Gangshan Dist., Kaohsiung City

Tel: 886-7-622-0235

### **5. Hong Kong Subsidiary**

(1) Name: Tong Group Limited

Address: Room 2702-03, CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong

Tel: 86-573-8220-0235

(2) Name: China Rich International Holding Limited

Address: Room 2702-03, CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong

Tel: 86-573-8220-3125

## 6. JAPAN Subsidiary

Name : Fastlink ,Inc.

Address : 7F Honmachiminami Gardencity, 3-6-1 Kitakyuhouji-Machi, Chuou-Ku Osaka, Japan

Tel : 81-6-7639-8731

## 7. Other Sub-subsidiaries

(1) Name: Tong Ming Trading Limited

Address: Room 2702-03, CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong

Tel: 86-573-8220-3125

(2) Name: Tong Ming Holding Limited

Address: Room 2702-03, CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong

Tel: 86-573-8220-312

(3) Name: Shenzhen Easy Fasteners Co., Ltd

Address: No. 126, Building M07, South China International Hardware, Chemical and Plastic Logistics  
Zone (Phase I), 1# Huanan Avenue, Pinghu Street, Longgang District, Shenzhen

Tel: 86-0755-89630070

(4) Name: Tong Win International (Jia Xing) Co., Ltd.

Address: Room 502-2, Building 1, Fu'an Plaza, Economic and Technological Development Zone, Jiaxing  
City, Zhejiang Province

TEL: 86-0573-82227088

(5) Name : Tong He Enterprise Co., Ltd.

Address : Chengnan Industrial Park, Heping Town, Changxing County, Huzhou City, Zhejiang Province

TEL:86-573-8220-3125

(6) Name : Tong Yi Supply Chain Enterprisc Co., Ltd.

Address: Room 309, Building 5, No. 88 East Changsheng Road, Economic Development Zone, Jiaxing  
City, Zhejiang Province

TEL : 86-573-8220-3125

(7) Name : Jiaxing Shan Yi Gong Hao Trade Co., Ltd.

Address: No. 827, Jiyang Road, Jiaxing Economic and Technological Development Zone, Jiaxing,  
Zhejiang Province

## 8. Branch offices of Tong Ming Enterprise (Zhejiang) Co., Ltd

(1) Name: Wuxi Branch

Address: Room 505, Building 1, Lanbaoku Cultural and Creative Industrial Park, 60 meters south of the  
intersection of Tianpeng West Road and Tongsha Road, Liangxi District, Wuxi City

Tel: 86-0510-83140748/82360907

(2) Name: Nanjing Branch

Address: 3rd Floor, Room 403, Area A4, Hongyang Decoration City, No. 12, Longzang Avenue, Yuhuatai  
District, Nanjing

Tel: 86-025-51833670/51833430

(3) Name: Handan Branch

Address: Next to the third gas station of Little Finger Warehouse at the intersection of National Highway 107 and Yingbin Avenue, Hanxing South Road, Yongnian District, Handan City, Hebei Province

Tel: 86-0310-6891828

(4) Name: Hefei Branch

Address: No. 105-106, Building RN, 14th Street, J District, Jingshang Commercial City, Yaohai District, Hefei

Tel: 86-0551-62864727

(5) Name: Xiamen Branch

Address: No. 155 Hangtai Road, Jimei District, Xiamen, Fujian Province (Warehouse) 101

Tel: 86-0592-5811970

(6) Name: Foshan Branch

Address: HSBC Property Warehouse A, East of Dazhong New Town, Hongling Road, Shishan Town, Nanhai District, Foshan City

Tel: 86-13925091458

(7) Name: Beijing Branch

Address: Room 903, 9th Floor, Building 6, No. 3 Boda Road, Chaoyang District, Beijing

Tel: 86-010-67674809

(8) Name: Qingdao Branch

Address: No. 12, Wan'an Road, Sifang District, Qingdao City, Shandong Province

Tel: 86-0532-83765392/84991107/84991307

(9) Name: Jinan Branch

Address: No. 16, 1st Floor, East Building, Zhaozhuang Residential Committee Office Building, Tianqiao District, Jinan City

Tel: 86-0531-88672036

(10) Name: Shenyang Branch

Address: No. 16, Kunming Lake Street, Shenyang Economic and Technological Development Zone, Liaoning Province

Tel: 86-024-25851962

(11) Name: Tianjin Branch

Address: Factory Building No. 5, No. 1 Yucheng Road, Yangliuqing Industrial Park, Xiqing District, Tianjin

Tel: 86-022-27610646/27699469

(12) Name: Hangzhou Branch

Address: Room 321, Building 1, No. 668, Huazhong South Road, Gongshu District, Hangzhou

Tel: 86-0571-85457742

(13) Name: Shenzhen Branch

Address: Room 102, Building A3, No. 75, Gaoyuan Road, Pinghu Community, Pinghu Street, Longgang District, Shenzhen

Tel: 86-13926522074

(14) Name: Wuhan Branch

Address: Room 415, Longteng Century Office Building, No. 780 Huian Avenue, Dongxihu District,  
Wuhan

Tel: 86-027-85412436/85411882

(15) Name: Xi'an Branch

Address: No. 3, Row 1, Warehouse 6, Western New Materials Trading Center, No. 69 Qinhan Avenue,  
International Port Area, Xi'an

Tel: 86-029-86140122

(16) jiang Branch

Address: Building 12, No. 816, Ronghua Road, Chedun Town, Songjiang District, Shanghai

Tel: 86-021-52265982/52265920/57770166/58111458

(17) Name: Wenzhou Branch

Address: No. 180, Yucang East Road, Longwan District, Wenzhou

Tel: 0577-86650091

(18) Name: Chengdu Branch

Address: Dongming Office, Building 6, 6-11, Phase II, Bailiwei Industrial Park, No. 669, Limin Road,  
Xiangfu Town, Qingbaijiang District, Chengdu, Sichuan Province

Tel: 028-83680661

(19) Name: Sales branch

Address: Room 306, Building 5, No. 88 East Changsheng Road, Economic Development Zone, Jiaxing  
City, Zhejiang Province

Tel: 0573-82203125

### **III. Stock Transfer Institute:**

Name: Stock Administration Agent of KGI Securities Co. Ltd. Website: [www.kgi.com.tw](http://www.kgi.com.tw)

Address: 5F, No. 2, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Tel: 886-2-2389-2999  
Taipei City

### **IV. CPA and CPA Firm for recent financial statements**

CPA Firm: Deloitte Touche Tohmatsu Limited Website: [www.deloitte.com.tw](http://www.deloitte.com.tw)

CPA: Peng, Yi hua & Hsieh, Ming-Chung Tel: 886-2-2725-9988

Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei City

### **V. Name of overseas trading office of listed valuable securities and the method for Inquiring about information of valuable overseas securities: Nil.**

### **VI. Website: <http://www.tonggroup.com.tw>**

## VII. Board of Directors

Title	Name	Nationality	Education and Business Experience
Director	Tsai, Ching-Tung	R.O.C.	Chiayi County, Puzih Junior High School Chairman of Tong Ming Enterprise Co., Ltd Chairman of Malaysia Penang, Tong Heer Industry Corp., Ltd
Director	Richard International Co., Ltd. Representative: Tsai, Yi-Ting	R.O.C.	B. Sc., Purdue University Assistant President of Tong Heer Fasteners Co. Sdn Bhd Vice President of Tong Heer Resources Berhad
Director	Tong One Holdings Limited Representative: Tsai, Hung-Chuan	R.O.C.	MBA, University of Washington President of Tong Ming Enterprise (Zhejiang) Co., Ltd Director and President of Tong Min Enterprise Co., Ltd Chairman of Winlink Fasteners Co., Ltd
Independent Director	Wang, Shin-Kun	R.O.C.	National Cheng Kung University Institute of Industrial Management Director of Liyi United Accounting Firm
Independent Director	Yang, Po-Min	R.O.C.	MBA, University of Washington Chairman of Hydebo Capital (Shares) Company
Independent Director	Chen, Yung-Lung	R.O.C.	Bachelor of Accounting, Fu Jen Catholic University Chief Executive Officer of Ji Shun Xing (Vietnam) Co., Ltd
Independent Director	Chiu, Joun-Fu	R.O.C.	Chairman of Dongguan Construction Co., Ltd President of Dongsheng Construction Co., Ltd.

## VIII. Name, Title, Telephone Number, and E-mail of Domestic Litigant and Non-litigant Agent:

Representative name: Ko, Wen-Ling

Title: President of Winlink Fasteners Co., Ltd.

Telephone: 886-7-622-6977

E-mail: ir@tonggroup.com.tw

# Tong Ming Enterprise Co., Ltd.

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# I. A Letter to the Shareholders

Dear Shareholders,

## I. The Business Performance of 2024

### (I) Business plan implementation results

The Company's consolidated operating revenue reached NT\$ 12.5 billion in 2024, and shipments of its annual main business items grew by approximately 10%. However, due to relatively low average prices of raw materials, the business revenue reduced by approximately 3% compared to that in 2023. Since the prices of raw materials gradually stabilized and shipment volume for export grew substantially, profits increased significantly. The basic earnings per share reached NT\$ 2.86. The operating results of the main operating entities in the consolidated financial statements are described as follows:

#### I. Tong Ming Enterprise (Zhejiang) Co., Ltd and Tong He Enterprise (Zhejiang) Co., Ltd :

1. The total annual shipment volume reached 117,000t, up by approximately 9.58% compared to that in 2023.
2. Shipments per business segment: Relying on the existing advantages in domestic sales, the shipment volume of fasteners grew by 3% on the basis of the high sales volume in 2023, to reach 68,000t. This accounted for 58% of the total shipment volume of the operating entities. The export volume of fasteners substantially increased by 42% compared to that in 2023 to reach 21,000t thanks to customer inventory increases and competitive pricing strategies. This accounted for approximately 18% of total shipments. The shipment volume of wire products increased by 7% to reach 28,000t due to the increase in market demand, accounting for approximately 24% of total shipments.

II. Winlink Fasteners Co., Ltd. and Tong Win International Co., Ltd. were mainly engaged in internal trade business. In 2024, due to fierce market competition, the total operating revenue of these two companies decreased by 29%, with its ratio in the consolidated operating revenue of the Group dropping from 17% in 2023 to 12% in 2024.

## (II) Budget Implementation

The Company regularly implements budget management for costs and expenses to ensure reasonable profit control and improve operational performance.

## (III) Financial Income and Expenditure and Profitability:

year		2023	%	2022	%
Financial Income and Expenditure	Revenue	12,543,322	100	12,966,040	100
	Gross Profit	1,486,866	12	967,980	7
	Operating Profit	656,091	5	163,088	1
	Net profit for the period	579,612	4	136,282	1
profitability	ROE (%)	8.45%		2.01%	
	Earnings per share(NT\$)	2.86		0.67	

Due to the substantial increase in profits in the current year compared to the previous year, each ratio and earnings per share grew significantly.

## (IV) Product research and service development:

The Company is a professional manufacturer of stainless-steel fasteners and operates as a national-level high-tech enterprise. The R&D department stably and progressively improves production processes and develops new products, while the channel business division continues to optimize the online sales platform. In 2024, the operating entity achieved outstanding results and was recognized as a “Jiaxing Industrial Design Center” and “Industrial Internet Platform of Zhejiang Province”.

## (V) Environment, social and corporate governance

The Company places great importance on employee health and safety, and energy conservation and carbon reduction. Tong Ming Enterprise (Zhejiang) Co., Ltd., one of the Company’s operating entities, acquired ISO 50001 Energy Management System certification, and continually invested in high-efficient intelligent equipment in Gaoke Factory as well as optimized solar power generation equipment and energy storage equipment. In 2024, it was recognized as a “Green Factory in Zhejiang Province”. To put its corporate responsibility into practice, the Company also calls upon local enterprises to actively participate in community public welfare and art and cultural activities.

## II. Overview of the 2025 Business Plan

### (I) Operating entities Tong Ming Enterprise (Zhejiang) Co., Ltd and Tong He Enterprise (Zhejiang)Co., Ltd.

#### 1. Domestic sale of fasteners:

Since the growth of China's economy is expected to slow, the Company will leverage its existing sales models, flexible pricing strategies, supply chain banking and financial services, and other relevant advantages to improve customer satisfaction with our sales service, increase market share, and maintain the growth of shipment volume.

#### 2. Export of fasteners:

The export business grew significantly in 2024. The Company will actively expand its customer base in 2025 with sufficient production capacity, market-oriented pricing strategies, and improved service quality.

#### 3. Wire products:

In consideration of the intense industry competition in 2024, the Company will focus on maintaining market share, improving shipment efficiency with sufficient production capacity, and reducing costs in 2025.

### (II) Subsidiaries Winlink Fasteners Co., Ltd. and Tong Win International Co., Ltd.

These companies are mainly engaged in the export of fastener products. In 2025, given the ongoing uncertainties in the overall economy, they will continue to strengthen partnerships with specific industry customers, focusing on maintaining market share.

## III. Impacted by the external competitive environment, regulatory environment and overall business environment

I. The fastener market is highly competitive in terms of pricing. Our company will leverage high-quality products and a mature e-commerce platform to quickly respond to market prices and boost sales

II. The Company is mainly located in Mainland China, where the Group's principal place of business is located, and in recent years, Mainland China has continued to promulgate and amend various regulations.in recent years, Mainland China has continued to promulgate and amend various laws and regulations. Based on the Group's overall assessment, there were no significant events that affected the operation of the Company as a result of the changes in the

legal and regulatory environment. The relative impact of the regulatory environment is relatively low.

III. The Company will continue to endeavour to increase its market share, expand its product range, reduce costs and improve the quality of its products in order to cope with the impact that may be brought about by the general external operating environment. °

In 2025, given the ongoing uncertainties in the overall economy, operating entities will leverage their online sales platforms with sound services, focus on opportunities generated by the growth of demand in specific industries, increase shipments to China's domestic market, and expand overseas markets with its mature channel experience obtained from domestic sales in China. In consideration of the complex international export market, the Company will pay continuous attention to tariff policies in major markets and implement flexible pricing strategies to enable shipment volume and profits to grow sustainably

Wish you all the best,

Tong Ming Enterprise Co., Ltd.

Best regards

Chairman: Tsai Ching-Tung

General Manager: Tsai Hung-Chuan

## Two Company Governance Report

### I. Directors, President, Vice Presidents, Assistant Vice Presidents, and Managers of Departments and Branches

#### (1) Directors and Supervisors

##### 1. Directors

As of April 21, 2025

Title	Nationality or Place of Registration	Name	Gender	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse and Minor Children		Nominee Arrangement		Education and Select Past Positions	Select Present Positions at Tong Ming and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Two Degrees of Kinship to Each Other		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman	R.O.C.	Tsai, Ching-Tung	Male 61-70	2019/ 06/14	3 years	2009 /11/30	3,317,625	1.65%	3,317,625	1.65%	—	—	—	—	Chairman of Tong Ming Enterprise Co., Ltd. Chairman and Director of Tong Ming Enterprise (Zhejiang) Co., Ltd	Director Representative and President	Tsai, Hung-Chuan	Father and son	
Director	BVI	Richard International Co., Ltd.	-	2019/ 06/14	3 years	2013/ 05/13	24,000,000	11.93%	24,000,000	11.93%	—	—	—	—	President of Tong Heer Resources Berhad Director Representative of Richard International Co., Ltd	Chairman	Tsai, Ching-Tung	Uncle and nephew	
	R.O.C.	Representative Tsai, Yi-Ting	Male 31-40	2019/ 06/14	3 years	2017/ 06/09	—	11.49%	23,15,486	11.49%	—	—	—	—	Vice President of Tong Heer Resources Berhad	—	—	—	
Director	Samoa	Tong One Holdings Limited.	—	2019/ 06/14	3 years	2013/ 05/13	24,000,000	11.93%	24,000,000	11.93%	—	—	—	—	President of Tong Ming Enterprise Co., Ltd. Legal representative, Director and President of Tong Ming Enterprise (Zhejiang) Co., Ltd	Chairman	Tsai, Ching-Tung	Father and son	
	R.O.C.	Representative Tsai, Hung-Chuan	Male 41-50	2019/ 06/14	3 years	2013/ 05/13	—	—	—	—	36,825,474	18.30%	—	—	Director of Tong One Holdings Limited Director of Tong Win International Co., LTD. Chairman of Winlink Fasteners Co., Ltd.	—	—	—	
Independent Director	R.O.C.	Wang, Shir-Kun	Male 61-70	2022/ 06/14	3 years	2022/ 06/14	—	—	—	—	—	—	—	National Cheng Kung University Institute of Industrial Management Director of Lijyi United Accounting Firm	Independent Director of Air Asia Company Limited	—	—	—	
Independent Director	R.O.C.	Yang, Po-Min	Male 41-50	2022/ 06/14	3 years	2022/ 06/14	—	—	—	—	—	—	—	MBA, University of Washington Chairman of Hydebo Capital (Shares) Company	Director of Cgs Sintermatonal Inc Independent Director of Meribank Biotech Co., Ltd Independent Director of Koryo Electronics Co., Ltd	—	—	—	
Independent Director	R.O.C.	Chen, Yung-Lung	Male 51-60	2022/ 06/14	3 years	2022/ 06/14	—	—	—	—	—	—	—	Bachelor of Accounting, Fu Jen Catholic University Chief Executive Officer of Ji Shun Xing (Vietnam) Co., Ltd	Independent Director of Bing Creation Co., Ltd Independent Director of Xianshuo Holdings Co., Ltd.	—	—	—	
Independent Director	R.O.C.	Chiu, Joum-Fu	Male 61-70	2023/06/07	3 years	2010/ 12/03	50,000	0.02%	50,000	0.02%	—	—	—	—	Chairman of Dongguan Construction Co., Ltd	—	—	—	

Note 1: When the Chairman of the Board also holds the position of General Manager or an equivalent role (the highest executive position) or when they are spouses or first-degree relatives, the reasons, rationale, necessity, and corresponding measures should be explained.

Note 2: The relationship between the chairman and the general manager of the company is a first-degree relative and is necessary for the current operation of the company. The company has increased the number of independent directors, and more than half of the directors do not hold executive positions, in order to strengthen the independence and transparency of corporate governance.

2. Principal shareholders of corporate shareholders:  
 (1) Principal shareholders of corporate shareholders

As of April 21, 2025

Corporate Shareholders	Principal Shareholders
Tong One Holdings Limited	Tsai, Chen Su-Kan 80% Tsai, Hung-Chuan 20%
Richard International Co., Ltd.	Tsai, Ming-Ti 70% Tsai, Yi-Ting 30%

(2) Principal shareholders of the principal shareholders that are juridical persons in the above table: None.

3. Professional qualifications and independence status of Directors and Supervisors:

condition	Professional qualifications and experience	Independence situation	Number of independent directors of other public companies
Name			
Tsai, Ching-Tung	For the professional qualifications and experience of directors, please refer to this annual report, information on board members (pages 7-8)	na	0
Richard International Co., Ltd. Tsai, Yi-Ting			0
Tong One Holdings Limited Tsai, Hung-Chuan	None of the directors has any of the conditions of Article 30 of the Company Law	All independent directors meet the following conditions: 1. Comply with the relevant provisions of Article 14-2 of the Securities and Exchange Act of the Financial Supervisory Commission and the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to Be Followed" (Note 2) 2. I (or in the name of others), spouse and minor children do not hold company shares 3. The amount of remuneration received from providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years	0
Wang, Shin-Kun			1
Yang, Po-Min			2
Chen, Yung-Lung			2
Chiu, Joun-Fu			0

Note 1: Professional qualifications and experience: state the professional qualifications and experience of individual directors and supervisors. If they are members of the audit committee and have accounting or financial expertise, their accounting or financial background and work experience should be stated, and whether they have not There are various matters in Article 30 of the Company Law.

Note 2: Independent directors should state their independence, including but not limited to whether they, their spouse, or relatives within the second degree of kin act as directors, supervisors or employees of the company or its affiliated companies; The number and proportion of the company's shares held by relatives (or in the name of others); whether he is a company that has a specific relationship with the company (refer to the establishment of independent directors of public companies and matters to be followed) The amount of remuneration received by the company or its affiliates for business, legal, financial, and other services in the last two years.

4. Board diversity and independence:

(1) Board Diversity Policy and implementation status of the board of directors

- A. To implement the Board Diversity Policy of Tong Ming Enterprise Co., Ltd.'s "Corporate Governance Best Practice Principles" states that, in order to create a healthy structure of the Board of Directors, composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two major aspects of standards:
- (a) Basic requirements and values: Gender, age, nationality, and culture.
  - (b) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
- B. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
- (a) The ability to make judgments about operations.
  - (b) Accounting and financial analysis ability.
  - (c) Business management ability.
  - (d) Crisis management ability.
  - (e) Knowledge of the industry.
  - (f) An international market perspective.
  - (g) Leadership ability.
  - (h) Decision-making ability.
- (2) The specific management objectives of the diversity of the board of directors:
- The board of directors of the company shall direct company strategies, supervise the management, and be responsible to the company and shareholders. The various procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the board of directors complies with laws, regulations, its articles of incorporation, and the resolutions of its shareholders meetings. Specific management objectives are as follows:
- (a) The Company's Board respects gender equality, where it ensures there is at least one female director on the Board.

- (b) The Company's Board prioritizes operational decision making, operation management, and crisis management capabilities, where it ensures at least 2/3 of the members of the Board possess relevant core abilities.
- (c) Independent directors may not serve more than three consecutive terms in order to stay independent.
- (d) The number of directors who are employees of the Company, its parent, subsidiary or sister company shall be less than (including) 1/3 of the total number of directors for the purpose of supervision.

Diversified projects Director's name	basic component				Industry experience and Professional ability							
	Country of Citizenship	gender	age	Part-time employee of the company	Management	international market	Industry knowledge	Marketing	Environmentally friendly green energy	Accounting	law	Risk Management
Tsai, Ching-Tung	R.O.C.	male	61-70	V	V	V	V	V				V
Richard International Co., Ltd. Tsai, Yi-Ting	R.O.C.	male	31-40	none	V	V	V	V				V
Tong One Holdings Limited Tsai, Hung-Chuan	R.O.C.	male	41-50	V	V	V	V	V				V
Wang, Shin-Kun	R.O.C.	male	61-70	none	V	V	V			V		V
Yang, Po-Min	R.O.C.	male	41-50	none	V	V	V	V				V
Chen, Yung-Lung	R.O.C.	male	51-60	none	V	V	V	V				V
Chiu, Joun-Fu	R.O.C.	male	61-70	none	V	V	V	V		V		V

### (3) Diversified Board Members Composition:

The directors of the company shall have the necessary knowledge, skills, accomplishments, industrial decision-making, and management capabilities to perform business, etc. The company also continues to arrange training courses for members of the Board of Directors to improve their capabilities of decision-making and supervision, thereby enhancing the performances of the board of directors.

The Board of Directors has 7 members, including 4 independent directors (accounting for 57.14% of the Board) to ensure the independent nature of the Board of Directors. There is 1 concurrent employee, accounting for 14.29% of the Board.

The Company expects to add one female director in the future to achieve our goal of gender equality.

The members of the Board of Directors are at least 1/3 of the members possess the relevant business execution capabilities for each of the 8 core items, and more than 80% of the members possess core capabilities for each of the 3 keys items including operational judgment, management and crisis management.

(II) President, Vice Presidents, Assistant Vice Presidents, and Managers of Departments and Branches  
1. This Company

As of April 21, 2025

Title	Name	Gender	Nationality	On-Board Date	Shareholding		Spouse and Minor Children		Nominee Arrangement		Education and Select Past Positions	Select Present Positions at other Companies	Managers who are Spouses or within Two Degrees of Kinship to Each Other			Comments
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	Tsai, Hung-Chuan	Male 41-50	R.O.C.	2009/11/30	—	—	—	—	36,825,474	18.30%	MBA, University of Washington President of Tong Ming Enterprise (Zhejiang) Co, Ltd	Director of Tong Ming Enterprise Co., Ltd. Legal representative, Director and President of Tong Ming Enterprise (Zhejiang) Co., Ltd Director of Tong One Holdings Limited Director of Tong Win International Co., LTD. Chairman of Winlink Fasteners Co., Ltd.	—	—	—	
Operation Management Center Vice President and Supervisor of Finance	Tsai, Cheng-Hsiung	Male 71-80	R.O.C.	2009/11/30	319,000	0.16%	—	—	—	—	MCS, Kaohsiung First University of Science and Technology Finance and Administration Manager of SAMPO CORP. Vice Finance President of Tong Ming Enterprise Co., Ltd	Director of Tong Ming Enterprise (Zhejiang) Co., Ltd Director of Tong Ming Trading Limited Director of Jiaxing Fuan Real Estate Development Co., Ltd. Director of Jiaxing Fudi Real Estate Development Co., Ltd. Director of Jiaxing Fumin Real Estate Development Co., Ltd. Director of Jiaxing Weihong Consulting Co., Ltd. Supervisor of Jiaxing Chunyou Precise Mould Co., Ltd. Supervisor of Winlink Fasteners Co., Ltd.	—	—	—	
Operation Management Center Vice President	Tsai, Chia-Yen	Female 41-50	R.O.C.	2023/5/13	—	—	—	—	10,400,000	5.17%	DM, University of Illinois at Urbana-Champaign	Director of Winlink Fasteners Co., Ltd. Director of Tong Ming Enterprise Co., Ltd	President	Tsai, Hung-Chuan	Siblings	
Accounting Supervisor and Corporate Governance Supervisor	Yen, Hsien-Ying	Male 51-60	R.O.C.	2014/08/11	—	—	15,000	0.01%	—	—	Bachelor of Accounting, Fu Jen Catholic University Internal Auditor of Carrefour Co., Ltd. Audit Department Manager of BDO Taiwan	None	—	—	—	
Supervisor of Internal Audit Office	Su, Chia-Yu	Female 41-50	R.O.C.	2014/08/11	7,000	—	—	—	—	—	Business Administration, Pingtung Institute of Commerce Sourcing Specialist of Tong Hwei Enterprise Co., Ltd. Section Manager of Winlink Fasteners Co., Ltd.	None	—	—	—	

## 2. Tong Ming Enterprise Co., Ltd

As of April 21, 2025

Title	Nationality	Name	Gender	On-Board Date	Shareholding		Spouse and Minor Children		Nominee Arrangement		Education and Select Past Positions	Select Present Positions at other Companies	Managers who are Spouses or within Two Degrees of Kinship to Each Other			Comments
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C.	Tsai, Hung-Chuan	Male 41-50	2009/11/30	-	-	-	-	36,825,474	18.30%	MBA, University of Washington	Director and President of Tong Ming Enterprise Co., Ltd. Director of Tong Ming Enterprise (Zhejiang) Co, Ltd Director of Tong One Holdings Limited Director of Tong Win International Co., LTD. Chairman of Winlink Fasteners Co., Ltd.	Vice President	Tsai, Chia-Yen	Siblings	
Vice President	R.O.C.	Tsai, Cheng-Hsiung	Male 71-80	2009/11/30	319,000	0.16%	-	-	-	-	MCS, Kaohsiung First University of Science and Technology Finance and Administration Manager of Sampo Corp.	Director of Tong Ming Enterprise Co., Ltd Director of Tong Ming Trading Limited Director of Jiaxing Fuan Real Estate Development Co., Ltd. Director of Jiaxing Fudi Real Estate Development Co., Ltd. Director of Jiaxing Fumin Real Estate Development Co., Ltd. Director of Jiaxing Weihong Consulting Co., Ltd. Supervisor of Jiaxing Chunyou Precise Mould Co., Ltd. Supervisor of Winlink Fasteners Co., Ltd. Operation Management Center Vice President and Finance Supervisor of Tong Ming Enterprise Co., Ltd.	-	-	-	
Vice President	R.O.C.	Tsai, Chia-Yen	Female 41-50	2013/5/1	-	-	-	-	10,400,000	5.17%	DM, University of Illinois at Urbana-Champaign	Director of Tong Ming Enterprise Co., Ltd President of Tonglink Enterprise Co., Ltd	President	Tsai, Hung-Chuan	Siblings	
Vice President	Canada	Michael Patrick Dewar	Male 41-50	2013/5/1	-	-	10,400,000	5.17%	-	-	DM, University of Illinois at Urbana-Champaign Postdoctoral Fellow, Queen's University	Deputy General Manager of Tonglink Enterprise Co., Ltd	President	Tsai, Hung-Chuan	Affinity	
													Vice President	Tsai, Chia-Yen	Spouse	

## II. Remuneration Paid to Directors, President, and Vice Presidents

### 1. Remuneration paid to Directors (including independent directors).

Unit: NTS 1,000

Title	Name	Remuneration to Directors						Compensation Earned by Being an Employee of Tong Ming or Tong Ming's Affiliated Entities				Total of A, B, C, D, E, F and G as a % of Net Income		Receive remuneration from a company other than a subsidiary for reinvestment business or from parent company								
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances (D)		Base Compensation, Bonus, Allowances, etc. (E)		Severance Pay and Pensions (F)			Employees Compensation (G)							
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities		Cash	Stock	The Company	From All Consolidated Entities				
Chairman	Tsai, Ching-Tung	240	240	0	0	120	120	30	30	0	390	0	0	0	0	0	390	3,498	0	(0.07%)	(0.60%)	0
Director	Richard Representative: Tsai, Yi-Ting	240	240	0	0	120	120	24	24	0	384	0	0	0	0	0	384	594	0	(0.07%)	(0.10%)	0
Director	Tong One Representative: Tsai, Hung-Chuan	240	240	0	0	120	120	30	30	1,200	390	0	0	0	0	0	1,590	5,898	0	(0.27%)	(1.02%)	0
Independent Director	Wang, Shin-Kun	240	240	0	0	120	120	30	30	0	390	0	0	0	0	0	390	390	0	(0.07%)	(0.07%)	0
Independent Director	Yang, Po-Min	240	240	0	0	120	120	24	24	0	384	0	0	0	0	0	384	384	0	(0.07%)	(0.07%)	0
Independent Director	Chen, Yung-Lung	240	240	0	0	120	120	30	30	0	390	0	0	0	0	0	390	390	0	(0.07%)	(0.07%)	0
Independent Director	Chiu, Joum-Fu	240	240	0	0	120	120	24	24	0	384	0	0	0	0	0	384	384	0	(0.07%)	(0.07%)	0

1. Please state the policy, system, standards, and structure of independent director remuneration, and describe the relevance to the amount of remuneration according to the responsibilities, risks, time invested, etc.: Reasonable. According to Article 91 of the Company Article state, the director compensation should less than five percent of the rest of the current year pre-tax income subtracts the employee compensation and director compensation.

2. Besides the above disclosure, the directors of the company have received remuneration for services by all companies in the financial report (such as serving as consultants for non-employees) in recent years: None.

Range of Remuneration to Directors	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	From the Company	From All Consolidated Entities	From the Company	From All Consolidated Entities
NT\$ 999,999 and under	Tsai, Ching-Tung Tsai, Hung-Chuan Tsai, Yi-Ting Wang, Shin-Kun Yang, Po-Min Chen, Yung-Lung Chiu, Joun-Fu	Tsai, Ching-Tung Tsai, Hung-Chuan Tsai, Yi-Ting Wang, Shin-Kun Yang, Po-Min Chen, Yung-Lung Chiu, Joun-Fu	Tsai, Ching-Tung Tsai, Yi-Ting Wang, Shin-Kun Yang, Po-Min Chen, Yung-Lung Chiu, Joun-Fu (	Tsai, Yi-Ting Wang, Shin-Kun Yang, Po-Min Chen, Yung-Lung Chiu, Joun-Fu
NT\$ 1,000,000 ~ NT\$ 1,999,999	—	Tsai, Hung-Chuan	—	—
NT\$ 2,000,000 ~ NT\$ 3,499,999	—	—	—	Tsai, Ching-Tung
NT\$ 3,500,000 ~ NT\$ 4,999,999	—	—	—	—
NT\$ 5,000,000 ~ NT\$ 9,999,999	—	—	—	Tsai, Hung-Chuan
NT\$ 10,000,000 ~ NT\$ 14,999,999	—	—	—	—
NT\$ 15,000,000 ~ NT\$ 29,999,999	—	—	—	—
NT\$ 30,000,000 ~ NT\$ 49,999,999	—	—	—	—
NT\$ 50,000,000 ~ NT\$ 99,999,999	—	—	—	—
NT\$ 100,000,000 and above	—	—	—	—
Total	7 persons	7 persons	7 persons	7persons

## 2. Remuneration paid to general manager and deputy general manager in the most recent year

Unit: NT\$ 1,000

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonus and Allowances (C)		Employee Compensation (D)				Total of A, B, C and D as a % of Net Income		Receive remuneration from a company other than a subsidiary for reinvestment business or from parent company
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	Cash	Stock	Cash	Stock	The Company	
President	Tsai, Hung-Chuan	1,200	5,508	0	0	0	0	0	0	0	0	1,200 (0.21%)	5,508 (0.95%)	0
Vice President	Tsai, Cheng-Hsiung	1,200	2,809	0	0	0	0	0	0	0	0	1,200 (0.21%)	2,809 (0.48%)	0
Vice President	Tsai, Chia-Yen	761	3,365	0	0	0	0	0	0	0	0	761 (0.13%)	3,365 (0.58%)	0
Vice President	Michael Patrick Dewar	0	2,604	0	0	0	0	0	0	0	0	0 (0.00%)	2,604 (0.45%)	0

Ranges	Name of President and Vice Presidents	
	From the Company	From All Consolidated Entities
NT\$ 999,999 and under	Tsai, Chia-Yen	—
NT\$ 1,000,000 ~ NT\$ 1,999,999	Tsai, Cheng-Hsiung Tsai, Hung-Chuan	—
NT\$ 2,000,000 ~ NT\$ 3,499,999	—	Tsai, Cheng-Hsiung Tsai, Chia-Yen Michael Patrick Dewar
NT\$ 3,500,000 ~ NT\$ 4,999,999	—	—
NT\$ 5,000,000 ~ NT\$ 9,999,999	—	Tsai, Hung-Chuan
NT\$ 10,000,000 ~ NT\$ 14,999,999	—	—
NT\$ 15,000,000 ~ NT\$ 29,999,999	—	—
NT\$ 30,000,000 ~ NT\$ 49,999,999	—	—
NT\$ 50,000,000 ~ NT\$ 99,999,999	—	—
NT\$ 100,000,000 and above	—	—
Total	4 persons	4 persons

### 3. The remuneration of the top five executives of listed companies

Unit: NT\$ 1,000

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonus and Allowances (C)		Employee Compensation (D)				Total of A, B, C and D as a % of Net Income		Receive remuneration from a company other than a subsidiary for reinvestment business or from parent company
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	
President	Tsai, Hung-Chuan	1,200	5,508	0	0	0	0	0	0	0	0	1,200 (0.21%)	5,508 (0.95%)	0
President	Ko, Wen-Ling	0	5,947	0	0	0	0	0	0	0	0	0	5,947 (1.03%)	0
Vice President	Tsai, Cheng-Hsiung	1,200	2,809	0	0	0	0	0	0	0	0	1,200 (0.21%)	2,809 (0.48%)	0
Vice President	Tsai, Chia-Yen	761	3,365	0	0	0	0	0	0	0	0	761 (0.13%)	3,365 (0.58%)	0
Vice President	Michael Patrick Dewar	0	2,604	0	0	0	0	0	0	0	0	0	2,604 (0.45%)	0

4. The name of the manager who distributes employee compensation and the situation of distribution:

December 31, 2024; Unit: NTS 1,000

	Job title (Note 1)	Name (Note 1)	stock amount	cash amount	cash amount	Proportion of total amount to net profit after tax (%)
manager	President	Tsai, Hung-Chuan	0	0	0	0
	Vice President	Tsai, Cheng-Hsiung				
	Vice President	Tsai, Chia-Yen				
	Vice President	Michael Patrick Dewar				
	Accounting Head	Yen, Hsien-Ying				

Note 1: Individual names and titles should be disclosed, but profit distribution may be disclosed in aggregate.

Note 2: Fill in the amount of employee remuneration (including stock and cash) that was approved by the board of directors to distribute to managers in the most recent year. If it is impossible to estimate, the proposed distribution amount for this year will be calculated in proportion to the actual distribution amount of the previous year. Net profit after tax refers to the net profit after tax of the most recent year; if IFRS has been adopted, net profit after tax refers to the net profit after tax of the individual or individual financial report of the most recent year.

Note 3: The scope of application of managers is as follows:

- (1) General Manager and equivalent
- (2) Deputy general manager and equivalent
- (3) Associate and equivalent level
- (4) Head of the financial department
- (5) Head of Accounting Department
- (6) Others who have the right to manage affairs and sign for the company

Note 4: If the directors, general managers and deputy general managers receive employee remuneration (including stock and cash), they should fill in this table in addition to the attached table 1-2

5. Analysis of remuneration and compensation paid to Directors, President, and Vice Presidents by the Company and all consolidated entities in 2023 and 2024 as a percentage of net income and explanation of the remuneration policy, standards, composition, procedures, and the correlation with operation performance and future risks are as follows:

1. Analysis of remuneration and compensation paid to Directors, Supervisors, President, and Vice Presidents in 2023 and 2024 as a percentage of consolidated net income:

Title	Amount of Remuneration and Compensation to Consolidated Net Income (%)			
	2024		2023	
	Amount	%	Amount	%
Director	2,712	0.47	2,760	2.03
Manager	14,286	2.46	10,887	7.99

2. Remuneration policy, standards, composition, procedures, and the correlation with operation performance and future risks:

A. The directors' remuneration of the Company is determined in accordance with Article 64 of the Articles of Incorporation, and their remuneration for duty execution is determined based on individual directors' participation and contributions and with reference to the industry standards; besides, when the Company makes a profit in the current year, no more than 5% of the profit shall be allocated to directors' remuneration in accordance with Article 91 of the Articles of Incorporation. The Company regularly evaluates directors' compensation in accordance with Board of Directors' Performance Evaluation Guidelines, and major evaluation items and ratios for directors' remuneration are as follows, and relevant performance evaluation and remuneration reasonability shall be reviewed by the Remuneration Committee and the Board of Directors:

(1) Directors' remuneration = Distributable directors' remuneration × Payout ratio from the performance evaluation of the directors

As shown in the performance rating results of the Board of Directors in 2023, directors' self-evaluation in various indexes was between 5 [Very satisfied] and 4 [Satisfied], showing that directors are positive about the operation efficiency and effects of every index. The scores of every aspect are shown in the table below:

Five major aspects of self-evaluation	Evaluation Item	Rating results
Participation in the operation of the company	12	4.17
Improving the quality of board decisions	12	4.33
Board composition and structure	7	4.57
Selection and continuing education of directors	7	4.29
Internal control	7	4.43

(2) In addition to the fixed monthly remuneration, the directors shall receive a monthly attendance fee based on the actual number of meetings attended.

With respect to managers' remuneration of the Company, various work allowances and bonuses are specified according to the Salary Scheme to show solicitude for and encourage employees' efforts and contributions in work, and relevant bonuses shall be verified and distributed according to the annual operating performance, financial situation, operating status and individual performance; besides, when the Company makes a profit in the current year, the profit ranging from 0% to 0.1% shall be allocated to employees' remuneration in accordance with Article 91 of the Articles of Incorporation.

The Company regards the performance evaluation results executed in accordance with the Performance Management Methods as a reference for the distribution of managers' bonus; managers' performance evaluation items contain: 1, Financial Index: the fulfillment ratio based on each manager's targets; 2, Non-financial Index: the practice of the Company's core values and operation management capacity, and participation in sustainable management; managers' remuneration of operation performance shall be calculated on this basis, and the remuneration system will be duly inspected at any time based on the actual operation situations and in accordance with relevant laws and regulations.

### III. Corporate Governance Implementation

#### (I) Operation of Board of Directors

##### 1. Directors and Independent Directors Attendance in Person (By Proxy) at Board Meetings

In total, five (A) Board Meetings were convened in 2024 and as of the publication of this annual report, with seven seats for Directors, of which four were for Independent Directors. The attendance status of the Directors in the Company is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Comments
Chairman	Tsai, Ching-Tung	5	0	100.00	No
Director	Richard International Co., Ltd. Representative: Tsai, Yi-Ting	4	1	80.00	No
Director	Tong One Holdings Limited Representative: Tsai, Hung-Chuan	5	0	100.00	No
Independent Director	Wang Shin-Kun	5	0	100.00	No
Independent Director	Yang Po-Min	5	0	85.71	No
Independent Director	Chen Yung-Lung	5	0	100.00	No
Independent Director	Chiu, Joun-Fu	3	2	60.00	No

Notes:

I. If any Board Meeting had any of the following cases, the date and session of the Board meeting, contents of motions, all Independent Directors' opinions, and actions taken by the Company regarding the opinions shall be specified:

(1) Matters specified in Article 14-3 of the Securities Exchange Act:

(1) Approved by the 7th 9th Board of Directors Meeting on March 14, 2024:

(a) Amendments to the 'Rules of Procedure for Shareholders' Meetings', 'Rules of Procedure for Board of Directors' Meetings' and 'Code of Business Conduct with Integrity of the Company

(b) Amendments to the 'Board of Directors Continuance Evaluation Determination Act'.

Resolution: The motions listed above were approved by the Board of Directors.

(2) Approved by the 7th 10th Board of Directors Meeting on May 13, 2024

(a) Amendments to the 'Rules and Regulations Governing the Organisation of the Audit Committee' and the 'Regulations on the Exercise of Functions and Powers of the Audit Committee'.

Resolution: The motions listed above were approved by the Board of Directors.

(3) Approved by the 7th 12th Board of Directors Meeting on November 12, 2024:

(a) Amendments to the 'Audit Committee Organisational Procedures', 'Code of Corporate Governance Practices' and 'Internal Audit System'.

(b) Establishment of 'Sustainable Information Management Operating Procedures' and 'Controlled Operations for Sustainable Information Management'.

Resolution: The motions listed above were approved by the Board of Directors.

(4) Approved by the 7th 13th Board of Directors Meeting on March 14, 2025:

(a) Amendment to the Articles of Association

Resolution: The motions listed above were approved by the Board of Directors.

- (II) Cept for the items specified above, other resolutions on which an Independent Director expressed an objection or reservation, either by recorded statement or in writing: None. The number of times to attend is 2.
- (III) All Independent Directors' opinions and actions taken by the Company regarding such opinions: None. The number of attendances should be 5 times.
- IV. For situations where Directors recuse themselves from any motion due to a conflict of interest, the Directors' names, contents of motions, causes for the recusal, and participation in voting shall be specified: None.
- V. Objectives of strengthening the functionality of the Board of Directors (i.e. To establish the Audit Committee and increase the information transparency) in the current year and the most recent year and evaluation of the execution thereof:  
 The Company approved the establishment of the Audit Committee and Compensation Committee on June 10, 2013 and created the "Charter of the Audit Committee" and "Charter of the Compensation Committee" to strengthen the function of the Board of Directors, while the auditors of the Company shall periodically submit the audit report to Directors to increase the information transparency and disclose related information on the website pursuant to laws and regulations.

## 2.Evaluation of Board of Directors

Evaluation Frequency	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Performed every three years	2023/1/1~2023/12/31	Performance evaluation of the Board of Directors, individual Board members and functional committees.	According to the provisions of the Company's "Board of Directors' Performance Evaluation Guidelines", the performance evaluation of the Board of Directors shall be conducted at least every three years by an external professional and independent organization or a team of external experts and scholars. The external evaluation was executed by the "Chinn Management Consultant Co." in 2023, and the association and the executive experts have no business dealings with the Company and are independent. The former association conducted self-assessment by the company through an open questionnaire, and after the evaluation committee reviewed the relevant documents provided by the company, three evaluation committee members were appointed to conduct a video interview with the Chairman of the Board of Directors, Convener of the Functional Committee of the Board of Directors, General Manager, Corporate Governance Director, and Audit Director of our Company on March 14, 2024.	The operation of our Company's board of directors are reviewed from eight major aspects: composition of the board of directors, guidance of the board of directors, authorization of the board of directors, supervision of the board of directors, communication of the board of directors, internal control and risk management, self-discipline of the board of directors, and other aspects such as board meetings and support systems. The results of the Board of Directors' performance evaluation were presented to the 9th meeting of the 7th session of the Board of Directors on March 14, 2024 as a basis for review and improvement. The contents of the evaluation, the method of evaluation, the status of implementation and the results of the evaluation have been disclosed on the Company's website at <a href="https://www.tonggroup.com.tw">https://www.tonggroup.com.tw</a>
Once per year	2024/1/1~2024/12/31	Performance evaluation of the Board of Directors, individual Board members and functional committees.	Performance evaluation by internal board self-evaluation, self-evaluation by board members, self-evaluation by peers, appointment of external professional bodies, experts or other appropriate means.	(I) The evaluation aspects of board members include: There are 23 items in 6 major categories: mastery of corporate goals and tasks, awareness of directors' responsibilities, participation in corporate operations, internal relations and communication, professionalism and continuing education of directors, as well as internal control.

Evaluation Frequency	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
				<p>(II) The evaluation aspects of each functional committee include: There are 22-25 items in 5 major categories: participation in the company's operation, awareness of functional committee responsibilities, improvement of the quality of functional committee decisions, composition and selection of functional committee members, and internal control.</p> <p>(III) The evaluation aspects of board of director include: There are 45 items in 5 major categories: participation in company operations, improving the quality of board decisions, board composition and structure, selection and continuing education of directors, and internal control.</p> <p>The results of the Board of Directors' performance evaluation were presented to the 13th meeting of the 7th session of the Board of Directors on March 14, 2025 as a basis for review</p> <p>The contents of the evaluation, the method of evaluation, the status of implementation and the results of the evaluation have been disclosed on the Company's website at <a href="https://www.tonggroup.com.tw">https://www.tonggroup.com.tw</a></p>

### 3. Continuing Education of Directors and Supervisors

Title	Name	Date of Study	Organizer	Course	Hours
Director	Tsai, Ching-Tung	2024/08/22	Taiwan Corporate Governance Association	Analysis of the International IFRS Sustainability Disclosure Standards and Corporate Countermeasures	3.0
Corporate Director Representative	Tsai, Hung-Chuan	2024/08/22	Taiwan Corporate Governance Association	Analysis of the International IFRS Sustainability Disclosure Standards and Corporate Countermeasures	3.0
Corporate Director Representative	Tsai, Yi-Ting	2024/08/22	Taiwan Corporate Governance Association	Analysis of the International IFRS Sustainability Disclosure Standards and Corporate Countermeasures	3.0
Independent Director	Wang Shin-Kun	2024/08/22	Taiwan Corporate Governance Association	Analysis of the International IFRS Sustainability Disclosure Standards and Corporate Countermeasures	3.0
Independent Director	Yang Po-Min	2024/08/22	Taiwan Corporate Governance Association	Analysis of the International IFRS Sustainability Disclosure Standards and Corporate Countermeasures	3.0
Independent Director	Chen Yung-Lung	2024/08/22	Taiwan Corporate Governance Association	Analysis of the International IFRS Sustainability Disclosure Standards and Corporate Countermeasures	3.0

Title	Name	Date of Study	Organizer	Course	Hours
Independent Director	Chiu, Joun-Fu	2024/08/22	Taiwan Corporate Governance Association	Analysis of the International IFRS Sustainability Disclosure Standards and Corporate Countermeasures	3.0
Director	Tsai, Ching-Tung	2024/11/12	Taiwan Corporate Governance Association	Code of Business Ethics and how to avoid stepping on the red line of directors' and supervisors' responsibilities inadvertently	3.0
Corporate Director Representative	Tsai, Hung-Chuan	2024/11/12	Taiwan Corporate Governance Association	Code of Business Ethics and how to avoid stepping on the red line of directors' and supervisors' responsibilities inadvertently	3.0
Corporate Director Representative	Tsai, Yi-Ting	2024/11/12	Taiwan Corporate Governance Association	Code of Business Ethics and how to avoid stepping on the red line of directors' and supervisors' responsibilities inadvertently	3.0
Independent Director	Wang Shin-Kun	2024/11/12	Taiwan Corporate Governance Association	Code of Business Ethics and how to avoid stepping on the red line of directors' and supervisors' responsibilities inadvertently	3.0
Independent Director	Yang Po-Min	2024/11/12	Taiwan Corporate Governance Association	Code of Business Ethics and how to avoid stepping on the red line of directors' and supervisors' responsibilities inadvertently	3.0
Independent Director	Chen Yung-Lung	2024/11/12	Taiwan Corporate Governance Association	Code of Business Ethics and how to avoid stepping on the red line of directors' and supervisors' responsibilities inadvertently	3.0
Independent Director	Chiu, Joun-Fu	2024/11/12	Taiwan Corporate Governance Association	Code of Business Ethics and how to avoid stepping on the red line of directors' and supervisors' responsibilities inadvertently	3.0

## (II) Operation of Audit Committee

In total, five (A) Audit Committee meetings were convened in 2024 and as of the publication of this annual report, and the attendance status is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Comments
Independent Director	Wang Shin-Kun	5	0	100.00	No
Independent Director	Yang Po-Min	5	0	100.00	No
Independent Director	Chen Yung-Lung	5	0	100.00	No
Independent Director	Chiu, Joun-Fu	3	2	60.00	No
Notes:					
<p>1. If the Audit Committee has any of the following cases, the date and session of the Board meeting, contents of motions, resolution of the Audit Committee, and actions taken by the Company regarding the opinions of the Audit Committee shall be specified:</p> <p>(1) Matters specified in Article 14-5 of the Securities Exchange Act:</p> <p>(1). Approved by the 7th 9th Board of Directors Meeting on March 14, 2024:</p> <p>(a) Amendments to the 'Rules of Procedure for Shareholders' Meetings', 'Rules of Procedure for Board of Directors' Meetings', and the 'Code of Business Conduct with Corporate Integrity'.</p> <p>(b) Amendments to the 'Board of Directors Continuance Evaluation Determination Act'.</p> <p>Resolution: The motions listed above were approved by the Board of Directors.</p> <p>(2) Approved by the 7th 8th Board of Directors Meeting on May 13, 2024</p> <p>(a) Amendments to the 'Rules for the organisation of the Audit Committee' and the 'Rules for the exercise of duties and powers by the Audit Committee'.</p> <p>Resolution: The motions listed above were approved by the Board of Directors.</p> <p>(3) Approved by the 7th 9th Board of Directors Meeting on November 12, 2024:</p> <p>(a) Amendments to the 'Audit Committee Organisational Procedures', 'Code of Corporate Governance Practices' and 'Internal Audit System'.</p> <p>(b) Establishment of 'Sustainable Information Management Operating Procedures' and 'Controlled Operations for Sustainable Information Management'.</p>					

Resolution: The motions listed above were approved by the Board of Directors.

(4) Approved by the 7th 13th Board of Directors Meeting on March 14, 2025:

(a) Amendment to the Articles of Association

Resolution: The motions listed above were approved by the Board of Directors.

(2) Except for the aforementioned items, resolutions that were not approved by the Audit Committee but were approved by two-thirds or more of all Directors: None.

(3) Actions taken by the Company regarding such opinions of the Audit Committee: None.

2. For situations where Independent Directors recuse themselves from any motion due to a conflict of interest, the Independent Directors' names, contents of motions, causes for the recusal, and participation in voting shall be specified: None.

3. Communications between the Independent Directors, the internal audit supervisor, and CPAs (including important issues concerning the finance and business of the Company and the means and outcomes of communication).

(1) In addition to regularly communicating with the members of the Audit Committee for the results of audit reports, the internal audit supervisor shall report the internal audit status in the Audit Committee meeting on a quarterly basis and will also report to the members of the Audit Committee in a timely manner in the case of any special circumstances. No such special circumstances occurred in 2024

(2) CPAs of the Company shall report the audit results of financial statements in the Audit Committee meeting on a quarterly basis and will also report to the members of the Audit Committee in a timely manner in the case of any special circumstances. No such special circumstances occurred in 2024

(III) Implementation of Corporate Governance Practices and Non-compliance with Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
I. Does the Company follow "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" to establish and disclose its corporate governance practices?	V		The Company has formulated the Corporate Governance Principles and Practice according to the "Corporate Governance Best-Practice Principles for TWSE- TPEX-listed Companies", and were disclosed on the Company's website.	No major non-compliance
II. Ownership structure and shareholders' rights				
(1) Does the Company have internal operation procedures to handle shareholders' suggestions, concerns, disputes, and litigations? If yes, have these procedures been implemented accordingly?	V		(1) The Company has entrusted a dedicated stock affair agent in Taiwan for related issues and a spokesman and acting spokesman for shareholders' proposals.	No major non-compliance
(2) Does the Company possess a list of major shareholders and ultimate owners of these major shareholders?	V		(2) The Company properly knows the shareholding situation of Directors, managers, and major shareholders holding 10% or more of the shares.	
(3) Has the Company created and executed a risk management system and firewall between itself and affiliates?	V		(3) The assets, rights, and liabilities of financial management are independent for each affiliated company. The Company has established related management rules with affiliated companies for it.	
(4) Does the Company have internal rules to prevent insiders from using undisclosed information to trade securities?	V		(4) The company has formulated the "Internal Material Information Processing and Insider Trading Prevention Management Operation Procedures" to strengthen the corporate culture and insider stock trading control measures to prevent insider trading.	

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
<p>III. Composition and duties of the Board of Directors</p> <p>(1) Has the Company established a diversification policy for the composition of its Board of Directors and has it been implemented accordingly?</p> <p>(2) Other than the Compensation and Audit Committees, which are required by law, does the Company plan to set up other functional committees?</p> <p>(3) Does the Company establish a Board of Directors' performance evaluation rule and its evaluation method, conduct performance evaluation annually and regularly, and report the results of performance evaluation to the Board of Directors, and use individual directors' remuneration and nomination as reference?</p> <p>(4) Does the Company periodically evaluate the independence of its CPAs?</p>	V		<p>(1) The company advocates and respects the policy of director diversity. In order to strengthen corporate governance and promote the sound development of the composition and structure of the board of directors, it is believed that the diversity policy will help improve the company's overall performance. The members of the board of directors are selected based on the principle of meritocracy and have diverse and complementary capabilities across industry fields, including basic composition (such as age, gender, nationality, etc.), and each has industry experience and related skills (such as: finance, accounting, Law, information technology and public welfare, etc.), as well as business judgment, business management, leadership decision-making and crisis management capabilities. In order to strengthen the functions of the board of directors and achieve the ideal goals of corporate governance, Article 20 of the company's "Corporate Governance Code" clearly states the capabilities that the entire board of directors should possess. For relevant explanations, please see Director Diversity and Independence on page 7-8.</p> <p>(2) The Company has set up the Audit and Compensation Committee, each of which consists of three Independent Directors. As for other functional committees, the Board of Direction will authorize to set them up separately as per request in the future.</p> <p>(3) In order to improve our corporate governance, the Company's Regulations for the Board of Directors' Performance Appraisal stipulates that the Board of Directors of the Company shall conduct a performance evaluation at least once a year using questionnaires for self-evaluation, and report the results of the performance evaluation to the board of directors and disclose them on the company's website.</p> <p>(4) Before the company selects an accountant every year, its independence and suitability must be reviewed and resolved by the audit committee and the board of directors. In addition, the certified accountant is required to provide a "Declaration of Detachment of Independence" and "Audit Quality Indicators (AQIs)". The company confirms that the accountant has no other financial interests and business relationships with the company except for visa and financial tax case fees. The accountant's family The appointment and fees of accountants can only be reviewed after members have not violated independence requirements. Accountant independence assessment items include Note 1 and Note 2</p>	No major non-compliance
<p>IV. Has the Company established an exclusively (or concurrently) dedicated corporate governance unit or personnel to handle matters pertaining to corporate governance (including but not limited to providing information required for</p>	V		<p>On March 16, 2021, the Company's Board of Directors appointed the Head of Corporate Governance to be responsible for corporate governance-related matters and to coordinate with other departments on corporate governance matters. In addition, the shareholder affairs department is responsible for matters related to the board of directors' and shareholders' meetings, registration of companies and</p>	No major non-compliance

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
business execution by directors and supervisors, handling matters relating to board meetings and shareholders' meetings according to laws and regulations, handling corporate registration and amendment registration, producing minutes of board meetings and shareholders' meeti			changes in registration, and preparation of minutes of board of directors' and shareholders' meetings.	
V. Has the Company established a communication channel with its stakeholders (including but not limited to shareholders, employees, customers, and suppliers) and created a stakeholder section on the Company's website to respond to their questions on corporate social responsibilities?	V		The Company has a spokesman and acting spokesman, as well as a litigation and non-litigation agent in the R.O.C. to inquire about the operation status or related rights issues with its stakeholders as investors. A stakeholder section has also been created on the website, and stakeholders can contact the Company via telephone, paper, fax, and e-mail at any time.	No major non-compliance
VI. Has the Company appointed a professional registrar to organize the Shareholders' Meetings?	V		The Company has appointed the stock management service department of KGI Securities to manage issues related to shareholders and has assigned professional personnel to handle stock affairs.	No major non-compliance
VII. Information disclosure (1) Does the Company have a website that discloses financial business and corporate governance information?	V		(1) The Company discloses corporate information through the website in Chinese, and information about finances, business, and corporate governance can be queried on MOPS.	No major non-compliance
(2) Does the Company use other information disclosure methods (e.g., setting up an English website, designating a person to collect and disclose company information, implementing a spokesperson system, placing the Company's website in the process of the institutional investor conference, etc.)? (3) Does the Company announce and report its annual financial report within two months after the end of the fiscal year, and announce and report its first, second and third quarter financial reports and operating status for each month well in advance of the required deadline?	V		(2) The Company has a spokesman and acting spokesman for information collection and disclosure and as a bridge of external communication and irregularly holds investor conferences to increase information transparency. The content of such investor conferences will be placed on the Company's official website and MOPS website.  (3) The Company announces and reports its financial reports for each period in accordance with the requirements of the competent authorities.	No major non-compliance
VIII. Does the Company have other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employees' rights and welfare, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, the implementation of risk management policies and	V		(1) Employees' rights and welfare: Excellent employees are the Company's most valuable asset. The Company expects every employee to endeavor toward the development of the Company with a high sense of responsibility while creating a good work environment for the employees and providing them with welfare, training, and opportunities for advancement. (2) Investor relations: The Company has setup a spokesman system and a litigant and non-litigant agent in the R.O.C. to get information about company operations and issues related to rights for investors,	No major non-compliance

Assessment Item	Status			Non-compliance and Reasons
	Yes	No	Description	
risk evaluation measures, the implementation of customer relations policies, and insurance for directors and supervisors provided by the Company)?			<p>customers, suppliers, and stakeholders. Meanwhile, the Company discloses significant financial information on the MOPS website as regulated, as well as such information that may influence the decision-making of investors.</p> <p>(3) Stakeholder rights: The Company maintains smooth communication with the dealing banks, employees, customers, and suppliers, respecting and ensuring their due legal rights. In addition to setting up a spokesman system and litigant and non-litigant agent, the Company also honestly discloses highly transparent financial information for the stakeholders pursuant to regulations.</p> <p>(4) Continuing education of Directors and Supervisors: The Company has appointed Taiwan Corporate Governance Association and invites securities underwriters to give corporate governance lessons, as well as applies the Security Act of the R.O.C. to the Directors and Supervisors for a better understanding of their own responsibilities.</p> <p>(5) Risk management policy and risk measurement standards: The Company has set up an internal control system and relevant regulations and implements the policy and regulations accordingly.</p> <p>(6) Customer policy implementation: The Company has set up a customer service department with designated personnel for after-sales service, and customers can submit complains via paper, e-mail, or telephone, which will be tracked and managed to ensure their rights and benefits.</p> <p>(7) The Company has bought liability insurance for all directors and key persons with a cumulative liability limit of US\$2 million. The Company no longer has the Supervisor position.</p>	
IX. The improvement status for the outcome of Corporate Governance Evaluation announced by Taiwan Stock Exchange Corporate Governance Center and the priority of pending issues.	V		<p>(1) In 2021, the Company establishes a corporate governance officer to be responsible for corporate governance-related matters and will explain the operation and execution of this unit in the annual report and on the Company's website.</p> <p>(2) In 2021, the Company will publish significant information in Chinese and simultaneously in English.</p>	

Note 1 : Items for assessment of the CPA's independence

Appraisal Items	Results	Compliant with Independence?
The CPA and/or any of his/her family members has/have no direct or indirect significant financial interest in the Company.	YES	YES
The CPA and/or any of his/her family members has/have no financing or guarantee relations with the Company or its directors.	YES	YES
The CPA and/or any of his/her family members has/have no commercial relations with the Company, or any of its directors or managers.	YES	YES
Currently or in the most recent two years, the CPA does/did not hold any posts in the Company, such as the director, manager or any post which significantly influences the auditing work, neither did company promise its CPA any foregoing post.	YES	YES
The CPA did not receive from the Company or its directors, managers, or major shareholders any offer or gift, the value of which exceeds the usual social etiquette standards.	YES	YES
The CPA's audit team has implemented the necessary procedures regarding independence/conflicts of interests without any violation of the independence or any unsettled conflict of interests	YES	YES
<p>Note: Family members: They mean the CPA's spouse (or cohabitant), minors or other dependents. Audit period: It usually begins from the date on which the members of the audit team start auditing and ends on the date when the audit report is issued. If the audit case is cyclical, the cycle period belongs to the audit period.</p>		

Note 2 : Qualification Assessment Form for Independent Auditor:

Appraisal Items	Results
The independent auditor completed the company's financial reports for each period as scheduled and verified the accuracy of the report and preparation	YES
Whether the independent auditor interacts frequently with company management personnel (internal auditors, etc.) and leaves records	YES
Whether the independent auditor interacts frequently with company management personnel (internal auditors, etc.) and leaves records Whether the accountant has appropriate interactions with the audit committee and keeps records before audit planning and issuing audit opinions	YES
Whether the independent auditor makes positive suggestions on the company's system and internal control audit and leaves records	YES
Regularly proactively update the company on tax and securities regulations and update and revise IFRS accounting standards	YES
Communication and responses to questions asked	YES
Assist in communication and coordination with competent authorities	YES

(IV) In case the Company has a Compensation Committee, the composition, duties, and operation shall be disclosed.

### 1. Members of the Compensation Committee

separate Name	condition	Professional qualifications and experience	Independence situation	Number of independent directors of other public companies
independent director	Wang Shin-Kun	For the professional qualifications and experience of directors, please refer to this annual report, information on board members (pages7-8)  None of the directors has any of the conditions of Article 30 of the Company Law	All independent directors meet the following conditions: 1. Comply with the relevant provisions of Article 14-2 of the Securities and Exchange Act of the Financial Supervisory Commission and the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to Be Followed" (Note 2) 2. I (or in the name of others), spouse and minor children do not hold company shares 3. The amount of remuneration received from providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years	1
independent director	Yang Po-Min			2
independent director	Chen Yung-Lung			2
independent director	Chiu, Joun-Fu			0

Note 1: Please specify the years of service, professional qualifications and experience, and independence of each member of the Compensation Committee in the table. Please indicate whether you are an independent director or other (if you are the convenor, please add a note).

Note 2: Professional Qualifications and Experience: Describe the professional qualifications and experience of individual Compensation Committee members.

Note 3: Independence: Indicate the independence of the members of the Compensation Committee, including, but not limited to, whether or not he/she, his/her spouse, or his/her relatives within the second degree of kinship are directors, supervisors, or employees of the Company or its affiliates; the number of shares of the Company held by himself/herself, his/her spouse, or his/her relatives within the second degree of kinship (or using the name of another person) and their weighting in the shares of the Company; whether or not they are directors, supervisors or employees of the Company or its affiliates that have a specific relationship with the Company (with reference to the companies whose shares are listed on the stock exchanges or traded on the stock market); and whether they have provided information in the last 2 years on the independence of the Compensation Committee members. Whether or not he/she is a director, supervisor, or employee of a company with which the Company has a specific relationship (as defined in Article 6, Paragraph 1, Items 5-8 of the Regulations Governing the Establishment and Exercise of the Compensation Committee of a Company Listed on the Stock Exchange or Traded on the Stock Exchange); and the amount of compensation received in the last two years for providing the Company's or its affiliates' commercial, legal, financial, and accounting services.

### 2. Duties of the Remuneration Committee

The Committee shall faithfully perform its duties as set forth in the Articles of Association with the care of a good administrator and submit its recommendations to the Board of Directors for discussion.

(1) To establish and periodically review the policies, systems, standards and structures for performance evaluation and compensation of directors and managers.

(2) Evaluate and determine the compensation of directors and managers on a regular basis.

The Compensation Committee shall be convened by the convenor at least twice a year and may meet as often as necessary.

### 3. Operation of the Compensation Committee

(1) The Company's Compensation Committee comprises Four members.

(2) Term: June 14, 2022~ June 13, 2025. The Compensation Committee held Six (A) Member qualifications and attendance status are as follows:

Title	Name	Attendance In Person (B)	By Proxy	Actual Attendance Rate (%) (B/A) (Note)	Comments
Convener	Wang Shin-Kun	6	0	100%	No
Member	Yang Po-Min	5	1	83.33%	No
Member	Chen Yung-Lung	6	0	100%	No
Member	Chiu, Joun-Fu	4	2	66.67%	

Notes:

- I. The date and session of the Board Meeting, contents, resolution, and implemented measures concerning the recommendation of the Compensation Committees shall be stated if the recommendation of the Compensation Committee is not adopted or is revised by the Board of Directors (For example, if the compensation passed by the Board of Directors is higher than the recommendation of the Compensation Committee, the discrepancy and reason therefor shall be stated): N/A.
- II. The date and session of the Compensation Committee meeting, contents, opinions of all members, and implemented measures shall be stated if any objections or opinion indicates reservations about the resolution of the meeting with records or stated in writing: N/A.

(V) Implementation of promoting sustainable development and differences and reasons from the code of practice for sustainable development of listed companies

Promotion items	Actual Implementation (Note 1)			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
I. Has the Company established a governance structure to promote sustainable development and set up a dedicated (or part-time) unit to promote sustainable development, which unit is handled by senior management as authorized by the Board of Directors? And how does the board of directors supervise the same?	V		The Company has established the ESG Committee, the Deputy General Manager serves as the Director and colleagues from other departments inside the Group are members, and there are functional groups in the Committee; through jointly inspecting the Company's operational strategies and capacities with senior supervisors in different fields, the ESG Committee sets medium-term and long-term sustainable development plans. The ESG Committee reports the sustainability implementation achievements and future work plans to the Board of Directors at least once every year, and the proposal contents include (1) identifying sustainability issues that require attention and formulating corresponding action plans; (2) goals and policy revisions of sustainability-related issues; (3) supervising the implementation of sustainable management matters and evaluating the implementation. The Board of Directors will also evaluate the success	No major non-compliance

Promotion items	Actual Implementation (Note 1)			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor									
	Yes	No	Summary description										
			of the strategies and the progress of the implementation, and will urge for adjustments when necessary. The Board of Directors inspects the strategies and target progress irregularly, and urges the Company to adjust direction when necessary to meet stakeholders' expectations and be aligned with the global community.										
II. Does the Company conduct risk assessments of environmental, social and corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies in accordance with the principle of materiality? (Note 2)		V	Please refer to Schedule 1 for details.	No major non-compliance									
III. Environmental Issues	V		(1) When promoting environmental protection business, our company must not only comply with relevant laws and regulations, but also be in line with international development trends. In response to international trends and customer requirements, the company's business units have established environmental management systems, obtained ISO14001 certification, and continue to promote the company's environmentally sustainable development	No major non-compliance									
(1) Has the Company established a proper environmental management system based on the characteristics of its industry?													
(2) Has the company made efforts to improve the efficiency of resources utilization and use recycled materials which have a low impact	V		(2) The company systematically manages the group's energy use by introducing the ISO50001 energy management system and passing third-party verification, and continuously improves the utilization efficiency of various resources and the recycling and reuse of raw materials.	No major non-compliance									
(3) Has the company assessed the current and future potential risks and opportunities of climate change for the business and taken measures to address climate related issues?	V		(3) The company follows the TCFD proposal framework to assess the risks and opportunities of climate change for the company. Details can be found in the environmental chapter of the company's sustainability report and the company's website.	No major non-compliance									
(4) Has the Company compiled statistics on greenhouse gas (GHG) emissions, water consumption and total weight of waste in the past two years, and formulated policies on energy conservation, carbon reduction, GHG reduction, water consumption reduction or other waste management?	V		(4) The Company's statistics are as follows: <u>Greenhouse gas emissions:</u> (Unit: metric tons CO2e)	No major non-compliance									
			<table border="1"> <thead> <tr> <th>Year</th> <th>Area I</th> <th>Area II</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>2,597</td> <td>14,850</td> </tr> <tr> <td>2023</td> <td>1,425</td> <td>12,912</td> </tr> </tbody> </table>	Year	Area I	Area II	2024	2,597	14,850	2023	1,425	12,912	
Year	Area I	Area II											
2024	2,597	14,850											
2023	1,425	12,912											
			Short-term target: The greenhouse gas emission from unit energy consumption										

Promotion items	Actual Implementation (Note 1)			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor															
	Yes	No	Summary description																
			<p>declines by 1~2% (Scope 1 + Scope 2)</p> <p>Long-term targets: 1. The cumulative greenhouse gas emission from unit energy consumption declines by 5~10% Carbon neutrality is forecast to be the target in the future.</p> <p><u>water consumption</u> (Unit : ML)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>water intake</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>244, 096</td> </tr> <tr> <td>2023</td> <td>172, 528</td> </tr> </tbody> </table> <p>Short-term target: the unit water consumption of fastener products declines by 3%, and the water consumption target is 1.27 ton/ton of fasteners</p> <p>Long-term targets: 1. The ratio of reclaimed water reaches 15%; The total water discharge is no more than 190,000 tons.</p> <p><u>Waste Generation (Unit: tons)</u></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Stretching Powder</th> <th>Hazardous waste</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>31</td> <td>2, 028</td> </tr> <tr> <td>2023</td> <td>28</td> <td>1, 806</td> </tr> </tbody> </table> <p>Short-term targets: 1. The hazardous waste disposal rate is 100% 2. The recycling rate of waste oil is 93%</p> <p>Long-term targets: 1. Waste oil recycling. 2. The sludge per tone of waste water declines by 20~25%.</p>	Year	water intake	2024	244, 096	2023	172, 528	Year	Stretching Powder	Hazardous waste	2024	31	2, 028	2023	28	1, 806	
Year	water intake																		
2024	244, 096																		
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Year	Stretching Powder	Hazardous waste																	
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<p>IV. Social Issues</p> <p>(1) Has the Company established its management policies and procedures in accordance with relevant laws, regulations, as well as international conventions regarding human rights?</p>	V		<p>(1) The company abides by the laws and regulations of each operating base around the world, is committed to safeguarding the basic human rights of employees, and protecting the legitimate rights and interests of employees. It supports and abides by the United Nations Universal Declaration of Human Rights, the United Nations Global Covenant, the International Labor Convention and other internationally recognized laws and regulations. Human rights conventions and standards establish the spirit of treating and respecting all employees fairly, reasonably, and kindly, and treating and respecting all colleagues with dignity, including</p>	No major non-compliance															

Promotion items	Actual Implementation (Note 1)			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
(2) Has the company established and implemented reasonable employee benefit measures (including compensation, vacation and other benefits) and properly reflected operating performance or results in employee compensation?	V		<p>full-time employees, temporary employees, immigrant employees, interns, contracted personnel, etc., and will This spirit is extended to partners.</p> <p>(2) The company has always treated its employees with sincerity and established a good relationship of mutual trust and mutual dependence with its employees through a welfare system that enriches and stabilizes employees' lives and a good education and training system. The company complies with relevant labor laws and regulations, protects the reasonable rights and interests of employees, provides employees with a safe and healthy working environment, and appropriately reflects operating performance in employee remuneration.</p>	No major non-compliance
(3) Has the company provided a safe and healthy work environment for employees and provided education on safety and health for employees on a regular basis?	V		<p>(3) The company establishes occupational safety and health policies, regulations and plans, pursues zero injuries, zero occupational diseases, and zero accidents, and introduces the ISO 45001 occupational safety and health management system for verification.</p>	No major non-compliance
(4) Has the company established an effective career development and capability training program for its employees?	V		<p>(4) The company has formulated education and training methods and encourages employees to cooperate with the company's operational development and perform relevant functional training.</p>	No major non-compliance
(5) Does the Company comply with relevant regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of its products and services, and has it formulated relevant policies and complaint procedures to protect consumer rights?	V		<p>(5) The company's marketing and labeling of products are carried out in accordance with relevant laws, regulations and international standards.</p>	No major non-compliance
(6) Does the company have a supplier management policy requiring suppliers to comply with relevant regulations governing environmental protection, occupational safety and health, or human rights in the workplace, and how is it implemented?	V		<p>(6) The company has always adhered to the belief of sustainable management to grow together with its supplier partners, continue to deepen cooperative relationships, and promote concepts such as environmental protection, health and safety, and ethics to be extended to the upstream and downstream of the supply chain; with the power of purchasers exert a positive influence on suppliers and jointly create a high-quality business model that takes into account various corporate social responsibilities. When facing</p>	No major non-compliance

Promotion items	Actual Implementation (Note 1)			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			suppliers, in addition to basic quality and delivery requirements, we also hope that manufacturers can pay attention to and implement labor, health and safety, environmental protection, ethics, and management systems to jointly create a green supply chain and excellent labor environment.	
V. Did the Company make reference to international standards or guidelines for the preparation of reports in preparing its sustainability reports and other reports that disclose non-financial information about the Company? Did the Company obtain a third-party certification agency's confirmation or assurance opinion on said reports?	V		The company's sustainability report is prepared with reference to the Global Reporting Initiative (GRI) GRI-Standard Sustainability Reporting Standards. The aforementioned report will be confirmed by a third-party verification unit depending on the situation in the future.	No major non-compliance
VI. If your company has established sustainable development principles based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe differences between the principles and their implementation: No major non-compliance.				
VII. Other key information useful for explaining the promotion and execution of sustainable development: 1. Environmental protection: The company's production process has complete regulations on quality management, safety and health, environmental protection, etc., and complies with the inspection standards and environmental protection regulations of the competent authorities. 2. Community participation: In addition to focusing on business development, the company also responds to charitable activities for disadvantaged social groups from time to time, and actively participates in related activities such as community relations and good neighborliness. It also has a professional mobile optometry van that goes to various places to provide vision examinations and various vision health lectures., and fulfill the company's social responsibilities, such as consumer rights and social welfare, etc. 3. Social welfare: regular and irregular feedback and donations to local villages and charitable groups. 4. Consumer rights: Each branch of the company has a customer service unit with full-time personnel to handle customer after-sales service. Customers can make complaints in writing, email or over the phone. There is a tracking and management mechanism for customer responses and feedback., to ensure customer rights. 5. Human rights and safety and health: The company handles five insurances and one fund for employees in accordance with the law; in addition, in accordance with the formulation of safety and health work-related codes, it conducts safety and health education and training, promotes safety and health regulations, and holds employee health examinations every year.				

Note 1: When the implementation status is [Yes], please describe the important policies, strategies and measures adopted and the implementation status; when the implementation status is [No], please describe the discrepancies and reasons thereof in the column for Deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof, and explain the future plans for adopting relevant policies, strategies and measures. In terms of the Assessment Items I & II, the TWSE/TPEX listed companies shall describe their governance and stewardship framework for sustainable development, including but not limited to establishing management policies, strategies and goals, reviewing measures, etc. Additionally, the companies shall describe their risk management policies or strategies of issues relating to the environment, society and corporate governance in the Company's operations and risk evaluation.

Note 2: The materiality principle means any issues relating to the environment, society or corporate governance which have significant impacts on the Company's investors or other stakeholders.

Note 3: For disclosure, Please refer to the examples for Best Practice Principles on the website of Corporate Governance Center of Taiwan Stock Exchange (TWSE).

Schedule 1

Risk category	Risk description	Risk management strategies (Countermeasures)
sustainable environment	Continuous increase in greenhouse gas emissions	<ol style="list-style-type: none"> <li>1. Establish the ESG Committee with the Deputy General Manager as the Director, hold meetings regularly every year, inspect power-saving and carbon emission targets and improvement measures, etc., and report results to the higher level.</li> <li>2. Establish the greenhouse gas inventory mechanism which meets stakeholders' requirements.</li> <li>3. Improvement measures include phase-out and replacement of old energy-consuming equipment within factories in accordance with relevant government rules, installation of solar panels, and phase-out EER-3 motors by replacing with EER-2 motors; solutions to some emission during the electrostatic machine production process.</li> </ol>
	Failure of effective energy conservation	
	Continuous increase in waste water discharge	<ol style="list-style-type: none"> <li>1. Manage water of productive use in production lines and reduce water resource consumption and reduce waste water disposal volume.</li> <li>2. Knock out and update old pipelines in plants to avoid water leakage, cause additional consumption, and also reduce disposal volume of ineffective waste water.</li> <li>3. Rebuild waste water disposal stations, reach reuse of reclaimed water to 15%, and lower waste water discharge.</li> </ol>
	Increase in the mass of waste disposal/decrease in recycling rate	<ol style="list-style-type: none"> <li>1. Risk management organization: the waste reduction management unit is the Environmental Safety Section.</li> <li>2. Risk identification process: the Environmental Safety Section makes monthly statistics of waste-to-output ratios, provides statistical results to relevant units for reference, and requests relevant units to formulate waste reduction measures based on the statistical results.</li> <li>3. Risk countermeasures and effectiveness: use improving agents and central oil grooves to reduce the use of oil products, further reducing sludge production.</li> </ol>
	Water and power shortage	<ol style="list-style-type: none"> <li>1. Monitor daily water and electricity consumption and ask relevant units to conduct independent management.</li> <li>2. Self-generated solar power in factories is used for production.</li> </ol>
	Typhoons and floods	After Central Weather Bureau issues maritime typhoon warnings, the Environmental Safety Section announces the typhoon messages, reminds all units concerned of

Risk category	Risk description	Risk management strategies (Countermeasures)
		being prepared well for typhoons, and announces updated typhoon trends in due time according to the CWB's time-phased news.
	Violations of environmental protection laws and regulations	<ol style="list-style-type: none"> <li>1. Risk management organization: the environmental protection regulation management unit is the Environmental Safety Section.</li> <li>2. Risk identification process: do reporting at environmental safety meetings, explicitly inform required units of how to implement statutory requirements in order to avoid violations of environmental protection laws and regulations.</li> <li>3. Risk countermeasures and effectiveness: there is no violation of environmental protection laws and regulations in the most recent year, and continuous monitoring will be done in the future.</li> </ol>
Employees	Occupational disasters (Including impacts from the COVID-19 Pandemic)	<ol style="list-style-type: none"> <li>1. Hold safety meetings regularly every month to inspect the status quo of occupational safety and health of the Company.</li> <li>2. Hold supervisor meeting every month to review short-term target effects and inspect any deficiencies and improvements.</li> <li>3. The Environmental Safety Section inspects cases of work-related injuries and material damages inside and outside factories, and makes announcements to keep all employees informed.</li> </ol>
	Overwork (Working long hours)	<ol style="list-style-type: none"> <li>1. Employees having physical examinations fill in the information at annual physical examinations, and arrange professional physicians to inspect health reports for employees working at high risk and with high workload during site services</li> <li>2. Hold safety meetings regularly every month to inspect the status quo of occupational safety and health of the Company.</li> </ol>
	High turnover rate (Labor shortage)	The turnover rate is 2.9% in the most recent year, and the Company will recruit new employees if there are any job vacancies, and every unit also makes work arrangements and adjustments, without prejudice to production and business operation.
Business performance	Ethical and integrity risks	The Company establishes integrity management policies, compiles the Integrity Management Principles, and discloses them on its website and annual reports. To implement the integrity management policy and actively prevent dishonest behaviors, the Company discloses its integrity management operation status and principles on its website to establish good corporate governance and risk control mechanisms and create the management environment of sustainable development.
	Insufficient information disclosure	<ol style="list-style-type: none"> <li>1. Hold investor conference presentations every year; the Spokesman officiates presentations and explains the Company's business status and future outlook.</li> </ol>

Risk category	Risk description	Risk management strategies (Countermeasures)
	transparency	<ol style="list-style-type: none"> <li>2. Announce material messages to the public in cases of any events having material impacts on the financials and business of the Company.</li> <li>3. Contact the Spokesman or Acting Spokesman of the Company if you have any concerns about company information disclosure.</li> <li>4. Information on management performance and corporate governance is disclosed on the Company's website, as well we stakeholders' contact information.</li> </ol>
	Waning market competitiveness	<ol style="list-style-type: none"> <li>1. Develop new sales channels, visit relevant customers for product reference and recommendation.</li> <li>2. Cultivate and educate the management team, and establish effect manager capacities and supervisor performance indexes.</li> </ol>
	Cyber security incidents	<ol style="list-style-type: none"> <li>1. Determine whether it is a cyber security incident, the category and severity.</li> <li>2. Report the incident to the higher level based on the incident severity. In cases of emergency, report back by phone/via email. Where the incident has affected users' operation, the Information Department notifies relevant units.</li> <li>3. Take measures to lower the extent of injury, and properly keep incident evidence when necessary in case of any legal liabilities.</li> <li>4. In case of cyber security incident, review the causes and results and handling process of the incident, and work out an improvement mechanism.</li> </ol>
	Product liabilities (Recall/off-the-shelf)	<ol style="list-style-type: none"> <li>1. Optimize the product quality control, return and exchange mechanism.</li> <li>2. Strengthen agreements and communication with customers to fully understand their expectations.</li> <li>3. If any one customer has specific requirements, the Company shall comply with and meet customer requirements.</li> <li>4. In case of material product abnormalities, report such situation to the management and execute the directives made by the management.</li> </ol>
	Supply chain disruption	<ol style="list-style-type: none"> <li>1. Short-term risk: demand hike and tightened supply.</li> <li>2. Countermeasure: precisely master changes in and trends of leadtime and inventory to respond to the risk of material shortage in advance.</li> <li>3. Medium-term and long-term risks: spread of the COVID-19 pandemic, lockdown control, delay of starting production, etc., impacted production and material supply. countermeasure: increase the inventory, and make purchases from multiple sources to lower independence on a single supplier and enhance the overall elasticity.</li> </ol>

## Climate-related information of TWSE/TPEX Listed Companies

### 1 Implementation status of climate-related information

Assessment Item	Implementation status
1. Describe the supervision over and governance of climate-related risks and opportunities from the Board of Directors and the Management.	1. Implement relevant checks in accordance with Corporate Governance 3.0 Roadmap.
2. Describe how the recognizable climate risks and opportunities affect the (long-term, medium-term and long-term) business, strategies and financials of the Company.	2. Implement in accordance with law in the place where the primary business entity of the company is located in, no significant influence factors discovered. Will keep following relevant regulations.
3. Describe impacts on financials from extreme climate events and transformation actions.	3. Till now, extreme climate has had no significant impacts on the business of the Company, will keep following impacts from climate on the Company.
4. Describe how to integrate the climate risk recognition, evaluation and management process into the integrated risk management system.	4. Same as 3
5. Please explain the use scenarios, parameters, assumptions, analysis factors and main financial impacts while using situational analysis to evaluate the resilience of facing climate change risks.	5. None
6. If there is any transformation plan to respond to manage climate-related risks, please explain the plan contents, and indicators and objectives used for recognizing and managing physical risks and transformation risks.	6. None
7. If the internal carbon pricing is used as a planning tool, please explain the price-setting bases.	7. None.
8. If any climate-related goals are set, please explain the activities, greenhouse gas emission category and planning period, annual achievement progress, etc.; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, please explain the sources and quantity offset carbon reduction or the number of renewable energy certificates (RECs).	8. None.
9. Greenhouse gas check and verification (Fill out in 1-1).	9. Please refer to 1-1 and 1-2.

#### 1-1 Company's Greenhouse Gas Inventory and Confirmation in the Last Two Years

##### 1-1-1 Greenhouse Gas Inventory Information

<p>The most recent two years of GHG emissions (metric tons of CO<sub>2</sub>e), intensity (metric tons of CO<sub>2</sub>e per million), and the scope of the data are described.</p>
<p>The data coverage of the Company are five business entities of Tong Ming Enterprise Co., Ltd., WINLINK FASTENERS CO., LTD., Tongwin, Zhejiang Tong Ming and Zhejiang Tong He</p> <p>The emissions and intensity (the output metric tons are the base) under Scope 1 and Scope 1 during the most recent two years:</p> <p>In 2023, 14,337 metric tons of CO<sub>2</sub>e and intensity at 0.142701.</p> <p>In 2024, 17,447 metric tons of CO<sub>2</sub>e and intensity at 0.132393.</p>

Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the company), indirect emissions from energy (Scope 2, i.e., indirect GHG emissions from inputs of electricity, heat or steam) and other indirect emissions (Scope 3, i.e., emissions from company activities that are not attributable to the company's activities).  
(Scope 2, i.e., indirect GHG emissions from inputs of electricity, heat or steam) and other indirect emissions (Scope 3, i.e., emissions from the Company's activities that are not indirect energy emissions but come from the Company's activities).  
(Scope 3, i.e., emissions from corporate activities that are not indirect energy emissions, but come from sources owned or controlled by other companies).

Note 2: The scope of information on direct emissions and indirect emissions from energy sources shall be handled in accordance with the timetable set by the order stipulated in paragraph 2 of Article 10 of this Standard, while information on other indirect emissions shall be disclosed on a voluntary basis.  
Other indirect emissions information may be disclosed voluntarily.

Note 3: Greenhouse gas inventory standard: Greenhouse Gas Protocol (GHG Protocol) or International Organization for Standard- ing (IOS).  
(Note 3: GHG inventory standard: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standard-ization (ISO).

Note 4: The intensity of GHG emissions can be calculated per unit of product/service or turnover, but at least the data calculated by turnover (NT\$ million) should be stated.

1-1-2 Greenhouse Gas Confirmation Information

<p>A description of the status of assurance for the two most recent years ended on the date of printing of the annual report, including the scope of assurance, the assurance organization, the assurance criteria and the opinion of the assurance.</p>
<p>Confirmation scope: the greenhouse gas confirmation scope is dominated by Tong Ming Enterprise Co., Ltd., WINLINK FASTENERS CO., LTD. (Office)</p> <p>Confirmation agency: Legendary &amp; Steadfast Accountancy (LSA)</p> <p>Confirmation principle: TWSAE3410</p> <p>Confirmation opinion: Limited Assurance</p>

Note 1: In accordance with the timetable set out in the order stipulated in Paragraph 2 of Article 10 of these Guidelines, if the company has not obtained a complete and conclusive opinion on greenhouse gases by the printing date of the annual report, the company should state that "complete and conclusive information will be disclosed in the sustainability report".  
If the company does not obtain a complete GHG opinion by the publication date of the annual report, it shall state "The complete information will be disclosed in the sustainability report", or if the company does not prepare a sustainability report, it shall state "The complete information will be disclosed in the public information observatory".  
If the company does not prepare a perpetual report, the company should state "the complete confirmatory information will be disclosed in the public information observatory" and disclose the complete confirmatory information in the next annual report.

Note 2: The confirming organization should comply with the requirements for confirming sustainability reports established by the Taiwan Stock Exchange Corporation and the Over-the-Counter Securities Trading Center of the Republic of China.

Note 3: The contents of the disclosure can be found in the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

1-2 GHG Reduction Goals, Strategies and Specific Action Plans

Describe the base year of GHG reduction and its data, reduction targets, strategies and specific action plans and achievement of reduction targets
Greenhouse gas emission reduction base year: 2023 and its data 14,337 tons of CO <sub>2</sub> e (Scope 1 and Scope 2) Reduction targets/strategies and specific action plans/achievement of reduction targets are as follows: Reduction targets: Short-term target-> The greenhouse gas emission from unit energy consumption declines by 1~2% (Scope 1 + Scope 2) Medium-term and long-term targets->The cumulative greenhouse gas emission from unit energy consumption declines by 5~10%; Carbon neutrality is the target. Strategies and specific action plans/achievement of reduction targets: <ol style="list-style-type: none"><li>1. Install solar power facilities</li><li>2. Check and repair sewage equipment regularly</li><li>3. Replace energy-saving transformers</li><li>4. Import the smart energy system to effectively manage electricity consumption</li><li>5. Constantly replace electric fork lift trucks to lower factories' carbon emissions</li><li>6. Have completed the comprehensive replacement of EER-2 motor devices</li></ol> ->Various sewage indexes (VOC and ozone concentration) were up to standard

Note 1: This shall be done in accordance with the time schedule set by the order as stipulated in Paragraph 2 of Article 10 of these Guidelines.

Note 2: The base year shall be the year of completing the inventory based on the boundary of the consolidated financial report. For example, according to the order stipulated in Paragraph 2 of Article 10 of this Standard, a company with a capital of more than \$10 billion shall complete the inventory of the consolidated financial report in 2024, so the base year shall be 2024.

For example, according to the order of Article 10, paragraph 2 of this standard, a company with capitalization of more than 10 billion RMB should complete the inventory of the consolidated financial statements for the year 2023 in 2024, so the base year is 2023.

If the company has completed the inventory of consolidated financial reports earlier, the earlier year can be used as the base year, and the

data of the base year can be calculated as a single year or the average of several years

Note 3: The contents of the disclosure can be found in the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

(VI) Implementation status of ethical corporate management and discrepancies between the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons for such discrepancies

Assessment Items	Status (Note 1)			Non-compliance with "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies" and Reasons
	Yes	No	Description	
I. Establishment of ethical management policies and implementation measures				
(1) Does the Company have an ethical corporate management policy approved by the Board of Directors and express in its regulations and external documents the policy and practice of ethical corporate management and the commitment of the Board of Directors and management to actively implement the corporate management policy?	V		(1) The Company has explicitly expressed its ethical management policy in its regulations and contracts. Both the Board of Directors and management team are committed to its execution and implementation in internal operations and external business activities.	No major non-compliance
(2) Has the Company established an assessment mechanism for the risk of unethical conduct, regularly analyzed and evaluated the business activities in the scope of business with a higher risk of unethical conduct, and formulated a plan to prevent unethical conduct, covering at least the preventive measures in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	V		(2) The Company upholds the principles of fairness, honesty, trustworthiness and transparency in all business activities. To prevent unethical behaviors, the Confidentiality and Non-compete Agreement signed between the management team of the Company and the employees include a clause for confidentiality responsibility. The working rules of the Company also have disciplinary measures for unethical conduct.	No major non-compliance
(3) Has the company defined and implemented the operating procedures, conduct guidelines, disciplinary and complaint systems to prevent unethical conduct in the program, and regularly reviewed the revised foreclosure program?	V		(3) The Company strengthens the publicity of moral sense internally and encourages employees to report if any behaviors violating the laws and decrees or internal behavior regulations are suspected or actually occurred to the management team.	No major non-compliance
II. Implementation of ethical management				
(1) Does the Company review the counterparty's history of ethical conduct and include the compliance of business ethics as a clause in the contract?	V		(1) The Company conducts business transactions in a fair and transparent manner and ensures the confidentiality of business information, respecting the business and intellectual assets of both customers and partners.	No major non-compliance
(2) Does the Company have a responsible unit under the Board of Directors to promote unethical corporate management	V		(2) The Company appoints the HR Division and personnel to work together to formulate and monitor the execution of ethical policies. The	No major non-compliance

Assessment Items	Status (Note 1)			Non-compliance with “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies” and Reasons
	Yes	No	Description	
and report to the Board of Directors on a regular basis (at least once a year) on its unethical corporate management policy and program to prevent unethical conduct and monitor its implementation status?			division shall communicate with the Board of Directors as they deem necessary. The Board of Directors will supervise and review the implementation status and continuous improvement in a timely manner with adequate care to ensure the execution of ethical management policies. Furthermore, the Directors or managers are accountable to the Shareholders’ Meeting or Board of Directors for their behaviors within the scope of ethical management of the Company.	
(3) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels, and thoroughly implement the policies?	V		(3) The “Rules of Procedure for Board Meetings” include the prevention of conflicts of interest system for directors. In case the resolutions of the Board of Directors are related to a director’s own interests and in conflict with the interests of the Company, the director can participate in commenting and answering but neither in discussions nor voting and must avoid situations of executing any other voting rights for any other Board members.	No major non-compliance
(4) Has the Company established an effective accounting system and internal control system for the implementation of ethical corporate management, and has the internal audit unit drawn up an audit plan based on the assessment of the risk of unethical conduct, in order to verify compliance status with the plan for the prevention of unethical conduct, or has it engaged an accountant to perform the audit?	V		(4) The Company has established an effective accounting and internal control system, which will be reviewed in a timely manner to ensure that the design and implementation of the system continues to be effective, and the internal auditor irregularly audits the execution and compliance and submits the audit report accordingly to the Board of Directors.	No major non-compliance
(5) Does the Company regularly hold internal and external training sessions of business ethics?	V		(5) The Company regularly holds internal and external training for its relevant management team as per actual business requirements and advocates business ethics internally.	No major non-compliance

Assessment Items	Status (Note 1)			Non-compliance with “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies” and Reasons
	Yes	No	Description	
<p>III. Implementation of the whistle blowing system</p> <p>(1) Has the Company established specific whistle blowing and reward systems, set up conveniently accessible complaint channels, and designated responsible individuals to handle the complaints received?</p> <p>(2) Does the company have a standard operating procedure for the investigation of the matters to be investigated, follow-up measures to be taken after the completion of the investigation, and relevant confidentiality mechanisms?</p> <p>(3) Has the Company established measures to protect whistleblowers from retaliation?</p>	V		<p>(1) The Company has provided proper channels for reporting and complaining and established clear disciplinary measures in the HR regulations for unethical conduct. The title, name, date of violation, content, and result will be announced internally for unethical conduct.</p> <p>(2) The Company has designated a division to receive complaints and investigate and review the matters concerned without delay to reduce the possibility of them happening again, and such complaints shall be handled in a confidential manner.</p> <p>(3) The Company takes measures to protect whistleblowers from retaliation.</p>	<p>No major non-compliance</p> <p>No major non-compliance</p> <p>No major non-compliance</p>
<p>IV. Enhancement on information disclosure</p> <p>Does the Company disclose its business ethics principles and information about implementation of such guidelines on its website and MOPS?</p>	V		<p>The Company discloses its management guidelines, important information, and corporate culture on the website and has a designated department for collecting and posting information. The Company also has a spokesman and acting spokesman for consistent external statements.</p>	<p>No major non-compliance</p>
<p>V. If the Company has established ethical conduct policies based on “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies”, please specify any discrepancy between the policies and their implementation:</p> <p>The Company runs various business activities in accordance with the ethical management principles; it has set up three Independent Directors and an internal audit division, as well as the Audit Committee. Currently, is the Company has no major non-compliance regarding ethical management.</p>				
<p>VI. Other important information to facilitate a better understanding of the Company’s ethical conduct practices (e.g., the Company reviews and revises its Business Ethics Principles, etc.):</p> <p>The Company follows ethical guidelines for all business transactions and encourages business partners to do the same. Furthermore, the Company holds meetings and provides employee training to advocate the ethical management practices and create a corporate culture with high integrity.</p>				

(VII) Other important information to facilitate a better understanding of the Company's corporate governance:

The Company has no Corporate Governance Practices but does have the 『Rules of Procedure for Shareholders' Meetings』, 『Rules of Procedure for Board Meetings』, and 『Charter for the Audit Committee』 and implements regulations related to corporate governance in the principle of company management. The Company will increase information transparency, strengthen the function of the Board of Directors, and promote corporate governance by revising its regulations in the future.

For more about the Company's Corporate Governance, please refer to the Company's website: <http://www.tonggroup.com.tw> (Corporate Governance Section) or MOPS: <http://mops.twse.com.tw/mops/#/web/home>. (Corporate Governance Section)

(VIII) Internal Control System Execution Status:

1. Statement of Internal Control System

Tong Ming Enterprise Co., Ltd.  
Statement of Internal Control System

Date: March 14, 2025

Based on the findings of a self-assessment, Tong Ming Enterprise Co., Ltd. (Tong Ming) states the following with regard to its internal control system during the year 2024:

- I. Tong Ming's Board of Directors and management are responsible for establishing, implementing, and maintaining an internal control system. Our internal control system provides a process designed to provide reasonable assurance over the effectiveness and efficiency of the operations (including profitability, performance, and safeguarding of assets); reliability, timeliness, and transparency of financial statements; and compliance with applicable laws and regulations.
- II. Any internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can only provide reasonable assurance of accomplishing the three aforementioned objectives. Furthermore, the effectiveness of an internal control system may be subject to environmental or circumstantial changes. Nevertheless, our internal control system contains self-monitoring mechanisms, and Tong Ming will take immediate corrective actions in response to any deficiencies identified.
- III. Tong Ming evaluates the design and operation effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereafter called the "Regulations"). The criteria adopted by the Regulations identify five key components of internal control based on the process of management: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring. Each component contains several sub-items. Please refer to the Regulations for details of the above criteria.
- IV. Tong Ming has evaluated the design and operation effectiveness of its internal control system according to the aforementioned criteria.
- V. Based on the findings of the evaluation mentioned in the preceding paragraph, Tong Ming believes that, as of December 31, 2024, its internal control system (including its supervision of subsidiaries), as well as its internal controls to monitor the achievement of its objectives concerning operational effectiveness and efficiency; reliability, timeliness, and transparency of financial reports; and compliance with applicable laws and regulations, has been effective in design and operation and has reasonably assured the achievement of the previously mentioned objectives.
- VI. This Statement will be an essential part of the Company's Annual Report and Prospectus and shall be publicly disclosed. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This Statement was passed by the Board of Directors in their meeting held on March 14, 2025, with 0 of the 7 attending Directors objecting and the remainder all affirming the content of this Statement.

Tong Ming Enterprise Co., Ltd.

Chairman: Tsai, Ching-Tung      Signature:

President: Tsai, Hung-Chuan      Signature:

2. Where CPAs are retained to audit the internal control system, please disclose the CPAs' audit report: None.

(IX) Major resolutions of Shareholders' Meetings and Board Meetings in 2023 and as of the publication of this annual report:

1. Major resolutions of Board Meetings in 2024:

Date	Major resolutions
2023/06/07	<ol style="list-style-type: none"> <li>1. Approved the recognition of the 2023 Annual Business Report and Financial Statement. Status of the resolution: proposal was approved as proposed.</li> <li>2. Approved the recognition of the 2023 Surplus Distribution. Status of the resolution: proposal was approved as proposed.</li> <li>3. Proposal to amend the "Shareholders' Meeting Rules". Resolution status: Passed as proposed.</li> <li>4. Proposal to amend the "Rules of Procedures of the Board of Directors" Resolution status: Passed as proposed.</li> <li>5. Amendments to the 'Code of Business Conduct on Corporate Integrity' Resolution status: Passed as proposed.</li> </ol>

2. Resolutions of Board Meeting in 2024 and as of the publication of the annual report:

Date	Major resolutions
2024/03/14	<ol style="list-style-type: none"> <li>1. The company's 2023 annual business report and consolidated financial statements. Resolution: passed as proposed and submitted to the shareholders meeting.</li> <li>2. The Company's 2023 earnings distribution proposal. Resolution: passed as proposed and submitted to the shareholders meeting.</li> <li>3. Statement of the company's internal control system. Resolution: passed as the case was.</li> <li>4. Cayman Dongming's endorsement guarantee line. Resolution: passed as the case was.</li> <li>5. to amend the "Rules of Procedure for Shareholders' Meetings", "Rules of Procedure for Board of Directors' Meetings", and the "Code of Business Conduct with Integrity of the Company" Resolution: passed as the case was.</li> <li>6. The revision of the "Board of Directors Performance Evaluation Method". Resolution: passed as the case was.</li> <li>7. 2023 employee remuneration and distribution of director remuneration. Resolution: passed as the case was.</li> <li>8. It is planned to convene the company's 2024 annual shareholders' meeting. Resolution: passed as the case was.</li> </ol>
2024/05/13	<ol style="list-style-type: none"> <li>1. Intends to approve the proposal to recognise the consolidated financial statements of the Company for the first quarter of 2024. Resolution: passed as the case was.</li> <li>2. The Cayman-Tung Ming Endorsement Guarantee Limit Adjustment Case. Resolution: passed as the case was.</li> <li>3. Amendments to the 'Regulation on the Organisation of the Audit Committee' and the 'Act on the Determination of the Exercise of Functions</li> </ol>

Date	Major resolutions
	<p>and Powers of the Audit Committee’. Resolution: passed as the case was.</p> <p>4. Evaluation of Independence and Suitability of Certified Public Accountants and Appointment of Remuneration Resolution: passed as the case was.</p> <p>5. The appointment of the Deputy General Manager of the Operations Management Centre of the Company ° Resolution: passed as the case was.</p> <p>6. To lift the managerial non-competition ban in respect of Ms Tsai, Chia-Yen Resolution: passed as the case was.</p>
2024/08/22	<p>1. It is proposed to pass the consolidated financial statements for the second quarter of 2023. Resolution: passed as the case was.</p> <p>2. The proposed adoption of the Company's ‘2024 Sustainability Report’. Resolution: passed as the case was.</p>
2024/11/12	<p>1. To co-operate with the internal rotation of Chin Yip Chung Shun Joint Accounting Firm for the replacement of certified public accountants. Resolution: passed as the case was.</p> <p>2. To approve the consolidated financial statements of the Company for the third quarter of fiscal year 2024. Resolution: passed as the case was.</p> <p>3. To formulate the company's 2025 operating plan (annual budget). ° Resolution: passed as the case was.</p> <p>4. Formulate the company's 2024 audit plan Resolution: passed as the case was.</p> <p>5. Construction of the Cayman Tong ming headquarters building. Resolution: passed as the case was.</p> <p>6. The establishment of a Thai subsidiary by the Company. Resolution: passed as the case was.</p> <p>7. Amendments to the ‘Audit Committee Organisation Procedures’, ‘Code of Corporate Governance Practices’ and ‘Internal Audit System’. Resolution: passed as the case was.</p> <p>8. Establishment of ‘Sustainable Information Management Operating Procedures’ and ‘Sustainable Information Management Controlled Operations’. Resolution: passed as the case was.</p>
2025/03/14	<p>1 2024employee remuneration and distribution of director remuneration Resolution: passed as proposed and submitted to the shareholders meeting.</p> <p>2. The company's 2024 annual business report and consolidated financial statements. Resolution: passed as proposed and submitted to the shareholders meeting.</p> <p>3. The Company's 2024 earnings distribution proposal. Resolution: passed as proposed and submitted to the shareholders meeting.</p> <p>4. Statement of the company's internal control system. Resolution: passed as the case was.</p> <p>5. Cayman Dongming's endorsement guarantee line. Resolution: passed as the case was.</p> <p>6 Amendment to the Articles of Association Resolution: passed as the case was.</p>

Date	Major resolutions
	<p>7. Comprehensive re-election of directors (including independent directors) of the Company. Resolution: passed as the case was.</p> <p>8. Lift the restriction on new directors (including independent directors) and their representatives from competing in the industry. Resolution: passed as the case was.</p> <p>9. It is planned to convene the company's 2024 annual shareholders' meeting. Resolution: passed as the case was.</p>

3. Resolutions of the Audit Committee of the Company for 2024 to the date of publication of the Annual Report:

Date	Major resolutions
2024/03/14	<p>1 The company's 2022 annual business report and consolidated financial statements. Resolution situation: passed according to the resolution and submitted to the board of directors.</p> <p>2 The Company's 2022 earnings distribution proposal. Resolution situation: passed according to the resolution and submitted to the board of directors.</p> <p>3 Statement of the company's internal control system. Resolution situation: passed according to the resolution and submitted to the board of directors.</p> <p>4 The Cayman Tommie Endorsement Guarantee Line Adjustment Case. Resolution situation: passed according to the resolution and submitted to the board of directors.</p> <p>5 Amendments to the "Rules of Procedure for Shareholders' Meetings", "Rules of Procedure for Board of Directors' Meetings", and the "Code of Conduct for the Company's Integrity". Resolutions: Passed as presented.</p> <p>6. Amendments to the "Regulations Governing the Evaluation of the Performance of the Board of Directors". Resolutions: Passed as proposed.</p>
2024/05/13	<p>1. Intends to approve the proposal to recognise the consolidated financial statements of the Company for the first quarter of 2024. Resolution situation: passed according to the resolution and submitted to the board of directors</p> <p>2 The Cayman-Tung Ming Endorsement Guarantee Limit Adjustment Case. Resolution situation: passed according to the resolution and submitted to the board of directors</p> <p>3. Amendments to the 'Regulation on the Organisation of the Audit Committee' and the 'Act on the Determination of the Exercise of Functions and Powers of the Audit Committee'. Resolution situation: passed according to the resolution and submitted to the board of directors</p>

Date	Major resolutions
	<p>4. Evaluation of Independence and Suitability of Certified Public Accountants and Appointment of Remuneration Resolution situation: passed according to the resolution and submitted to the board of directors</p> <p>5. The appointment of the Deputy General Manager of the Operations Management Centre of the Company ◦ Resolution situation: passed according to the resolution and submitted to the board of directors</p> <p>6. To lift the managerial non-competition ban in respect of Ms Tsai, Chia-Yen Resolution situation: passed according to the resolution and submitted to the board of directors</p>
2024/08/22	<p>1. It is proposed to pass the consolidated financial statements for the second quarter of 2023. Resolution situation: passed according to the resolution and submitted to the board of directors.</p>
2024/11/12	<p>1. To co-operate with the internal rotation of Chin Yip Chung Shun Joint Accounting Firm for the replacement of certified public accountants. Resolution situation: passed according to the resolution and submitted to the board of directors..</p> <p>2. To approve the consolidated financial statements of the Company for the third quarter of fiscal year 2024. Resolution situation: passed according to the resolution and submitted to the board of directors..</p> <p>3. To formulate the company's 2025 operating plan (annual budget). ◦ Resolution situation: passed according to the resolution and submitted to the board of directors..</p> <p>4. Formulate the company's 2024 audit plan Resolution situation: passed according to the resolution and submitted to the board of directors..</p> <p>5. Construction of the Cayman Tong ming headquarters building. Resolution situation: passed according to the resolution and submitted to the board of directors..</p> <p>6. The establishment of a Thai subsidiary by the Company. Resolution situation: passed according to the resolution and submitted to the board of directors..</p> <p>7. Amendments to the ‘Audit Committee Organisation Procedures’, ‘Code of Corporate Governance Practices’ and ‘Internal Audit System’. Resolution situation: passed according to the resolution and submitted to the board of directors..</p> <p>8. Establishment of ‘Sustainable Information Management Operating Procedures’ and ‘Sustainable Information Management Controlled Operations’. Resolution situation: passed according to the resolution and submitted to the board of directors..</p>

Date	Major resolutions
2025/03/14	<ol style="list-style-type: none"> <li data-bbox="391 232 1428 376">1 The company's 2024 annual business report and consolidated financial statements. Resolution situation: passed according to the resolution and submitted to the board of directors.</li> <li data-bbox="391 376 1428 488">2 The Company's 2024 earnings distribution proposal. Resolution situation: passed according to the resolution and submitted to the board of directors.</li> <li data-bbox="391 488 1428 600">3 Statement of the company's internal control system. Resolution situation: passed according to the resolution and submitted to the board of directors.</li> <li data-bbox="391 600 1428 712">4 The Cayman Tommie Endorsement Guarantee Line Adjustment Case. Resolution situation: passed according to the resolution and submitted to the board of directors.</li> <li data-bbox="391 712 1428 813">5 Amendments to the Articles of Association. Resolution situation: passed according to the resolution and submitted to the board of directors.</li> </ol>

4. Resolution of the Compensation Committee of the Company for 2024 to the date of publication of the annual report:

Date	Major resolutions
2024/03/14	<ol style="list-style-type: none"> <li data-bbox="391 1052 1428 1158">1 2023 Employees' Compensation and Directors' Compensation Distribution Resolution: Resolution adopted. Report to the shareholders' meeting for resolution.</li> </ol>
2024/05/13	<ol style="list-style-type: none"> <li data-bbox="391 1164 1428 1310">1. The appointment of the Deputy General Manager of the Operations Management Centre of the Company. Resolution: Resolution adopted. Report to the shareholders' meeting for resolution.</li> </ol>
2025/03/14	<ol style="list-style-type: none"> <li data-bbox="391 1317 1428 1417">1. 2024 Employees' Compensation and Directors' Compensation Distribution Resolution: Resolution adopted. Report to the shareholders' meeting for resolution.</li> </ol>

(X) Different opinions expressed by Directors or the Audit Committee regarding major resolutions, either by recorded statement or in writing, in 2024 and as of the publication of this annual report: None.

#### IV. Audit Fees for CPA

##### (I) Audit fees for CPA

##### Range of Audit Fees for CPA

Accounting Firm	Name of Accountant		Period of Audit	Comments
Deloitte Touche Tohmatsu Limited	Peng, Yi- Hua	Hsieh, Ming-Chung	2024	-

Unit: In Thousands of NT\$

Fee range	Fee items	Audit Fee	Non-audit Fee	Total
1	NT\$ 1,999 and under			
2	NT\$ 2,000 ~ NT\$ 3,999			
3	NT\$ 4,000 ~ NT\$ 5,999	v		v
4	NT\$ 6,000 ~ NT\$ 7,999			
5	NT\$ 8,000 ~ NT\$ 9,999			
6	NT\$ 10,000 and above			

1. In case non-audit fees paid to CPAs, the CPAs' accounting firms, and their affiliates exceeding 25% of the audit fees, please disclose the amount of audit fees and non-audit fees and the content of the non-audit services: None.
2. In case the change of accounting firms with audit fee paid in the year of change is less than the previous year, please disclose the amount of audit fees paid before and after the change and the reasons: None.
3. In case of more than a 15% decrease in the audit fees on a year-to-year basis, please disclose the amount decreased, proportion, and reason: None.

V. **Change of CPA:** From the third quarter of 2024, the company has made changes to the signing certified public accountants. The previous signing certified public accountants, Hsieh, Ming-Chung and Lu, I-Chen, have been replaced by Peng, Yi- Hua and Hsieh, Ming-Chung. This change is part of an internal rotation within the accounting firm.

VI. **Chairman, President, or Managers in Charge of Finance or Accounting Holding a Position in the CPA's Firm or Its Affiliates in 2024** please disclose the name, position, and period in charge:None.

VII. Transfers of shares and changes in share pledges by directors, managers and shareholders holding more than 10% of shares:

(I) Changes in shareholding by Directors, Supervisors, Managers, and Principal Shareholders:

Unit: NTS/1000 Shares

Title	Name	2024		2025, as of April 21		Comments
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged	
Chairman	Tsai, Ching-Tung	—	—	—	—	—
		—	—	—	—	—
Director	Richard International Co., Ltd. Representative: Tsai, Yi-Ting	—	—	—	—	—
Director	Tong One Holdings Limited Representative: Tsai, Hung-Chuan	—	—	—	—	—
Independent Director	Wang Shin-Kun	—	—	—	—	—
Independent Director	Yang Po-Min	—	—	—	—	—
Independent Director	Chen Yung-Lung	—	—	—	—	—
Independent Director	Chiu, Joun-Fu	—	—	—	—	—
President and shareholder with 10% shareholdings or more	Tsai, Hung-Chuan	—	—	—	—	—
Operation Management Center Vice President and Supervisor of Finance	Tsai, Cheng-Hsiung	—	—	—	—	—
Supervisor of Accounting	Yen, Hsien-Ying	(1,000)	—	—	—	—
Supervisor of Internal Audit	Su, Chia-Yu	(1,000)	—	—	—	—
Shareholder with 10% shareholdings or more	Tsai, Yi-Ting	—	—	—	—	—

(II) Stock transferred to related parties: None

(III) Stock pledged to be transferred to related parties: None

## VIII. Top 10 Shareholders Who Are Related Parties, Spouses, or within Two Degrees of Kinship to Each Other

As of April 21, 2025; Unit: shares

Name	Shareholding		Spouses, Minor Children		Nominee Arrangement		Names and Relationship of Top 10 Shareholders Who Are Related Parties, Spouses, or within Two Degrees of Kinship to Each Other		Comments
	Shares	%	Shares	%	Shares	%	Name	Relation	
Capital and Limited Representative: Tsai, Hung-Chuan	36,825,474	18.30%	—	—	—	—	Tong One Holdings Limited Representative: Tsai, Hung-Chuan Oriental Union Chemical Corp., in custody of Chinatrust Commercial Bank New Star Limited Representative: Tsai, Chia-Yen Mega Sun Limited Representative: Tsai, Chen-Jung	Director of the Company Sibling relationship with a Director of the Company  Sibling relationship with a Director of the Company Sibling relationship with a Director of the Company	—
Tong One Holdings Limited Representative: Tsai, Hung-Chuan	24,000,000	11.93%	—	—	—	—	Oriental Union Chemical Corp., in custody of Chinatrust Commercial Bank New Star Limited Representative: Tsai, Chia-Yen Capital and Limited Representative: Tsai, Hung-Chuan Mega Sun Limited Representative: Tsai, Chen-Jung	Sibling relationship with a Director of the Company  Sibling relationship with a Director of the Company Director of the Company  Sibling relationship with a Director of the Company	—
Richard International Co., Ltd. Representative: Tsai, Yi-Ting	24,000,000	11.93%	—	—	—	—	Tsai, Yi-Ting Tsai, Ming-Ti Aetek Co., Ltd. in custody of Chinatrust Commercial Bank	Director of the Company Father and son Sibling relationship with a Director of the Company	—
Tsai, Yi-Ting	23,115,486	11.49%	—	—	—	—	Tsai, Ming-Ti Richard International Co., Ltd. Representative: Tsai, Yi-Ting Tsai, Ming-Ti  Aetek Co., Ltd. in custody of Chinatrust Commercial Bank	Father and son  Father and son with a Director of the Company Sibling relationship with a Director of the Company	—
Tsai, Ming-Ti	19,129,556	9.51%	—	—	—	—	Tsai, Yi-Ting Richard International Co., Ltd. Representative: Tsai, Yi-Ting Aetek Co., Ltd. in custody of Chinatrust Commercial Bank	Father and son Director of the Company  Father and daughter with a Director of the Company	—
Oriental Union Chemical Corp., in custody of Chinatrust Commercial Bank	11,370,410	5.65%	—	—	—	—	Tong One Holdings Limited Representative: Tsai, Hung-Chuan New Star Limited Representative: Tsai, Chia-Yen Capital and Limited Representative: Tsai, Hung-Chuan Mega Sun Limited Representative: Tsai, Chen-Jung	sibling relationship with a Director of the Company Sisters with a Director of the Company Sibling relationship with a Director of the Company Director of the Company	—
New Star Limited	10,400,000	5.17%	—	—	—	—	Tong One Holdings Limited Representative: Tsai, Hung-Chuan Oriental Union Chemical Corp., in custody of Chinatrust Commercial Bank Capital and Limited Representative: Tsai, Hung-Chuan Mega Sun Limited Representative: Tsai, Chen-Jung	Sibling relationship with a Director of the Company  Sisters with a Director of the Company Sibling relationship with a Director of the Company Sisters with a Director of the Company	—
Mega Sun Limited	10,400,000	5.17%	—	—	—	—	Tong One Holdings Limited Representative: Tsai, Hung-Chuan Oriental Union Chemical Corp., in custody of Chinatrust Commercial Bank New Star Limited Representative: Tsai, Chia-Yen Capital and Limited Representative: Tsai, Hung-Chuan	Sibling relationship with a Director of the Company Director of the Company  Sisters with a Director of the Company Sibling relationship with a Director of the Company	—
Aetek Co., Ltd. in custody of Chinatrust Commercial Bank	7,443,000	3.70%	—	—	—	—	Tsai, Ming-Ti Tsai, Yi-Ting Richard International Co., Ltd. Representative : Tsai, Yi-Ting	Father and daughter Siblings Sibling relationship with a Director of the Company	—
Zonghui Investment Co., Ltd.	6,160,000	3.06%	—	—	—	—	—	—	—
Person in Charge: Tsai Tsung-Yao	0	—	—	—	—	—	—	—	—

## IX. Consolidated shareholding

Unit: Shares; %

Investee	Investment by the Company		Investment by Directors, Supervisors, Managers, and Directly or Indirectly Controlled Entities		Total	
	Shares	%	Shares	%	Shares	%
Tong Group Limited	1,000,000	100.00	—	—	1,000,000	100.00
China Rich International Holding Limited	10,000	100.00	—	—	10,000	100.00
Winlink Fasteners Co., Ltd.	1,500,000	100.00	—	—	1,500,000	100.00
Tong Win International CO. LTD.	500,000	100.00	—	—	500,000	100.00
Fast Link Inc.	500	59.52	—	—	500	59.52
Tong Ming Enterprise Co., Ltd (Note 1)	466,596,000	99.70	—	—	466,596,000	99.70
Tong Ming Trading Limited	50,000	100.00	—	—	50,000	100.00
Tong Ming Holding Ltd.	50,000	100.00	—	—	50,000	100.00
Shenzhen Easy Fasteners Co., Ltd.	N/A (Note 2)	100.00	—	—	N/A (Note 2)	100.00
Tong Win Trading (Jiaxing) Co., Ltd	N/A (Note2)	100.00	—	—	N/A (Note 2)	100.00
Tonglink Enterprise Co., Ltd	1,000,000	100.00			1,000,000	100.00
Tong Yi Supply Chain Enterprise Co., Ltd.	N/A (Note 2)	100.00	—	—	N/A (Note 2)	100.00
Meta GLOBAL Co., Ltd	N/A (Note 2)	100.00	—	—	N/A (Note 2)	100.00
Tong He Enterprise Co., Ltd.	N/A (Note 2)	100.00	—	—	N/A (Note 2)	100.00

Note 1: It is jointly owned by Tong Group Limited and Tong Ming Enterprise Co., Ltd, holding 90.2% and 9.5%, respectively, as of March 31, 2018.

Note 2: The mainland China subsidiaries are limited companies without shares.

## Three Capital Overview

### I. Capital and Shares

#### (I) Source of Capital:

##### 1. History of Capital

As of April 21, 2025; Unit: NT\$/Share

Month and Year	Issue Price	Authorized Capital		Paid-in Capital		Comments		
		Shares	Amount	Shares	Amount	Source	Capital Increase by Assets Other than Cash	Others
November 2009	NT\$ 10	250,000,000	2,500,000,000	1	10	Set up Capital	NA	Note 1
December 2009	NT\$ 10	250,000,000	2,500,000,000	148,500,000	1,485,000,000	New issue	NA	Note 2
January 2010	NT\$ 10	250,000,000	2,500,000,000	150,000,000	1,500,000,000	New issue	NA	Note 3
December 2013	NT\$ 22	250,000,000	2,500,000,000	168,000,000	1,680,000,000	SPO	NA	NA
June 2021	NT\$ 10	250,000,000	2,500,000,000	168,473,212	1,684,732,120	SPO	NA	NA
July 2021	NT\$ 10	250,000,000	2,500,000,000	170,138,372	1,701,383,720	SPO	NA	NA
August 2021	NT\$ 10	250,000,000	2,500,000,000	171,203,333	1,712,033,330	SPO	NA	NA
August 2021	NT\$ 10	250,000,000	2,500,000,000	201,203,333	2,012,033,330	SPO	NA	NA

Note 1: To list in Taiwan, Apex Glory Limited transferred 1 share to Marcia Donaldson, the company sponsor, and established Tong Ming Enterprise Co., Ltd.

Note 2: The Company increased, issuing 148,499,999 shares on December 28, 2009, which was subscribed 7,424,999 shares, 8,167,500 shares, and 132,907,500 shares, respectively, by Apex Glory Limited, Go Link Limited, and Tong Hwei Co., Ltd. with equity.

Note 3: To improve the equity structure further, the Company increased, issuing 1,500,000 shares on January 29, 2010, which was subscribed by MaxTeam Investment Limited with equity.

## 2. Type of shares

As of April 21, 2025; Unit: Share

Type	Authorized Capital			Comments
	Outstanding	Unissued Shares	Total	
Common Shares	201,203,333	48,796,667	250,000,000	Listed Common Shares

## 3. Shelf Registration: None.

### II Major shareholders

- The name, number of shares, and shareholding percentage of shareholders with holdings equal to or exceeding 5% or the top 10 shareholders:

As of April 21, 2025; Unit: Share

Shareholding	Shares	%
Major Shareholders		
CAPITALAND LIMITED	36,825,474	18.30%
Richard International Co., Ltd.	24,000,000	11.93%
Tong One Holdings Limited	24,000,000	11.93%
Tsai, Yi-Ting	23,115,486	11.49%
Tsai, Ming-Ti	19,129,556	9.51%
Oriental Union Chemical Corp., in custody of Chinatrust Commercial Bank	11,370,410	5.65%
NEW STAR LIMITED	10,400,000	5.17%
MEGA SUN LIMITED	10,400,000	5.17%
Apex Glory Limited. in custody of Chinatrust Commercial Bank	7,443,000	3.70%
Zonghui Investment Co., Ltd.	6,160,000	3.06%

### III Dividend Policy and Its Execution Status

#### 1. Dividend policy:

The main provisions for dividend payment during the listing period of the Taiwan Securities Exchange as stipulated in the Company's Articles of Incorporation are as follows:

- When the Company makes a profit at the end of a fiscal year, the compensation to employees shall be zero thousandths to one thousandth of the balance and paid in the form of stock or cash based on a Board resolution. Parties eligible to receive said compensation shall include employees in affiliated companies who meet certain conditions set by the Board. In the same case, the remuneration to the directors shall

not be greater than five percent of the balance based on a Board resolution. The distribution plan of compensation to employees and remuneration to directors and supervisors shall be submitted to the shareholders' meeting. However, if the Company has an accumulated deficit, the profit shall cover the deficit before it can be used for compensation to employees and remuneration to directors and supervisors using the aforementioned ratios.

- (2) If there is a surplus by the end of a fiscal year (including the surplus for the previous years), the Company shall first pay taxes and offset past deficits (including the deficits for the previous years), and then allocate a certain amount of the surplus to the legal reserve (if necessary) and special reserve (if any). For the remaining surplus (hereinafter referred to as the distributable surplus), a dividend distribution proposal with no less than 10% of the remaining distributable surplus distributed to shareholders in proportion to shareholding shall be resolved by over two-thirds of the directors present and a majority of the directors present at the Board meetings, and shall be reported to the shareholders. The total distribution amount of cash dividends shall not be less than 10% of the total proposed amount of Shareholders' dividends.
- (3) New Taiwan Currency shall be used for distributing the dividend, bonuses, or other benefits to the shareholders.

2. Earnings distribution proposal for this year:

The 2024 earnings distribution plan approved by the Board of Directors' Meeting on March 14, 2025 shall distribute a cash dividend equal to NT\$ 1.5 per share and NT\$301,805 thousands in total. Disbursements will be made in accordance with the relevant regulations.

IV Impact of Stock Dividends on Operation Performance and Earnings per Share: Not applicable.

V Compensation to Employees, Directors, and Supervisors (The Company upon longer has the Supervisor position):

1. The percentage or range of compensation to employees and remuneration to directors in the Articles of Incorporation shall be as follows:
  - (1) When the Company makes a profit at the end of a fiscal year, the compensation to employees shall be zero thousandths to one thousandth of the balance and paid in the form of stock or cash based on the Board's resolution. Parties eligible to receive the said compensation shall include employees in affiliated companies who meet certain conditions set by the Board. In the same case, the remuneration to directors shall not be greater than five percent of the balance based on the Board's resolution.

The distribution plan of compensation to employees and remuneration to directors and supervisors shall be submitted to the shareholders' meeting. However, if the Company has an accumulated deficit, the profit shall cover the deficit before it can be used for compensation to employees and remuneration to directors and supervisors based on the aforementioned ratios.

- (2) As stipulated in Article 64 of the Articles of Incorporation, the remuneration of Directors shall vary and be evaluated by the Board of Directors with the Company's authorization every year, regardless of gain or loss, based on (a) the involvement of Directors in the business operations of the Company; (b) the contribution of Directors to the Company; (c) the remuneration standards of the industry; and (d) other relevant factors.
2. The estimation basis of compensation to employees and remuneration to Directors and Supervisors, calculation basis for number of shares distributed as stock dividends, and accounting treatments for differences between estimated and actual payment amounts shall be as follows:
    - (1) Please refer to (6)- 1. Dividend policy: for the estimation basis of compensation to employees and remuneration to Directors and Supervisors.
    - (2) The calculation basis for number of shares distributed as stock dividends: The Company did not distribute shares as stock dividends in 2024.
    - (3) Accounting treatments for differences between estimates and actual payment amounts: The big difference of the amount resolved to be distributed by the Board of Directors was recognized as operating expense of the original year; the difference as of the resolution date of the Shareholders' Meeting shall be recognized as changes in accounting estimation and adjusted to book in the following year.
  3. Proposed compensation approved by the Board:
    - (1) Compensation to employees and remuneration of Directors: It is proposed not to distribute compensation to employees but NT\$ 840 thousand to the Directors, which is pending approval by the regular Shareholders' Meeting.
    - (2) The amount of stock distributed as employee compensation and as a percentage to net income of the parent company only or individual financial statements and aggregate compensation to employees is zero.
    - (3) There is no difference between the employee and director remuneration approved by the board of directors and the estimated employee and director remuneration amount.

4. Payment of compensation to employees and remuneration to directors and supervisors with earnings in the previous fiscal year:
  - (1) Compensation to employees: The actual cash dividend distributed to employees of zero was the same amount approved in the Board Meeting.
  - (2) Remuneration to Directors and Supervisors: The actual cash dividend distributed to Directors of NT\$ 840 thousands was the same amount approved in the Board Meeting.

II. Corporate Bonds (including Overseas Corporate Bonds):None

III. Preferred Shares:None.

IV. Global Depositary Shares:None.

V. Employee stock option certificates:None.

VI. Restrictions on employee rights and new share handling situations:None

VII. Merger, acquisition or issuance of new shares by acquiring other companies: None.

VIII. VIII. Implementation of the fund utilization plan:None

## Four. Operational Highlights

### I. Business Scope

#### (I) Business

##### 1. Major Products/Services

The Company is mainly engaged in the researching, developing, manufacturing and selling of stainless steel fastener and wire.

##### 2. Major Products and Percentage to Revenue

Unit: NTS 1,000

Product	Year	2023		2024	
		Amount	%	Amount	%
Stainless steel fastener		10,746,741	82.88	10,342,493	82.45
Stainless steel wire		2,179,403	16.81	2,141,020	17.07
Other(note)		39,896	0.31	59,809	0.48
Total		12,966,040	100.00	12,543,322	100.00

(Note) It refers to other types of products from merged subsidiaries like Winlink and Tong Win.

##### 3. Major Products/Services

The stainless steel product is composed of long profile and sheet profile, and the stainless steel fastener and wire of the Company is mainly used for long profile. Currently the products of Tong Ming are:

###### A. Stainless steel fastener

Commonly known as standard industry components like screw, nut and threaded rod, the fastener is a basic mechanical part and awarded with a good reputation as “Rice of Industry”, which is widely used in the field of construction, machinery, energy, communication, food and transportation. Our products are premium with good corrosion resistance, high intensity, environmental friendliness and perfect appearance. While the stainless steel fastener can also be categorized into three types of screw, nut and threaded rod.

###### B. Stainless steel wire

As another application of stainless steel long profile, it can be produced and processed into various products with different intensity and thickness, featuring with good corrosion resistance, high intensity, environmental friendliness, perfect appearance and wide application also.

###### C. Others

Mainly trade products of the operating entity Zhejiang Tong Ming, and other types of products of the consolidated subsidiaries (including WINLINK FASTENERS CO., LTD, Tong Win, Shenzhen Yiqin, Tong Ming Trading (Jiaxing) and Fastklink ), all of which are of a trade nature.

#### 4. Development of New Products and Technology

##### A. Stainless steel high-strength heatproof bolt

High-intensity heatproof bolts are widely applied in aerospace, energy, chemical industries and highly demanded. The research and application of high-intensity bolts can meet the demands for high-intensity connectors from engineering construction, equipment manufacturing and other fields, and such bolts enjoy a vast market application prospect. The products are with high value-added and market competitiveness, and can generate good economic benefit and commercial value. At the same time, the use of high-intensity heatproof bolts can improve the safety and reliability of projects and equipment, and lower the maintenance and replacement costs.

##### B. One-off thread-rolling technology for threads at two ends of stainless steel threaded rods

The photovoltaic power industry, as an emerging industry which uses the clean and renewable solar energy, is highly supported by the Government and under vigorous development. The majority of equipment for special photovoltaic power generation projects, such as photovoltaic power panel racks, are exposed to external environment for a long time, and has high requirements for corrosion and impact resistance of the materials of fasteners used; stainless steel is one of the ideal fastener materials for the photovoltaic power industry and boasts a vast industry prospect. The one-off tread-rolling technology of stainless steel photovoltaic double-end bars can improve product quality and performance, enhance processing efficiency significantly, lower costs, and has good economic benefit and promotion potential.

##### C. Eccentric vibration and stringing technology for stainless steel wires

The eccentric vibration and tightening technology can keep the stable stretching status of wires, reduce the bending and twisting of wires, lower the occurrence of bending, collapse and other wire defects caused by transfer or transport, and further enhance product quality and reliability. The efficient tightening approach adopted in the new technology is energy-saving and environmentally-friendly by reducing packaging material waste and consumption. The research and application of the technology will innovate the field of stainless steel wire production, and support the development of relevant industries.

#### (II) Industry Overview

##### 1. Industry Status and Development

Stainless steel fasteners are used in a wide range of applications, including construction, transportation facilities, marine transportation, home appliances, consumer electronics, automobiles, aviation, industrial facilities such as nuclear power plants, hydroelectric

power generation, solar power generation, and tooling machinery, etc. In terms of wire processing, the main products are wire mesh, straight rods, and stainless steel wire of smaller diameter, which are supplied to downstream small screw factories and downstream factories of wire and apparel. The main raw materials of stainless steel fasteners are coiled wire and nickel and zinc, etc. In terms of international nickel price trend, the Indonesian government announced a ban on the export of nickel ore in 2009, resulting in tight nickel production capacity. The price of nickel on the LME rose from US\$13,950/ton at the end of 2019 to US\$16,554/ton at the end of 2020, an increase of 18.67%. Between 2020 to early 2023, demands were volatile affected the COVID-19, and transactions returned to normal after Mainland China was unlocked in 2023. however, the complex international situation impacts the global economy, it is generally believed that the global economy is certain till the third quarter of 2025.

With the development of the economy and advancements in stainless steel smelting technology, global stainless steel production and demand have maintained a relatively steady growth trend. However, between 2020 and 2023, the combined impact of the COVID-19 pandemic and increasingly complex international conditions led to fluctuations in raw material prices. In 2024, these prices remained relatively low. It is anticipated that by the third quarter of 2025, the global political and economic situation will become clearer. Nevertheless, due to overall global economic uncertainties, the growth of stainless steel fasteners in China is expected to slow down in 2025

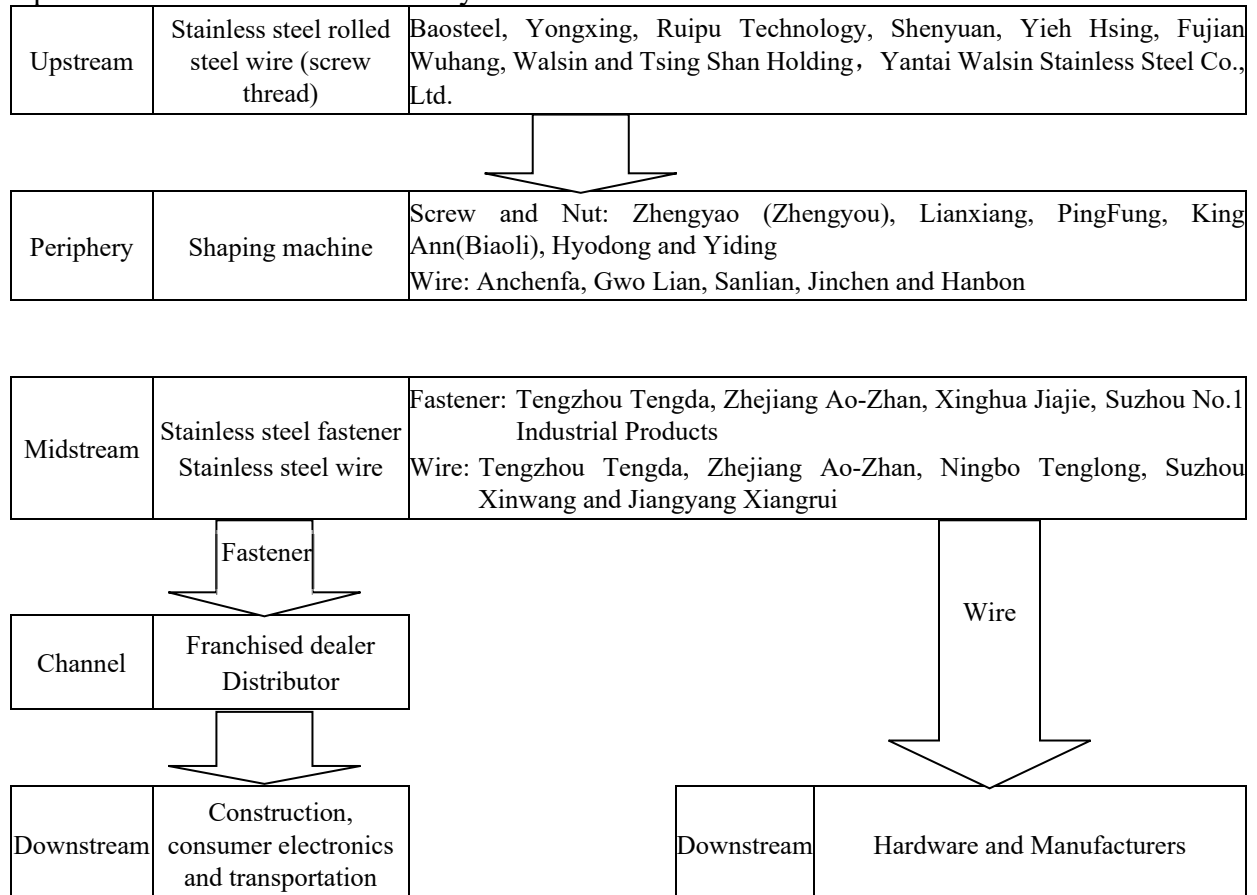
## 2. Supply Chain

The upstream of stainless steel fastener industry is the stainless steel maker that is normally subject to special steel industry and produces stainless steel plate and bar; the former is used for furniture, electric appliance and carriage and the latter is for pipe, rod and rolled steel wire and part of rolled steel wire is specially used for fastener. At present, the rolled steel wire produced in mainland China meet the requirement of quality step by step, reducing the need of imported ones which was required by fastener producers in the past and also becoming an important raw material source for fastener.

There are not too much large enterprises specially producing stainless steel fastener and wire in the midstream, among which most are located at the coastal provinces like Hebei, Yangtze River Delta and Pearl River Delta due the property of industry clustering. And the downstream are mainly distributors and direct customers, as for distribution, the number of subsidiary of stainless steel fastener producer directly managing the distribution channel are less than 5, among which only Zhejiang Tong Ming has established several subsidiaries in mainland China, while others are still selling through distributors and franchised dealers; as for professional dealers, there are not more than 25 chain enterprises with largest scale throughout the mainland China while the number of fastener dealers are over 10000. The stainless steel fastener has

wide applications; producers should accept the reasonable margin required by distributors under the mode of providing products and services to direct customers through downstream distributors and entrusting franchised dealers for sales, which will reduce the profit as a result. Hereby please find the upstream and downstream chain map of mainland China stainless steel fastener and wire as below:

**Upstream and Downstream Industry Chain of Mainland China Stainless Steel Fastener and Wire**



Note: the name inside the the bracket refers to the affiliates in Taiwan.

### 3. Industry Development Trend

#### Industry Development Trend

Stainless steel fasteners are widely used in all industries. Fasteners are not only for connection, fastening and sealing, but more importantly for safety. With the rapid development of aviation and aerospace, high-speed railroads, motor vehicles, electronic appliances and other industries, the performance and reliability of fasteners are becoming more and more demanding. In addition, due to the change of time and space environment, the process from the acquisition of raw materials to the production of final products and the delivery of products to consumers is cycled through the global network, and the future development trend of the industry is described as follows:

A. Towards the development of high-value products

As the continuous changes in technology and industrial structure around the world, the quality requirements for fastener products (such as fasteners) have become more and more stringent in recent years. Therefore, in order to improve profitability and enhance competitive advantage, the industry has to strengthen the research and development of high technology level, special materials and high unit price products. The sophistication and refinement of industries in advanced countries and the industrial infrastructure in the third world, developing and undeveloped countries require a large supply of high-quality and reasonably priced products. In the future, the use of various special steel materials (such as stainless steel) to produce advanced products for defense, automotive, aerospace, electronic technology and major infrastructure industries can be expected. We will develop a product structure with better quality and higher added value.

B. Integration of production, sales and network to construct a complete channel network

In the case of manufacturing industries, intermediate profits are often consumed in the process of being handed over to importers and exporters, large and medium-sized distributors and wholesalers, while those who have the ability to establish channels are able to earn profits from them. The purpose of the alliance between production and sales enterprises is to promote the sale of products, while the essence of the channel is to transfer products from producers to consumers, mainly to eliminate various barriers between producers and consumers in terms of time, place and ownership. Because of the vast expanse of China, each region has a different level of development and different consumer habits, which makes cooperation with the channel even more important. In addition to understanding the consumer habits of the market, channel partners in different regions are more effective and quicker in obtaining changes in market demand. By choosing the right channel to cooperate with, and according to the business profile to do the differentiation and pricing strategy, and cooperation mode, we can successfully recommend products to manufacturers or customers through distribution partners who are familiar with the market. In an increasingly competitive channel environment, companies must respond more quickly to the needs of upstream and downstream customers. Many companies are starting to integrate their business distribution functions, and through joint planning and operations, they are exchanging operational and strategic information with each other to form a highly integrated supply chain channel system, resulting in a significant increase in overall channel performance. In addition, the information management system has been introduced to enhance the added value of the products. The analysis of huge amount of data or massive amount of data will be one of the main trends in the future. Using the analysis technology, we can gradually establish the usage habits

of our own manufacturers' customers by focusing on their past usage records and habits, and then customize the goods and services for them with a full understanding of their needs.

#### 4. Competition

Stainless steel fastener is high-value added product in the industry of fastener, which requires more investment of technical research and patent. At present, producers of stainless steel fastener with annual output over 10000 tons are not too much while most of them are under 3000 tons. However, those with over 10000 ton annual output occupied about 70 percent of the market share, that means more centralized competition than carbon steel fastener producers.

The finish products of stainless steel fastener are easier to be transported than raw material, so the distribution network will be set up at where the customers are. Zhejiang Tong Ming insisted on the operation mode with branches and actively builds its own sales channel over the past years. It has established large shipment warehouses at East, South and North China and middle sized warehouses in different regions in recent years and built the e-commerce platform as well, becoming an enterprise with brand advantage and both production and sales channels of its own. Being different from the sales mode of its peer, Zhejiang Tong Ming mainly promotes for sales relying on franchised dealers.

### (III) Technology and R&D

#### 1. Technology Level and R&D

Because stainless steel fastener belongs to standard parts, the key of competition is the production management capability and distribution efficiency. Zhejiang Tong Ming is now the leading company of stainless steel fastener and wire in mainland China based on the advantages below.

##### (A) Production Experiences over 30 Years

The major shareholders of Tong Ming came from Gangshan area of Kaohsiung in Taiwan, where is the important production base of fastener, so the Company has already accumulated rich experiences before establishing factory in mainland China. Introducing advanced forming technology and numerous facilities made in Taiwan since 1995 together with years of production experiences of major operating teams, Zhejiang Tong Ming has highly decision-making power in the planning and adjusting of production process.

##### (B) Scale Advantage of Productive Means

With a production plant area of 152,000 square metres and an annual production capacity of up to 120,000 tonnes of stainless steel fasteners and wire products, Zhejiang Tong Ming has a highly competitive production economy of scale

advantage. the Zhejiang Tong He wire plant has been put into operation in the third quarter of FY2022, and the Zhejiang Tong Ming Hi-Tech plant has been put into operation from the fourth quarter of FY2023 onwards, and the annual production capacity is set to be further increased.

(C) Several Industry-leading Production Management Systems and Perfect Distribution Channels

The Company has introduced Oracle Enterprise Resource Planning System (ORACLE ERP) since year 2005 and upgraded it in 2016 for more efficient production scheduling and equipment management which can produce nearly 20000 products, it also runs automatic production equipment and automatic central warehousing system together with WMS (warehouse management system) and established warehouses in East China, South China and North China to improve overall logistics efficiency and built e-commerce platform, this kind of production management and perfect distribution channel enable Zhejiang Tong Ming the leader in this industry.

2. Education Level of Research and Development Personnel

Unit: number of people; %

Education	Year	2023		2024		2025 End of March	
		Number	Percent	Number	Percent	Number	Percent
Ph.D.		-	-	1	1	1	1
Master		-	-	-	-	-	-
Bachelor		61	69	70	74	71	75
Senior High School		27	31	24	25	23	24
Total		88	100	95	100	95	100

3. R&D Expenses as a Percentage to Net Operating Revenue in Year 2023 and 2024 and As of Most Recent Date

Unit: NTS 1,000

Items	2023	2024	2025 End of March
Consolidated R&D Expenses	29,518	29,303	5,804
Consolidated Net Operating Revenue	12,966,040	12,543,322	3,078,114
Ratio of R&D Expenses to Net Operating Revenue	0.23%	0.23%	0.19%

4. R&D Achievements in Year 2022 and 2023 and as of Most Recent Date

Year	Achievements
2022	Large conveyor with stainless steel tooth-protected bolts
	Stainless steel reverse-cut carriage bolt
	Milling equipment with hexagon bolt die
	Stainless steel up-and-down tapped anti-bevel nut
	Small flange nut tapping machine
	Stainless steel threaded rod two-end facing attachment
	Stainless steel long-beam screw wire
	Large-diameter stainless steel flange screw wire
2023	Stainless steel high-strength heatproof bolt
	New automatic thread-rolling technology for stainless steel bolts
	One-off thread-rolling technology for threads at two ends of stainless steel threaded rods
	New efficient thread-rolling de-oiling technology of stainless steel bars
	New water-saving technology for polishing stainless steel nuts
	Eccentric vibration and stringing technology for stainless steel wires
2024	Disbursements will be made in accordance with the relevant regulations.
	Development of large-size stainless steel full-thread bolts to prevent deviation
	Application and development of nanocellulose materials in fasteners
	Research on Customised Threading Technology for Stainless Steel Threaded Bars
	Research and Development of AGV Automated Material Handling System
	Ultra-thin anti-loosening nut tapping anti-skewed teeth technology research
	High Strength Stainless Steel Nail Core Wire

(IV) Business Development Plan

1. Short-term Business Development Plan

A. Marketing Strategy

(A) Price Strategy and diversified products category

For regular products, the Company will respond quickly to market price to boost overall sales volume and market share on the basis of raw material purchasing advantages. For high-end products, the Company will allocate more resources for high profitable one and increase the sales percentage of non-self-made products and diversify the profile of stainless steel related products.

(B) Promote Logistics and Distribution Channel

The domestic market in mainland China will continuously grow under the situation of more fierce competition and the proportion of domestic sale will increase with it. Since the warehouses in East, South and North China are running well, the Company is planning to expedite the establishment of warehouses in Midwest China and other regions and upgrade the warehouse management system for higher shipping efficiency and quicker distribution to our customers throughout the mainland China.

(C) Strengthen Customer relations and E-commerce

Cooperate with financing institutions under the existing E-commerce mode to diversify our services available and enhance the business ability of subsidiaries, focus on better customer services and explore more new customers and build a more effective distribution platform for hardware products.

B. Production Strategy

(A) Keep Optimum Inventory Level and Lower Stock-out Rate

The inventory of Tong Ming is at the lowest level of this industry (about 4 months), however, the production and marketing strategy in domestic market is to made by stock and the sales and purchasing prices are easy to be affected by the change of international nickel price, therefore the inventory level will impact the Company's profitability and Tong Ming will still commit itself to keep optimum level of inventory.

Although there are over 20000 kinds of products in Tong Ming, they can be adjusted based on the established production capacity and timely market information from perfect network of self distribution. And the inventory level can be lowered with the production and marketing information integrated via ERP system and different customer requirements can be satisfied to make Tong Ming "a distribution company with factory background". The existing products categories are rich enough to meet one-stop shopping requirement of customers, which will bring more convenience for customers and increase their dependency on us.

(B) Implement Quality Control for Better Quality

The Company will intensify the implementation of ISO system and carry out the test of products so as to improve the quality.

(C) Product Development Direction

As for stainless steel fastener, the Company will strengthen developing the special non-standard products and stainless steel to expand the niche market and build more complete product and intellectual right system.

And for stainless steel wire, the Company will invest more for developing production technology of 400 series stainless steel wire which is not easy to be affected by the price fluctuation of raw material, and increase the application of stainless steel wire related products to expand the scale of production and marketing further.

(D) Operation and financial management

The Company will make budget based on overall operating target and pay close attention to preferential policies in mainland China and of financial institutions home and abroad so as to reduce the operating capital cost and achieve the development plans.

## 2. Long-term Business Development Plan

### A. Marketing Strategy

The Company will integrate distribution channels inside and outside mainland China. For inside, the Company, as an industrial leader with self brand and complete sales platform, will expand the stainless steel related products profile on the basis of its distribution divisions. And for outside, the situation will be clear since the Sino-US trade will reach an agreement, the Company will extend the value of distribution channel and achieve the business plan of global distribution with the policies of mainland China for expanding Eurasian economy and construction.

### B. Production Strategy

(A) Continuously promote equipment replacement and production process improvement for higher production efficiency, and take low waste discharge and high environmental protection as target.

(B) Collaborate with large plants home and abroad to build information platform for timely monitoring on production schedule and delivery time, closely keep up with the demand of major customers.

### C. Product Development Direction

Due to limited global resources and rising environmental protection and consumer safety awareness, the Company will make a target for long-term research and development of environmental friendly material and production process together with innovation of technology.

The existing stainless steel fastener and wire is now our sales products, and the Company will intensify the concept of sales and services for stainless steel fastener and wire to make Tong Ming a more advanced leader and an outstanding enterprise in this industry.

### D. Operation and Financial Management

(A) Complying with the change of operating environment and updating of information product, the Company will introduce better information system and regulations to keep strong competitiveness.

(B) Cooperating with the development of distribution channel, the Company will actively provide training for related personnel so as to promote internationalized management capability for the Company's growth in the future.

## II. Market and Sales Overview

### (I) Market Analysis

#### 1. Sales Distribution by Region

Unit: NTS 1,000; %

Region	Year	2023		2024	
		Amount	Ratio (%)	Amount	Ratio (%)
Mainland China		9,224,269	71.14	9,104,833	72.59
America		1,587,446	12.24	1,491,233	11.89
Asia		1,486,226	11.46	1,195,888	9.53
Others		668,099	5.16	751,368	5.99
Total		12,966,040	100.00	12,543,322	100.00

#### 2. Market Share

The Company mainly produces and sells stainless steel fastener and wire with wide application, among which 300 series stainless steel fastener is the leading product in the market. The stainless steel fastener market of mainland China in 2024 were evenly split by standard and non-standard parts and the quantity demand of 300 series stainless steel fastener accounts for about 50% of standard ones. About 68000 tons 300 series standard fastener of Zhejiang Tong Ming was sold within mainland China, contributing to over 30 percent of the market share.

#### 3. Future Supply and Demand and Market Growth

##### A. Supply and Demand

###### (A) Demand

The company is mainly oriented to China's domestic market, and about 70% of the stainless steel fasteners and wires produced are sold in Chinese mainland. With the continuous upgrading of China's consumption structure, the demand for high quality products is also gradually increasing. The application of stainless steel in the fields of construction, decoration, automobile and petrochemical has gradually been popularized, and the demand for stainless steel fasteners has greatly increased. In addition, the "National New Urbanization Planning" in mainland China clearly defines the trend of urbanization. The new urbanization construction will take population urbanization as the core, urban agglomerations as the main form, and comprehensive bearing capacity as the support, so as to fully improve the quality and level of urbanization. In terms of the urbanization of migrant workers, efforts will be made to promote the settlement of agricultural migrants who have transferred to urban employment, as well as the urbanization of permanent residents who are able to work and live in urban areas. With the increasing urbanization rate in mainland China, the future demand can still be expected for the stainless steel fastener manufacturers. °

#### (B) Supply

The raw material for stainless steel fasteners is rolled steel wire, which was previously imported from Japan, Korea and Taiwan. In recent years, the capacity of this raw material in mainland China has been growing and the quality has been improving. The capacity of the steel manufacturers in Taiwan, Japan and Korea has not increased greatly, so those in mainland China have become the main suppliers to the stainless steel fastener producers, and the above-mentioned steel manufacturers are all large scale leading enterprises with a stable supply performance.

#### B. Future Market Growth

With the increase in income and improvements in living standards in emerging countries, consumers are placing greater emphasis on the appearance and durability of fastener products. Their purchasing decisions have shifted from focusing solely on price to considering a broader range of factors. Per capita consumption of stainless steel fasteners in these countries has been continuously increasing, making them high-potential growth markets.

With significant investments in various infrastructure projects, both domestic demand in mainland China and overseas demand have shown a steady upward trend year by year. Driven by policy support and rising income levels, the stainless steel fastener market in emerging countries is expected to grow at a faster pace than in developed countries.

Moreover, mainland China, with its vast territory and large market size, is expected to see continued growth in stainless steel fastener usage. Despite ongoing uncertainties in the overall economy, domestic demand expansion and infrastructure-related policies are expected to drive further increases in consumption.

#### 4. Competitive Advantage

##### A. The Perfect Sales Channel and Timely Logistics Services

Stainless steel fasteners and wire are commonly sold through three channels: dealer (retailer), own distribution store and network. Tong Ming has successfully integrated these three and applied them to their business home and abroad. Integrating their warehouse management system and large scale shipment warehouse setting, the Company has an excellent online and offline distribution channel that can provide timely services for “Order today, Arrival next day” to all major business regions.

##### B. Economy of Scale Production Capacity and High Efficient Production Management

With a large team with over 30 years’ production experience and a manufacturing base of 152,000 square meters, the Company is confident of delivering a year-to-year delivery increase. Besides, by upgrading the Oracle ERP system which is continuously updated and optimized, introducing an advanced production

schedule method, and integrating the warehouse management system, the overall production efficiency of the Company has been noticeably improved.

C. Price Setter in Mainland China Market

The Company has engaged in the production and sales of stainless steel fasteners in mainland China for more than 20 years and has become the industry leader with a high-quality, diversified product and excellent sales services. It is also the indicator enterprise for operating modes and pricing strategy.

D. Scale Advantage of Raw Material Acquisition, Corporate Value of Honest in Material Use

The Company has established good relationships with large steel manufacturers domestic and overseas obtain first-hand information about price fluctuations and the supply status of raw material. Due to its large purchase quantity, the Company has a big power of price negotiation for the purchasing of roller steel wire. So with the aforementioned, the Company is ahead of its peers in lead times, the price and the quality of the raw material.

E. Outstanding Researching and Development Capability of Product and Process

Since its establishment, Zhejiang Tong Ming has introduced advanced manufacturing processes and mould design from Taiwan, and continues to invest in the improvement of the production process and the development of the product. The Company established an R&D center in 2004 to move forward with the standardization of the R&D process and methods, and it has been certified as a High-Tech Enterprise, provincial-level Technical Center and provincial-level R&D Center. Furthermore, it has successfully transferred its R&D achievements into proprietary intellectual property rights and obtained various patents, which will facilitate the development of advanced manufacturing technology in a steady and sustainable way.

Favorable and Unfavorable Factors for Long-term Development and Solutions

A. Favorable Factors:

(A) Stricter Environmental Enforcement and Beneficial Tax Reductions

After the rapid growth in the economy, mainland China's government pays more and more attention to environmental protection and the enforcement of environmental law is becoming stricter and stricter. Tong Ming's major business entity has complete environmental protection equipment for production waste in accordance with national environmental rules, and it will still allocate more investment to the new environmental protection equipment and the improvement of its existing ones for the purpose of increasing its output but reducing its emissions. In addition, China will continue to implement various burden alleviation measures in 2023 due to the

development of the new Covid-19 epidemic. Additionally, the IRS and local tax bureaus in mainland China were combined a series of tax reduction measures and subsidy policies were rolled out. The overall business environment in the future will be quite favorable to the Company.

(B) Increased Demand Driven by Industrialization, Urbanization and Eurasian Economic Policies

Along with the boom in public construction and basic industries in mainland China, the domestic market is still growing. The equipment manufacturing industry has been emphasized in the National Independent Innovation Ability Improvement Plan, which will promote the development of the fastener industry. Meanwhile, local governments are continuously working on urbanization inside mainland China and pushing the development of the Eurasian economy outside it, creating plenty of business opportunities.

(C) Value-raised and Collectivized Market Order

Going through a survival of fitness in 2012, the stainless steel fastener and wire market was then purified by the continuous drop in prices of raw materials in 2015, when the producers competing at a low price were weeded out. The whole market tends to be under fairer competition after the tax reform, and the companies are becoming better service providers. For example, they now provide services to end users directly. The key to competition in enterprise resources integration and distribution channel arrangement is to provide a one-stop service and reduce the stock-out rate. Under the influence of the COVID-19 in 2020, small manufacturers are greatly affected, and the group enterprises will develop towards improving services and providing customers with one-stop services. In the future, the competition in enterprise resource integration efficiency and distribution channel arrangement will increase the entry threshold, which is conducive to the sound development of the industry.

B. Unfavorable Factors and Solutions

(A) Intensifying Competition in Mainland China Market

Countermeasure

As a leading producer of fastener with own brand in mainland China, the Company has been developing its distribution platform over the past years. With online and offline integrated production and marketing services, it established large scale shipment warehouses in East, South and North China; and the Company will keep improving the logistics services quality in the future based on more than 27 branches and online sales platform; moreover it will also cooperate with financial institutions to enrich e-commerce platform services and diversify customer services, which will raise the industry entry threshold and difficulty of simulating by its competitors.

(B) Increasing Labor Cost

Countermeasure

The Company will continuously update with advanced production equipment to improve the product quality and production efficiency so as to reduce the impact of increasing labor cost.

And the Company will lower staff turnover through good industrial relations, which will reduce the training cost and make good use of the skilled staffs.

(C) complex international situation

Countermeasure

At the beginning of 2023, China lifted its COVID-19 control measures, but due to the still complex overall economic environment, the company will continue to monitor the impact of trade and tariff measures in major sales markets and make appropriate adjustments to production locations within the group to reduce the impact.

(D) Impact of Raw Material Price Fluctuation on Gross Profit

Countermeasure

Aiming at this operating property of stainless steel industry, the Company has established corresponding sales pricing strategy, raw material purchasing strategy and inventory management system.

A. Pricing Strategy of Sales

Referring to the price announce at the beginning of each month by steel makers, the Company will adjust the monthly sales price with its own calculation formula based on market supply and demand to keep strong transfer ability of impact caused by raw material price fluctuation.

B. Acquisition Strategy of Raw Material

To ensure quality and lead time of raw material, the Company builds long-term cooperation with Tier-one steel makers in mainland China for the acquisition of rolled steel wire. The purchasing quantity and price will be adjusted as per market demand, international upstream raw material price and supplying status in mainland China so as to keep the flexibility of raw material acquisition and reduce the impact of raw material price fluctuation on gross profit.

C. Management Rules of Inventory

The Company has set up complete inventory management system to cope with fluctuation of raw material price, please see briefs as below:

- a. The market division sets up reports and meeting in category of “Immediately”, “Weekly”, “Monthly”, “Quarterly” and “Yearly” based on the rank and responsibility of business staffs to monitor the changes of raw material and market information.

- b. Considering product profile, sales mode, shortage and sales forecast, the Company determines the monthly safety stock with the calculation formula of ERP system, and reviews and adjusts the inventory at a certain frequency.

## (II) Main Applications and Production Process for Key Products

### 1. Main Application for Key Products

The Company mainly produces stainless steel fastener and wire. The fastener is divided into screw, nut and threaded rod, which are widely used in the field of mechanical engineer, energy, communication and construction as an absolutely necessary element. And the stainless steel wire, as the connection between upstream steel makers and downstream hardware producers, is the customized raw material of manufacturing industries for small sized screw, kitchen supplies, wire belt, redrawing wire and spring, these two are both one of the supplementary raw materials for basic industry products.

### 2. Production Process

The production process of our products are different, please see the details as below.

#### A. Screw (Fastener)

Coation: coat a layer of oxalic acid film on the surface of rolled steel wire to reduce the damage of mould and material.

Shaping: change roller steel wire to threadless screw through the pressing of mould.

Thread rolling: squeeze through the mould and roll the desired length to qualified thread

Cleaning: remove the oil and film on the surface of rolled thread to restore the original brightness of stainless steel.

#### B. Nut (Fastener)

Shaping: shape the rolled steel wire to threadless nut through heating and repeated punching and forging of mould.

Polishing: remove the carbon deposit and oil on the product surface through mutual friction and reagents reaction to ensure successful tapping.

Tapping: squeeze the shaped and polished semi-finished nut through the mould to desired specification of internal thread.

Cleaning: remove the oil and film on the tapped surface to restore the original brightness of stainless steel.

#### C. Threaded rod (Fastener)

Coation: coat a layer of oxalic acid film on the surface of rolled steel wire to reduce the damage on mould and material.

Drawing: draw the roller steel wire to desired diameter through the squeezing of mould and increase the intensity of it.

Cutting: cut the wire after drawing with desired length to threadless rod  
 Thread rolling: squeeze the threadless rod through the mould to desired specification of external thread.

D. Wire

Pc coating and drawing: same process as fastener, coat a layer of film on the rolled steel wire and draw it to desired diameter.

Annealing: heat different sized wires after drawing inside the furnace for certain time and then cool them gradually to adjust the crystal structure and reduce the wire hardness, which will improve the processability of wire.

(III) Supply of Key Raw Materials

Raw Material	Main suppliers	Supply performance
Rolled steel wire	Yongxing, Ruipu Technology, Baosteel, Shenyuan, Fujian WUhang, Walsin and Tsing Shan Holding, Yantai Walsin Stainless Steel Co., Ltd.	Good

(IV) Key Suppliers/Customers

- Suppliers account for 10% or more of the Company's total purchase in any one of year 2023 and 2024, purchasing amount and percentage, reason of increasing and decreasing:

Unit: NTS 1,000

Rank	2023				2024				2025 as of March 31			
	Name	Amount	%	Relation with the Company	Name	Amount	%	Relation with the Company	Name	Amount	%	Relation with the Company
1	A	6,414,780	62.50	None	A	6,538,672	65.24	None	A	1,436,102	61.97	None
2	Tong heer	905,506	8.82	Other related party (Note)	Tong heer	547,372	5.46	Other related party (Note)	Tong heer	188,218	8.12	Other related party (Note)
	other	2,943,753	28.68	-	other	2,929,940	29.30	-	other	693,062	29.91	-
	total	10,264,039	100.00		C	10,022,738	100.00		C	2,317,382	100.00	

(Note) Tsai, Ching-Tung and Tsai, Hung-Chuan as directors of Tong Heer

Variance Analysis:

The Company's main suppliers are large steel mills in PRC. In recent years, the supply of stainless steel coils has been stable with no significant changes. The products purchased from TONG HE industry are mainly fasteners exported to the United States by the company.

2. Customers account for 10% or more of the Company's total revenue in any one of year 2023 and 2024, sales amount and percentage, reason of increasing and decreasing:

Rank	2023				2024				2025 as of March 31			
	Name	Amount	%	Relation with the Company	Name	Amount	%	Relation with the Company	Name	Amount	%	Relation with the Company
1	A	1,303,954	10.10	Substantial related person	A	820,217	6.54	Substantial related person	A	288,226	6.36	Substantial related person
	other	11,622,086	89.90	-	other	9,723,105	93.46	-	other	2,789,888	90.64	-
	total	12,966,040	100.00		total	10,543,322	100.00		total	3,078,117	100.00	

It is not analyzed since no any individual customer account for 10% of the Company's total revenue in year 2023 and 2024.

### III. Human Resources in the past two years and as of the Publishing Date of this Annual Report

Unit: No. of people

Year		2023	2024	2025 as of March 31
No. of Employees	Manager	18	18	18
	Direct	556	630	645
	Indirect	560	552	586
	Total	1,134	1,200	1,249
Average Age		37	38	39
Average Year of Service		5.3	5.9	6.0
Education	Ph.D.	2	1	1
	Master's Degree	2	3	4
	Bachelor's Degree	380	362	427
	Senior High School	279	295	304
	Below Senior High School	462	539	513

### IV. Expenditure Related to Environmental Protection

- (I) Companies that should apply for Pollution Facility Installation Permit or Waste Discharge Permit, and Pay the Swage Discharge Fee or Assign Designated Unit and Personnel Pursuant to Laws and Regulations, Status of Applying, Paying or Assigning should be explained:

Main factory of the Company is located at Jiaying of Zhejiang province, small amount of waste gas, water and oil will be generated during the production. Besides purchasing waste gas and water treatment equipment for purification and reduction, the Company assigns qualified waste recycling companies to recycle solid waste. As per the environmental protection law and regulations locally and in mainland China, companies must go through

the formalities of declaration and registration of water pollutants and only those not exceed National and Local Emission Standards and Total Emission Index of Pollutants from Enterprises and Institutions as stipulated by the State will be issued the Waste Discharge Permit by environmental protection administration. The Company has obtained Waste Discharge Permit of Zhejiang province (Zhe 91330000609457369N001Q)) on December 14, 2023 and taken associated environmental protection measures regulated by Zhejiang Environmental Protection Bureau. In the past three years, the Company has paid the sewage discharge fee in full. Furthermore, all the factories were mounted with solar power generation equipments on the roof in year 2017 to practice green energy and carbon reduction, and provide a healthy work environment for our employees. New wastewater treatment stations have been completed for operation in 2019, while completing the goal of increasing capacity and reducing emissions.

- (II) Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:
- (III) Impact of pollution status and improvement on the Company's earnings and competitive position, estimated major expenditure of environmental protection in the following two years:

Small amount of industrial pollution will be generated during the production, which is mainly that from product cleaning and machine running. Measures for waste treatment of the Company are to outsource with qualified waste treatment supplier and purchase pollution control machine for using, storing and disposing of the waste. Therefore it is estimated there will have no major expenditure of environmental protection, and no impact of environmental protection matters on the Company's earnings and competitive position.

## V. Industrial Relations

- (I) Employees' welfare, education, training and pension and implementation status, industrial relations agreement and protection of employees' rights.

### 1. Employee Welfare and Implementation

The company has always treated its employees with sincerity and established a good relationship of mutual trust and mutual dependence with its employees through a welfare system that enriches and stabilizes employees' lives and a good education and

training system. The company complies with relevant labor laws and regulations, protects the reasonable rights and interests of employees, provides employees with a safe and healthy working environment, and has established employee feedback and grievance regulations. The following are the specific measures taken by our company to commit to harmonious labor-management relations:

- (A) The company allocates employee remuneration to employees in accordance with the law; performance bonuses are calculated and paid to employees based on indicators every month; year-end bonuses and profit sharing/special bonuses are also paid based on business interests every year.
- (B) Every year, we organize various levels of education and training, various professional courses and certificate examination subsidies, as well as bonuses for employees to improve their academic qualifications.
- (C) Our company applies to the relevant systems of Taiwan's "Labor Pension Ordinance" and "Labor Standards Law", as well as the mainland's "Labor Law" and "Social Insurance Law"
- (D) The company has a canteen in mainland China and provides lunch and overtime meals for each employee; lunch is provided in Taiwan, and it also provides high-security group insurance, emergency relief loans, marriage, childbirth, miscarriage, funeral, hospitalization condolences, official injury condolences, High-temperature subsidies and scholarships and bursaries for employees' children; in addition to employee birthday gifts, various annual gifts are also provided to employees.
- (E) The company has a diverse cultural and recreational center (including a library, fitness equipment, billiards room, canteen and training room) and subsidizes various clubs to organize diverse activities inside and outside the company, such as: outdoor hiking, mountaineering tours, yoga courses, Various ball games inside and outside the company, condolence activities for charity groups and many other activities are held from time to time, and employees and their families are open to participate.

Note: statistics of employees' parental leaves:

Parental leave	Taiwan	Mainland China
Number of employees entitled to parental leave	0 persons	26 persons
Number of employees applying for parental leave	0 person	26 persons
Number of employees being reinstated from parental leave	0 person	23 persons
Reinstatement rate	-	88%

## 2. Employee Education and Training

To keep the employee competitive and competent for their job, the Company has set up rules of education and training for employees in all affiliates.

(A). On-board training: The Company will carry out factory-level training before on-board, including basic information like company profile, administrative organization, employee discipline and company regulations.

(B). On-job training: The Company will make the annual planning of open courses at the end of each year, including internal training taught by internal trainer or hired external experts, and external training executed by special institutions.

## 3. Retirement System and Implementation:

The company's retirement system is as follows:

Taiwan: The new pension system contributes 6% of salary every month to employees' personal pension accounts, and employees can also pay according to their individual pension accounts. The employee is willing to allocate 0%~6% of salary to the personal pension account every month, and the company will pay the employee's salary on a monthly basis. The amount of the withdrawal will be withheld from the capital.

Mainland China: Implemented in accordance with Mainland China's retirement regulations. Employees who have paid in statutory social insurance for 15 years can receive monthly pensions after retirement. The retirement age is stipulated in the labor law: the retirement age for male employees is 60 years old, the retirement age for female cadres is 55 years old, and the retirement age for female employees is 50 years old.

## 4. Industrial Relations and Employees' Welfare:

The Company has Human Resources division as the window to interact with employees and holds the meetings related to industrial relations periodically so that both parties can communicate timely and keep good relations.

## 5. Work environment and employee safety protection measures

The company identifies hazard sources and conducts risk assessments in accordance with the "HS01 Hazard Source Identification, Risk Assessment and Control Procedures" and proposes improvement measures. At the same time, the company conducts work-related injury accident handling procedures in accordance with the "HSM034 Work Injury Treatment and Management Measures". After an accident occurs, the company abides by the "Four Four Deal with it according to the principle of "don't let go". The operating entity Zhejiang Dongming has introduced the "ISO 45001 Occupational Safety and Health Management System" and passed the certification of Rheinland Technology (Shanghai) Co., Ltd. All regions carry out

industrial safety and environmental inspections in accordance with local government regulations, and conduct employee education, training and health examinations to provide employees with a good working environment.

#### 6. Ethical Conduct Standards

The Company engages in business activities based on the principles of fairness, honesty, trustworthiness and transparency. In order to prevent dishonest behavior, the Company's management and employees have signed trade secret protection and competition restriction contracts that cover the scope of confidentiality responsibilities. The Company's work rules also include penalties for breach of integrity.

In addition, the Company reinforces the promotion of ethical concepts within the Company and encourages employees to report to the Company's management when they suspect or discover any violations of laws and regulations or internal rules governing conduct. The Board of Directors and the management actively implement the policy of honest management as stated in the regulations and contracts, and the policy is actually implemented in internal management and external business activities.

(II) Loss incurred due to industrial disputes, estimated amount at present or in the future and actions taken in 2024 and as of the publishing date of this annual report, if can't be estimated, reason shall be disclosed.

1. The Company always pays attention on industrial relations; there has been no industrial dispute in the history of Tong Ming and no loss due to the dispute.
2. Estimated amount at present or in the future and actions taken: There has been no loss caused by industrial dispute and no potential of industrial dispute in year 2022 and 2023. The Company has been positively striving to implement the welfare policy of employees, it is estimated there will have no loss caused by industrial dispute in the future.

## VI. Security management of information and communication:

1. Explain the security risk management structure, security policy, specific management scheme and resources invested in security management of information and communication.
  - (1) Information security risk management framework

Though the company has not yet established an cross-department information security committee, the head of the information department is currently responsible for information security related affairs.
  - (2) Security policy of information and communication
    1. Regularly check the list of personal data of information assets, carry out risk management according to risk assessment of information security and personal data, and implement various control measures.

2. Irregularly hold the education, training and publicity of information security and personal data protection. New employees must sign the security and confidentiality agreement of information and communication.
  3. The outsourcing manufacturer shall sign a confidentiality agreement to ensure that the people who use the information services provided by the company or perform relevant information business have the responsibility and obligation to protect the information assets obtained or used by them, so as to prevent unauthorized access, modification, destruction or improper disclosure.
  4. Important information systems or equipment have established appropriate backup or monitoring mechanisms, which shall be practiced regularly to maintain their availability.
  5. All personal computers are installed with anti-virus software, the update of virus code are regularly checked, and unauthorized software are prohibited.
  6. Everyone is required to keep and use the account number, password and authority properly, and change the password regularly.
  7. Establish a business continuous operation management mechanism, and regularly test and practice to maintain its applicability.
  8. Conduct internal audit regularly every year to ensure the effectiveness of information security and personal data protection management system.
- (3) Specific management scheme and management resources invested in security of information and communication

List the inspection and control of information security and personal data protection as annual audit items, and the audit unit shall conduct audit at least once a year; In addition, the company shall conduct self-inspection according to the internal control system every year, submit the summary of the implementation effect of internal control to the board of directors for review and confirmation, and issue an internal control statement according to the evaluation results.

2. List the losses, possible impacts and countermeasures of major security incidents of information and communication in the most recent year and as of the date of publication of the annual report. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated: none.

## VII. Important Contracts

Type	Counterparty	Duration	Description	Covenant
Credit loan	Tong Ming Enterprise and China Trust Bank	2024/07/01-2025/06/30	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ABC	2024/06/13-2025/06/12	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ABC	2025/02/27-2027/10/27	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and CITIC Bank	2024/11/21-2025/05/20	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and Bank of China	2024/12/17-2027/12/16	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and construction bank	2025/02/24-2026/03/23	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and construction bank	2025/02/24-2026/03/23	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and China Everbright Bank	2024/12/19-2025/09/02	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and China Everbright Bank	2025/01/01-2025/09/02	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and Zheshang Bank	2024/05/09-2025/05/09	Domestic Letter of Credit	Note
	Zhejiang Tong Ming and HSBC	2024/12/24-2025/12/23	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ICBC	2023/05/31-2026/05/28	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ICBC	2023/09/17-2026/09/16	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ICBC	2023/11/14-2026/11/12	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ICBC	2023/12/05-2026/12/03	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ICBC	2024/04/09-2027/04/08	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ICBC	2024/04/16-2027/04/08	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and ICBC	2024/04/23-2027/04/22	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and Yushan Bank	2025/01/14-2026/01/12	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and Yushan Bank	2025/01/21-2026/01/20	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and Bank of Ningbo	2025/01/15-2026/02/13	Loan Contract of Working Capital	Note
	Zhejiang Tong Ming and SinoFung Bank	2024/06/04-2025/06/04	Loan Contract of Working Capital	Note
Zhejiang Tong Ming and CHINA MERCHANTS BANK CO., LTD.	2024/08/06-2025/08/06	Loan Contract of Working Capital	Note	

Note: For the significant contracts of credit loans disclosed, short-term loans are those contracts valued RMB10 million or more, while long-term contracts are all disclosed.

## Five. A review and analysis of the company's financial position and financial performance, and a listing of risks

### I Comparative analysis of financial position during the past 2 fiscal years

Unit: NTS 1,000

Items	Fiscal Year		Difference	
	2023	2024	Amount	%
Current Assets	8,723,148	10,369,351	1,646,203	18.87%
Fixed Assets	2,888,182	3,056,417	168,235	5.82%
Other Assets	674,436	521,293	(153,143)	(22.71%)
Total Assets	12,285,766	13,947,061	1,661,295	13.52%
Current Liabilities	3,248,081	4,902,044	1,653,963	50.92%
Long-Term Liabilities	2,064,782	1,342,602	(722,180)	(34.98%)
Other Liabilities	430,059	557,015	126,956	29.52%
Total Liabilities	5,742,922	6,801,661	1,058,739	18.44%
Capital	2,012,033	2,012,033	0	0.00%
Capital Surplus	1,827,293	1,827,293	0	0.00%
Retained earnings	2,938,555	3,315,548	376,993	12.83%
Exchange differences on translation of foreign financial statements	(261,447)	(38,755)	222,692	(85.18%)
Total Stockholders' Equity	6,542,844	7,145,400	602,556	9.21%

Reason and impact for varying over 20% and amount changed up to NTS 10,000 thousand from 2023 to 2024 are as follows:

- (1) Decrease in other assets: Mainly attributable to the transfer of prepayments for equipment to property, plant and equipment upon completion and acceptance.
- (2) Increase in current liabilities: The increase in accounts payable and short-term borrowings was mainly attributable to the increase in purchases of raw materials in response to future operational needs and the issuance of bank acceptance bills for payment of goods in consideration of payment costs.
- (3) Decrease in long-term liabilities: The decrease in long-term liabilities was mainly due to the settlement of long-term loans.
- (4) Increase in other liabilities: The increase was mainly due to the increase in long-term deferred income as a result of government grants received in line with government policies.
- (5) Increase in exchange differences on translation of financial statements of foreign operations: The increase was mainly due to the appreciation of the exchange rate of RMB against NTD in fiscal year 2024, which resulted in a positive exchange rate effect on the conversion of the functional currency of RMB into NTD.

Where the effect is of material significance, the annual report shall describe the measures to be taken in response: None.

## II Comparative analysis of financial performance during the past 2 fiscal years

- (I) The main reasons for the material change in operating revenues, operating income, or income before tax during the past 2 fiscal years

Unit: NTS 1,000

Fiscal Year	2023	2024	Increase(Decrease) Amount	Variable ratio (%)
Items				
Net Operating Revenue	12,966,040	12,543,322	(422,718)	(3.26%)
Operating Cost	11,998,060	11,056,456	(941,604)	(7.85%)
Gross profit	967,980	1,486,866	518,886	53.61%
Operating Expenses	804,892	830,775	25,883	3.22%
Operating Profit	163,088	656,091	493,003	302.29%
Non-operating income	(49,111)	39,979	89,090	(181.41%)
Income Before Tax	113,977	696,070	582,093	510.71%
Income Tax Benefit (expense)	22,305	(116,458)	(138,763)	(622.12%)
Net benefits	136,282	579,612	443,330	325.30%

Reason and impact for varying over 20% and amount changed up to NTS 10,000 thousand from 2022 to 2023 are as follows:

- (1) Increase in gross profit and operating income: The increase in gross profit and operating income was mainly attributable to the increase in gross profit and operating income in fiscal year 2023 as a result of the volatility of raw material costs due to the weakening of the international and Chinese iron and steel markets, as well as the sharp decline in raw material prices in the fourth quarter of the year, which resulted in a relatively large loss on decline in the prices of inventories, while no significant loss on decline in the prices of inventories was recorded in fiscal year 2024.
- (2) Increase in non-operating income: Mainly attributable to the increase in government grants in FY2024 and the decrease in interest costs due to lower interest rates on borrowings.
- (3) Increase in net income before income tax: Mainly due to the increase in gross operating profit and non-operating income in FY2024.
- (4) Increase in income tax expense: The increase in income tax expense was mainly due to the increase in the operating entity's profit in fiscal year 2024.
- (5) Increase in net income after tax: Mainly due to the increase in gross profit from operations in 2024

- (II) Expected Sales Volume with Basis, and Its Impact on the Company's Finance and Business and Action Plan:

The Company makes the target of annual delivery with the expected sales volume which is based on the effective sales in previous year and the demand estimated with economy growth prospect of the market where the major business entities in, plus the situation and lead time of raw material. And the Company dedicates itself to the stable increasing of performance with numbers of high-quality products and diversified sales channel and platform. The Company will continue to optimize the unique e-commerce business model that integrates production and channels in China, with a variety of sales channels and platforms, in order to maintain steady growth in performance.

### III Review and Analysis of Cash Flow

#### (一) Variance Analysis of Cash Flows in 2024:

Unit: NT\$ 1,000

Item \ Year	2023	2024	Increase (Decrease) Amount	Increase (Decrease) Ratio (%)
Net cash generated by operating activities:	1,599,193	777,664	(821,529)	(51.37%)
Net cash used in investing activities:	(710,293)	(1,048,046)	(337,753)	47.55%
Net cash generated by financing activities:	(1,212,168)	17,677	1,229,845	(101.46%)
Reason and impact for varying over 20% and amount changed up to NT\$ 10,000 thousand from 2023 to 2024 are as follows:				
(1) The decrease in cash inflow from operating activities as compared to the previous period was mainly due to the decrease in net cash inflow from operating activities in FY2024 as a result of active stockpiling in FY2024 in response to future operational requirements.				
(2) The increase in cash outflow from investing activities as compared to the previous period was mainly due to the significant use of bank acceptance bills for payment of goods in 2024 and the significant increase in the amount of guarantee deposits pledged thereon, which resulted in a significant net cash outflow from investing activities in fiscal year 2024.				
(3) The increase in cash inflow from financing activities compared to the previous period was mainly due to a net outflow from borrowing activities in fiscal year 2023 and a net inflow from borrowing activities in fiscal year 2024, which resulted in a net cash inflow from financing activities in fiscal year 2024.				

#### (二) Cash liquidity analysis and improvement plan for insufficient liquidity in the next year (113)

The cash balance of the the Company and its subsidiaries ended the first quarter of 2025 is NT\$2,131,694,000 and it is expected to sufficiently cover the dividend payment of NT\$301,805,000 and cash outflow for other future investing activities when there are continuous net cash inflow from its future operating activities and the short-term and long-term bank loans are rationally applied.

### IV Major Capital Expenditures in 2024 and Their Impacts on the Company's Finance and Operation

The Company spent total \$448,330 thousand for fixed assets in 2024, that was, the production equipment for increasing output and hardware of warehouse management system for accelerating shipment and improving efficiency. The amount was not so big and will not impact the normal running of the Company's finance and operation.

## V Reinvestment Policies of 2024, Main Reasons for Investment Gains or Losses, Improvement Plans, and Investment Plans of 2024

### (1). Reinvestment Policies

The Company's reinvestment policies focuses on this industry and will not involve into non-related ones; except the regulation of investment cycle in internal control system, the Company has established the "Rules for Business Group, Specific Companies and Affiliates", "Procedures for Acquisition and Disposal of Assets" and "Rules for Supervision and Management of Subsidiaries", which has been approved by the Board of Directors or Shareholders' Meeting. And it will also assist the reinvested companies to set up proper internal control system in consideration of the local laws and regulations and their actual operating status.

### (2). Main Reasons for Reinvestment Gains or Losses in 2024

Unit: NT\$ 1,000

Reinvestment	Net profit in 2024	Status
Tong Group Limited	486,771	Good operating condition
Tong Ming Enterprise Co., Ltd	51,267	Good operating condition
Winlink Fasteners Co., Ltd.	15,997	Good operating condition
Tong Win International Co., Ltd.	56,275	Good operating condition
FastLink Inc	5,309	Early stage of establishment
Meta Global Co., Ltd.	(35,808)	Early stage of establishment
Tonglink Enterprise Co.,Ltd	(1,388)	Early stage of establishment
Tong Ming Enterprise Co., Ltd	593,101	Good operating condition
Jiaxing Chunyou Precision Mould Co., Ltd.	3,513	Good operating condition
Tong Ming Trading Limited	(2,942)	due to less sales
Shanghai Dongqin Trading Co., Ltd.	11,478	Good operating condition
Tong Ming Holding Limited	-	No business activities
Jiaxing Dongyou Hardware Co., Ltd.	5,525	Good operating condition
Shenzhen Easy Fasterner Co., Ltd.	(4,958)	Good operating condition
Tong Win International(Jia Xing) Co., Ltd	2,375	Good operating condition
Tong Yi Supply Chain Enterprisc Co., Ltd.	(118)	Early stage of establishment
Tong He Enterprise Co.,Ltd.	(35,808)	Early stage of establishment

### (3) Investment plan in following year: NA

## VI Risk Analysis and Assessment in 2024 and as of the Publishing Date of this Annual Report

### (一) The impact of the Fluctuation in Interest Rates, Foreign Exchange Rates and Inflation on the Company's Profitability, and Associated Action Plans

#### 1. Interest Rate Fluctuation

##### (a) The Impact on the Company's Revenue and Profit

The interest income of the Company in 2023 and 2024 was NT\$ 28,572,000 and NT\$ 39,298,000 respectively, accounting for 0.22% and 0.31% of the consolidated net operating income of the same year respectively. In addition, the interest expense was NT\$ 198,381,000 and NT\$ 167,748,000 respectively, accounting for 1.53% and 1.34% of the consolidated net operating income of the same year respectively. On the whole, since the ratio of interest income and interest expense to the consolidated net operating income in 2023 and 2024 is not high, the risk of affecting the Company's profit and loss is still controllable.

##### (b) Action Plans

The Company has always had good relationships with the corresponding banks, and the financing policy is mainly used for short-term working capital and loans for material acquisitions. Going forward, it will actively maintain these good relationships with the banks, not only to secure more favorable interest rates, but to also closely watch the changes to the financial regulations inside and outside of mainland China, and the fluctuation in the interest rates so as to best make use of these regulations and reduce the risk of interest rate fluctuation.

#### 2. Foreign Exchange Rates Fluctuation

##### (a) The Impact on the Company's Revenue and Profit

The Company's sales and procurement outside China are mainly quoted in US dollars, and sales and procurement in China are quoted in RMB. Since the overseas sales and purchases amount is about the same, the natural hedging method is mainly used to avoid exchange rate fluctuations. The Company's exchange gain in 2023 was NT\$ 31,022,000 and that in 2024 was NT\$ 32,970,000, accounting for 0.24% and 0.26% of the net consolidated operating income of the current period, and 27.22% and 4.74% of the net consolidated profit before tax of the current period. The proportion of exchange gains and losses in operating income and net profit before tax is not high, so the change of exchange rate has a little impact on the company's revenue and profit.

The main functional currency of the Company is RMB and there has been no significant risk of foreign exchange rates until now.

(b) Action Plans

The Company will continue to strengthen awareness in their financial staff for exchange hedging, analyzing trends in the exchange rate using a real-time, online system and by keeping in close contact with financial institutions to provide a reference for exchange settlement. Moreover, natural hedging will still be used as a major strategy for risk control, with assets and liabilities in foreign currencies adjusted properly to reduce the risk of exchange rate fluctuations.

3. Inflation

Inflation did not have a significant impact on the Company's profitability in 2023 and 2024. According to the announcement made by National Bureau of Statistics of China, the Consumer Price Index decreased at an annual rate of 0.1% YoY, in March 2025, indicating that there is no significant inflationary trend in China.—

Although the price of roller steel wire, the primary raw material the Company uses, is easily impacted by the fluctuation of international Nickel prices (which is a special pricing property of the stainless steel industry) there is no direct causality with inflation. Moreover, due to floating adjustment of raw material purchasing and product sales, the Company not only closely watches the fluctuation of the regional economy and market prices of raw material and terminal products but it also maintains good relationships with its suppliers and customers. Therefore, any estimated inflation or deflation has no significant impact on the Company's profitability.

(二) The policies, main reasons for gains or losses, and action plans with respect to high-risk, highly-leveraged investment, lending funds to other parties, endorsements and guarantee and derivative trading in 2024:

In maintaining the principle of being steady and practical, the Company did not engage in any high-risk or highly-leveraged investments, and it did not endorse or offer guarantees for other companies. Meanwhile, the Company has established the "Management of Lending and Endorsement Guarantee" as the basis of such operations and deals, with a forward contract for the sole purpose of avoiding the risk of exchange rate fluctuation. , For efficient use of funds, the Company purchase open-end non-principal-protected floating-income instruments from local correspondent banks to obtain a better return than normal deposits. The Company has also set up the "Procedures for Acquisition and Disposal of Assets (including the "Procedure for Derivative Trading")" for itself and its affiliates. Capital loans to others follow the "Procedures for Lending Funds to Other Parties", and there has been no significant impact on the Company's finances and business.

(三) Future Research and Development Plans and Estimated Expenses:

The Company has been committed to the development of new products and the improvement of the production process over the years. For the development of new products, besides continuing to develop new model standard parts to meet the market requirement, the Company also works hard on special non-standard products and materials to extend the application of products. For the improvement of the production process, the Company pays more attention to improving the processes and upgrading the facilities. The R&D center staff not only collaborate with upstream facility suppliers on new production technology and technology transformation applications but also apply for patents for their own R&D achievements.

The ratio of R&D expenses to net operating revenue in 2023 and 2024 was 0.23% and 0.23%, respectively. Although the figures were not high, the Company has over 20 years production experience in the field of stainless steel fasteners and is a leader in the speed of product R&D and the improvement of the production process, with a National High-Tech Enterprise certification. It will continuously invest in research and development to enhance the Company's technical strength and industrial competitiveness.

(四) The Impact of Changes in Major Domestic and Overseas Policies and Regulations on the Company's Finances and Business, and Associated Action Plans:

The company is registered in the Cayman Islands and operates primarily in mainland China. The Cayman Island's major economic activities are financial services, and mainland China has become the major economy in the world. The Company's business of stainless steel fasteners and wire does not belong to the franchising industry, which is heavily regulated both home and abroad. The Company keeps a close watch on policy trends and any changes to the regulations, along with any variations in the market so as to take proper action. Therefore, changes to major domestic and overseas policies and regulations have no significant impact on the Company's finances and business.

(五) The Impact of Changes in Technology (including information security risks) and Industry on the Company's Finances and Business, and Associated Action Plans:

Furthermore, online shopping is increasingly popular and the platform is perfect in mainland China where the major business is located. The Company has set up a complete sales mechanism for this distribution channel, so there is no impact of changes in technology and industry on the Company's finances and business.

The company has formulated computerized information system management measures and implemented an information security management system in accordance with Article 9 of the "Guidelines for the Establishment of Internal Control Systems for Publicly Issued Companies" to standardize the company's information market security and capital market

protection measures. At the same time, regular Information security risk assessment and operation review, internal and external information security audit operations, etc., to ensure the effectiveness of the information management system and compliance with laws and regulations.

The management department is responsible for the information security management of the company. Information security-related management focuses such as: personnel security and management, education and training, computer system security management, computer storage media security management, network security management, system access control, information asset security management, system development and maintenance security management , physical and environmental security management, information security audit.

In the most recent year and as of the publication date of the annual report, no major cyber attacks or incidents have been discovered, which have or may have a major adverse impact on the company's business and operations, and have not been involved in any related legal cases or regulatory adjustments. Therefore, there is no significant operational risk in assessing information security. However, the company cannot guarantee complete network and computer security protection measures, which can safely and completely avoid any third-party network attacks that paralyze the system. In the future, our company will keep in close contact with professional insurance companies to learn about information related to information security insurance, and will consider whether to purchase insurance in the future based on demand.

(六) The Impact of Changes to the Corporate Image on Corporate Risk Management, and the Associated Action Plans:

As a professional producer of stainless steel fasteners and wire, Zhejiang Tong Ming has been focusing on its operation since it was established, achieving remarkably and establishing a good reputation with more than ten year's hard work. There is no impact to our business on changes to our corporate image.

(七) Expected Benefits and Risks Relating to Mergers and Acquisitions, and the Associated Action Plans:

The Company has established a procedure for the internal restructure and integration of resources for the purpose of listing on the TWSE. It has not undertaken any other mergers and acquisitions. In the event of a merger in the future, the Company shall carefully evaluate and consider the combined effect of the merger to ensure the shareholders' rights and interests.

(八) The Expected Benefits and Risks Relating to Plant Expansion, and the Associated Action

Plans:

One business entity of the Company established the High-tech factory in Jiaxing, Zhejiang in 2021, and main production equipment was officially put into operation in the fourth quarter of 2023 and other production equipment will be installed gradually, and the annual production capacity could reach 50,000 tons. The Company established Zhejiang Donghe Stainless Steel Materials in Pinghu, Zhejiang, which mainly produces stainless steel wire products, and it was put into operation in 2022 with the estimate annual production capacity of about 24,000 tons. Increase in production capacity might encounter raw material capital outflow and market risks, and the Company could master information on market trends and prices in a timely manner and properly respond to relevant risks by cooperating with bank financing or public fundraising.

(九) The Risks of Concentrated Sources of Sales or Purchases, and the Associated Action Plans:

A. Risk of purchases:

Considering the quality and the lead time of receiving raw materials, the Company will give priority to Tier-one steel manufacturers for the purchase of rolled steel wire and will build long-term relationships with them. Although the purchasing of raw materials has been consolidated to the first three suppliers, they are all Tier-one steel manufacturers with a monthly opening price base. Since other suppliers keep growing in both technology and their scale of operations, the Company can transfer orders to them if there is any supply disruption. There is no significant risk of centralized purchasing of raw materials since the Company has the right to decide the supplier based on our purchasing scale advantage.

B. Risk of sales:

The Company primarily sells stainless steel fasteners and wire to distributors of all sizes to key direct customers in various industries due to the wide application of our products. Therefore, there is no significant risk of sales concentration since our customers are scattered and order large quantities, and the ratio of the sales volume of individual customers to overall revenue is less than 20%.

(十) The Impact and Risk of the Sale or Transfer of a Significant Number of Shares by the Directors, Supervisors or Shareholders with Over 10% Shareholding, and the Associated Action Plans: None.

(十一) The Impact and Risk of a Change in Management, and the Associated Action Plans: None.

(十二) The Significant Impact of Litigations or Non-litigations on the Interests of

Shareholders or Share Prices:

- (a) Major convictions or ongoing Litigations, Non-litigations, or Administrative Disputes in 2021 and 2022 with a Significant Impact on the Interests of Shareholders or Share Prices: None.
- (b) Major convictions or ongoing Litigations, Non-litigations, or Administrative Disputes in 2021 and 2022 which Involve the Directors, Supervisors, President, De Facto Responsible Person, Major Shareholders with Over 10% Shareholding and Affiliates having a Significant Impact on the Interests of Shareholders or Share Prices: None.
- (c) Any Events in 2021 and 2022 as stated in Article 157 of the Securities and Exchange Act by the Directors, Supervisors, Managers and Shareholders with Over 10% Shareholding: None

(十三) Other Significant Risks and Associated Action Plans:

- (a) The Risk of Overall Economic, Political and Economic Environment, Foreign Exchange and Laws and Regulations.

The Company is registered in the Cayman Islands and the primary business is in mainland China, so the overall economy, changes to the political environment and any fluctuation to the foreign exchange will all have an impact on the Company's operations.

- (b) The Risk of Shareholders' Rights and Protection of Interests

There are many differences between the laws and regulations of the Cayman Islands and Taiwan, and the Company amends the Articles of Incorporation as per the "Checklist on the Protection of Shareholders' Rights and Interests at the Registered Place of Foreign Issuers" of the Taiwan Stock Exchange without contradiction to Cayman's laws and regulations.

VII Other Significant Matters: None.

## Six. Special Notes

### I. Information related to the company's affiliates:

(1) Company's Affiliation Reports has been uploaded to the Market Observation Post System (MOPS).

(2) Basic Information on Affiliates:

Company Name	Date of Incorporation	Address	Paid-in Capital	Main Business / Products
Tong Ming Enterprise Co., Ltd	Nov. 1995	No. 88 East Changsheng Road, Economic Development Zone, Jiaxing City, Zhejiang Province	RMB 706,000 thousand	Production and sales of SUS fastener and wire, including hardware like SUS screw, threaded rod, wire and nut.
Tong Group Limited	Feb. 2008	Room 2702-03, CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong	RMB 429,493 thousand	Investment
China Rich International Holding Limited	Feb. 2008	Room 2702-03, CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong	RMB 45,222 thousand	Investment
Tong Ming Trading Limited	May 2011	Room 2702-03, CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong	US\$ 50 thousand	Transaction and sales of SUS products
Tong Ming Holding Limited	Jul. 2012	Room 2702-03, CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong	Registered capital of US\$ 50 thousand (Not available yet)	Investment
Shenzhen Easy Fasteners Co., Ltd.	Dec. 2013	No. 126, Building M07, South China International Hardware, Chemical and Plastic Logistics Zone (Phase I), 1# Huanan Avenue, Pinghu Street, Longgang District, Shenzhen	RMB 10,000 thousand	R&D and sales of SUS fastener and standard parts
Winlink Fasteners Co., Ltd.	Jun. 1996	15 F, No. 140, Zhongshan N. Rd., Gangshan Dist., Kaohsiung City	NT\$ 15,000 thousand	Domestic and overseas transaction of screw, nut and mechanical parts
Tong Win International Co., Ltd.	Aug. 2012	Novasage Chambers, PO Box 3018, Level 2, CCCS Building, Beach Road, Apia, Samoa	Registered capital of US\$ 500 thousand (Not available yet)	Import and export of standard fastener
Tong Win Trading (Jiaxing) Co., Ltd	May. 2019	Room 502-2, Building 1, Fu'an Plaza, Economic and Technological Development Zone, Jiaxing City, Zhejiang Province	RMB 42,000 thousand	Domestic and overseas transaction of screw, nut and mechanical parts
FastLink Inc	Dec. 2020	7F Honhachiminami Gardencity, 3-6-1 Kitakyuhouji-Machi, Chuou-Ku Osaka, Japan	JPY 42,000 thousand	Import and export of standard fastener
Meta Global Co., Ltd.	Jan. 2022	Vistra Corporate Services Center, Grand Floor NPF Building, Beach Road, Apia, Samoa	RMB 86,600 thousand	invest

Company Name	Date of Incorporation	Address	Paid-in Capital	Main Business / Products
TONG HE ENTERPRISE CO.,LTD.	Feb.2022	Chengnan Industrial Park, Heping Town, Changxing County, Huzhou City, Zhejiang Province	RMB 86,600 thousand	Production and sales of stainless steel wire
Tong Yi Supply Chain Enterprise Co., Ltd.	Jun. 2022	Room 309, 3rd Floor, Building 5, No. 88 East Changsheng Road, Economic Development Zone, Jiaxing City, Zhejiang Province	RMB 1,000 thousand	E-commerce platform
Tonglink Enterprise Co.,Ltd	Nov 2022	3F, No. 140, Zhongshan N. Rd., Gangshan Dist., Kaohsiung City	NT\$ 10,000 thousand	Trading of screws, etc. and computer programming

(3) The Company and its affiliates are principally engaged in the manufacture, processing and sale of stainless steel fasteners and wires. Zhejiang Tong Ming manufactures and sells stainless steel fasteners and wire products in Zhejiang Province; the Shanghai Yiqin and Shenzhen Yiqin Industrial Fasteners Co., Ltd. are engaged in the trading of fasteners in Shanghai and Guangdong, respectively, and some of the products are supplied by the operating entity. Ganshan Winlink Fasteners, Tong Win International Co., Ltd., and Tong Ming Trading (Jiaxing) Co., Ltd. are mainly engaged in the trading of fasteners for the European and American markets, and Tong Ming Trading Limited purchases some of the production materials on behalf of the operating entity is mainly engaged in the trading of fasteners for the Japanese market. Zhejiang Tong He ENTERPRISE CO., Ltd. will produce and sell stainless steel wire products. Tong Yi Supply Chain Enterprise Co., Ltd. sells stainless wire products on E-commerce platforms. Tonglink Enterprise Co., Ltd. is mainly engaged in the trading of screws, etc. and computer programming.

(4) Shareholders in Common of Tong Ming and Its Affiliates with Deemed Control and Subordination: None

## (5) Operational Highlights of Affiliates:

Unit: NT\$ 1000

Company Name	Capital Stock	Total Assets	Total Liabilities	Net Value	Operating revenues	Operating Profit	Net benefits	Earnings per share(NT\$)
Tong Ming Enterprise Co., Ltd	RMB 706,000 thousand	12,745,032	6,103,477	6,641,555	10,257,076	651,639	593,101	0.84
Tong Group Limited	RMB 429,493 thousand	5,990,722	326,954	5,663,768	-	-	486,771	-
China Rich International Holding Limited	RMB 45,222 thousand	630,950	34,436	596,514	-	-	51,267	-
Tong Ming Trading Limited	US\$ 50 thousand	47,525	-	47,525	-	(64)	(2,942)	-
Tong Ming Holding Limited	-	-	56	(56)	-	-	-	-
Shenzhen Easy Fasteners Co., Ltd.	RMB 10,000 thousand	95,681	27,205	68,476	91,249	330	(4,958)	-
Winlink Fasteners Co., Ltd.	NT\$ 15,000 thousand	301,912	80,720	221,192	386,736	2,758	15,997	10.66
Tong Win International Co., Ltd.	-	199,710	72,678	127,032	1,163,896	46,203	56,275	-

Company Name	Capital Stock	Total Assets	Total Liabilities	Net Value	Operating revenues	Operating Profit	Net benefits	Earnings per share(NT\$)
FastLink Inc	JPY\$ 42,000 thousand	49,414	26,617	22,797	154,425	5,854	5,309	6,320.24
Tong Win Trading (Jiaxing) Co., Ltd	RMB 1,500 thousand	38,107	3,657	34,450	64,382	1,172	2,375	-
Meta Global Co., Ltd.	RMB 65,000 thousand	247,236	-	247,236	-	-	(35,808)	-
Tong He Enterprise Co.,Ltd.	RMB 65,000 thousand	734,690	487,454	247,236	753,301	(34,086)	(35,808)	-
Tonglink Enterprise Co.,Ltd	NT\$ 10,000 thousand	9,182	2,658	6,524	27,009	(1,430)	(1,388)	-
Tong Yi Supply Chain Enterpris Co., Ltd.	RMB 1,000 thousand	3,515	549	2,966	9,172	(124)	(118)	-

## (6) Information of the Directors, Supervisors and Presidents of the Affiliates:

Company Name	Title	Name or Representative	Shares held	Shareholding
Tong Ming Enterprise Co., Ltd	Director	Tsai, Ching-Tung	-	-
	Director	Tsai, Ming-Ti	-	-
	Director	Tsai, Chia-Yen	-	-
	Director	Tsai, Hung-Chuan	-	-
	Director	Tsai, Cheng-Hsiung		
	Supervisor	Tsai, Chen-Jung	-	-
	Supervisor	Tsai Chen, Su-Kan	-	-
	Supervisor	Chang, Sheng-Chieh	-	-
	President	Tsai, Hung-Chuan	-	-
Tong Group Limited	Director	Tsai, Ching-Tung	-	-
China Rich International Holding Limited	Director	Tsai Chen, Su-Kan	-	-
Tong Ming Trading Limited	Director	Tsai, Cheng-Hsiung	-	-
Tong Ming Holding Limited	Director	Tsai, Ching-Tung	-	-
EASY TRADE(SHANGHAI)CO., LTD	Director	Tsai, Hung-Chuan	-	-
	Supervisor	Tsai, Cheng-Hsiung	-	-
Shenzhen Easy Fasteners Co., Ltd.	Director	Ko, Hsin	-	-
	President	Chen, Peng	-	-
Winlink Fasteners Co., Ltd.	Director	Tsai, Hung-Chuan		
	Director	Tsai, Yi-Ting		
	President	Ko, Wen-Ling		
Tong Win International Co., Ltd	Director	Tsai, Hung-Chuan		
Tong Win Trading (Jiaxing) Co., Ltd	Director	Tsai, Cheng-Hsiung		
	President	Ko, Wen-Ling		
Fastlink Inc.	Director	Tsai, Hung-Chuan	-	-
	President	Kenji Tsukada	-	-
Meta Global Co., Ltd.	Director	Tsai, Hung-Chuan		
Tong He Enterprise Co., Ltd.	Director	Tsai, Cheng-Hsiung		
	Supervisor	Lo, Shu-Nan		

(7) Consolidated Financial Statements of Affiliates: Same as consolidated financial statements

(8) Statement of Consolidated Financial Statements of Affiliates: N/A

- II. Private Placement of Securities in 2024 and as of the Publishing Date of this Annual Report: None
- III. Holding or disposal of the Company's shares by subsidiaries: None.
- IV. Other Necessary Supplement: None.
- V. Any Events in 2024 and as of the Publishing Date of this Annual Report that had Significant Impacts on Shareholders' Right or Security Prices as Stated in Subparagraph 2 of Paragraph 3 of Article 36 of the Securities and Exchange Act
- VI Details of Material Difference Between the Company's Articles of Incorporation and R.O.C. Regulation Governing Shareholder Right

Difference	The Company's Law of the Cayman Island and Interpretation	Articles of Incorporation and Interpretation
<p>"Special Resolution" means: a resolution passed by a majority of the Members, as being entitled to do so, voting in Person or, where proxies are allowed at a general meeting, with such members holding two-thirds or more of the total number of outstanding Shares of the Company attending that meeting; or if the total number of Shares represented by the Members of Public Companies present at a general meeting is not sufficient to meet the criteria specified in the preceding paragraph, the resolution made thereby may be passed by two-thirds or more of the Members, as being entitled to do so, voting in Person or, where proxies are allowed at a general meeting, such Members holding a majority of the total number of outstanding shares of the Company attending that meeting.</p>	<p>Subject to the Company's Laws of the Cayman Islands, a Special Resolution means in theory that the resolution is passed by two-thirds or more of the Members, as being entitled to do so, voting in Person or, where proxies are allowed at a general meeting, and the quorum of the meeting of Members shall be the Members holding a majority of the total number of outstanding shares of the Company attending that meeting</p>	<p>Subject to Letter Tai-Zheng-Shang-Zi No. 0991701319 of TWSE on April 13, 2010, Article 31 and Article 2(1) in the Articles of Incorporation, a special resolution means a resolution passed by two-thirds or more of the Members, as being entitled to do so, voting in Person or, in the case such Members are corporations, by their respective duly authorized representative, or where proxies are allowed, by proxy at a general meeting, which shall also comply with the stipulation in the Company's Law of the Cayman Islands and Company Act of Taiwan for the number of members of a Public Company entitled to vote.</p>
<p>1. When the Company decreases the share capital, without a resolution passed by the meeting of Members, its share shall not be cancelled; the share capital shall be decreased in proportion to the capital paid on the Shares held by the Members.</p> <p>2. The decreased Share capital shall be returned with properties other than cash and the returned property and the</p>	<p>Articles 14 to 18 of the Company Law of the Cayman Islands provide strict procedural and physical regulations for the reduction of a company's capital, and such regulations are mandatory and may not be changed by the Articles.</p>	<p>Articles 14 to 18 of the Cayman Islands Company Law provide for strict procedures and physical regulations for capital reduction, and the relevant regulations are mandatory and cannot be changed by the Articles of Association. For the avoidance of doubt, with the advice of Cayman Islands counsel, The Company hereby enact Article 12 of the Company's Articles of Incorporation,</p>

Difference	The Company's Law of the Cayman Island and Interpretation	Articles of Incorporation and Interpretation
<p>amount compensated shall be approved by a resolution of the meeting of the Members and agreed by the shareholder receiving the properties.</p> <p>3. The value of the property and the aforementioned compensated amount shall be submitted to the CPA of the ROC for review and certification before the convening of the meeting of the Members.</p>		<p>which stipulates that the Company's capital reduction shall be carried out in accordance with the procedures and conditions set forth in the Cayman Islands Law and the Listing (OTC) Regulations. As for the requirements for capital reduction in accordance with the Checklist for the Protection of Shareholders' Rights and Interests, Article 19-1(1) of the Company's Articles of Incorporation stipulates that the shares shall be bought back in proportion to the shareholders' shareholding.</p>
<p>A company that adopts shares without par value shall not be converted into shares with par value.</p>	<p>In accordance with the provisions of the last paragraph of Section 8(1) of the Cayman Islands Companies Law: Provided further that no exempted company shall divide its capital into both shares of a fixed amount and shares without nominal or par value. In the opinion of Cayman Islands counsel, in accordance with the above provisions and taking into account the practical share issuance process, Cayman Islands exempted companies are not allowed to convert par value shares into non-par value shares and vice versa.</p>	<p>Since the Company's issued shares are all par value shares, the requirements of the leftmost column are not applicable to the Company. For the avoidance of doubt, I would like to refer to the purpose of the regulation, and in accordance with the current status of the Company, in Article 7(5) of the Company's Articles of Association: "The Company shall not issue or convert par value shares into par value shares.</p>
<p>1. If a shareholders' meeting is held outside of the ROC, it should be reported to the stock exchange for approval within two days after the board of directors has resolved or the shareholders have obtained permission from the competent authority to convene the meeting.</p> <p>2. When a shareholders' meeting is held outside of the ROC, the Company shall appoint a professional stock proxy in the ROC to handle the shareholders' voting.</p>	<p>There is no requirement that the meeting of the Members shall be convened with the territory of the Cayman Islands.</p>	<p>The first paragraph of Article 27 of the Company's Articles of Incorporation provides that "During the listing period, all meetings of shareholders of the Company shall be held in the ROC. Therefore, there is no need to separately regulate the procedures for permitting or reporting shareholders' meetings to be held outside of the ROC. In addition, all shareholders' meetings will be held in the ROC during the listing period, but the Company will still appoint a professional stock agent in the ROC to handle the shareholders' voting and other related matters.</p>
<p>Any one or more Members continuously holding in the aggregate of three percent (3%) or more of the paid-up share capital of the Company for a period of one (1) year or longer may, by issuing a written notice setting forth therein the subjects for discussion and the reasons, request the Board to convene an extraordinary</p>	<p>There is no local competent authority in the Cayman Islands responsible for reviewing whether shareholders can convene shareholders' meetings by themselves.</p>	<p>Since the Company is incorporated under the Companies Law of the Cayman Islands and there is no local authority in the Cayman Islands responsible for examining whether shareholders may convene a shareholders' meeting on their own, the Company refers to letter no.0091701319 issued by TWSE on</p>

Difference	The Company's Law of the Cayman Island and Interpretation	Articles of Incorporation and Interpretation
<p>general meeting of the Members. If the Board fails to give notice to the Members for convening such meeting within 15 days after the filing of such requisition notice, the requisitionists themselves may, after obtaining approval from the competent authority, convene a special meeting of the Members on his/their own in the same manner.</p>		<p>Apr.13, 2010, establishing Article 28 of Articles of Incorporation, stipulating that "A shareholder who has held more than 3% of the total number of issued shares for more than one year may request the Board of Directors to convene an extraordinary shareholders' meeting by stating in writing the reasons for the request and the reasons for the request. A shareholder who has held more than 3% of the total number of issued shares for more than one year may request the Board of Directors to convene an interim meeting of shareholders by stating in writing the reasons for the request and the reasons for the request. If the Board of Directors does not give notice of the shareholders' meeting within 15 days after receiving such request, the requesting shareholder may convene a shareholders' meeting on his or her own. No permission from the competent authority is required.</p>
<p>A member who exercises his voting power at a general meeting in writing or by way of electronic transmission shall be deemed to have attended and voted in person at the general meeting.</p>	<p>According to the legal opinions of the Cayman Islands lawyers, shareholders who exercise their voting rights in writing or electronically shall not be deemed to be present in person, but shall be interpreted as appointing the chairman of the shareholders meeting as a proxy.</p>	<p>Article 51(3) of the Company's Articles of Incorporation provides that "A shareholder who exercises his or her voting rights in writing or electronically shall be deemed to have appointed the chairman of the general meeting as his or her proxy to exercise his or her voting rights in accordance with these Articles of Incorporation and the Cayman Law in respect of the contents contained in the written or electronic documents. The chairman of the shareholders' meeting shall not vote as a proxy on matters not mentioned or indicated in the written or electronic documents or on amendments to the original motion. A shareholder who exercises his or her voting rights in writing or electronically shall be deemed to have abstained from voting on the provisional motion and the amendment to the original motion for that meeting of shareholders. This Article does not differ significantly from the provisions of the R.O.C. Law in actual operation, except that the Chairman of the shareholders' meeting is interpreted as a proxy for those shareholders who vote in writing or electronically, in order to comply with the requirement of the Cayman Islands Law that a resolution of a shareholders'</p>

Difference	The Company's Law of the Cayman Island and Interpretation	Articles of Incorporation and Interpretation
		meeting must be voted by the participating shareholders in person or by proxy at the same time.
<p>1. The Company's Articles of Incorporation may specify that the appropriation of earnings or loss shall be made quarterly or semi-annually after the end of the fiscal year.</p> <p>2. A proposal for the distribution of earnings or appropriation of losses for the first three quarters or the first half of the fiscal year shall be submitted to the supervisor or the audit committee for examination and approval by the board of directors, together with the business report and financial statements.</p> <p>3. When the Company distributes earnings in accordance with the preceding paragraph, the Company shall first estimate and retain taxable contributions, make up for losses in accordance with the law, and set aside legal reserve. However, the legal reserve shall not be used when the legal reserve has reached the amount of paid-in capital.</p> <p>4. If the Company distributes earnings in accordance with the second paragraph by issuing new shares, the attendance of shareholders representing at least two-thirds of the total number of outstanding shares shall be required, and the approval of a majority of the shareholders present shall be required. If the total number of shares present is less than the aforementioned quotas, the Company may do so by the presence of shareholders representing more than half of the total number of outstanding shares and the approval of more than two-thirds of the voting power of the shareholders present.</p> <p>5. The Company shall distribute earnings or make up losses in accordance with the provisions of the preceding four paragraphs in accordance with the financial statements audited or reviewed by an accountant.</p>	<p>The Cayman Islands law has no relevant regulations.</p>	<p>In accordance with Article 91(2) of the Company's Articles of Incorporation, the Company adopts an annual earnings distribution system and does not adopt an interim earnings distribution system; therefore, the regulation requirements in the leftmost column are not applicable to the Company.</p>

Difference	The Company's Law of the Cayman Island and Interpretation	Articles of Incorporation and Interpretation
<ol style="list-style-type: none"> <li>1. If the company has a supervisor, the shareholders' meeting shall elect the supervisor, and at least one of the supervisors must have a residence in the country.</li> <li>2. The term of office of the supervisor shall not exceed three years. However, they may be re-elected for a second term.</li> <li>3. If all the supervisors are dismissed, the board of directors shall convene an interim meeting of shareholders to elect them within 60 days.</li> <li>4. The Supervisor shall supervise the execution of the Company's business, and may at any time investigate the Company's business and financial condition, examine, copy or transcribe bookkeeping documents, and request the Board of Directors or the Manager to make a report.</li> <li>5. The Supervisor shall examine the various forms prepared by the Board of Directors for the shareholders' meeting and report the opinion to the shareholders' meeting.</li> <li>6. The Supervisor may appoint an accountant or attorney to review the audit on behalf of the Company.</li> <li>7. The supervisor may attend the board of directors' meeting to present opinions. If the Board of Directors or a director performs business in violation of the law, the Articles of Incorporation or a resolution of the shareholders' meeting, the Supervisor shall immediately notify the Board of Directors or the director to cease such action.</li> <li>8. Each of the supervisors may exercise the supervisory power alone.</li> <li>9. The supervisor shall not be a director, manager or other employee of the Company.</li> </ol>	<p>The Cayman Islands law has no relevant regulations.</p>	<p>Since the Company adopts the audit committee system and does not have a supervisor, the requirements of the leftmost column are not applicable to the Company.</p>
<ol style="list-style-type: none"> <li>1. A shareholder who continues to hold more than one percent of the Company's outstanding shares for more than six months may request in writing that the Supervisor initiate a lawsuit for the Company against a director, and the Taipei District Court shall be the court of first instance.</li> </ol>	<p>The Cayman Islands law has no relevant regulations.</p>	<p>Since the Company adopts the audit committee system and does not have a supervisor, in accordance with Article 14-4, Paragraph 3 of the Securities and Exchange Act and the Ministry of Economic Affairs' Letter No. 10000533380 dated March 1, 2011, the independent directors shall replace the</p>

Difference	The Company's Law of the Cayman Island and Interpretation	Articles of Incorporation and Interpretation
<p>2. If the supervisor does not file a lawsuit within 30 days after the shareholder's request, the shareholder may file a lawsuit on behalf of the Company and the Taipei District Court shall be the court of first instance.</p>		<p>supervisory function in the left-hand column. Article 77 of the Company's Articles of Incorporation stipulates that shareholders who continue to hold more than one percent of the total number of outstanding shares for more than six months may request in writing the independent directors of the audit committee to act for the Company before a court of competent jurisdiction (including the Taipei District Court). A shareholder who holds more than one percent of the total number of outstanding shares as provided in Article 77 of the Company's Articles of Incorporation may request in writing that a member of the Audit Committee, who is an independent director, bring an action for the Company in a court of competent jurisdiction (including the Taipei District Court) against a director who has performed his or her duties to the detriment of the Company or who has violated the Cayman Act, the Listing Rules or these Articles of Incorporation. If the independent director does not file a lawsuit within 30 days from the date of receipt of the aforementioned request, the requesting shareholder may file a lawsuit in accordance with the applicable laws and regulations, as permitted by the Cayman Act.</p>

**Tong Ming Enterprise Co., Ltd.**

Tsai Ching-Tung

