

Stock Code:9907



Ton Yi Industrial Corp.

**Handbook for the 2025 Annual Meeting of  
Shareholders**

**MEETING TIME: JUNE 18, 2025**

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Ton Yi Industrial Corp.  
Year 2025  
Agenda of Annual Meeting of Shareholders

1. Time : 10:00 am, June 18 (Wednesday), 2025
2. Place : No. 837, Zhongzheng N.Rd., Yongkang Dist., Tainan City, Taiwan  
(R.O.C.) (Ton Yi Industrial Corp.)
3. Convening Meeting: For physical shareholders meeting
4. Call the Meeting to order (report shareholdings of the attendances).
5. Chairman remarks
6. Company Reports
  - (1) The Company's 2024 Business Report.
  - (2) Audit Committee's Review Report on the 2024 Financial Statements.
  - (3) Report on the payment of employee compensation and director remuneration of 2024.
7. Proposals
  - (1) 2024 Company's Business Report and Financial Statements.
  - (2) Adoption of the Proposal for Distribution of 2024 Profits
8. Discussions
  - (1) Proposed amendments to the Company's Articles of Incorporation.
9. Election Matters
  - (1) Election of the Company's directors ( including independent directors).
10. Other Matters
  - (1) Adoption of the Proposal for Releasing the new Directors from Non-competition.
11. Questions and Motions
12. Adjournment

## Company Reports

### Motion 1 :

The Company's 2024 Business Report.

Explanation:

Please refer to P8~P10 of the Conference Manual for the Company's 2024 Business Report.

### Motion 2

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

Explanation:

- (1)The Company's 2024 Financial Statements have been audited by PricewaterhouseCoopers Taiwan and reviewed by the Audit Committee. An independent auditor's report and a review report were issued separately by the above two parties. (Please refer to P11~P34 of the Conference Manual)
- (2)Read out of the review report. (Please refer to P11 of the Conference Manual)

### Motion 3

Report on the payment of employee compensation and director remuneration of 2024.

Explanation:

- (1)Pursuant to Article 235-1 of the Company Law and Article 30 of the Company's Articles of Incorporation: The Company's net income, if any, should be an amount not less than 2% of the net income as the remuneration to employees and an amount not more than 2% of the net income as the remuneration to directors.
- (2)In accordance with the amend Articles of Incorporation and by taking the operating performance into account, The Company hereby allocates its profit for 2024, 4.65% or NT\$89,704,266 for employee' compensation and 1.98% or NT\$38,220,591 for directors' remuneration. The payment will be made in cash.

## Proposals

### Motion 1.

**Proposed by the Board**

2024 Company's Business Report and Financial Statements

Explanation:

- (1) The Company's 2024 Business Report and Financial Statements have been audited by PricewaterhouseCoopers Taiwan and are available for acknowledgment. (Please refer to P8~P34 of the Conference Manual)
- (2) The Financial Statements have been approved by resolution of the 18<sup>th</sup> meeting of the 18<sup>th</sup> board of directors and examined by the Audit Committee.

Resolution:

### Motion 2

**Proposed by the Board**

Adoption of the Proposal for Distribution of 2024 Profits.

Explanation:

- (1) The earnings distribution stipulated in the Articles of Incorporation: The shareholder's dividend of the Company shall be 50%~100% of the accumulated distributable earnings ; also, the cash dividend ratio shall not be less than 30% of the total dividend distribution for the year.
- (2) The Company's net profit after tax was NT\$ 1,532,756,338 in 2024. plus the gain on remeasurements of defined benefit plans, NT\$ 79,750,990. Legal reserve, NT\$ 161,250,733 was set aside pursuant to laws, plus reserast of special reserve, NT\$ 675,410,087, and unappropriated retained earnings of previous years, NT\$ 70,627,685. The Company's distributable earnings for 2024 are NT\$ 2,197,294,367.
- (3) The Company's 2024 profits is proposed to distribute Cash dividends of NT\$ 0.97 per share. Cash dividends paid to each individual shareholder will be rounded down to the nearest dollar. Fractional shares with a value less than one dollar are accumulated and reported as the Company's other income. Please refer to P35 of the Conference Manual.
- (4) Proposal to request shareholders' permission to authorize the board of directors for decisions such as the ex-dividend date and details concerning the cash dividend, which are to be announced in accordance with law.

Resolution:

## Discussion

### Motion 1.

### **Proposed by the Board**

Proposed amendments to the Company's Articles of Incorporation.

### Explanation:

- (1) To comply with Jin-Guan-Zheng-Fa-Zi No. 1130385442 Decree of Financial Supervisory Commission (FSC) dated November 8, 2024, stating that according to the amendment of Paragraph 6 of Article 14 of the Securities and Exchange Act, a company shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or remuneration distribution of entry-level employees, the Company's "Articles of Incorporation" are amended accordingly.
- (2) Please refer to P36 for a comparison of existing and revised terms of the "Articles of Incorporation"

### Resolution:

## Election Matters

### Motion 1.

### **Proposed by the Board**

Election of the Company's Directors(including Independent Directors).

#### Explanation:

- (1)The term of the Company's 18<sup>th</sup> board of Directors(including independent directors)will be expired.According to the Articles of Incorporation, 9 directors (including 3 independent directors) are elected to organize the board of directors with the candidate nomination system adopted for the 19th-term of the Directors.
- (2)The 19th-term of the Directors (including independent directors) will be held on 2025, Shareholders' Meeting, and serve a term of three years from June 18, 2025 until June 17, 2028. The original directors will be dismissed as soon as.
- (3)The Company plans to follow the Articles of Incorporation , all independent directors shall form the body of the Audit Committee.The 5<sup>th</sup> Audit Committee shall be set up when the new independent directors are elected , subsequent Audit Committees shall be dismissed as soon as.
- (4)Please refer to P37-38 of the Conference Manual for the list of candidates for the director( including independent directors) .

#### Resolution:

## Other Matters

### Motion 1.

### **Proposed by the Board**

Adoption of the Proposal for Releasing the new Directors from Non-competition.

#### Explanation:

- (1) Pursuant to Article 209 of the Company Act, "Directors may obtain permission for engaging in business activities that coincide with those of the company's for directors' own benefits, or for the benefits of others, by disclosing material details during shareholder meeting."
- (2) Some of the newly elected directors are found to have simultaneously assumed directorship or managerial roles in other companies that engage in business activities similar to those of the Company's. Their activities should present no threat to the Company, and a proposal has been raised to remove restrictions against their involvements in competing businesses, provided that doing so would not compromise the Company's interests.
- (3) Details of the Duties Subject to Releasing the Candidates of Directors (Independent Directors ) from Non-competition. Please refer to P39~P40 of the Conference Manual.

#### Resolution:



## Questions and Motions

## Adjournment

## **2024 Business Report**

The global economic turmoil in 2024 was both positive and negative. Inflation has slowed down and the demand for AI-related products continues to be strong; however, war has caused the geopolitical risks, and the trade war between China and the rest of the world still weakens the world's optimistic outlook on the economy. In the face of a fluctuating and uncertain environment, the Company has been able to steadily and systematically adjusted the responsive management strategies. Accordingly, the Company's operating performance in 2024 was better than that in 2023, the consolidated operating revenue reached a new high for the year. In addition, and the profit was also higher than that in 2023. We sincerely thank the collective efforts of all employees, the mutual trust and support of all cooperating suppliers, and the guidance and support of the Board of Directors and all shareholders. The Company's management team will continue to uphold the business policy of "maintaining stability with improvement" and the work discipline of "steady operation without rushing", in order to promote the Company's steady and stable development. The operating performance of 2024 and future prospects are shown as follows:

### **I. 2024 Consolidated Business Results**

#### **(I) Business plan implementation and results**

Unit: NT\$ million

Item \ Year	2024	2023	Percentage of growth
Operating revenue	44,859.30	35,240.20	27.30%
Gross profit	5,474.90	3,340.12	63.91%
Net operating income (loss)	2,230.90	1,051.75	112.11%
Pre-tax income	2,227.77	1,024.59	117.43%
After-tax income-Attributed to the Parent Company	1,532.76	681.17	125.02%

#### **(II) Budget Implementation**

Not applicable because the Company has not disclosed its financial forecast for 2024.

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

Item		2024	2023
Financial structure (%)	Debt-to-Asset ratio	37.83	38.81
	Ratio of long-term funds to property, plant and equipment	169.46	154.19
Solvency (%)	Current ratio	207.40	193.11
	Quick ratio	139.22	119.97
Profitability (%)	Return on assets	4.81	2.20
	Return on equity	7.02	2.83
	Net profit margin	3.26	1.69
	Earnings per share (NT\$)	0.97	0.43

### (IV) Research and Development Status

Adhering to the management philosophy of “Integrity, Diligence, Innovation, and Progress to the Future”, we are committed to becoming a professional supplier for packaging materials including SPCC, PET bottle, and new bottle can (NBC) and a leading manufacturer for beverages. Over the years, in addition to the continuous qualification and obtaining of various international certifications, including ISO14001 for environmental management, ISO9001 for quality management, ISO45001/TOSHMS occupational health and safety management, and ISO22000/HACCP for food safety and hygiene management, we have also established TAF-accredited laboratories to impose strict quality and safety controls for customers, suppliers, ingredients and materials, manufacturing processes, and products. In addition, for three consecutive years, the Company has been the only manufacturer to successively obtain the HALAL certification for coated sheets and metal cans in Taiwan, such that the Company is able to provide customers with greater choices of products.

## II. 2025 Business Plan Overview

Looking into the year of 2025, the Company will pay close attention to the overall economic changes and industrial competition status, in order to adapt changes timely and to manage risks while seeking development opportunities at the same time. We will strive to strengthen the corporate resilience in sustainable operations, and ensure stable operations in a changing environment, in order to achieve annual sales targets for 2025 with best effort, and such targets include: 748 thousand tons of general cold-rolled, TMBP and tinplate, 672 million tinplate cans, 270 million boxes of PET and TP beverages, 6,784 million PET bottle caps, and 80 million new bottle cans (NBC) (including beverage filling of 4 million boxes).

### **III. Company's Future Development Strategy**

Externally, the Company will strengthen the cooperation with existing and newly developed business partners and establish long-term partnerships of mutual assistance, mutual trust, coexistence and common prosperity; internally, the Company will optimize management efficiency, maintain work discipline, adjust the production and sales structures, and reduce operational risks, in order to ensure stable and steady growth of the Company.

Specific production and marketing strategies are as follows:

#### **(I) Steel business:**

1. Expand cooperation with major steel manufacturers in Taiwan and Japan, from raw material supply to downstream product sales, in order to establish a stable and resilient supply chain.
2. Maintain the Company's regional and product competitive advantages by increasing the percentage of orders from customers with greater benefits, improving production and sales efficiency, and promoting the development of high value-added products.
3. Rigorously control inventories, and reduce risks caused by market price fluctuation.

#### **(II) Integrated packaging business:**

1. Build relationship with existing high-quality customers, and actively develop new high potential customers.
2. Focus on the businesses of development of aseptic filling, new bottle can (NBC) filling and carbonated beverage filling, expand new emerging markets for beverages with strong technology leading advantages.
3. Strengthen sales region and production site management, integrate group resources, and achieve benefit maximization.

### **IV. Impacts of External Competitive Environment, Legal Environment and Overall Operating Environment**

The external competitive environment remains the same, including the balance issue between supply and demand, geopolitical risks, tougher environmental regulations, and global economic changes, etc. Nevertheless, we will adjust our business strategies based on the market status, in order to ensure that the Company is able to maintain its competitive advantages in such changing environment. We believe that with a stable business foundation and a forward-looking strategic planning, we are able to continuously create values for the Company's operations and to ensure sustainable development.

Chairman:  
Chih-Hsien Lo

Managers:  
Chin-Cheng Hsu  
Yu-Hsin Chang

Head of Accounting:  
Yi-Hsing Liu

**Ton Yi Industrial Corp.**  
**Audit Committee's Review Report**

We have reviewed the Company's 2024 Business Report, Financial Statements, and Earnings Appropriation prepared by the Board of Directors. The standalone and consolidated financial statements have been audited by external auditors Yeh, Fang-Ting and Lin, Yung-Chih, PricewaterhouseCoopers Taiwan, to which they issued an unqualified opinion. Business Report, Financial Statements, and Earnings Appropriation has reviewed the abovementioned reports and found no misstatements. We hereby issue this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

For

The 2025 Annual General Meeting

Ton Yi Industrial Corp.

Chairman of the Audit Committee      Yi-Chang Lin

March 4, 2025

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Ton Yi Industrial Corp.

**Opinion**

We have audited the accompanying parent company only balance sheets of Ton Yi Industrial Corp. (the "Company") as of December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

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

**Basis for opinion**

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

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

## **Existence of sales revenues**

### Description

Refer to Note 4(27) for accounting policy on revenue recognition and Note 6(18) for details of operating revenue.

The Company has a large volume of transactions from sales of numerous kinds of products to a wide range of customers in many different locations such as Taiwan, Asia, Europe, America, etc. For the customers and dealers who are from remote districts, the sales revenue transactions need more time for verification. This matter also exists in the subsidiaries of the Company (listed as investments accounted for using equity method). Thus, the existence of sales revenue has been identified as a key audit matter.

### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Inspecting whether approved additions to the merchandise master file data had been correctly entered in the merchandise master file which include basic information of customers, such as name of representative, location of company, amount of capital and scope of business for evaluating the creditworthiness of buyers.
2. Understanding, evaluating and validating management's controls in respect of the Company's sales transactions from customer's order approval, goods delivery, sales recording, reconciliation of cash receipts and customer's records to subsequent settlement of trade receivables. In addition, testing the effectiveness of internal control environment over revenue recognition.
3. Performing substantive test on selected sales transactions including confirming orders, shipping documents, invoices and cash receipts to verify the existence of sales revenues.

## **Inventory valuation**

### Description

Refer to Note 4(7) for accounting policy on inventory, Note 5(2) for the critical accounting estimates and assumptions uncertainty in relation to inventory valuation and Note 6(4) for details of inventories. For the year ended December 31, 2024, inventory and allowance for price decline of inventories amounted to NT\$2,671,493 thousand and NT\$44,000 thousand, respectively.

The Company's raw materials are often subject to fluctuations in the international steel prices. However, as the Tin Plate products are considered necessities, such price changes may not be immediately reflected in material costs that would impact the estimation of net realizable value of inventory. This matter also applies to the subsidiaries of the

Company (listed under investments accounted for using equity method). Thus, the inventory valuation has been identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Evaluating the adequacy of allowance for inventory and the consistency of provision policy.
2. Assessing the reasonableness of the estimation of net realizable value of Tin Plate products and discussing with management and examining related documents to confirm the adequacy of allowance for price decline.

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

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

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

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

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

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



company only financial statements.

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

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

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

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

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

Yeh, Fang-Ting

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

March 4, 2025

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

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

TON YI INDUSTRIAL CORP.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 23,655	-	\$ 106,571	-
1110	Financial assets at fair value through profit or loss - current	6(2)	757	-	-	-
1150	Notes receivable, net	6(3) and 12	85,945	-	110,852	1
1170	Accounts receivable, net	6(3) and 12	1,589,724	6	631,604	2
1180	Accounts receivable - related parties	6(3) and 7	73,626	-	247,894	1
1200	Other receivables		100,597	1	66,435	-
130X	Inventories	5(2) and 6(4)	2,627,493	9	2,353,060	9
1410	Prepayments		50,142	-	68,344	-
11XX	Total current assets		4,551,939	16	3,584,760	13
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)	93,379	-	118,781	1
1550	Investments accounted for using equity method	6(6)	18,645,709	66	17,620,485	65
1600	Property, plant and equipment	6(7)	4,590,059	16	5,421,559	20
1755	Right-of-use assets	6(8)	336,570	1	349,265	1
1760	Investment property, net	6(10)	432	-	432	-
1840	Deferred income tax assets	6(25)	45,686	-	81,327	-
1915	Prepayments for business facilities	6(7)	-	-	13,720	-
1920	Guarantee deposits paid		226	-	226	-
1975	Net defined benefit asset - non-current	6(14)	178,912	1	59,373	-
15XX	Total non-current assets		23,890,973	84	23,665,168	87
1XXX	Total assets		\$ 28,442,912	100	\$ 27,249,928	100

(Continued)

**TON YI INDUSTRIAL CORP.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023					
			Notes	AMOUNT	%	AMOUNT	%			
Current liabilities										
2100	Short-term borrowings	6(11)	\$	1,952,543	7	\$	2,729,916	10		
2130	Contract liabilities - current	6(18)		40,659	-		89,335	-		
2150	Notes payable			285	-		-	-		
2170	Accounts payable			272,118	1		106,108	1		
2200	Other payables			735,825	2		435,034	2		
2230	Current income tax liabilities	6(25)		189,272	1		98,173	-		
2280	Lease liabilities - current			11,728	-		10,919	-		
2305	Other financial liabilities - current			7,320	-		11,320	-		
2365	Refund liabilities - current			19,148	-		21,810	-		
21XX	Total current liabilities			3,228,898	11		3,502,615	13		
Non-current liabilities										
2540	Long-term borrowings	6(12)		3,750,000	13		4,150,000	15		
2550	Provisions - non-current	6(13)		87,468	1		85,858	-		
2570	Deferred income tax liabilities	6(25)		314,681	1		258,533	1		
2580	Lease liabilities - non-curret			295,645	1		300,858	1		
2645	Guarantee deposits received			4,000	-		4,500	-		
25XX	Total non-current liabilities			4,451,794	16		4,799,749	17		
2XXX	Total liabilities			7,680,692	27		8,302,364	30		
Equity										
Share capital										
3110	Common stock	6(15)		15,791,453	55		15,791,453	58		
3200	Capital surplus	6(16)		233,068	1		232,586	1		
	Retained earnings	6(17)								
3310	Legal reserve			2,379,154	8		2,307,402	9		
3320	Special reserve			1,898,479	7		1,412,342	5		
3350	Unappropriated retained earnings			1,683,135	6		1,102,260	4		
3400	Other equity interest		(	1,223,069)	(	4)	(	1,898,479)	(	7)
3XXX	Total equity			20,762,220	73		18,947,564	70		
Significant contingent liabilities and unrecognized contract commitments							9			
3X2X	Total liabilities and equity		\$	28,442,912	100	\$	27,249,928	100		

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

**Chairman:** Chih-Hsien Lo    **Manager:** Chin-Cheng Hsu    Yu-Hsin Chang    **Chief Accountant:** Yi-Hsin Liu

**TON YI INDUSTRIAL CORP.**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars, except earnings per share)

			Year ended December 31			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(18) and 7		\$ 16,234,605	100	\$ 12,060,595	100
5000 Operating costs	6(4)(14)(23)(24) and 7		( 13,779,767 )	( 85 )	( 10,974,982 )	( 91 )
5900 Gross profit from operations			2,454,838	15	1,085,613	9
5910 Unrealized (profit) loss from sales	6(6)		( 13,660 )	-	9,911	-
5920 Realized (loss) profit from sales	6(6)		( 9,911 )	-	36,987	-
5950 Gross profit from operations			2,431,267	15	1,132,511	9
Operating expenses	6(14)(23)(24), 7 and 12					
6100 Selling expenses			( 1,247,822 )	( 8 )	( 625,397 )	( 5 )
6200 Administrative expenses			( 491,519 )	( 3 )	( 369,874 )	( 3 )
6450 Expected credit (losses) gains			( 8,033 )	-	3,327	-
6000 Total operating expenses			( 1,747,374 )	( 11 )	( 991,944 )	( 8 )
6900 Operating income			683,893	4	140,567	1
Non-operating income and expenses						
7100 Interest income	6(19)		1,943	-	1,729	-
7010 Other income	6(5)(9)(20)		29,868	-	22,222	-
7020 Other gains and losses	6(2)(8)(21) and 12		84,048	1	16,690	-
7050 Finance costs	6(7)(8)(13)(22)		( 154,395 )	( 1 )	( 135,641 )	( 1 )
7070 Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(6)		1,156,655	7	743,109	7
7000 Total non-operating income and expenses			1,118,119	7	648,109	6
7900 Profit before income tax			1,802,012	11	788,676	7
7950 Income tax expense	6(25)		( 269,256 )	( 2 )	( 107,511 )	( 1 )
8200 Profit for the year			\$ 1,532,756	9	\$ 681,165	6
Other comprehensive income (loss)						
Components of other comprehensive income (loss) that will not be reclassified to profit or loss						
8311 Gain on remeasurements of defined benefit plan	6(14)		\$ 99,689	1	\$ 45,436	-
8316 Unrealized (loss) gain from investments in equity instruments measured at fair value through other comprehensive income	6(5)		( 25,402 )	-	29,540	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)		( 19,938 )	-	( 9,087 )	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss						
8361 Exchange differences on translation	6(6)		701,014	4	( 516,003 )	( 4 )
8399 Income tax related to the components of other comprehensive income that will be reclassified to profit or loss	6(25)		( 202 )	-	326	-
8300 Other comprehensive income (loss) for the year			\$ 755,161	5	( \$ 449,788 )	( 4 )
8500 Total comprehensive income for the year			\$ 2,287,917	14	\$ 231,377	2
Earnings per share (in dollars)						
9750 Basic	6(26)		\$ 0.97		\$ 0.43	
9850 Diluted			\$ 0.97		\$ 0.43	

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

Chairman: Chih-Hsien Lo

Manager: Chin-Cheng Hsu Yu-Hsin Chang

Chief Accountant: Yi-Hsin Liu

**TON YI INDUSTRIAL CORP.**  
**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Retained Earnings					Equity interest		
							Exchange differences on translation of foreign financial statements	Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income	Total equity
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings			
<u>For the year ended December 31, 2023</u>									
		\$ 15,791,453	\$ 232,045	\$ 2,062,280	\$ 1,829,875	\$ 2,549,470	(\$ 1,122,666 )	(\$ 289,676 )	\$ 21,052,781
		-	-	-	-	681,165	-	-	681,165
	6(5)	-	-	-	-	36,349	( 515,677 )	29,540	( 449,788 )
		-	-	-	-	717,514	( 515,677 )	29,540	231,377
Distribution of 2022 net income:									
	6(17)	-	-	245,122	-	( 245,122 )	-	-	-
	6(17)	-	-	-	( 417,533 )	417,533	-	-	-
	6(17)	-	-	-	-	( 2,337,135 )	-	-	( 2,337,135 )
	6(16)	-	580	-	-	-	-	-	580
	6(16)	-	( 39 )	-	-	-	-	-	( 39 )
		\$ 15,791,453	\$ 232,586	\$ 2,307,402	\$ 1,412,342	\$ 1,102,260	(\$ 1,638,343 )	(\$ 260,136 )	\$ 18,947,564
<u>For the year ended December 31, 2024</u>									
		\$ 15,791,453	\$ 232,586	\$ 2,307,402	\$ 1,412,342	\$ 1,102,260	(\$ 1,638,343 )	(\$ 260,136 )	\$ 18,947,564
		-	-	-	-	1,532,756	-	-	1,532,756
		-	-	-	-	79,751	700,812	( 25,402 )	755,161
	6(5)	-	-	-	-	1,612,507	700,812	( 25,402 )	2,287,917
Distribution of 2023 net income:									
	6(17)	-	-	71,752	-	( 71,752 )	-	-	-
	6(17)	-	-	-	486,137	( 486,137 )	-	-	-
	6(17)	-	-	-	-	( 473,743 )	-	-	( 473,743 )
	6(16)	-	534	-	-	-	-	-	534
	6(16)	-	( 52 )	-	-	-	-	-	( 52 )
		\$ 15,791,453	\$ 233,068	\$ 2,379,154	\$ 1,898,479	\$ 1,683,135	(\$ 937,531 )	(\$ 285,538 )	\$ 20,762,220

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

**Chairman:** Chih-Hsien Lo

**Manager:** Chin-Cheng Hsu Yu-Hsin Chang

**Chief Accountant:** Yi-Hsin Liu

**TON YI INDUSTRIAL CORP.**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 1,802,012	\$ 788,676
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on financial assets at fair value through profit or loss	6(2)(21)	( 757 )	-
Expected credit losses (gains)	12	8,033	( 3,327 )
(Reversal of allowance) provision for inventory market price decline	6(4)	( 87,000 )	81,000
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(6)	( 1,156,655 )	( 743,109 )
Unrealized profit (loss) from sales	6(6)	13,660	( 9,911 )
Realized loss (profit) from sales	6(6)	9,911	( 36,987 )
Depreciation	6(7)(8)(23)	1,018,871	1,006,727
Loss on disposal of property, plant and equipment	6(21)	476	137
Gain from lease modifications	6(8)(21)	-	( 8 )
Interest income	6(19)	( 1,943 )	( 1,729 )
Dividend income	6(5)(20)	( 4,388 )	( 3,653 )
Interest expense	6(22)	154,395	135,641
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		25,159	43,624
Accounts receivable		( 966,405 )	308,240
Accounts receivable - related parties		174,268	174,783
Other receivables		( 34,162 )	21,989
Inventories		( 187,433 )	357,536
Prepayments		18,202	( 15,325 )
Net defined benefit assets - non-current		( 19,850 )	( 13,937 )
Changes in operating liabilities			
Contract liabilities - current		( 48,676 )	44,522
Notes payable		285	-
Accounts payable		166,010	( 2,602 )
Other payables		263,633	( 349,514 )
Refund liabilities - current		( 2,662 )	3,378
Net defined benefit liabilities - non-current		-	( 15,462 )
Cash inflow generated from operations		1,144,984	1,770,689
Interest received		1,943	1,729
Dividends received		813,262	599,410
Interest paid		( 154,817 )	( 132,383 )
Income tax paid		( 106,508 )	( 472,015 )
Net cash flows from operating activities		1,698,864	1,767,430

(Continued)

**TON YI INDUSTRIAL CORP.**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Acquisition of property, plant and equipment	6(7)	( \$ 29,412 )	( \$ 36,336 )
Cash paid for prepayments for business facilities	6(27)	( 84,173 )	( 85,272 )
Interest paid for prepayments for business facilities	6(7)(22)(27)	( 1,383 )	( 472 )
Net cash flows used in investing activities		( 114,968 )	( 122,080 )
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
(Decrease) increase in short-term borrowings	6(28)	( 777,373 )	300,027
Decrease in other financial liabilities - current	6(28)	( 4,000 )	( 3,490 )
Payments of lease liabilities	6(28)	( 11,678 )	( 10,827 )
Increase in long-term borrowings	6(28)	750,000	1,900,000
Decrease in long-term borrowings	6(28)	( 1,150,000 )	( 1,550,000 )
(Decrease) increase in guarantee deposits received	6(28)	( 500 )	2,000
Cash dividends paid	6(17)(28)	( 473,743 )	( 2,337,135 )
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(16)	534	580
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(16)	( 52 )	( 39 )
Net cash flows used in financing activities		( 1,666,812 )	( 1,698,884 )
Net decrease in cash and cash equivalents		( 82,916 )	( 53,534 )
Cash and cash equivalents at beginning of year	6(1)	106,571	160,105
Cash and cash equivalents at end of year	6(1)	<u>\$ 23,655</u>	<u>\$ 106,571</u>

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

**Chairman:** Chih-Hsien Lo    **Manager:** Chin-Cheng Hsu    Yu-Hsin Chang    **Chief Accountant:** Yi-Hsin Liu



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Ton Yi Industrial Corp.

**Opinion**

We have audited the accompanying consolidated balance sheets of Ton Yi Industrial Corp. and its subsidiaries (the "Group") as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

**Basis for opinion**

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

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

## **Existence of sales revenues**

### Description

Refer to Note 4(29) for the accounting policy on revenue recognition and Note 6(19) for details of operating revenue. The Group has a large volume of transactions from sales of numerous kinds of products to a wide range of customers in many different locations such as Taiwan, Asia, Europe, America, etc. For the customers and dealers who are from remote districts, the sales revenue transactions need more time for verification. Thus, the existence of sales revenue has been identified as a key audit matter.

### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Inspecting whether approved additions to the merchandise master file data had been correctly entered in the merchandise master file which include basic information of customers, such as name of representative, location of company, amount of capital and scope of business for evaluating the creditworthiness of buyers.
2. Understanding, evaluating and validating management's controls in respect of the Group's sales transactions from customer's order approval, goods delivery, sales recording, reconciliation of cash receipts and customer's records to subsequent settlement of trade receivables. In addition, testing the effectiveness of internal control environment over revenue recognition.
3. Performing substantive test on selected sales transactions including confirming orders, shipping documents, invoices and cash receipts to verify the existence of sales revenues.

## **Inventory valuation of Tin Plate products**

### Description

Refer to Note 4(9) for accounting policy on inventory, Note 5(2) for the critical accounting estimates and assumptions uncertainty in relation to inventory valuation and Note 6(5) for details of inventories. For the year ended December 31, 2024, inventory and allowance for price decline of inventories amounted to NT\$4,447,002 thousand and NT\$94,881 thousand, respectively.

The Group's raw materials are often subject to fluctuations in the international steel prices. However, as the Tin Plate products are considered necessities, such price changes may not be immediately reflected in material costs. In addition, the competition landscape within the steel industry in China will continue to affect the price of raw materials that would impact the estimation of net realizable value of inventory. Thus, the inventory valuation has been identified as a key audit matter.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Evaluating the adequacy of allowance for inventory and the consistency of provision policy.
2. Assessing the reasonableness of the estimation of net realizable value of Tin plate products and discussing with management and examining related documents to confirm the adequacy of allowance for price decline.

#### **Other matter – Parent company only financial reports**

We have audited and expressed an unqualified opinion on the parent company only financial statements of Ton Yi Industrial Corp. as of and for the years ended December 31, 2024 and 2023.

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

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

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

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

#### **Auditors' responsibilities for the audit of the consolidated financial statements**

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

consolidated financial statements.

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

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

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

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

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

Independent Accountants      Yeh, Fang-Ting  
   Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan  
Republic of China  
March 4, 2025

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

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

**TON YI INDUSTRIAL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 4,043,771	12	\$ 3,308,211	10
1110	Financial assets at fair value through profit or loss - current	6(2)	757	-	-	-
1150	Notes receivable, net	6(3)(4), 8 and 12	1,150,658	3	823,487	3
1170	Accounts receivable, net	6(3) and 12	2,853,765	8	1,627,756	5
1180	Accounts receivable - related parties	6(3) and 7	2,183,122	6	1,722,526	5
1200	Other receivables		114,183	-	72,209	-
1220	Current income tax assets	6(26)	4,423	-	5,163	-
130X	Inventories	5(2) and 6(5)	4,352,121	13	4,143,695	13
1410	Prepayments		714,970	2	463,198	1
1476	Other financial assets - current		1,602	-	1,289	-
11XX	Total current assets		15,419,372	44	12,167,534	37
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(6)	93,379	-	118,781	1
1600	Property, plant and equipment	6(7)(9)	16,220,961	47	17,038,631	52
1755	Right-of-use assets	6(8) and 7	1,511,917	4	1,735,929	5
1760	Investment property, net	6(9)(10)	79,071	-	82,613	-
1780	Intangible assets	6(11)	3,067	-	3,734	-
1840	Deferred income tax assets	6(26)	1,195,121	3	1,170,855	4
1915	Prepayments for business facilities	6(7)	182,552	1	151,207	1
1920	Guarantee deposits paid	7	31,869	-	30,604	-
1975	Net defined benefit asset - non-current	6(15)	178,912	1	59,373	-
1990	Other non-current assets, others		6,950	-	13,579	-
15XX	Total non-current assets		19,503,799	56	20,405,306	63
1XXX	Total assets		\$ 34,923,171	100	\$ 32,572,840	100

(Continued)

**TON YI INDUSTRIAL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023					
			Notes	AMOUNT	%	AMOUNT	%			
Current liabilities										
2100	Short-term borrowings	6(4)(12) and 8	\$	2,497,262	7	\$	2,729,916	8		
2130	Contract liabilities - current	6(19)		56,605	-		109,307	-		
2150	Notes payable			285	-		-	-		
2170	Accounts payable			1,975,893	6		1,244,194	4		
2180	Accounts payable - related parties	7		358,777	1		250,752	1		
2200	Other payables			1,940,914	6		1,465,225	4		
2220	Other payables - related parties	7		92,280	-		61,284	-		
2230	Current income tax liabilities	6(26)		283,617	1		168,252	1		
2280	Lease liabilities - current	7		184,149	-		223,885	1		
2305	Other financial liabilities - current			25,580	-		26,309	-		
2365	Refund liabilities - current			19,148	-		21,810	-		
21XX	Total current liabilities			7,434,510	21		6,300,934	19		
Non-current liabilities										
2540	Long-term borrowings	6(13)		3,750,000	11		4,150,000	13		
2550	Provisions - non-current	6(14)		87,468	-		85,858	-		
2570	Deferred income tax liabilities	6(26)		966,881	3		941,641	3		
2580	Lease liabilities - non-current	7		930,874	3		1,116,271	4		
2630	Long-term deferred revenue			13,475	-		17,298	-		
2645	Guarantee deposits received			28,470	-		28,606	-		
25XX	Total non-current liabilities			5,777,168	17		6,339,674	20		
2XXX	Total liabilities			13,211,678	38		12,640,608	39		
Equity attributable to owners of parent										
Share capital										
3110	Common stock	6(16)		15,791,453	45		15,791,453	49		
3200	Capital surplus	6(17)		233,068	1		232,586	1		
	Retained earnings	6(18)								
3310	Legal reserve			2,379,154	7		2,307,402	7		
3320	Special reserve			1,898,479	5		1,412,342	4		
3350	Unappropriated retained earnings			1,683,135	5		1,102,260	3		
3400	Other equity interest		(	1,223,069)	(	4)	(	1,898,479)	(	6)
31XX	Equity attributable to owners of the parent			20,762,220	59		18,947,564	58		
36XX	Non-controlling interests			949,273	3		984,668	3		
3XXX	Total equity			21,711,493	62		19,932,232	61		
	Significant contingent liabilities and unrecognized contract commitments	9								
3X2X	Total liabilities and equity		\$	34,923,171	100	\$	32,572,840	100		

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

**Chairman:** Chih-Hsien Lo    **Manager:** Chin-Cheng Hsu    Yu-Hsin Chang    **Chief Accountant:** Yi-Hsin Liu



**TON YI INDUSTRIAL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars, except earnings per share)

			Year ended December 31			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(19) and 7	\$ 44,859,298	100	\$ 35,240,202	100
5000	Operating costs	6(5)(11)(15)(24)(25) and 7	( 39,384,395)	( 88)	( 31,900,081)	( 91)
5900	Gross profit from operations		5,474,903	12	3,340,121	9
	Operating expenses	6(10)(11)(15)(24)(25), 7 and 12				
6100	Selling expenses		( 1,942,993)	( 4)	( 1,143,475)	( 3)
6200	Administrative expenses		( 1,291,040)	( 3)	( 1,147,264)	( 3)
6450	Expected credit (losses) gains		( 9,973)	-	2,372	-
6000	Total operating expenses		( 3,244,006)	( 7)	( 2,288,367)	( 6)
6900	Operating income		2,230,897	5	1,051,754	3
	Non-operating income and expenses					
7100	Interest income	6(20)	57,602	-	61,155	-
7010	Other income	6(6)(9)(10)(21)	93,489	-	114,101	-
7020	Other gains and losses	6(2)(8)(12)(22), 7 and 12	50,378	-	( 17,384)	-
7050	Finance costs	6(4)(7)(8)(14)(23) and 7	( 204,594)	-	( 185,034)	-
7000	Total non-operating income and expenses		( 3,125)	-	( 27,162)	-
7900	Profit before income tax		2,227,772	5	1,024,592	3
7950	Income tax expense	6(26)	( 766,663)	( 2)	( 429,692)	( 1)
8200	Profit for the year		\$ 1,461,109	3	\$ 594,900	2
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain on remeasurements of defined benefit plan	6(15)	\$ 99,689	-	\$ 45,436	-
8316	Unrealized (loss) gain from investments in equity instruments measured at fair value through other comprehensive income	6(6)	( 25,402)	-	29,540	-
8349	Income tax related to components of other comprehensive loss that will not be reclassified to profit or loss	6(26)	( 19,938)	-	( 9,087)	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation		737,266	2	( 545,741)	( 2)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(26)	( 202)	-	326	-
8300	Other comprehensive income (loss) for the year		\$ 791,413	2	( \$ 479,526)	( 2)
8500	Total comprehensive income for the year		\$ 2,252,522	5	\$ 115,374	-
	Profit (loss) attributable to:					
8610	Owners of the parent		\$ 1,532,756	3	\$ 681,165	2
8620	Non-controlling interests		( 71,647)	-	( 86,265)	-
			\$ 1,461,109	3	\$ 594,900	2
	Comprehensive income (loss) attributable to:					
8710	Owners of the parent		\$ 2,287,917	5	\$ 231,377	-
8720	Non-controlling interests		( 35,395)	-	( 116,003)	-
			\$ 2,252,522	5	\$ 115,374	-
	Earnings per share (in dollars)	6(27)				
9750	Basic		\$ 0.97		\$ 0.43	
9850	Diluted		\$ 0.97		\$ 0.43	

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

**Chairman:** Chih-Hsien Lo    **Manager:** Chin-Cheng Hsu    Yu-Hsin Chang    **Chief Accountant:** Yi-Hsin Liu

**TON YI INDUSTRIAL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent										

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

**Chairman:** Chih-Hsien Lo

**Manager:** Chin-Cheng Hsu Yu-Hsin Chang

**Chief Accountant:** Yi-Hsin Liu

**TON YI INDUSTRIAL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 2,227,772	\$ 1,024,592
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on financial assets at fair value through profit or loss	6(2)(22)	( 757 )	-
Expected credit losses (gains)	12	9,973	( 2,372 )
Reversal of allowance for inventory market price decline	6(5)	( 104,190 )	( 1,792 )
Depreciation	6(7)(8)(10)	2,832,842	2,760,466
Loss (gain) on disposal of property, plant and equipment	6(22)	6,944	( 611 )
Gain from lease modifications	6(8)(22)	( 7,247 )	( 8 )
Amortization	6(11)(24)	806	3,990
Interest income	6(20)	( 57,602 )	( 61,155 )
Dividend income	6(6)(21)	( 4,388 )	( 3,653 )
Interest expense	6(23)	204,594	185,034
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		( 327,271 )	219,345
Accounts receivable		( 1,236,188 )	145,847
Accounts receivable - related parties		( 460,596 )	179,885
Other receivables		( 37,175 )	29,529
Inventories		( 106,376 )	563,051
Prepayments		( 251,772 )	( 252,767 )
Net defined benefit assets - non-current		( 19,850 )	( 13,937 )
Changes in operating liabilities			
Contract liabilities - current		( 52,702 )	38,804
Notes payable		285	-
Accounts payable		731,699	( 48,680 )
Accounts payable - related parties		108,025	( 49,086 )
Other payables		452,221	( 329,551 )
Other payables - related parties		33,410	( 30,065 )
Refund liabilities - current		( 2,662 )	3,378
Long-term deferred revenue		( 3,823 )	( 4,960 )
Net defined benefit liabilities - non-current		-	( 15,462 )
Cash inflow generated from operations		3,935,972	4,339,822
Interest received		52,803	61,155
Dividends received		4,388	3,653
Interest paid		( 204,689 )	( 181,776 )
Income tax paid		( 656,200 )	( 893,440 )
Net cash flows from operating activities		3,132,274	3,329,414

(Continued)

**TON YI INDUSTRIAL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Increase in other financial assets - current		( \$ 313 )	( \$ 89 )
Cash paid for acquisition of property, plant and equipment	6(28)	( 563,068 )	( 522,666 )
Proceeds from disposal of property, plant and equipment		10,751	7,627
Cash paid for acquisition of investment property	6(10)	-	( 908 )
Cash paid for prepayments for business facilities	6(28)	( 769,070 )	( 528,172 )
Interest paid for prepayments for business facilities	6(7)(23)(28)	( 1,383 )	( 472 )
Increase in guarantee deposits paid		( 1,265 )	( 2,090 )
Decrease (increase) in other non-current assets		<u>6,629</u>	<u>( 1,085 )</u>
Net cash flows used in investing activities		<u>( 1,317,719 )</u>	<u>( 1,047,855 )</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
(Decrease) increase in short-term borrowings	6(29)	( 232,654 )	300,027
Decrease in other financial liabilities - current	6(29)	( 729 )	( 4,649 )
Payments of lease liabilities	6(29)	( 244,303 )	( 247,513 )
Increase in long-term borrowings	6(29)	750,000	1,900,000
Decrease in long-term borrowings	6(29)	( 1,150,000 )	( 1,550,000 )
Decrease in guarantee deposits received	6(29)	( 136 )	( 7,677 )
Cash dividends paid	6(18)(29)	( 473,743 )	( 2,337,135 )
Non-payment of expired cash dividends from previous years transferred to capital reserve	6(17)	534	580
Payment of unpaid cash dividends from previous years transferred to capital reserve	6(17)	<u>( 52 )</u>	<u>( 39 )</u>
Net cash flows used in financing activities		<u>( 1,351,083 )</u>	<u>( 1,946,406 )</u>
Effect of foreign exchange rate changes on cash and cash equivalents		<u>272,088</u>	<u>( 195,307 )</u>
Net increase in cash and cash equivalents		735,560	139,846
Cash and cash equivalents at beginning of year	6(1)	<u>3,308,211</u>	<u>3,168,365</u>
Cash and cash equivalents at end of year	6(1)	\$ 4,043,771	\$ 3,308,211

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

**Chairman:** Chih-Hsien Lo    **Manager:** Chin-Cheng Hsu    Yu-Hsin Chang    **Chief Accountant:** Yi-Hsin Liu

Ton Yi Industrial Corp  
2024 Earnings Appropriation

Attachment 5

Unit : NT\$

Item	Amount
Net Income for 2024	1,532,756,338
Add : Gain remeasurments of defined benefit plans	79,750,990
Unappropriated Retained Earnings of the 2024	1,612,507,328
Less : Legal Reserve	(161,250,733)
Add : resersat of special reserve,	675,410,087
2024 Earnings Available for Distribution	2,126,666,682
Add : Unappropriated Retained Earnings at beginning of year	70,627,685
Total distributable earnings	2,197,294,367
2024 Earnings appropriation:	
Cash dividend (NT\$970 per thousand shares)	(1,531,770,982)
Unappropriated Retained Earnings at end of year	665,523,385

NOTE :

1. Net income for 2024 shall be preferred in the profie distribution.
2. Each common shareholder will be entitled to receive the cash dividends in dollar amount.  
The fractional parts would be classified as "other non-operation income"

**Chairman: Chih-Hsien Lo   Manager: Chin-Cheng Hsu   Yu-Hsin Chang   Chief Accountant: Yi-Hsin Liu**

**Comparison Table for Amendments to the “Articles of  
Incorporation of Ton Yi Industrial Corporation.**

Amended article	Current article	Description
<p>Article 30 :</p> <p>When the Company has a profit for a fiscal year, it shall appropriate no less than 2% of the profit as the remuneration of employees. No less than 60% of the remuneration of employees described in the preceding paragraph shall be appropriated as the remuneration of entry-level employees. In addition, no more than 2% of the profit of the current year shall be appropriated as the remuneration of directors. However, profits must first be taken to offset against cumulative losses if any.</p> <p>The annual profit mentioned in Paragraph 1 shall refer to pre-tax profit before employees’ and directors’ remuneration. Employees’ remuneration can be paid to employees of affiliated companies that satisfy certain criteria.</p>	<p>Article 30 :</p> <p>Annual profits concluded by the Company shall be subject to employee remuneration of no lesser than 2% and director remuneration of no higher than 2%. However, profits must first be taken to offset against cumulative losses if any.</p> <p>The annual profit mentioned in Paragraph 1 shall refer to pre-tax profit before employees’ and directors’ remuneration. Employees’ remuneration can be paid to employees of affiliated companies that satisfy certain criteria.</p>	<p>Amendment is made in accordance with Paragraph 6 of Article 14 of the Securities</p>
<p>Article 34</p> <p>These Articles were duly enacted on Mar 20, 1969 and duly amended on:</p> <p>...</p> <p>(45).Jun 15, 2023</p> <p>(46). Jun 18, 2025</p> <p>This Articles of Association will be implemented after approved by shareholders meeting. The same shall apply for any amendment.</p>	<p>Article 34</p> <p>These Articles were duly enacted on Mar 20, 1969 and duly amended on:</p> <p>...</p> <p>(45).Jun 15, 2023</p> <p>This Articles of Association will be implemented after approved by shareholders meeting. The same shall apply for any amendment.</p>	<p>The date of amendment is stated</p>

# Ton Yi Industrial Corp. Candidates of Directors

Attachment 7

Items	Candidates	Education, Major Experience and Current position
Director	<b>Chih-Hsien Lo</b> (Represent:Uni-Presiden Enterprises Corp.)	<b>Education</b> : MBA, UCLA, U.S.A <b>Experience</b> : President of Uni-President Enterprises Corp. <b>Current position</b> : Chairman of Uni-President Enterprises Corp., Chairman of Ton Yi Industrial Corp.
Director	<b>Jau-Kai Huang</b> (Represent:Uni-Presiden Enterprises Corp.)	<b>Education</b> : Associate Degree in Accounting, Shih Chien College. <b>Experience</b> : Vice President of the Dairy and Beverage Division at Uni-President Enterprises Corp. <b>Current position</b> : President of Uni-President Enterprises Corp., Director of Ton Yi Industrial Corp.
Director	<b>Chun-Fu Chen</b> (Represent:Uni-Presiden Enterprises Corp.)	<b>Education</b> : Master, Dept. of Mechanucal, National Cheng Kung University. <b>Experience</b> : Head of the Technical Planning Department of Uni-President Enterprises Corporation and General Manager of Xinshi Plant. <b>Current position</b> : Head of Technology Group and Director of Business R&D Department of Uni-President Enterprises Corp., Director of Ton Yi Industrial Corp.
Director	<b>Shiow-Ling Kao</b> (Representatives: Kao Chuan Investment Co., Ltd.)	<b>Education</b> : Marymount College U.S.A <b>Experience</b> : Chairman of Kao Chuan Investment Co., Ltd., Director of Uni-President Enterprises Corp., Director of President Chain Store Corp. <b>Current position</b> : Chairman of Kao Chuan Investment Co., Ltd., Chairman of President Being Corp., Chairman of President Fair Development Corp., Chairman of Uni-President Department Store Corp., Chairman of President Pharmaceutical Corp., Chairman of President Drugstore Business Corp., Director of Uni-President Enterprises Corp., Director of President Chain Store Corp., and Director of Ton Yi Industrial Corp.
Director	<b>Shing-Chi Liang</b>	<b>Education</b> : Nation Changhua Senion High School <b>Experience</b> : General Manager and Vice Chairman of Ton Yi Industrial Corp. <b>Current position</b> : Director of Ton Yi Industrial Corp.
Director	<b>Guo-Geng Chen</b>	<b>Education</b> : Department of Textile, National Taipei University of Technology. <b>Experience</b> : Supervisor of Uni-President Enterprises Corp. and Tainan Spinning Co., Ltd. <b>Current position</b> : Director of Ton Yi Industrial Corp.

## Ton Yi Industrial Corp. Candidates of Independent Directors

Items	Candidates	Education, Major Experience and Current position
Independent Director	Yi-Chang Lin	<p><b>Education :</b> Department of Accounting, Soochow University, EMBA, National Sun Yat-Sen University.</p> <p><b>Experience :</b></p> <ol style="list-style-type: none"> <li>1. Certified Public Accountant at PwC Taiwan</li> <li>2. Passed the Certified Public Accountant Examination</li> <li>3. Lead CPA at PwC Taiwan Kaohsiung Branch</li> <li>4. Lecturer at the Chinese Corporate Governance Association</li> <li>5. Lecturer at the Securities and Futures Institute</li> </ol> <p><b>Current position :</b></p> <ol style="list-style-type: none"> <li>1. Independent Director of Ton Yi Industrial Corp.</li> <li>2. Independent Director of Cheng Mei Materials Technology Corp.</li> <li>3. Independent Director of Lasertek Taiwan Co., Ltd.</li> <li>4. Supervisor of Sinya Digital Co., Ltd.</li> </ol>
Independent Director	Lih-Chyun Shu	<p><b>Education :</b> Ph.D., Information Science of Purdue University.</p> <p><b>Experience :</b></p> <ol style="list-style-type: none"> <li>1. Dean of the College of Information and Engineering at Chang Jung Christian University</li> <li>2. Chairman of the Department of Information Management at Chang Jung Christian University, Tainan</li> <li>3. Chairman of the Computing Center at Chang Jung Christian University, Tainan</li> </ol> <p><b>Current position :</b></p> <ol style="list-style-type: none"> <li>1. Professor at the Department of Accounting and the Institute of Finance at NCKU.</li> <li>2. Independent Director of Ton Yi Industrial Corp.</li> </ol>
Independent Director	Huey-Cherng Tsai	<p><b>Education :</b> Ph.D., Department of Bussiness Management, National Sun Yatsen University.</p> <p><b>Experience :</b></p> <ol style="list-style-type: none"> <li>1. Instructor, Department of Finance, STUST.</li> <li>2. Assistant Manager at Entie Commercial Bank.</li> </ol> <p><b>Current position :</b></p> <ol style="list-style-type: none"> <li>1. Assistant Professor, Department of Finance, STUST.</li> <li>2. Chairman of the Accounting Office, STUST.</li> <li>3. Independent Director of Ton Yi Industrial Corp.</li> </ol>



Ton Yi Industrial Corporation  
Details of the Duties Subject to Releasing the Candidates of Directors  
(including Independent Directors )from Non-competition

Attachment 8  
As of 03/31/2025

Name	Current position with other company
Representative of Uni-President Enterprises Corp. : Chih-Hsien Lo	<p><b>Chairman :</b> Uni-President Enterprises Corp., President Natural Industrial Corp., Presicarre Corporation, TTET Union Corp., Prince Housing &amp; Development Corp., President Packaging Industrial Corp., Woongjin Foods Co., Ltd., Daeyoung Foods Co., Ltd., President International Development Corp., Uni-President China Holdings Ltd. (Cayman), Changjiagang President Nisshin Food Co., Ltd., ScinoPharm Taiwan, Ltd., Uni-President (Philippines) Corp., Uni-President (Thailand) Ltd., Uni-President (Vietnam) Co., Ltd., President Enterprises (China) Investment Co., Ltd., President Chain Store Corp., Uni-President Cold-Chain Corp., Presco Netmarketing Inc., Uni-President Dream Parks Corp., President Century Co., Ltd., President Property Corporation, Nanlien International Corp., Tone Sang Construction Corp., Prince Real Estate Co., Ltd., Times Square International Holding Co., Times Square International Stays Corporation, Time Square International Hotel Corporation, Uni-President Express Corp., Cheng-Shi Investment Holding Co.</p> <p><b>Vice Chairman :</b> President Nisshin Corp.</p> <p><b>Director :</b> Uni-Wonder Corporation, Uni-President Organics Corp., Uni-President Glass Industrial Co., Ltd., Cayman President Holdings Ltd., Kai Yu (BVI) Investment Co., Ltd., President Fair Development Corp., Uni-President Southeast Asia Holdings Ltd., Uni-President Asia Holdings Ltd., Uni-President International (HK) Co., Ltd., Champ Green Capital Limited, Champ Green (Shanghai) Consulting Co., Ltd., Guangzhou President Enterprises Co., Ltd., Fuzhou President Enterprises Co., Ltd., Xinjiang President Enterprises Food Co., Ltd., Wuhan President Enterprises Food Co., Ltd., Uni-President Enterprises(Kunshan) Food Technology Co., Ltd., Chengdu President Enterprises Food Co., Ltd., Shenyang President Enterprises Co., Ltd., Harbin President Enterprises Co., Ltd., Hefei President Enterprises Co., Ltd., Zhenzhou President Enterprises Co., Ltd., Beijing President Enterprises Drinks Co., Ltd., Kunshan President Enterprises Food Co., Ltd., Nanchang President Enterprises Co., Ltd., President (Shanghai) Trading Co., Ltd., Kunming President Enterprises Food Co., Ltd., Yantai Tongli Beverage Industries Co., Ltd., Changsha President Enterprises Co., Ltd., Bama President Mineral Water Co., Ltd., Nanning President Enterprises Co., Ltd., Zhanjiang President Enterprises Co., Ltd., Chongqing President Enterprises Co., Ltd., Taizhou President Enterprises Co., Ltd., Akesu President Enterprises Co., Ltd., Changchun President Enterprises Co., Ltd., 司 Uni-President Enterprises (Shanghai) Management Consulting Co., Ltd., Uni-President (Shanghai) Pearly Century Co., Ltd., Baiyin President Enterprises Co., Ltd., Hainan President Enterprises Co., Ltd., Guiyang President Enterprises Co., Ltd., Jinan President Enterprises Co., Ltd., Hangzhou President Enterprises Co., Ltd., Wuxue Uni Mineral Water Co., Ltd., Shijiazhuang President Enterprises Co., Ltd., Xuzhou President Enterprises Co., Ltd., Henan President Enterprises Co., Ltd., President (Kunshan) Trading Co., Ltd., Shanxi President Enterprises Co., Ltd., Jiangsu President Enterprises Co., Ltd., Changbaishan Mountain President Enterprises, Ningxia President Enterprises Co., Ltd., Uni-President Enterprises(Kunshan)</p>

	<p>Real Estate Development Co., Ltd, Ningxia President Enterprises Co., Ltd., President Enterprises (Shanghai) Co., Ltd., President Enterprises (Inner Mongolia) Co., Ltd., Shaanxi President Enterprises Co., Ltd., Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd., Uni-President Enterprises (Shanghai) Drink &amp; Food Co., Ltd., Uni-President Enterprises (Tianjin) Co., Ltd., Uni-OAO Travel Service Corp., President Packaging Holdings Ltd., Kuang Chuan Dairy Co., Ltd., Kuang Chuan Foods Co., Ltd., 司 Uni-President Development Corp., President Professional Baseball Team Corp., TaitMarketing &amp; Distribution Co., Ltd., Weilih Food Corp., Keng Ting Enterprises Co., Ltd., PCS (BVI) Holdings Ltd., PCS (Labuan) Holdings Ltd., RSI, Retail Support International Corp., Uni-President Assets Holdings Ltd., Kao Chuan Inv. Co., Ltd.</p> <p><b>Supervisor :</b> Infinity Holdings Ltd., Eternity Holdings Ltd., Celestial Prosperities Holdings Ltd.</p> <p><b>President :</b> Presco Netmarketing Inc., Uni-President Express Corp.</p>
Representative of Kao Chuan Investment Co., Ltd. : Shiow-Ling Kao	<p><b>Chairman :</b> Infinity Holdings Ltd., Eternity Holdings Ltd., Celestial Prosperities Holdings Ltd., President Fair Development Corp., Uni-President Department Store Corp., President Being Corp., President Pharmaceutical Corp., President Drugstore Business Corp., Kao Chuan Inv. Co., Ltd.</p> <p><b>Director :</b> Uni-President Enterprises Corp., President Natural Industrial Corp., Uni-Wonder Corporation., Uni-President Organics Corp., Prince Housing &amp; Development Corp., President International Development Corp., ScinoPharm Taiwan, Ltd., President Chain Store Corp., President Century Corp.Ltd., Uni-President Development Corp., Times Square International Holding Co., Time Square International Hotel Corporation</p> <p><b>President :</b> President Fair Development Corp., Kao Chuan Inv. Co., Ltd.</p>
Representative of Uni-President Enterprises Corp. : Jau-Kai Huang	<p><b>Chairman :</b> Uni-President Vendor Corp.</p> <p><b>Director :</b> President Chain Store Corporation, Uni-President Cold-Chain Corp., Uni-President Express Corp., Uni-President (Vietnam) Co., Ltd.</p> <p><b>President :</b> Uni-President Enterprises Corp.</p>
Representative of Uni-President Enterprises Corp. : Chun-Fu Chen	<p><b>Chairman :</b> Kai Ya Food Co., Ltd.</p> <p><b>Director :</b> Uni-President Glass Industrial Co., Ltd., President Packaging Industrial Corp.</p>
Shing-Chi Liang	<p><b>Chairman :</b> Tovecan Corporation Ltd., Jiangsu Ton Yi Tinplate Co., Ltd., Fujian Ton Yi Industrial Co., Ltd., Chengdu Ton Yi Industrial Packing Co., Ltd., Changsha Ton Yi Industrial Co., Ltd., Wuxi Ton Yi Industrial Packing Co., Ltd., Wuxi Tonyi Daiwa Industrial Co., Ltd., Zhangzhou Ton Yi Industrial Co. Ltd.</p> <p><b>Director :</b> Cayman Ton Yi Industrial Holdings Ltd., Cayman Fujian Ton Yi Holdings Ltd., Cayman Jiangsu Ton Yi Holdings Ltd.</p>
Yi-Chang Lin	<p><b>Independent Directors :</b> Cheng Mei Materials Technology Corporation., Lasertek Taiwan Co., Ltd.</p> <p><b>Supervisor :</b>Sinya Digital Co., Ltd.</p>

## Rules of Procedures for Shareholders' Meeting

Amemd on July 26, 2021

1. Shareholders' meetings of the Company shall proceed according to the Rules of Procedures for Shareholders' Meeting (the "Rules").
2. The term "shareholder" as set forth in the Rules shall mean a shareholder himself and any proxy authorized by a shareholder.
3. The Company shall state the time for accepting registration for the meeting and the location where the registration will take place as well as other special notes in the meeting notice. Registration by shareholders shall start at least 30 minutes prior to the commencement of the meeting. The registration location shall be clearly identified and there shall be an adequate number of qualified staff to assist with the registration procedure. A shareholder wishing to attend a shareholders' meeting shall present an attendance card, sign-in card or other supporting attendance documents. A proxy solicitor shall provide such identification documents for verification as well. A shareholder shall submit the sign-in card as a substitute for sign-in to represent its attendance of the meeting. The total number of shares present at the meeting shall be calculated based on the sign-in cards plus the number of shares exercising their voting power in writing or through electronic transmission.
4. The attendance and vote of a shareholders' meeting shall be computed on the basis of the number of shares.
5. A shareholders' meeting shall be held on the premises of the Company or a place that is convenient for shareholders to attend. A shareholders' meeting shall start no earlier than 9 a.m. or no later than 3 p.m.
6. Unless otherwise stipulated by laws, a shareholders' meeting shall be called by the Board of Directors (the "Board") and be chaired by the Chairman of the Board. Where the Chairman is on leave or unable to exercise his authority for any reason, the Vice Chairman shall act on his behalf. Where the Vice Chairman is on leave or unable to exercise his authority for any reason, the Chairman shall designate one of the Directors to act on his behalf. Where no such designee is designated, the Chairperson shall be elected from the directors. In the event where the shareholders' meeting is convened by a convener entitled to hold the meeting other than the Board, the convener shall be the Chairperson. In the event where there are more than two conveners, the Chairperson shall be elected from the conveners.  
If one of the Directors is appointed to act as the Chairperson of the meeting in accordance with the preceding paragraph, he or she shall have served as a Director for more than 6 months and have a sound knowledge of the Company's financial and business status. The same shall apply to the situation where the Chairperson is the representative of a legal-entity director.
7. The Company may appoint lawyers, accountants or other relevant personnel to attend the shareholders' meeting. All staff members assisting the procedure of the shareholders' meeting shall wear an identification badge.
8. The Company shall record, in audio or video, the meeting in its entirety on a continuous and uninterrupted basis from the time that any shareholders register for attendance, including the registration process, proceedings of the meeting and the voting and vote counting process.  
The aforementioned recordings shall be retained for at least one year. However, in the event any shareholder files a lawsuit in according with Article 189 of the Company

- Act, such recordings shall be kept until the conclusion of litigation.
9. The chairperson shall call the meeting to order at the appointed meeting time and announce the number of shares without voting rights, the number of shares present and other relevant information.
- Where the number of shares represented by the attending shareholders has not reached the required quorum of one-half of total issued shares, the Chairman may announce a postponement of the meeting. The total postponements shall be limited to two instances and the total time any such delays shall not exceed one hour. If after two postponements, the number of shares represented by the shareholders present does not reach the specified quorum but represents more than one-third of the total issued shares, a tentative-resolution may be adopted according to Section 1 of Article 175 of the Company Act.
- Should the number of shares represented by shareholders in attendance constitute more than one-half of the total issued shares before the shareholders' meeting adjourns, the Chairman may offer the tentative-resolution to the meeting for resolution again in accordance to Article 174 of the Company Act.
10. If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The proposals (including the extraordinary motions and the amendment to the original proposal) shall be voted one by one. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
- In the event where the shareholders' meeting is convened by a person with convening rights other than the Board, the provision set forth in the preceding paragraph shall apply.
- Unless duly resolved at the meeting, where the meeting agenda (including extemporaneous motions) set forth in the two preceding paragraphs has not been completed, the Chairman shall not announce to adjourn the meeting. After the adjournment of the meeting, shareholders shall not elect a chairman and resume the meeting at the same or an alternative venue. If the Chairman adjourns the meeting in violation of the Rules, the present shareholders may elect another Chairperson by a majority vote to continue the meeting accordingly.
- The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and arrange enough time for voting.
11. Prior to addressing the meeting, a shareholder shall fill out a speech note, to summarize the key subjects of his speech, the shareholder's account number (or the code of the attendance card) and the name of the shareholder. The sequence of speakers shall be determined by the Chairman.
- Should any shareholder in attendance submit a speech but not actually speak at the meeting, it shall be deemed that the speech has not been made by the shareholder. In case of a discrepancy between what was summarized on the floor note and what was actually spoken, the contents actually spoken shall prevail.
- When a shareholder is properly addressing the meeting, no other shareholder shall speak to interrupt unless otherwise permitted by the Chairman and the speaking shareholder. The Chairman shall stop such interruption of any violating shareholder.
12. Each shareholder is entitled to speak no more than twice on the same discussion proposal, unless agreed to otherwise by the Chairman. Each speech is limited to five minutes, and the Chairman may stop any speech of any shareholder that is in

- violation of the aforementioned time limit or the content of which is beyond the scope of the discussion proposal.
13. Where a legal entity is entrusted to attend a shareholders' meeting on someone else's behalf, such legal entity may appoint only one representative to attend the meeting. Where a legal entity shareholder has appointed two or more representatives to attend the meeting, only one representative can speak for the same discussion proposal.
  14. The Chairman may respond in person or through an appropriate appointee after the speech of a shareholder.
  15. In the event where the Chairman considers the discussion of a proposal has reach the extent necessary for a resolution to be reached, the Chairman may announce discontinuation of the discussion and proceed to the voting process.
  16. Voting counting for a resolution or election shall be conducted in public at the place of the shareholders meeting. The Chairman shall appoint persons responsible for supervising and counting of ballots. However, the persons responsible for supervising the ballots must be appointed from the shareholders. The voting results, including the numbers of votes, shall be announced on-site immediately at the meeting and recorded in writing.

The election of Directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes they received and the names of those not elected as Directors and the numbers of votes they received.
  17. The Chairman may announce a recess as deemed appropriate during the proceeding of a shareholders' meeting.
  18. A proposal shall be deemed duly resolved should there be no objection raised by any shareholder present in response to such an inquiry by the Chairman. Unless otherwise provided for under the Company Act or Articles of Association, a proposal for vote shall be resolved by a majority of the presenting shareholders.

Upon voting process, where there is no objection raised by any shareholders, the proposal shall be deemed resolved and has equal validity as a resolution resolved through voting process.
  19. In the event of an amendment proposal or substitute proposal to an original proposal, the Chairman shall decide on the order of the vote of the amendment or substitute proposal together with the original proposal. However, if one of the proposals has been approved, the others shall be deemed overruled and no further voting shall be required.
  20. The Chairman may direct disciplinary personnel (or security guards) to assist in safeguarding the order of the meeting venue. The Chairman may direct the disciplinary personnel (or security guards) to remove shareholders from the venue if the shareholders have violated the Rules and refused to obey the instructions of the Chairman, impeded the proceedings of the meeting and furthermore does not comply after having being asked to stop. The disciplinary personnel (or security guards) shall, while helping safeguard the order of the meeting venue, wear an arm-band with the words "Disciplinary Personnel."
  21. All matters not specified in the Rules shall be subject to the Company Act, Articles of Association and other relevant laws and regulations.
  22. The Rules and any amendments hereof, shall be implemented after adoption by shareholders meeting.

# **Ton Yi Industrial Corp.**

## **Articles of Association**

Appendix (2)

Amended on Jun 15, 2023

### **Chapter 1 General Provisions**

- Article 1: The Company was named "統一實業股份有限公司" in accordance with the provisions of the Company Act for company limited and the English name was named "TON YI INDUSTRIAL CORP."
- Article 2: The businesses operated by the Company are as follows:
1. Domestic and export sales of processed and manufactured various types of metal sheets, printed sheets and other processed materials.
  2. Domestic and export sales of processed and manufactured tinted steel plates and raw steel plates.
  3. Domestic and export sales of manufactured cans and tinplate machinery.
  4. Provide processing and manufacturing technology for tin cans, tinted steel plate and other raw steel plate.
  5. F199990 other wholesale business (oxidized metal, aliphatic acid, tin products and oxidized tin).
  6. ZZ99999 other businesses not prohibited or restricted by law except any business requiring special approval.
- Article 3: When the Company needs to invest in other businesses due to its business needs, it will not be restricted by the over 40% of the paid in capital which is stipulated in Article 13 of the Company Act. Any re-investment matters shall be decided by the resolution of the Board of Directors.
- Article 4: The Company may make external endorsement/guarantee due to the business.
- Article 5: The Company's head office is based in Tainan, and may establish branches and representative offices domestically or overseas through the decision of the Board of Director if necessary.

### **Chapter 2 Shares**

- Article 6: The total capital stock of the Company shall be in the amount of NTD 17,847,009,180 divided into 1,784,700,918 shares at a par value of NTD 10 each, and may be paid-up in installments. The Company may issue preferred shares within the amount of aforementioned shares, and the unissued shares are authorized to be issued by the Board of Directors when deemed necessary for the business.
- Article 7: The shares shall be registered and shall be numbered and signed or sealed by a director who is a representative of the Company and issued by a stock issuer of a bank in accordance with the law, the registered stocks issued by the Company may not be printed, but the shares issued shall be registered in Governing Centralized Securities Depository Enterprises and processed in accordance with the regulations of the institution.
- Article 8: If the company handles shareholder operation services such as shareholders transfer, mortgage setting, registering loss, inheritance, gift, seal change and address change, except as otherwise provided by the Act and the Securities Exchange Act, it shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies".
- Article 9: No transfer of shares shall be handled within sixty days prior to a shareholders' regular meeting, or within thirty days prior to a shareholders'

extraordinary meeting, or within five days prior to allocation of dividend' bonus or any other benefits.

### **Chapter 3 Shareholders' Meeting**

- Article 10: The shareholders' meeting hereof consists of two categories—the shareholders' regular meeting and shareholders' extraordinary meeting. The shareholders' regular meeting shall be convened by the Board of Directors once per annum within six months from the closing of each fiscal year, with notices for the shareholders' meeting to be sent to all shareholders at least thirty days in advance. A shareholders' extraordinary meeting may be called whenever it is deemed necessary with notices for the shareholders' meeting to be sent to all shareholders fifteen days in advance. An issuer to shareholders who own less than 1,000 shares of nominal stocks may be given in the form of a public announcement; for a regular shareholders meeting.
- Article 11: In the event where a shareholder is unable to attend a shareholders' meeting for any cause, the shareholder may appoint a proxy to attend the meeting on behalf of the shareholder by executing a power of attorney printed by Company, or participate by ways of electronic transmission. Other than measures specified in Article 177 of the Company Act, a shareholder may also appoint a proxy in accordance with the provisions set forth in the "Rules Governing Appointment of Proxy by the Power of Attorney to Attend a Shareholders Meeting of Public Companies" published by the competent authority.
- Article 12: If the shareholders' meeting is convened by the Board of Directors, it shall be chaired by the Chairman of Board. If the Chairman is absent or fails to perform the duty with justified reasons, the chairperson may be assumed by Vice-Chairman of the Board. If the Vice-Chairman is absent or fails to perform the duty with justified reasons, the chairperson shall be assumed by a Director designated by the Chairman. If no such designee is appointed, the chairperson shall be elected out of the Directors. If the shareholders' meeting is called by any convener other than the Board of Directors, the chairperson shall be assumed by the convener. If there are more than two conveners, the chairperson shall be elected out of the conveners. In the event where the chairman adjourns the meeting and is in violation of the rules, another person shall be nominated to be the chairperson and be elected by a majority of shareholder votes to continue with the meeting accordingly.
- Article 13: Unless otherwise provided for in the Companies Act, decisions in the shareholders' meeting shall be resolved by a majority vote in the meeting attended by shareholders representing a majority of the total issued shares. When the number of shareholders present does not constitute the quorum prescribed in the preceding article, but those present represent one-third or more of the total number of issued shares, a tentative resolution may be passed by a majority of those present. A notice of such tentative resolution shall be given to each of the shareholders, and reconvene a Shareholders' meeting within one month. In the aforesaid meeting of shareholders, if the tentative resolution is again adopted by a majority of those present who represent one-third or more of the total number of issued shares, such tentative resolution shall be deemed to be a resolution under the preceding article.
- Article 14: Unless otherwise provided in laws, a shareholder shall be entitled to one voting right for each share held by him and he may exercise the voting power in writing or by ways of electronic transmission.
- Article 15: Meeting minutes shall be kept for meeting, specifying the date, month, year and location of the meeting, the name of the Chairman, the method of adopting resolutions, a summary of the essential points of the proceedings and the results of the meeting, and bearing the signature or seal of the Chairman of the meeting. The minutes shall be distributed to all shareholders of the

Company within twenty (20) days after the close of the meeting and the distribution of the minutes may be effected by means of a public notice in accordance with the Company Act. The aforesaid minutes shall be kept persistently throughout the life of the Company and processed in accordance with Article 183 of the Company Act.

- Article 16: The Directors' meeting is authorized to agree on the remuneration of Directors according to the contribution of the Director toward business operations and also the standard generally prevailing in the same trade.

#### **Chapter 4 Board of Directors**

- Article 17: The Company shall establish the Board of Directors constituted by six(6) to eleven(11) Directors(including independent directors), for whom the election thereof adopts the candidates nomination system and on the shareholders' meeting votes shall be cast on the candidates list based on the cumulative ballot system specified in Article 198 of the Company Act; provided that the total number of registered shares held by all of the Directors shall not be less than a certain percentage of the total number of the Company's outstanding shares. The rules governing the aforesaid shareholding percentage and the verification and execution thereof shall be established in compliance with orders of the competent authority.

In order to abide by Article 14-2 of the Securities and Exchange Act, the number of independent Directors shall not be less than 2 persons, and shall not be lower than one-fifth of the overall directorships on the board. The matters of qualifications, shareholdings, non-compete limitations, impartiality and nomination and selection of independent Directors shall be in accordance with related law and regulation.

The election of all Directors of the Company shall adopt a nomination approach, and the nomination process shall be in accordance to Article 192-1 of the Companies Act.

- Article 18: The Company shall establish an Audit Committee in accordance with Articles 14-4 and 181-2 of the Securities and Exchange Act. The exercise of powers of supervisors under the Company Act and Securities and Exchange Act shall now be carried out by members of the Audit Committee.

The Audit Committee shall include all of the independent Directors of the Company. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and at least one of whom shall have accounting or financial expertise.

The Company's Board of Directors may establish other functional committees of which the committee charter may be stipulated by the Board of Directors.

- Article 19: The Directors constitute the Board of Directors and shall elect one Chairman from among the Directors by a majority vote at a meeting attended by over two-thirds of the Directors and one Vice-Chairman may be elected from among the Directors to assist the chairman. The Chairman shall represent the Company externally and shall take charge of the Company's business operation internally pursuant to laws, these Articles and resolutions of shareholders' meetings and Directors' meetings.

- Article 20: The Board of Director shall be chaired by the Chairman of the Board. If the Chairman is absent or fails to perform the duty with justified reasons, the chairperson may be assumed by the Vice-Chairman of the Board. If the Vice-Chairman is absent or fails to perform such duty for any reason, the chairperson shall be assumed by a Director designated by the Chairman. If no such designee is appointed, the chairperson shall be elected from remaining Directors.

- Article 21: The Directors have a three-year tenure of office and are eligible for reelection.



In the event where the period of tenure is reached and the election has not taken place, the duties and tenure of the Directors shall be extended to such time that the election has taken place, however the competent authority may, ex officio, order that the Company complete the reelection within the specified time limit. If reelection is not held within the specified time limit, the Directors shall be discharged automatically ex officio upon expiry of the specified time limit. Where one third or more of the seats of the Directors are vacant, a special (extraordinary) meeting of shareholders shall be duly held by the Board of Directors within sixty days to elect supplemental Directors.

- Article 22: The Board of Directors is organized by directors and hold the following responsibilities and powers: (1) Review the company's operating plan. (2) Appoint and remove the manager of the Company. (3) Review budgets and final account closing. (4) Propose the motion for the ratio of profit allocation or loss offsetting. (5) Propose the motion for the increase/decrease of capital. (6) Branch setting and dissolving. (7) Enforce the decisions resolved in the shareholders' meeting. (8) Exercise other responsibilities and Powers conferred by the resolution in accordance with the provisions of the Company Act and the shareholders' meeting.
- Article 23: The Company may purchase liability insurance for Directors and important officers to insure their business performance during the tenure of office. The Board of Directors is authorized with full power to implement this policy.
- Article 24: The Board of Directors Meeting shall be convened at least once per quarter, in case of urgent matters or a request for more than half of the directors, a temporary meeting may be held. The Board of Directors shall be convened by the chairman, except as otherwise provided in the Company Act. The notice of the Board of Directors shall be notified in writing, by fax or an electronic way.
- Article 25: All business of the Company will be carried out by the Chairman after it is resolved by the Board of Directors. Except otherwise specified in the Company Act, the resolutions of the Board of Directors shall be passed by the majority of Directors present at the board meeting. In the event where a Director is unable to attend a meeting, he/she may appoint another Director on his behalf by issuing a written proxy, stating therein the scope of authorization with reference to the subjects to be discussed at the meeting. However, each Director may accept the appointment to act as the proxy of only one other Director. The resolutions of a Board meeting shall be recorded in the minutes with the signature or seal of the Chairman of the meeting and kept in the Company.

#### **Chapter 5 Managerial officers and Consultants**

- Article 26: The Company may appoint one or more managerial personnel who shall manage all affairs of the Company in accordance with the Board resolutions. The managerial personnel and the employment, discharge and remuneration thereof shall be decided by a resolution to be adopted by a majority vote of the Directors at a meeting of the Board of Directors attended by at least a majority of the entire Directors of the Company.
- Article 27: The Company may retain a certain number of consultants as resolved by the Board of Directors.

#### **Chapter 6 Accounting**

- Article 28: The Company's fiscal year starts from January 1 and runs until December 31 of every calendar year. The final account closing shall be conducted at end of every fiscal year.
- Article 29: The Company takes the calendar year as its fiscal year. Upon closing of each fiscal year, the Board of Directors shall produce the following documents and proposals to the shareholders' meeting in accordance with the legal procedures for adoption: (I) Business report; (II) Financial statements and (III) Proposals of profit allocation or loss coverage.
- Article 30: Annual profits concluded by the Company shall be subject to employee remuneration of no lesser than 2% and director remuneration of no higher

than 2%. However, profits must first be taken to offset against cumulative losses if any.

The annual profit mentioned in Paragraph 1 shall refer to pre-tax profit before employees' and directors' remuneration.

Employees' remuneration can be paid to employees of affiliated companies that satisfy certain criteria.

Article 31: The Company is operating amidst capricious environments and amidst the business cycle of steady growth. When proposing the ratio of distribution of earnings, the board of directors shall take into account the capital expenditure anticipated by the Company and the Company's capital needs with consideration of the indispensability of taking the earnings to back up the capital needs to resolve the amount of earnings to be reserved or to be allocated and the amounts of bonus to be allocated to shareholders in cash.

The Company's earnings, if any, of the year shall be applied to pay the business income tax, make up for the cumulative losses of previous years, and the remaining amount, if any, shall be used for an appropriation of 10% legal reserve, unless the legal reserve is already equal to the paid-in capital. The accumulated distributable earnings include the appropriated or reversed special reserve plus the accumulated unappropriated earnings of previous years. The shareholder dividend shall be for an amount equivalent to 50% to 100% of the accumulated distributable earnings. The cash dividend ratio shall not be less than 30% of the total dividend distribution of the year, which is to be proposed by the board of directors and resolved in the shareholder meeting before implementation.

When the Company appropriates special reserve, for the net amount of the previous accumulation debited to other equity and the net increase in the fair value of the investment real property, a special reserve for the same amount should be appropriated from the unappropriated earnings of the previous period. If there is an insufficient amount for appropriation, the net income and items other than net income are added into the current unappropriated earnings for appropriation.

## **Chapter 7 Supplementary Provisions**

Article 32: The organizational rules and operational rules shall be separately worked out by the Board of Directors.

Article 33: Any matters inadequately provided for herein shall be subject to Company Act and other laws and regulations concerned.

Article 34: These Articles were duly enacted on Mar 20, 1969 and duly amended on:

(1).Oct 7, 1970 (2). Mar 1, 1974 (3).May 15, 1974 (4).Jun 12, 1974  
(5).Mar 1, 1975 (6).Dec 28, 1975 (7).Oct 2, 1976 (8). Jan 11, 1977  
(9).May 10, 1977 (10).Mar 1, 1978 (11).May 15, 1981(12).Aug 15, 1981  
(13).Mar 5, 1985(14).Sep 18, 1985(15).Apr 20, 1986 (16).Jul 14, 1986  
(17).Jun 3, 1987(18).Aug 12, 1988(19).Jun 28, 1989(20).Sep 12, 1990  
(21).Jun 20, 1991(22).Jun 8, 1992(23).Jun 30, 1993(24).May 26, 1994  
(25).Jun 23, 1995(26).Jun 22, 1996(27).Jun 14, 1997(28).Jun 22, 1998  
(29).Jun 14, 1999(30).Jun 16, 2000(31).Jun 22, 2001(32).Jun 24, 2002  
(33).Jun 19, 2003(34).Jun 4, 2004(35).Jun 17, 2005(36).Jun 12, 2007  
(37).Jun 19, 2008(38).Jun 12, 2009(39).Jun 21, 2011(40).Jun 20, 2012  
(41).Jun 20, 2013(42).Jun 23, 2016(43).Jun 23, 2017(44).Jun 20, 2019  
(45).Jun 15, 2023

This Articles of Association will be implemented after approved by shareholders meeting. The same shall apply for any amendment.

Ton Yi Industrial Corp.      Appendix (3)  
Procedure for Election of Directors  
Amend on July 26, 2021

- Article 1. To ensure a just, fair, and open election of directors and supervisors, this Procedure is adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2. Except as otherwise provided by the law and regulations, the election of Directors of the Company shall be conducted in accordance with these Procedures for Elections of Directors. The previous Regulations for Elections of Directors are terminated for use.
- Article 3. The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. The composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that the policy include but is not limited to the following two general standards:
1. Basic requirements and values: Gender, age, nationality, and culture.
  2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
- 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:
1. Ability to make judgments about operations.
  2. Accounting and financial analysis ability.
  3. Business management ability.
  4. Crisis management ability.
  5. Knowledge of the industry.
  6. An international market perspective.
  7. Leadership ability.
  8. Decision-making ability.
- More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
- Article 4. The qualifications for the independent directors of the Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 5. Elections of both directors and supervisors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in

Article 192-1 of the Company Law.

When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's Articles of Association, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of the Securities and Exchange Act, Article 14-2, Paragraph 1, a by-election shall be held at the next annual general shareholders' meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders' meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6. The cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 7. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8. The number of directors will be as specified in the Company's Articles of Association, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9. Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10. A ballot is invalid under any of the following circumstances:

1. The ballot not prepared by the convener.
2. A blank ballot that is cast into the ballot box.
3. The writing of the ballot is unclear and indecipherable or has been altered.
4. The particulars of candidate entered in the ballot do not correspond to the director's candidate list.
5. Other words or markings are written on the ballot in addition to the number of voting rights allotted.

Article 11. The voting rights shall be calculated on-site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as

directors or supervisors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Law, the ballots shall be retained until the conclusion of the litigation.

Article 12. The board of directors of the Company shall issue notifications to the persons elected as directors.

Article 13. The Procedure, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

These Procedures were duly enacted on June 30, 2015.

First amendment June 20, 2019

Second amendment July 26, 2021

**The Minimum Number of Shares All Directors  
Are Required to Hold and the Number of Shares  
Actually Held by Individual and All Directors**

1. According to Article 26 of Securities and Exchange Act and Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, directors must aggregately hold at least 2.4% of the Company's outstanding shares (37,899,488) in their own names.
2. Paid-up capital of the Company: NT\$15,791,453,420 in 1,579,145,342 outstanding shares.
3. Minimum shareholding required from all directors: 37,899,488 shares.
4. Directors' individual and aggregate shareholding as at the book closure date prior to this annual general meeting:

date prior to this annual general meeting.

Title	Name		No. of shares held
Chairman	Chih-Hsien Lo	Representative of Uni-President Enterprises Corporation	719,357,425
Director	Jau- Kai Huang		
Director	Chun-Fu Chen		
Director	Feng-Fu Chen		
Director	Shiow -Ling Kao	Representative of Kao Chyuan Investment Co., Ltd.	25,700,700
Director	Shing-Chi Liang		6,000,028
Director	Guo-Geng Chen		7,859,222
Independent Director	Yi-Chang Lin		0
Independent Director	Lih-Chyun Shu		0
Independent Director	Huey-Cherng Tsai		0
Shareholding of all directors (including independent directors)			758,917,375