

Stock Code: 4711



Yong Shun Chemical Co., Ltd.

2024 General Shareholders' Meeting

Meeting Agenda

Meeting time: 9:00 AM on June 14, 2024 (Friday)

Location: 4F., No. 101, Songjiang Road, Taipei City (Upgrade Business Center - Songjiang 101)



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One. Meeting Procedure

Yong Shun Chemical Co., Ltd. 2024 Annual General Meeting Procedure

- I. Call Meeting to Order
- II. Chairman's Remarks
- III. Report Items
- IV. Ratification Items
- V. Extraordinary Motions
- VI. Meeting Adjourned

Two. Meeting Agenda

Yong Shun Chemical Co., Ltd. Meeting Agenda of 2024 General Shareholders' Meeting

Meeting Method: Physical meeting

Meeting time: 9:00 AM on June 14, 2024 (Friday)

Location: 4F., No. 101, Songjiang Road, Taipei City (Upgrade Business Center - Songjiang 101)

I. Call Meeting to Order

II. Chairman's Remarks

III. Report Items

- (I) The Company's Business Report for 2023.
- (II) The Audit Committee's review report on the Company's 2023 financial statements.
- (III) Report on the distribution of the directors' remuneration and employee's remuneration of 2023.
- (IV) Amendment Report of the Company's Regulations for Board of Directors Meetings.

IV. Ratification Items

- (I) Ratification of the Company's 2023 financial statements.
- (II) Ratification of the Company's 2023 earnings distribution.

V. Extraordinary Motion

VI. Meeting Adjourned

Three. Report Items

Case 1

Subject: The Company's 2023 Business Report, presented for approval.

Explanation: Please refer to Attachment 1 for the Company's 2023 Business Report.

Case 2

Subject: The Audit Committee's review of the Company's 2023 financial statements, presented for approval.

Explanation: Please refer to Attachment 2 for Audit Committee's Review Report.

Case 3

Subject: Distribution of the directors' remuneration and employee's remuneration for 2023; presented for approval.

Explanation: The board meeting of the Company resolved to approve the 2023 directors' remuneration for NT\$646,054 and the employee's remuneration of NT\$428,169. The amounts were paid in cash, and the resolved amounts were the same as the amount of expenses recognized in 2023.

Case 4

Subject: Amendment Report of the Company's Regulations for Board of Directors Meetings; presented for approval.

Explanation:

1. In accordance with Jin-Guan-Cheng-Fa- Zi No. 1120383996 issued by the FSC on January 11, 2024, and relevant amendments of the competent authorities, part of the articles in the Company's Regulations for Board of Directors Meetings have been revised.
2. Please refer to Attachment 3 for Articles Before and After being Amended.

Four. Ratification Items

Case 1

(Proposed by the Board)

- Subject: Proposal for recognition of the Company's 2023 financial statements, presented for ratification.
- Explanation: I. The Company's Parent Company Only Financial Statement and Consolidated Financial Statements for 2023 have been approved by the Board of Directors and audited by Weng, Po-Jen and Hsueh, Chun-Min of Deloitte Taiwan. The above-mentioned statements and books, business reports, and profit distribution plans were submitted to the Audit Committee for review, and a review report was issued accordingly.
- II. Please refer to Attachment 1 for the Business Report, Attachment 4 for the Parent Company Only Financial Statements, and Attachment 5 for the Consolidated Financial Statements.

Resolution:

Case 2

(Proposed by the Board)

- Subject: The Company's 2023 earnings distribution proposal, presented for ratification.
- Explanation: I. For the distribution of earnings in 2023, the Board of Directors has approved the distribution according to the Company Act and the Company's Articles of Incorporation as shown in the table below.
- II. The Company's net profit after tax in 2023 was NT\$18,378,114. In accordance with the Company's Articles of Incorporation, a legal reserve of NT\$2,066,390 was set aside; together with the undistributed earnings after adjustment at the beginning of the period of NT\$63,356,207.88, the distributable earnings at the end of the period are NT\$79,667,931.88, and the proposed dividend to shareholders is NT\$30,528,000. Each share will be distributed at NT\$0.5, and the amounts will be rounded down. For respective amounts less than NT\$1, the Chairperson shall be authorized to contact a specific person to take them over.
- III. Authorize the Board of Directors to set the ex-dividend date and make other related matters after the motion is passed by the shareholders' meeting.
- IV. If the Company's share capital changes and the dividend payout ratio changes due to the number of outstanding shares, the shareholders' meeting shall authorize the Chairperson to make dividend adjustments in proportion to the number of outstanding shares on the dividend record date.

Yong Shun Chemical Co., Ltd.
2023 Appropriation of Earnings

Unit: NTD

Undistributed Retained Earnings at the Beginning of the Period		\$61,070,422.88
Add: Remeasurement of the Defined Benefit Plan Recognized in Retained Earnings		2,285,785.00
2023 Undistributed Retained Earnings After Adjustment		\$63,356,207.88
Plus: Net income after tax	18,378,114.00	
Less: Appropriation of 10% of legal reserve	(2,066,390.00)	
2023 Distributable Earnings		\$79,667,931.88
Dividend to Shareholders - Cash Dividend of NT\$0.5 per share	(30,528,000.00)	
Undistributed Retained Earnings at the end of 2023		\$49,139,931.88

Chairman: Tsai Cheng-Fung

Manager: Lin Cheng-Chien

Head of Accounting: Chen Fu-Mei

Resolution:

Five. Extraordinary Motions

Six. Meeting Adjourned

Seven. Attachments

Attachment 1

Yong Shun Chemical Co., Ltd. 2023 Business Report

I. 2023 Business Report

In view of many events this year, given sluggish global economy and inventory adjustment in the industry, we see a shortage of investment and weak exports in Taiwan's economy. Considering tepid consumer demand at home and abroad, the customers become less willing to place orders. According to statistics, foreign exports have exhibited decline for 18 consecutive months since August 2021, while the economy continued to flash a "blue-light" signal. The Company's sales were significantly affected, which resulted in sales decline in 2024 compared to the same period in the previous year.

(I) Business Plan Implementation Result

The consolidated revenue in 2023 was NT\$768,731 thousand, a decrease of 32.22% from NT\$1,134,234 thousand in 2022; the net profit after tax in 2023 was NT\$18,378 thousand, an increase of 195.76% from the net loss after tax of NT\$19,191 thousand in 2022; the earnings per share were NT\$0.30, up 196.77% from the losses per share of NT\$0.31 in 2022.

(II) Budget Implementation Status

The Company did not disclose financial forecasts in 2023.

(III) Financial Income, Expenditure, and Profitability Analysis

1. Revenue and Expenditure

Unit: NT\$ thousand

Item\Year	2023	2022
Net Income (loss) Before Tax	23,762	-23,355
Net Cash Inflow (outflow) From Operating Activities	71,636	117,631
Net Cash Inflows (outflows) From Investment Activities	-35,632	-11,676
Net Cash Inflow (outflow) From Financial Activities	-9,440	-121,588
Net Increase (decrease) in Cash and Cash Equivalents	26,564	-15,633
Cash and Cash Equivalents at the Beginning of the Year	338,067	353,700
Cash and Cash Equivalents at the End of the Year	364,631	338,067

2. Profitability Analysis

Item/Year	2023	2022
Liability to Asset Ratio	17.12%	16.27%
Ratio of Long-term Funds to Property, Plants, and Equipment	305.60%	330.51%
Current Ratio	589.27%	698.81%
Quick Ratio	423.30%	464.84%
Return on Assets	1.54%	-1.37%
Return on Equity	1.74%	-1.74%
As a Percentage of Paid-in Capital Percentage %	Operating Income	3.21%
	Pre-tax Profit	-4.44%
Net Profit Rate	3.89%	-3.83%
Earnings per Share (Loss)	2.39%	-1.69%
	\$0.30	-\$0.31

(IV) R&D Overview

1. Development of unsaturated polyester resin with high reactivity, heat resistance and impact strength.
2. Development of polyester polyol resin with high-performance environmentally-friendly water-based weather-resistant alkyd resin.
3. Development of applications of various grades of FRP finished products.
4. Development of various grades of hot melt rubber and shoe rubber products related to environmental protection.
5. Development in renewable energy and biodegradable products.

II. Summary of the 2024 Business Plan

The Company mainly produces various alkyd resin products and downstream derivatives, and actively invests in the development of other synthetic resin products. Based on the 2024 Business Plan, the Company's product mix will focus on product applications, accelerating the commercialization of new products and new businesses to obtain higher market value. Due to U.S.-China trade war, the China factories have tapped into emerging markets including Northeast Asia, Southeast Asia and India, with active development for better competitive advantages. The Company continues to cultivate non-China markets, seeking other potential market opportunities to achieve more comprehensive business growth, with more diversified product mix. The management will focus on improving brand value and growth momentum to achieve business goals.

(I) Business Policy

- 1、Establish an effective procurement system and raw material inventory system to obtain timely information, so as to achieve flexible sales to cope with market changes.
- 2、The product structure will be focused on the production of biomass, new start-up industries, and high added value. The Company will avoid the price competition and seek opportunities in the Blue Ocean market.
- 3、The R&D of new products will focus on green energy, solvent-free, and other potential industries, and local R&D energy will be used to quickly respond to customer needs and accelerate the speed of products to market.
- 4、Market Structure: Explore markets in Northeast Asia, Southeast Asia, and India with high population density and domestic demand, in order to reduce dependence on the China market for more comprehensive business growth.

(II) Expected Sales Volume and Basis

The expected sales volume of the Company's main products in 2024 is as follows:

Main Products	Unit	Estimated Sales Volume in 2024
Unsaturated Polyester Resin	Metric Ton	2,820
Polyester Polyol Resin	Metric Ton	6,540
Acid Resistant Coating	Metric Ton	840
Chemical Tank	Unit	15
Hot Melt Adhesive and Shoe Adhesive Related Products	Metric Ton	1,920

(III) Important Production and Marketing Policies

1. Improve sales channel strategy and deployment in the distribution channels.
2. Strengthen customer base and customer relationships, and expand market share.
3. Effective use of marketing intelligence to strengthen the sales forecasting skills and reduce risks.
4. Continuously develop new products and key raw materials to protect its competitive advantage.
5. Estimate automation solutions for labor-intensive manufacturing processes.
6. Efficient production management to ensure effective delivery and credibility.
7. Seek potential market opportunities and develop a more diversified product mix.
8. Prevent the increase in defective rate during the production process, and implement QC activities to ensure pure quality of products and meet customer needs.
9. Establish solar photovoltaics for green energy production, so as to achieve energy conservation and carbon reduction.

III. The Impact of the External Competitive Environment, the Regulatory Environment, and the Overall Business Environment on the Development Strategy of the Company in the Future

Next year, entering the 60th anniversary of the Company's establishment, it has always upheld the concept of integrity, focusing on its business operations. In face of high global competition and rapid change in market trends, Yong Shun Chemical adheres to a clear business philosophy, with internal resource integration and business strategies. The Company actively expands domestic and foreign markets, with deployments in key materials, developing new product R&D, and strengthening product functions to expand its applications. We focus on increasing added value and avoid unnecessary price cuts and price competitions. Continue to optimize the production process, invest in capital expenditures to improve factory equipment, and install rooftop solar power system to generate its own green electricity. Continue to implement climate change and energy management measures, and introduce green, environmental protection, energy conservation and carbon reduction in daily operations. Promote the production of green electricity products in the factory, protect the earth as a corporate citizen by fulfilling corporate social responsibility, and achieve corporate sustainability.

The height, breadth and depth of Yong Shun Chemical's products meet market demands, providing customers with innovative products of high efficiency, in the aim to achieve excellent performance in the global synthetic resin market.

Chairman: Tsai Cheng-Fung

Manager: Lin Cheng-Chien

Head of Accounting: Chen, Fu-Mei

Attachment 2

Audit Committee's Review Report

The Board of Directors prepared and presented the Company's 2023 Business Report, financial statements (consolidated and parent company only), and earnings distribution proposal, of which the financial statements (consolidated and parent company only) were approved by Weng Po-Jen and Hsueh Chun-Min of Deloitte Taiwan, with an audit report issued.

The Audit Committee found no inconsistency in the reports prepared by the Board of Directors. Presented in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

2024 General Shareholders' Meeting of Yong Shun Chemical Co., Ltd.

Chairman of the Audit Committee: Chou Man-Chin

March 28, 2024

Attachment 3

Yong Shun Chemical Co., Ltd. Article of the Regulations for Board of Directors Meetings Before and After being Amended

After Amendment	Before Amendment	Description
<p>Article 8 (Reference materials, non-voting participants, and holding board meetings) The chair shall call the board meeting to order at the appointed meeting time and when more than half of all the directors are in attendance. When the time of a meeting has arrived and half of all board directors are not present, the meeting chair may announce postponement of the meeting time <u>on the same day</u>, provided that only two postponements may be made. If the quorum is still not met after two such delays, the chair shall re-call the meeting following the procedures provided in Article 3, paragraph 2.</p>	<p>Article 8 (Reference materials, non-voting participants, and holding board meetings) The chair shall call the board meeting to order at the appointed meeting time and when more than half of all the directors are in attendance. When the time of a meeting has arrived and half of all board directors are not present, the meeting chair may announce postponement of the meeting time, provided that only two postponements may be made. If the quorum is still not met after two such delays, the chair shall re-call the meeting following the procedures provided in Article 3, paragraph 2.</p>	<p>I. Paragraphs 1 and 2 not yet amended. II. In order to avoid disputes caused by the uncertainty regarding postponement of the starting time of the board meeting, it is stipulated that when the number of attendees is insufficient, the chairman may announce a postponement of the meeting, but the meeting must be held on the same day. III. Paragraph 4 not yet amended.</p>
<p>Article 11 (Proposal Discussion) If at any time during the proceeding of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of meeting, in which case Article 8, paragraph <u>3</u> shall apply mutatis mutandis. <u>If at any time during the proceeding of a board of directors meeting the chairman may not be able to continue presiding over a board meeting for any reason, in which case Article 7, paragraph 3 shall apply mutatis mutandis for the method of appointing the chairman's proxy.</u></p>	<p>Article 11 (Proposal Discussion) If at any time during the proceeding of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of meeting, in which case Article 8, paragraph <u>5</u> shall apply mutatis mutandis.</p>	<p>I. Paragraphs 1 and 2 not yet amended. II. Paragraph 5 of Article 8 applicable mutatis mutandis under Paragraph 3 of Article 11 was changed to Paragraph 3 of Article 8 applicable mutatis mutandis under Paragraph 3 of Article 11. III. Considering the fact that the chairman may not be able to continue presiding over a board meeting for any reason, Paragraph 4 was added, which stipulated that Article 7, paragraph 3 shall apply mutatis mutandis for the method of appointing the chairman's proxy.</p>
<p>The Regulation shall be adopted <u>and amended</u> by the approval of meeting of the board of directors.</p>	<p>The Regulation shall be adopted by the approval of meeting of the board of directors <u>and shall be reported to the shareholders meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to the Regulation.</u></p>	<p>Deleted after reporting to the shareholders' meeting.</p>
<p>Article 19 (Supplementary provisions) The Regulation was formulated on March 15, 2006. The 1st amendment was made on December 25, 2006. The 2nd amendment was made on March 24, 2008. The 3rd amendment was made on August 18, 2008. The 4th amendment was made on March 19, 2012.</p>	<p>Article 19 (Supplementary provisions) The Regulation was formulated on March 15, 2006. The 1st amendment was made on December 25, 2006. The 2nd amendment was made on March 24, 2008. The 3rd amendment was made on August 18, 2008. The 4th amendment was made on March 19, 2012.</p>	<p>The amendment date of the Article was added.</p>

<p>The 5th amendment was made on March 25, 2013. The 6th amendment was made on November 7, 2017. The 7th amendment was made on May 7, 2019. The 8th amendment was made on May 10, 2022 in the 17th meeting of the 19th term board of directors, provided the amended Articles 3 and 16 were implemented after the establishment of the Audit Committee. <u>The 9th amendment was made on March 11, 2024.</u></p>	<p>The 5th amendment was made on March 25, 2013. The 6th amendment was made on November 7, 2017. The 7th amendment was made on May 7, 2019. The 8th amendment was made on May 10, 2022 in the 17th meeting of the 19th term board of directors, provided the amended Articles 3 and 16 were implemented after the establishment of the Audit Committee.</p>	
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Independent Auditor's Report

To Yong Shun Chemical Co., Ltd.:

Opinion

We have duly audited the individual balance sheet as of December 31, 2023 and 2022, and the individual comprehensive income statement, individual statement of changes in equity and individual cash flow statement from January 1 to December 31, 2023 and 2022 as well as notes to the individual financial statements (including the summary of significant accounting policies) of Yong Shun Chemical Co., Ltd.

In our opinion, the individual financial statements referred to above have been prepared, in all material respects, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and are fairly stated in terms of the individual financial position of Yong Shun Chemical Co., Ltd. as of December 31, 2023 and 2022, and the individual financial performance and individual cash flow from January 1 to December 31, 2023 and 2022.

Basis for Opinion

Certified Public Accountants conducted our audits in accordance with Regulations Governing Auditing and Attestation of Financial Statements using auditing principles. Our responsibilities as an auditor under the abovementioned standards are explained in the Responsibilities paragraph. All relevant personnel of the accounting firm have followed the CPA code of ethics and maintained independence from Yong Shun Chemical Co., Ltd. when performing their duties. We believe that the evidence obtained provides an adequate and appropriate basis for our opinion.

Key Audit Matters

Key audit matters are matters that we considered to be the most important, based on professional judgment, when auditing the 2023 individual financial statements of Yong Shun Chemical Co., Ltd. These issues were addressed when we audited and formed our opinions on the parent company only financial statements. Therefore, we do not provide opinions separately for individual matters.

The key audit items of the individual financial statements of Yong Shun Chemical Co., Ltd. for 2023 are as follows:

Key audit matter: Authenticity of sales, revenue and shipment to specific customers

Yong Shun Chemical Co., Ltd. are mainly engaged in the design, development, and manufacturing of resin products. Since changes in the major customers have a significant impact on the financial statements, and sales revenue is inherently subject to a high degree of risk, we have identified customers meeting specific criteria, and assessed the authenticity of the sales revenue transactions for these customers as a key audit matter. For the accounting policies and the information disclosed related to the revenue recognition, please refer to Notes 4 and 21 to the parent company only financial statements.

In response to the above important matters, the main audit procedures implemented by the CPAs are as follows:

1. Understanding and testing the revenue recognition of a specific sales target is critical to the design and execution of internal control.
2. For the aforementioned specific sales target revenue details, select the sample to check the relevant supporting documents and test the collection status to confirm that the sales transaction actually occurred.
3. We review whether material sales returns and discounts have occurred after the balance sheet date, in order to confirm whether there is material misstatement in the revenue of specific sales targets.

Responsibilities of the Management and Those Charged with Governance for Parent Company Only Financial Statements

Responsibilities of the management were to prepare and ensure fair presentation of the parent company only financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and to exercise proper internal control practices that are relevant to the preparation of the parent company only financial statements so that the parent company only financial statements are free of material misstatements, whether caused by fraud or error.

The management's responsibilities when preparing the parent company only financial statements also involved: assessing the ability of Yong Shun Chemical Co., Ltd. to operate, disclose information, and account for transactions as an ongoing concern unless the management intends to liquidate or cease business operations, or is compelled to do so with no alternative solution.

The governance units (including the Audit Committee) of Yong Shun Chemical Co., Ltd. are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of Parent Company Only Financial Statements

The purposes of our audit were to obtain reasonable assurance of whether the parent company only financial statements were prone to material misstatements, whether caused by fraud or error, and to issue a report of our audit opinions. We considered assurance to be reasonable only if it is highly credible. However, audit tasks conducted in accordance with auditing principles do not necessarily guarantee detection of all material misstatements within the parent company only financial statements. Misstatements can arise from fraud or error. Misstatements are considered material if the individual amount or aggregate total is reasonably expected to affect economic decisions of the financial statement user.

When conducting audits in accordance with auditing principles, we exercised judgments and raised doubts as deemed professionally appropriate. We also performed the following tasks as an auditor:

1. Identifying and assessing risk of material misstatement within the parent company only financial statements that are attributed to fraud or error; designing and executing appropriate response measures for the identified risks; and obtaining adequate and appropriate audit evidence to support audit opinions. Fraud may involve conspiracy, forgery, intentional omission, untruthful declaration, or breach of internal controls, and our audit did not find any material misstatement where the risk of fraud is greater than the risk of error.
2. Obtaining necessary understanding of internal controls relevant to audit and designing audit procedures that are appropriate under the prevailing circumstances, but not for the purpose of providing an opinion on the effectiveness of internal control system of Yong Shun Chemical Co., Ltd.
3. Assessing the appropriateness of accounting policies adopted by the management, and the rationality of accounting estimates and related disclosures.
4. Forming conclusions regarding the appropriateness of management's decision to account for the business as an ongoing concern, and whether there are doubts or uncertainties about the ability of Yong Shun Chemical Co., Ltd. to continue operating, based on the audit evidence obtained. We are bound to remind parent company only financial statement users to pay attention to relevant disclosures in the notes of statements within our audit report if material uncertainties exist in regards to the aforementioned events or circumstances, and amend audit opinions when the disclosures are no longer appropriate. Our conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or change of circumstances may still render Yong Shun Chemical Co., Ltd. no longer capable of continuing operations.
5. Assessing the overall presentation, structure, and contents of the parent company only financial statements (including related footnotes), and whether certain transactions and events are presented appropriately in the parent company only financial statements.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities within Yong Shun Chemical Co., Ltd. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and execution of the Company's audits, and for forming an audit opinion of the Company.

We have communicated with the governance body about the scope, timing, and significant findings (including significant defects in internal controls identified during the audit) of our audit.

We have also provided the governance body with a declaration of independence stating that all relevant personnel of the accounting firm have complied with the CPA code of ethics, and communicated with the governance body on all matters that may affect the auditor's independence (including relevant protection measures).

We have identified the key audit matters after communicating with the governance body regarding the parent company only financial statements from the year ended December 31, 2023 of Yong Shun Chemical Co., Ltd. These issues have been addressed in our audit report except for: 1. Certain topics that are prohibited by law from disclosing to the public; or 2. Under extreme circumstances, topics that we decide not to communicate in the audit report because they may cause higher negative effects than the benefits they bring to public interest.

Deloitte Taiwan
CPA Weng, Po-Jen

CPA Hsueh, Chun-Min

Financial Supervisory Commission
approval number
Letter referenced Jin-Guan-Cheng-Shen
Zi No. 1010028123

Financial Supervisory Commission approval
number
Letter referenced Jin-Guan-Cheng-Shen Zi
No. 1090358185

March 28, 2024



Yong Shun Chemical Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2023 and December 31, 2022

Unit: NTD thousands

Code	Asset	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
Current assets					
1100	Cash and cash equivalents (Notes 6 and 27)	\$ 350,423	30	\$ 327,373	27
1136	Financial assets measured at amortized costs - current (Notes 8, 9 and 27)	99,000	8	99,000	8
1150	Net notes receivable (Notes 10, 21 and 27)	37,185	3	34,415	3
1160	Notes receivable - related parties (Notes 10, 21, 27 and 28)	16,330	1	32,611	3
1170	Net accounts receivable (Notes 10, 21 and 27)	89,415	8	82,716	7
1180	Accounts receivable - related parties (Notes 10, 21, 27 and 28)	2,661	-	8,488	1
130X	Inventory (Note 11)	158,267	13	179,856	15
1410	Prepayments	2,302	-	1,993	-
1476	Income tax assets of the period (Note 23)	8,494	1	8,274	1
1479	Other current assets - others (Note 15)	545	-	82	-
11XX	Total current assets	<u>764,622</u>	<u>64</u>	<u>774,808</u>	<u>65</u>
Non-current assets					
1550	Investment by the equity method (Note 12)	60,246	5	62,558	5
1600	Property, plant and equipment (Notes 13, 25 and 29)	343,016	29	326,216	28
1780	Intangible assets	1,272	-	38	-
1840	Deferred income tax assets - non-current (Note 23)	17,947	2	22,701	2
1920	Refundable deposits (Note 27)	210	-	210	-
1990	Other non-current assets - others	405	-	-	-
15XX	Total non-current assets	<u>423,096</u>	<u>36</u>	<u>411,723</u>	<u>35</u>
1XXX	Total assets	<u>\$ 1,187,718</u>	<u>100</u>	<u>\$ 1,186,531</u>	<u>100</u>
Liabilities and equity					
Current liabilities					
2110	Short-term notes payable (Notes 16, 25 and 27)	\$ 32,130	3	\$ 12,714	1
2120	Financial liabilities at fair value through profit or loss (Notes 7 and 27)	1,241	-	344	-
2130	Contractual liabilities - current (Note 21)	114	-	6,093	-
2150	Notes payable (Notes 17 and 27)	3,797	-	3,392	-
2170	Accounts payable (Notes 17 and 27)	19,847	2	23,006	2
2219	Other payables (Notes 18, 25 and 27)	22,865	2	20,386	2
2399	Other current liabilities	355	-	310	-
21XX	Total current liabilities	<u>80,349</u>	<u>7</u>	<u>66,245</u>	<u>5</u>
Non-current liabilities					
2570	Deferred income tax liabilities (Note 23)	47,041	4	45,841	4
2640	Net defined benefit liabilities - non-current (Note 19)	6,213	-	10,466	1
25XX	Total non-current liabilities	<u>53,254</u>	<u>4</u>	<u>56,307</u>	<u>5</u>
2XXX	Total liabilities	<u>133,603</u>	<u>11</u>	<u>122,552</u>	<u>10</u>
Equity (Note 20)					
Share capital					
3110	Common stock	610,560	51	610,560	51
3200	Capital surplus	53,309	5	53,309	5
Retained earnings					
3310	Legal reserve	210,483	18	210,483	18
3320	Special reserve	98,028	8	98,028	8
3350	Undistributed retained earnings	81,735	7	91,599	8
3300	Total retained earnings	<u>390,246</u>	<u>33</u>	<u>400,110</u>	<u>34</u>
3XXX	Total equity	<u>1,054,115</u>	<u>89</u>	<u>1,063,979</u>	<u>90</u>
Total liabilities and equity		<u>\$ 1,187,718</u>	<u>100</u>	<u>\$ 1,186,531</u>	<u>100</u>

The accompanying notes are an integral part of the individual financial statements.

Chairman: Tsai, Cheng-Fung

Manager: Lin, Cheng-Chien

Head of Accounting: Chen, Fu-Mei

Yong Shun Chemical Co., Ltd.
Parent Company Only Statement of Comprehensive Income
For the years ended December 31, 2023 and December 31, 2022

Unit: NTD thousands, except earnings (losses) per share which is in NTD

Code		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Notes 21 and 28)	\$ 650,092	100	\$ 974,263	100
5000	Operating costs (Notes 11 and 22)	(557,202)	(86)	(937,046)	(96)
5900	Operating margin	92,890	14	37,217	4
5910	Unrealized gains from subsidiaries, affiliated enterprises and joint ventures	(79)	-	(6)	-
5920	Realized gains from subsidiaries, affiliated enterprises and joint ventures	6	-	414	-
5950	Realized gross profit from operations	92,817	14	37,625	4
	Operating expenses (Note 22)				
6100	Selling expenses	(27,181)	(4)	(30,219)	(3)
6200	Administrative expenses	(36,980)	(6)	(32,879)	(3)
6300	Research and development expenses	(5,568)	(1)	(5,569)	(1)
6450	Expected credit (impairment loss) reversal gain	(1,598)	-	4,060	-
6000	Total operating expenses	(71,327)	(11)	(64,607)	(7)
6900	Operating income (loss)	21,490	3	(26,982)	(3)
	Non-operating income and expenses (Notes 22, 28 and 31)				
7100	Interest income	4,373	1	2,002	1
7010	Other income	116	-	675	-
7020	Other gains and losses	562	-	128	-
7070	Share of gains or losses of subsidiaries, affiliated enterprises and joint ventures by the equity method	(2,239)	-	1,021	-
7050	Finance costs	(41)	-	(183)	-
7000	Total non-operating income and expenses	2,771	1	3,643	1

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Code		2023		2022	
		Amount	%	Amount	%
7900	Net income before tax (loss)	\$ 24,261	4	(\$ 23,339)	(2)
7950	Income tax income (expense) (Note 23)	(5,883)	(1)	4,148	-
8200	Net profit (loss) for the year	18,378	3	(19,191)	(2)
	Other comprehensive income (Notes 19 and 23)				
	Items not reclassified into profit or loss:				
8311	Remeasurement of defined benefit obligation	2,857	-	5,691	-
8341	Income tax related to items not reclassified	(571)	-	(1,138)	-
8310		2,286	-	4,553	-
8300	Other comprehensive income of the period (net after tax)	2,286	-	4,553	-
8500	Comprehensive income of the period	\$ 20,664	3	(\$ 14,638)	(2)
	Earnings (losses) per share (Note 24)				
9750	Basic	\$ 0.30		(\$ 0.31)	
9850	Diluted	\$ 0.30		(\$ 0.31)	

The accompanying notes are an integral part of the individual financial statements.

Chairman: Tsai, Cheng-Fung

Manager: Lin, Cheng-Chien

Head of Accounting: Chen, Fu-Mei



Yong Shun Chemical Co., Ltd.
Parent Company Only Statement of Changes in Equity
For the years ended December 31, 2023 and December 31, 2022

Unit: NTD thousands

Code		Share capital		Retained earnings			Total equity	
		Number of shares (in thousands)	Amount	Capital surplus	Legal reserve	Special reserve		Undistributed retained earnings
A1	Balance on January 1, 2022	61,056	\$ 610,560	\$ 53,309	\$ 202,902	\$ 98,028	\$ 174,874	\$ 1,139,673
	Earnings distribution for 2021							
B1	Legal reserve	-	-	-	7,581	-	(7,581)	-
B5	Shareholders' cash dividends	-	-	-	-	-	(61,056)	(61,056)
D1	Net loss for 2022	-	-	-	-	-	(19,191)	(19,191)
D3	Other after-tax comprehensive income of 2022	-	-	-	-	-	4,553	4,553
D5	Total comprehensive income of 2022	-	-	-	-	-	(14,638)	(14,638)
Z1	Balance on December 31, 2022	61,056	610,560	53,309	210,483	98,028	91,599	1,063,979
	Earnings distribution for 2022							
B5	Shareholders' cash dividends	-	-	-	-	-	(30,528)	(30,528)
D1	Net profit for 2023	-	-	-	-	-	18,378	18,378
D3	Other after-tax comprehensive income of 2023	-	-	-	-	-	2,286	2,286
D5	Total comprehensive income of 2023	-	-	-	-	-	20,664	20,664
Z1	Balance on December 31, 2023	61,056	\$ 610,560	\$ 53,309	\$ 210,483	\$ 98,028	\$ 81,735	\$ 1,054,115

The accompanying notes are an integral part of the individual financial statements.

Chairman: Tsai, Cheng-Fung

Manager: Lin, Cheng-Chien

Head of Accounting: Chen, Fu-Mei

Yong Shun Chemical Co., Ltd.
Parent Company Only Statement of Cash Flow
For the years ended December 31, 2023 and December 31, 2022

Unit: NTD thousands

Code		2023	2022
	Cash flow from operating activities		
A10000	Net income (loss) before tax	\$ 24,261	(\$ 23,339)
A20010	Income, expenses and losses:		
A20100	Depreciation expenses	7,230	7,569
A20200	Amortization expenses	93	50
A20300	Expected credit impairment loss (reversal gain)	1,598	(4,060)
A20400	Net loss of financial liabilities at fair value through profit or loss	897	160
A20900	Finance costs	41	183
A22400	Share of gains or losses of subsidiaries, affiliated enterprises and joint ventures by the equity method	2,239	(1,021)
A21200	Interest income	(4,373)	(2,002)
A22500	Gain on disposal of property, plant, and equipment	(40)	(178)
A23700	Loss (recovery gain) on decline in value of inventories	(18,085)	20,683
A23900	Unrealized gains from subsidiaries, affiliated enterprises and joint ventures	79	6
A24000	Realized gains from subsidiaries, affiliated enterprises and joint ventures	(6)	(414)
A29900	Inventory scrapping loss	622	1,254
A30000	Net change of operating assets and liabilities		
A31130	Notes receivable	13,511	(7,065)
A31150	Accounts receivable	(2,470)	97,266
A31200	Inventory	39,052	18,047
A31230	Prepayments	(309)	2,155
A31240	Other current assets	(450)	512
A32125	Contract liabilities - current	(5,979)	4,910
A32130	Notes payable	405	(1,125)
A32150	Accounts payable	(3,159)	(16,604)
A32180	Other payables	1,666	(6,581)
A32230	Other current liabilities	45	(34)
A32240	Net defined benefit liabilities	(1,396)	(1,206)
A33000	Cash from operations	55,472	89,166
A33100	Interest received	4,360	1,980

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Code		2023	2022
A33300	Interest paid	(\$ 41)	(\$ 183)
A33500	Income tax refundable	(<u>720</u>)	(<u>23,524</u>)
AAAA	Net cash inflow from operating activities	<u>59,071</u>	<u>67,439</u>
	Cash flow from investment activities		
B02700	Acquisition of property, plant and equipment	(23,217)	(6,057)
B04500	Acquisition of intangible assets	(1,327)	-
B02800	Proceeds from disposal of property, plant and equipment	40	178
B06700	Increase in other non-current assets	(<u>405</u>)	-
BBBB	Net cash outflow from investments	(<u>24,909</u>)	(<u>5,879</u>)
	Cash flow from financial activities		
C00100	Decrease in short-term borrowings	-	(913)
C00600	Increase (decrease) in short-term notes payable	19,416	(17,291)
C04500	Dividend payment	(<u>30,528</u>)	(<u>61,056</u>)
CCCC	Net cash outflow from financial activities	(<u>11,112</u>)	(<u>79,260</u>)
EEEE	Increase (decrease) in cash and cash equivalents	23,050	(17,700)
E00100	Cash and cash equivalents at the beginning of the year	<u>327,373</u>	<u>345,073</u>
E00200	Cash and cash equivalents at the end of the year	<u>\$ 350,423</u>	<u>\$ 327,373</u>

The accompanying notes are an integral part of the individual financial statements.

Chairman: Tsai, Cheng-Fung

Manager: Lin, Cheng-Chien

Head of Accounting: Chen, Fu-Mei

Attachment 5

Independent Auditor's Report

To Yong Shun Chemical Co., Ltd.:

Opinion

We have duly audited the consolidated balance sheet of Yong Shun Chemical Co., Ltd. and Subsidiaries for December 31, 2023 and 2022, and the consolidated comprehensive income statement, consolidated statement of changes in equity and consolidated cash flow statement from January 1 to December 31, 2023 and 2022 as well as notes to the consolidated financial statements (including the summary of material accounting policies).

In our opinion, the consolidated financial statements referred to above have been prepared, in all material respects, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and are fairly stated in terms of the consolidated financial position of Yong Shun Chemical Co., Ltd. as of December 31, 2023 and 2022, and the consolidated financial performance and consolidated cash flow from January 1 to December 31, 2023 and 2022.

Basis for Opinion

Certified Public Accountants conducted our audits in accordance with Regulations Governing Auditing and Attestation of Financial Statements using auditing principles. Our responsibilities as an auditor under the abovementioned standards are explained in the Responsibilities paragraph. All relevant personnel of the accounting firm have followed the CPA code of ethics and maintained independence from Yong Shun Chemical Co., Ltd. and its subsidiaries when performing their duties. We believe that the evidence obtained provides an adequate and appropriate basis for our opinion.

Key Audit Matters

Key audit matters are matters that we considered to be the most important, based on professional judgment, when auditing the 2023 consolidated financial statements of Yong Shun Chemical Co., Ltd. and its subsidiaries. These issues were addressed when we audited and formed our opinions on the consolidated financial statements. Therefore, we do not provide opinions separately for individual matters.

The key audit items of the consolidated financial statements of Yong Shun Chemical Co., Ltd. and its subsidiaries for 2023 are as follows:

Key audit matter: Authenticity of sales, revenue and shipment to specific customers

Yong Shun Chemical Co., Ltd. and its subsidiaries are mainly engaged in the design, development, and manufacturing of resin products. Since changes in the major customers have a

significant impact on the financial statements, and sales revenue is inherently subject to a high degree of risk, we have identified customers meeting specific criteria, and assessed the authenticity of the sales revenue transactions for these customers as a key audit matter. Please refer to Notes 4 and 21 to the consolidated financial statements.

In response to the above important matters, the main audit procedures implemented by the CPAs are as follows:

1. Understanding and testing the revenue recognition of a specific sales target is critical to the design and execution of internal control.
2. For the aforementioned specific sales target revenue details, select the sample to check the relevant supporting documents and test the collection status to confirm that the sales transaction actually occurred.
3. We review whether material sales returns and discounts have occurred after the balance sheet date, in order to confirm whether there is material misstatement in the revenue of specific sales targets.

Other Items

Yong Shun Chemical Co., Ltd. has prepared the parent company's financial statements for the years 2023 and 2022, and we have issued an audit report with a unmodified opinion for reference.

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

The responsibility of management is to prepare consolidated financial statements that fairly present the financial position of the Company in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretations issued by the Financial Supervisory Commission, and to maintain necessary internal controls relevant to 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's responsibility also includes assessing Yong Shun Chemical Co., Ltd. and its subsidiaries' ability to continue operating, the disclosure of related matters, and the adoption of the basis of accounting, unless management intends to liquidate Yong Shun Chemical Co., Ltd. and its subsidiaries or to cease operations, or there is no practical alternative to liquidation or cessation of operations.

The governance units (including the Audit Committee) of Yong Shun Chemical Co., Ltd. and its subsidiaries are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of Consolidated Financial Statements

The purposes of our audit were to obtain reasonable assurance of whether the consolidated financial statements were prone to material misstatements, whether caused by fraud or error, and to issue a report of our audit opinions. We considered assurance to be reasonable only if it is highly credible. However, audit tasks conducted in accordance with auditing principles do not necessarily guarantee detection of all material misstatements within the consolidated financial statements. Misstatements can arise from fraud or error. Misstatements are considered material if the individual amount or aggregate total is reasonably expected to affect economic decisions of the financial statement user.

When conducting audits in accordance with auditing principles, we exercised judgments and raised doubts as deemed professionally appropriate. We also performed the following tasks as an auditor:

1. Identifying and assessing risk of material misstatement within the consolidated financial statements that are attributed to fraud or error; designing and executing appropriate response measures for the identified risks; and obtaining adequate and appropriate audit evidence to support audit opinions. Fraud may involve conspiracy, forgery, intentional omission, untruthful declaration, or breach of internal controls, and our audit did not find any material misstatement where the risk of fraud is greater than the risk of error.
2. Obtaining an understanding of the internal controls relevant to our 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 Yong Shun Chemical Co., Ltd. and its subsidiaries' internal controls.
3. Assessing the appropriateness of accounting policies adopted by the management, and the rationality of accounting estimates and related disclosures.
4. Based on the evidence obtained, making a conclusion on the appropriateness of the management's adoption of the basis of accounting and whether there is any material uncertainty about the events or circumstances that may cast significant doubt on the ability of Yong Shun Chemical Co., Ltd. and its subsidiaries to continue operating. We are bound to remind consolidated financial statement users to pay attention to relevant disclosures in the notes of statements within our audit report if material uncertainties exist in regards to the aforementioned events or circumstances, and amend audit opinions when the disclosures are no longer appropriate. Our conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or circumstances may cause Yong Shun Chemical Co., Ltd. and its subsidiaries to cease to have the ability to continue operating.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the notes in the statements), and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtaining sufficient and appropriate audit evidence of financial information and entities within the group, and expressing opinions on consolidated financial statements. Our responsibilities as an auditor are to instruct, supervise, and execute audits and form audit opinions on the Company.

We have communicated with the governance body about the scope, timing, and significant findings (including significant defects in internal controls identified during the audit) of our audit.

We have also provided the governance body with a declaration of independence stating that all relevant personnel of the accounting firm have complied with the CPA code of ethics, and communicated with the governance body on all matters that may affect the auditor's independence (including relevant protection measures).

From the matters communicated with the governance unit, we decided on the key audit items for the audit of the annual consolidated financial statements of Yong Shun Chemical Co., Ltd. and its subsidiaries for 2023. These issues have been addressed in our audit report except for: 1. Certain topics that are prohibited by law from disclosing to the public; or 2. Under extreme circumstances, topics that we decide not to communicate in the audit report because they may cause higher negative effects than the benefits they bring to public interest.

Deloitte Taiwan
CPA Weng, Po-Jen

CPA Hsueh, Chun-Min

Financial Supervisory Commission
approval number
Letter referenced Jin-Guan-Cheng-Shen
Zi No. 1010028123

Financial Supervisory Commission approval
number
Letter referenced Jin-Guan-Cheng-Shen Zi
No. 1090358185

March 28, 2024



Yong Shun Chemical Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and December 31, 2022

Unit: NTD thousands

Code	Asset	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 6 and 27)	\$ 364,631	29	\$ 338,067	27
1136	Financial assets measured at amortized costs - current (Notes 8, 9 and 27)	99,000	8	99,000	8
1150	Net notes receivable (Notes 10, 21 and 27)	38,620	3	35,616	3
1170	Net accounts receivable (Notes 10, 21 and 27)	107,461	8	115,246	9
130X	Inventory (Note 11)	218,149	17	248,837	19
1410	Prepayments	2,937	-	2,843	-
1220	Income tax assets of the period (Note 23)	8,494	1	8,274	1
1479	Other current assets (Notes 15 and 27)	995	-	452	-
11XX	Total current assets	<u>840,287</u>	<u>66</u>	<u>848,335</u>	<u>67</u>
	Non-current assets				
1600	Property, plant and equipment (Notes 13, 25 and 29)	369,543	29	347,729	27
1755	Right-of-use assets (Note 14)	26,684	2	34,627	3
1780	Intangible assets	1,272	-	38	-
1840	Deferred income tax assets (Note 23)	31,696	3	36,098	3
1915	Prepaid equipment purchases	-	-	1,843	-
1920	Refundable deposits (Note 27)	2,022	-	2,022	-
1990	Other non-current assets - others	405	-	-	-
15XX	Total non-current assets	<u>431,622</u>	<u>34</u>	<u>422,357</u>	<u>33</u>
1XXX	Total assets	<u>\$ 1,271,909</u>	<u>100</u>	<u>\$ 1,270,692</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowing (Notes 16, 25 and 27)	\$ 43,000	3	\$ 34,000	3
2110	Short-term notes payable (Notes 16, 25 and 27)	32,130	3	12,714	1
2120	Financial liabilities at fair value through profit or loss - current (Notes 7 and 27)	1,280	-	344	-
2130	Contractual liabilities - current (Note 21)	917	-	9,262	1
2150	Notes payable (Notes 17 and 27)	5,618	-	4,121	-
2170	Accounts payable (Notes 17 and 27)	22,631	2	24,526	2
2219	Other payables (Notes 18 and 27)	29,571	2	28,892	2
2230	Income tax liabilities of the period (Note 23)	-	-	247	-
2280	Lease liabilities - current (Notes 14, 25 and 27)	6,964	1	6,847	-
2399	Other current liabilities	488	-	444	-
21XX	Total current liabilities	<u>142,599</u>	<u>11</u>	<u>121,397</u>	<u>9</u>
	Non-current liabilities				
2570	Deferred income tax liabilities (Note 23)	47,094	4	45,999	4
2580	Lease liabilities - non-current (Notes 14, 25 and 27)	17,261	1	24,224	2
2550	Liability reserves - non-current (Note 14)	4,627	-	4,627	-
2640	Net defined benefit liabilities - non-current (Note 19)	6,213	1	10,466	1
25XX	Total non-current liabilities	<u>75,195</u>	<u>6</u>	<u>85,316</u>	<u>7</u>
2XXX	Total liabilities	<u>217,794</u>	<u>17</u>	<u>206,713</u>	<u>16</u>
	Owner's equity attributable to owner of the Company (Note 20)				
	Share capital				
3110	Common stock	610,560	48	610,560	48
3200	Capital surplus	53,309	4	53,309	4
	Retained earnings				
3310	Legal reserve	210,483	17	210,483	17
3320	Special reserve	98,028	8	98,028	8
3350	Undistributed retained earnings	81,735	6	91,599	7
3300	Total retained earnings	<u>390,246</u>	<u>31</u>	<u>400,110</u>	<u>32</u>
3XXX	Total equity	<u>1,054,115</u>	<u>83</u>	<u>1,063,979</u>	<u>84</u>
	Total liabilities and equity	<u>\$ 1,271,909</u>	<u>100</u>	<u>\$ 1,270,692</u>	<u>100</u>

The attached notes are part of the consolidated financial report.

Chairman: Tsai, Cheng-Fung

Manager: Lin, Cheng-Chien

Head of Accounting: Chen Fu-Mei

Yong Shun Chemical Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
For the years ended December 31, 2023 and December 31, 2022

Unit: NTD thousands, except earnings (losses) per share which is in NTD

Code		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Note 21)	\$ 768,731	100	\$ 1,134,234	100
5000	Operating costs (Notes 11 and 22)	(667,787)	(87)	(1,084,967)	(95)
5900	Operating margin	<u>100,944</u>	<u>13</u>	<u>49,267</u>	<u>5</u>
	Operating expenses (Note 22)				
6100	Selling expenses	(33,747)	(4)	(37,531)	(3)
6200	Administrative expenses	(40,619)	(5)	(37,361)	(3)
6300	Research and development expenses	(5,568)	(1)	(5,569)	(1)
6450	Expected credit (impairment loss) recovery gain	(1,405)	-	<u>4,060</u>	-
6000	Total operating expenses	(81,339)	(10)	(76,401)	(7)
6900	Operating net income (loss)	<u>19,605</u>	<u>3</u>	(27,134)	(2)
	Non-operating income and expenses (Notes 22 and 31)				
7100	Interest income	4,431	-	2,013	-
7010	Other income	95	-	655	-
7020	Other gains and losses	1,091	-	2,176	-
7050	Finance costs	(1,460)	-	(1,065)	-
7000	Total non-operating income and expenses	<u>4,157</u>	-	<u>3,779</u>	-
7900	Net profit (loss) before tax	23,762	3	(23,355)	(2)
7950	Income tax (expense) income (Note 23)	(5,384)	-	<u>4,164</u>	-
8200	Net profit (loss) for the year	<u>18,378</u>	<u>3</u>	(19,191)	(2)

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Code		2023		2022	
		Amount	%	Amount	%
	Other comprehensive income (Notes 19, 20 and 23)				
	Items not reclassified into profit or loss:				
8311	Remeasurement of defined benefit obligation	\$ 2,857	-	\$ 5,691	1
8341	Income tax related to items not reclassified	(571)	-	(1,138)	-
8310		<u>2,286</u>	-	<u>4,553</u>	<u>1</u>
8300	Other comprehensive income of the period (net after tax)	<u>2,286</u>	-	<u>4,553</u>	<u>1</u>
8500	Comprehensive income of the period	<u>\$ 20,664</u>	<u>3</u>	<u>(\$ 14,638)</u>	<u>(1)</u>
	Net profit (loss) attributable to				
8610	Owner of the Company	\$ 18,378	3	(\$ 19,191)	(2)
8620	Non-controlling interest	-	-	-	-
8600		<u>\$ 18,378</u>	<u>3</u>	<u>(\$ 19,191)</u>	<u>(2)</u>
	Consolidated profit or loss attributable to				
8710	Owner of the Company	\$ 20,664	3	(\$ 14,638)	(1)
8720	Non-controlling interest	-	-	-	-
8700		<u>\$ 20,664</u>	<u>3</u>	<u>(\$ 14,638)</u>	<u>(1)</u>
	Earnings (losses) per share (Note 24)				
9750	Basic	<u>\$ 0.30</u>		<u>(\$ 0.31)</u>	
9850	Diluted	<u>\$ 0.30</u>		<u>(\$ 0.31)</u>	

The attached notes are part of the consolidated financial report.

Chairman: Tsai, Cheng-Fung

Manager: Lin, Cheng-Chien

Head of Accounting: Chen, Fu-Mei



Yong Shun Chemical Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
For the years ended December 31, 2023 and December 31, 2022

Unit: NTD thousands

Code		Share capital			Retained earnings			Total equity
		Number of shares (thousand)	Amount	Capital surplus	Legal reserve	Special reserve	Undistributed retained earnings	
A1	Balance on January 1, 2022	61,056	\$ 610,560	\$ 53,309	\$ 202,902	\$ 98,028	\$ 174,874	\$ 1,139,673
	Earnings distribution for 2021							
B1	Legal reserve	-	-	-	7,581	-	(7,581)	-
B5	Cash dividends	-	-	-	-	-	(61,056)	(61,056)
D1	Net loss for 2022	-	-	-	-	-	(19,191)	(19,191)
D3	Other after-tax comprehensive income of 2022	-	-	-	-	-	4,553	4,553
D5	Total comprehensive income of 2022	-	-	-	-	-	(14,638)	(14,638)
Z1	Balance on December 31, 2022	61,056	610,560	53,309	210,483	98,028	91,599	1,063,979
	Earnings distribution for 2022							
B5	Cash dividends	-	-	-	-	-	(30,528)	(30,528)
D1	Net profit for 2023	-	-	-	-	-	18,378	18,378
D3	Other after-tax comprehensive income of 2023	-	-	-	-	-	2,286	2,286
D5	Total comprehensive income of 2023	-	-	-	-	-	20,664	20,664
Z1	Balance on December 31, 2023	61,056	\$ 610,560	\$ 53,309	\$ 210,483	\$ 98,028	\$ 81,735	\$ 1,054,115

The attached notes are part of the consolidated financial report.

Chairman: Tsai, Cheng-Fung

Manager: Lin, Cheng-Chien

Head of Accounting: Chen, Fu-Mei

Yong Shun Chemical Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flow
For the years ended December 31, 2023 and December 31, 2022

Unit: NTD thousands

Code		2023	2022
	Cash flow from operating activities		
A10000	Net income (loss) before tax	\$ 23,762	(\$ 23,355)
A20010	Income, expenses and losses		
A20100	Depreciation expenses	21,498	22,514
A20200	Amortization expenses	93	50
A20300	Expected credit impairment loss (recovery gain)	1,405	(4,060)
A20400	Net gain of financial liabilities at fair value through profit or loss	936	156
A20900	Finance costs	1,460	1,065
A21200	Interest income	(4,431)	(2,013)
A22500	Gain on disposal of property, plant, and equipment	(40)	(180)
A23700	Loss (recovery gain) on decline in value of inventories	(16,785)	20,683
A29900	Inventory scrapping loss	622	1,254
A30000	Net change of operating assets and liabilities		
A31130	Notes receivable	(3,004)	7,160
A31150	Accounts receivable	6,380	102,232
A31200	Inventory	46,851	35,095
A31230	Prepayments	(94)	2,038
A31240	Other current assets	(530)	293
A32125	Contractual liabilities	(8,345)	4,766
A32130	Notes payable	1,497	(1,710)
A32150	Accounts payable	(1,895)	(17,624)
A32180	Other payables	1,093	(4,822)
A32230	Other current liabilities	44	(2,453)
A32240	Defined benefit liabilities	(1,396)	(2,344)
A33000	Cash from operations	69,121	138,745
A33100	Interest received	4,418	1,991
A33300	Interest paid	(978)	(718)
A33500	Income tax paid	(925)	(22,387)
AAAA	Net cash inflow from operating activities	<u>71,636</u>	<u>117,631</u>

(continued on the next page)

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Code		2023	2022
	Cash flow from investment activities		
B02700	Acquisition of property, plant and equipment	(\$ 33,940)	(\$ 10,030)
B02800	Proceeds from disposal of property, plant and equipment	40	197
B04500	Acquisition of intangible assets	(1,327)	-
B06700	Increase in other non-current assets	(405)	-
B07100	Increase in prepaid equipment purchase	<u>-</u>	<u>(1,843)</u>
BBBB	Net cash outflow from investments	<u>(35,632)</u>	<u>(11,676)</u>
	Cash flow from financial activities		
C00100	Increase (decrease) in short-term borrowings	9,000	(35,913)
C00600	Increase (decrease) in short-term notes payable	19,416	(17,291)
C04020	Repayment of lease liability principal	(7,328)	(7,328)
C04500	Cash dividend payment	<u>(30,528)</u>	<u>(61,056)</u>
CCCC	Net cash outflow from financial activities	<u>(9,440)</u>	<u>(121,588)</u>
EEEE	Increase (decrease) in cash and cash equivalents	26,564	(15,633)
E00100	Cash and cash equivalents at the beginning of the year	<u>338,067</u>	<u>353,700</u>
E00200	Cash and cash equivalents at the end of the year	<u>\$ 364,631</u>	<u>\$ 338,067</u>

The attached notes are part of the consolidated financial report.

Chairman: Tsai, Cheng-Fung Manager: Lin, Cheng-Chien Head of Accounting: Chen, Fu-Mei

Eight. Appendix

Appendix I

Yong Shun Chemical Co., Ltd.

Articles of Incorporation

Chapter 1 General Provisions

Article 1

The company is organized in accordance with the Company Act and is named Yong Shun Chemical Co., Ltd.

Article 2

The businesses of the company are as follows:

- I. Manufacturing of various paints and raw materials of synthetic resin for paints.
- II. Manufacturing and sale of multi-component resins.
- III. Manufacturing and sale of special coating resins.
- IV. Manufacturing of various Binder fixing agents for printed fabrics and various adhesives for bamboo and wood.
- V. Manufacturing of fiber auxiliaries.
- VI. Manufacturing, processing, and trading of various reinforced plastic products.
- VII. Manufacturing of auxiliary raw materials referred to in the preceding paragraphs.
- VIII. Purchase of raw materials for self-use, and import and export of finished products related to the businesses referred to in the preceding paragraphs.
- IX. E605010 Computer Equipment Installation.
- X. F113050 Wholesale of Computers and Clerical Machinery Equipment.
- XI. F118010 Wholesale of Computer Software.
- XII. F213030 Retail Sale of Computers and Clerical Machinery Equipment.
- XIII. F218010 Retail Sale of Computer Software.
- XIV. F401010 International Trade.
- XV. I301010 Information Software Services.

The above-mentioned businesses that need to be licensed shall not be operated until they have been approved.

Article 2-1

(deleted)

Article 3

The company is located in Taoyuan, and may set up branches in various parts of the country when necessary.

Article 4

(deleted)

Chapter 2 Shares

Article 5

The total capital of the company is NT\$610,560,000, divided into 61,056,000 shares, with the amount of NT\$10 per share and issued in installments.

Article 6

The printing of share certificates may be exempt for shares issued by the company, but registration with the central securities depository institution and compliance with the regulations of the institution are required.

Article 7

The stock affairs of the company shall be handled in accordance with the regulations of the competent authority.

Article 8

(deleted)

Article 9

(deleted)

Article 10

(deleted)

Article 11

(deleted)

Article 12

The registration of transferred shares shall not be done within 60 days before the general shareholders' meeting, within 30 days before the extraordinary shareholders' meeting, or within 5 days before the ex-date of the company's dividends, bonuses or other benefits.

Chapter 3 Shareholders' Meeting

Article 13

The shareholders' meeting of the company includes the general shareholders' meeting and the extraordinary shareholders' meeting.

I. A general shareholders' meeting shall be convened at least once a year by the Board of Directors within six months after the end of each accounting year.

II. An extraordinary shareholders' meeting shall be convened according to law when necessary.

A shareholders' meeting may be held in the manner announced by the competent authority.

Article 14

30 days before a general shareholders' meeting and 15 days before an extraordinary shareholders' meeting, the date, place and reason for the convening of the meeting shall be provided in writing or electronically to all shareholders according to laws and regulations; the method of exercising voting rights may be in writing or electronically in accordance with relevant laws and regulations. When voting rights are exercised in writing or electronically, the method of exercise shall be specified in the notice of convening the shareholders' meeting. However, shareholders with less than 1,000 shares may be notified via a public announcement.

Article 14-1

(deleted)

Article 15

The proposal of a shareholders' meeting shall, unless otherwise provided by the Company Act be adopted by a majority vote of the shareholders or proxies present, who represent more than half of the total number of voting shares.

The voting on the proposals of shareholders' meeting may be exercised in writing or electronically in accordance with relevant laws and regulations. However, the shareholders adopting such voting methods shall be deemed to abstain on extraordinary motions and amendments to the original motions at the shareholders' meeting.

Article 16

Each shareholder of the company has one voting right per share, except for those who are restricted or have no voting rights as stipulated in Article 179 of the Company Act and related laws and regulations.

Article 17

If unable to attend the shareholders' meeting for any reason, a shareholder may appoint a proxy to attend the meeting on his/her behalf by signing the power of attorney printed by the company and stating the scope of powers authorized to the proxy. In addition to the provisions of Article 177 of the Company Act, the rules for shareholders to attend by proxy shall be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

Article 18

The chairman of the board shall preside over the shareholders' meeting. When the chairman is on leave or unable to perform his duties for some reason, the situation shall be handled in accordance with the provisions of Article 208 of the Company Act.

If the shareholders' meeting is convened by a person with the power to convene other than a member of the board of directors, the convener shall be the chairman of the meeting. If there are two or more conveners, one of them shall be elected to be the chairman.

Article 19

The resolutions of the shareholders' meeting shall be recorded in the meeting minutes and handled in accordance with the provisions of Article 183 of the Company Act.

Chapter 4 Board of Directors

Article 20

The company has seven to eleven directors. The candidate nomination system is adopted for the election of directors. Shareholders shall select directors from the list of candidates for directors. The term of the directors is three years, and those who are re-elected may serve another term. Among the number of directors, the number of independent directors shall not be less than three, and shall not be less than one-fifth of the number of directors. The professional qualifications, shareholding, part-time job restrictions, recognition of independence, nomination and selection methods, and other matters for independent directors to be complied with shall be handled in accordance with the laws and regulations of the securities regulatory authority. When directors perform their duties in the Company, regardless of the Company's operating profit or loss, the Company may pay remuneration, and the remuneration authorizes the Board of Directors to negotiate on the basis of their participation in the Company's operations and the value of their contributions, not exceeding the highest salary standard set by the Company's salary assessment regulations. If the company has earnings, remunerations shall be distributed in accordance with the provisions of Article 34.

Article 21

The total amount of shares held by all directors of the company shall not be less than the minimum percentage of the total number of issued shares of the company as stipulated in the "Regulations on the Shareholding Percentage of Directors and Supervisors of Publicly Issued Companies and the Implementation Rules for Inspection". The chairman of the board of directors shall be elected among the directors by a majority vote at a meeting attended by over two-thirds of the directors.

Article 22

The chairman of the board meeting shall be the chairman of the board of directors. When the chairman is on leave or unable to exercise his powers for some reason, it shall be handled in accordance with the provisions of Article 208 of the Company Act.

Article 23

The board meeting shall be convened by the chairman. Unless otherwise provided by the Company Act, resolutions can only be made in a meeting with the attendance of more than half of the directors and the consent of more than half of the directors present; if a director is unable to attend for some reason, he/she may submit the power of attorney listing the scope of authorization under the reasons for the convening of the meeting, and entrust another director to attend; however, each director may be entrusted by only one other director.

If a board meeting is held via video conference, directors who attend via video conference are deemed to have attended the meeting in person.

For the convening of the Board meeting, the meeting notice shall include the reason for the convening, and the directors shall be notified seven days in advance, but a meeting may be convened at any time in the event of an emergency.

The board meeting of the company may be convened in writing, by electronic means or by fax.

Article 24

The functions and powers of the board meeting are as follows:

- I. Review and approval of all important rules and regulations of the Company.
- II. Decisions regarding the Company's business policy.
- III. Compilation and review of the Company's budget and final accounts.
- IV. Preparation of the earnings distribution.
- V. Proposal of the increase or decrease of the Company's capital.
- VI. Other functions and powers conferred by the Company Act and the shareholders' meeting.
- VII. Compilation and review of the annual business report.

Article 25

The minutes of the proceedings shall be signed or sealed by the chairman and the minutes taker, and distributed to the directors within 20 days after the meeting. The minutes shall be included in the Company's important files, and properly kept during the Company's existence.

The production and distribution of the minutes in Paragraph 1 may be done electronically.

Chapter 5 (deleted)

Article 26

(deleted)

Article 27

(deleted)–

Article 28

(deleted)

Chapter 6 Managers and Employees

Article 29

The company has one president, whose appointment shall be submitted by the chairman to the board meeting for a majority approval; the same procedure applies for dismissal. The other managers shall be appointed according to the company's HR regulations; the same procedure applies for their dismissal. Manager remuneration shall be handled in accordance with Article 29 of the Company Act and the company's salary payment regulation.

Article 30

(deleted)

Article 31

(deleted)

Chapter 7 Accounting

Article 32

At the end of each fiscal year of the Company, the Board meeting shall prepare the following statements and books and submit them to the shareholders' meeting for recognition according to the prescribed procedures 30 days before the Shareholders' Meeting is held.

- I. Business Report.
- II. Financial statements.
- III. Proposal for earnings distribution or loss compensation.

Article 33

(deleted)

Article 34

If the company has yearly profit, it should first set aside 1% to 3% as employees' remuneration and no more than 4% as directors' remuneration.

However, if the Company still has a cumulative loss (including adjustment of the undistributed earnings amount) and makes a profit in the current year, it should first make up for the loss, and then appropriate from the balance the directors' remuneration in cash according to the proportion in the preceding paragraph, and the employees' remuneration is to be distributed in stock or cash. The distribution shall be implemented by the resolution of the Board meeting with the presence of more than two-thirds of the directors and the approval by more than half of the directors present, and the resolution shall be reported to the shareholders' meeting.

Article 34-1

If there are earnings in the annual final accounts of the company, after paying taxes according to the law, 10% of the balance shall be allocated as the legal reserve. However, no further allocation is required when the legal reserve reaches the same amount as the paid-in capital of the company. After the special reserve is allocated or reversed according to the law, the board of directors shall draw up an earnings distribution proposal based on the distributable earnings of the current year plus the accumulated undistributed earnings of the previous year, and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders.

The company adopts a fixed and residual dividend policy for sustainable operation, sustainable growth and long-term financial planning based on the overall environment and characteristics of industrial development. Shareholders' dividends shall be distributed annually from the distributable earnings; the cash dividend shall be maintained between 10% and 90%, but may be adjusted according to changes in the internal and external business environment.

Chapter 8 Supplemental Provisions

Article 35

(deleted)

Article 36

Any matters not covered in these Articles of Association shall be handled in accordance with the Company Act and other laws and regulations.

Article 37

These Articles of Incorporation were enacted on July 22, 1965.

The first amendment was made on July 20, 1967.
The second amendment was made on February 10, 1971.
The third amendment was made on July 29, 1974.
The fourth amendment was made on June 20, 1977.
The fifth amendment was made on November 30, 1977.
The sixth amendment was made on April 25, 1978.
The seventh amendment was made on June 10, 1978.
The eighth amendment was made on November 15, 1979.
The ninth amendment was made on December 15, 1980.
The tenth amendment was made on May 2, 1990.
The eleventh amendment was made on July 29, 1992.
The twelfth amendment was made on April 10, 1993.
The thirteenth amendment was made on June 15, 1995.
The fourteenth amendment was made on May 25, 1996.
The fifteenth amendment was made on June 25, 1997.
The sixteenth amendment was made on May 27, 1998.
The seventeenth amendment was made on May 20, 1999.
The eighteenth amendment was made on May 5, 2000.
The nineteenth amendment was made on May 18, 2001.
The twentieth amendment was made on June 14, 2002.
The twenty-first amendment was made on June 10, 2005.
The twenty-second amendment was made on June 9, 2006.
The twenty-third amendment was made on June 15, 2007.
The twenty-fourth amendment was made on June 10, 2009.
The twenty-fifth amendment was made on June 10, 2011.
The twenty-sixth amendment was made on June 18, 2012.
The twenty-seventh amendment was made on June 12, 2015.
The twenty-eighth amendment was made on June 13, 2016.
The twenty-ninth amendment was made on June 9, 2020.
The thirtieth amendment was made on June 9, 2022.

Yong Shun Chemical Co., Ltd.

Responsible Person: Tsai, Cheng-Fung

Appendix 2

Yong Shun Chemical Co., Ltd. Rules and Procedures of Shareholders' Meeting

Article 1

In order to establish a good governance system for shareholders' meetings of the Company, improve the supervisory function and strengthen the management function, these Rules are formulated in accordance with the provisions of Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies for compliance.

Article 2

Shareholders' meetings of the Company shall be conducted in accordance with the Rules of Procedure except where otherwise provided in laws and regulations or the Articles of Association.

Article 3(Convening of Shareholders' Meetings and Meeting Notices)

Unless otherwise provided by laws or regulations, shareholders' meetings of the Company shall be convened by the Board of Directors.

The Company shall, 30 days before a general shareholders' meeting or 15 days before an extraordinary shareholders' meeting, provide the notice of the shareholders' meeting, the form for a power of attorney, and the contents and explanations of relevant motions for approval, matters for discussion, election or dismissal of directors etc., and generate an electronic file and send it to the MOPS. 21 days before a general shareholders' meeting or 15 days before an extraordinary shareholders' meeting, the meeting handbook and supplementary materials of the meeting shall be prepared and sent to the MOPS. 15 days before a shareholders' meeting, the handbook of the current shareholders' meeting and supplementary materials of the meeting shall be provided by request of the shareholders at any time, displayed at the Company and the professional stock agency appointed by the Company, and distributed on-site at the shareholders' meeting.

The reason for convening the meeting shall be specified in the notice and announcement; the notice may be sent electronically with the consent of the counterparty.

The election or dismissal of directors, changes to the Articles of Association, capital reduction, application for suspension of the public offering, removal of director's non-competition restriction, capital increase from earnings, capital increase from the reserve, Company dissolution, merger, division, or all circumstances in Paragraph 1, Article 185 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be listed under the convening reason with a description of the main contents of the matter, and shall not be proposed as an extraordinary motion.

If the reason for convening the shareholders' meeting has stated a full re-election of directors and the date of assuming office, then after the re-election is completed at the shareholders' meeting, the date of assuming office may not be further changed via an extraordinary motion.

Any shareholder holding more than 1% of the total issued shares may submit to the Company in writing a proposal for the general shareholders' meeting. However, each such shareholder is limited to making only one proposal. Otherwise, the excess proposals will not be included in the agenda. In addition, the Board of Directors may not list the proposal from a shareholder in the case of any of the circumstances in Item 4, Article 172-1 of the Company Act. Shareholders may submit proposals to urge the Company to promote public interests or to fulfill social responsibilities. Procedure-wise, the number of such proposals shall be limited to one according to the relevant provisions of Article 172-1 of the Company Act. Otherwise, the excess proposals will not be included in the agenda. The Company shall, before the book-close date of a general shareholders' meeting, announce the acceptance of proposals, the written or electronic method accepted, and the location and period of acceptance; the period of acceptance shall not be less than 10 days.

A proposal made by a shareholder is limited to 300 words, and those exceeding 300 words will not be included in the agenda; the proposing shareholder shall either attend the general shareholders' meeting personally or entrust an agent to attend and participate in the discussion of the proposals.

The Company shall notify the proposing shareholder of the results of the acceptance before the date the convening notice is sent, and shall include in the meeting notice the proposals compliant with the requirements of this article. For shareholders' proposals that are not included in the agenda, the Board of Directors shall explain the reasons for non-inclusion.

Article 4

The shareholders may, for each shareholders' meeting, issue a power of attorney printed by the Company with the scope of authorization specified, and entrust an agent to attend the shareholders' meeting.

Each shareholder is limited to issuing one power of attorney and entrusting only one person, and shall have the power of attorney delivered to the Company five days before the date of the shareholders' meeting. If the entrustment is repeated, the first one delivered shall prevail. However, the above does not apply if a declaration is made on the revocation of the entrustment previously delivered.

After the power of attorney is delivered to the Company, if the shareholder wishes to attend the shareholders' meeting personally or wishes to exercise voting rights in writing or electronically, a notice of revocation shall be delivered to the Company in writing two days before the date of the shareholders' meeting; if the power of attorney is cancelled after the time limit, the voting rights exercised by the entrusted agent shall prevail.

Article 5 (Principles for the Venue and Time of Shareholders' Meetings)

The place of the meeting shall be the place where the Company is located or where it is convenient for the shareholders to attend. The meeting starting time shall not be before 9:00 a.m. or after 3:00 p.m., and the opinions of the independent directors shall be taken into full account when considering the meeting place and time.

Article 6 (Preparation of Documents Such as the Sign-in Book)

The Company shall specify in the meeting notice the time and place for the shareholder's registration and other matters needing attention.

The time for the shareholder's registration referred to in the preceding paragraph shall be at least 30 minutes before the meeting; the registration office shall be clearly marked, and sufficient qualified personnel shall be sent to handle the registration.

The shareholder himself or his agent (hereinafter referred to as the shareholder) shall attend the shareholders' meeting based on the attendance card, sign-in card, or other attendance certificates. The Company shall not arbitrarily add other supporting documents to the certification documents based on which the shareholders attend the meeting. The solicitor of the power of attorney for attending the meeting shall carry legal identification for verification.

The Company shall prepare a sign-in book for the attending shareholders to sign in, or the attending shareholders may submit their sign-in cards for signing in.

The Company shall deliver the meeting handbook, Annual Report, attendance cards, speech slips, voting ballots, and other meeting materials to the shareholders present at the shareholders' meeting; if there is a re-election of directors, electing ballots shall also be attached.

When the government or a legal person is a shareholder, the number of its representatives present at the shareholders' meeting is not limited to one. When a legal person is entrusted to attend a shareholders' meeting, only one representative may be appointed to attend.

Article 7 (Chairman of the Shareholders' Meeting and Non-voting Attendees)

If a shareholders' meeting is convened by the Board of Directors, the Chairman of the Board shall act as the meeting Chairman. If the Chairman is on leave or unable to perform his duties for some reason, the Chairman shall designate a director to act as his deputy. When the Chairman does not appoint a deputy, the directors shall elect one from among themselves as the deputy.

If the Chairman of the preceding paragraph is deputized by a director, the director shall have served for more than six months and understands the Company's financial and business conditions. The same applies if the Chairman is the representative of a corporate director.

For a shareholders' meeting convened by the Board of Directors, the Chairman of the Board shall preside in person, and more than half of the directors of the Board of Directors and at least one member of each functional committee shall attend; the attendance shall be recorded in the shareholders' meeting minutes.

If a shareholders' meeting is convened by a person with the power to convene other than a member of the Board of Directors, the convener shall be the Chairman of the meeting. If there are two or more conveners, one of them shall be elected to be the Chairman.

The Company may appoint its designated lawyers, accountants, or related personnel to attend the shareholders' meeting as non-voting delegates.

Article 8 (Retention of Audio or Video Recording of Shareholders' Meetings)

The Company shall, from the time of the shareholder's registration, continuously record audio and video of the

process of shareholder's registration, the process of the meeting, and the process of voting and vote counting. The audio and video recording data mentioned in the preceding paragraph shall be kept for at least one year. However, if any shareholder brings a lawsuit in accordance with Article 189 of the Company Act, the data shall be kept until the end of the lawsuit.

Article 9

Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of attending shares is calculated based on the number of shares represented on the sign-in book or sign-in cards from the attending shareholders or the shareholders' proxies, plus the number of shares of shareholders exercising their voting rights in writing or electronically.

The Chairman shall call the meeting to order at the specified meeting time.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chairman may announce a meeting postponement, provided that the number of such postponements is no more than two, and the total time is no more than one hour. If the attending shareholders still do not represent one third of the total number of issued shares after two postponements, the Chairman shall declare the meeting aborted.

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

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

Article 10 (Proposal Discussion)

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors, and the resolutions of related motions shall be made by voting. The meeting shall proceed in the order set in the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene but who is not a member of the Board of Directors.

The Chairman may not declare the meeting adjourned prior to completion of the meeting agenda (including extraordinary motions) of the preceding two paragraphs except by a resolution of the shareholders' meeting. If the Chairman declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new Chairman in accordance with statutory procedures, and then continue the meeting based on the agreement of a majority of the votes represented by the attending shareholders.

The Chairman shall allow ample opportunities during the meeting for explanation and discussion of motions and their amendments or extraordinary motions put forward by the shareholders; when the Chairman is of the opinion that a motion has been discussed sufficiently for voting, the Chairman may announce a cessation of the discussion and call for a vote, and arrange sufficient time for voting.

Article 11 (Speaking of Shareholders)

Before speaking, an attending shareholder shall specify on the speaker's slip his/her speech summary, shareholder account number (or attendance card number), and account name. The order in which shareholders speak shall be set by the Chairman.

A shareholder in attendance who has submitted the speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Without the consent of the Chairman, each shareholder who speaks on the same motion shall not speak more than twice, and the speech each time shall not exceed five minutes. If the shareholder's speech violates the rules above or exceeds the scope of the agenda item, the Chairman may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have obtained the consent of the Chairman and the speaking shareholder; the Chairman shall stop any violation.

When a legal person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same motion.

After an attending shareholder has spoken, the Chairman may respond in person or direct relevant personnel to

respond.

Article 12 (Calculation of the Number of Voting Shares and the Avoidance System)

The voting at a shareholders' meeting shall be based on the number of shares.

The shares held by shareholders with no voting rights shall not be counted in the total number of issued shares while adopting a resolution at a shareholders' meeting.

When a shareholder has personal interests in items at the meeting which may cause harmful results to the interests of the Company, he/she shall not participate in the voting and shall not exercise voting rights on behalf of other shareholders.

The number of shares that may not exercise voting rights referred to in the preceding paragraph shall not be counted in the number of voting rights of the shareholders present.

Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the Company. Otherwise, the portion of excessive voting power shall not be counted.

Article 13

Except in the circumstances otherwise provided for in Paragraph 2, Article 179 of the Company Act, each shareholder shall have one voting power in respect of each share in his/her/its possession.

When the Company convenes a shareholders' meeting, it shall adopt electronic means and may adopt a written method for the exercise of voting rights. When voting rights exercised in writing or electronically, the exercise method shall be stated in the meeting notice. Shareholders who exercise voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the exercise of voting rights for extraordinary motions and amendments to the original motions of the shareholders' meeting shall be deemed as abstentions; therefore, the Company shall avoid proposing extraordinary motions and amendments to the original motions.

When the voting right is exercised in writing or electronically, the expression of intention shall be delivered to the Company two days before the shareholders' meeting. If the expression of intention is repeated, the first one that is delivered shall prevail. However, this does not apply to those which declare to revoke the previous expression of opinions.

After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they shall revoke their expression of intention to exercise the voting rights mentioned in the preceding paragraph two days before the shareholders' meeting. Otherwise, the voting rights exercised in writing or electronically shall prevail for late revocation. If voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders' meeting with a power of attorney, the voting rights exercised by the entrusted proxy shall prevail.

The voting of the motion shall be passed with the approval of a majority of the voting rights of the shareholders present, unless otherwise stipulated in the Company Act and the Articles of Association of the Company. When voting, shareholders shall cast their ballots to vote for or against each proposal. On the day after the shareholders' meeting, the results of shareholders' approval, opposition, and abstention shall be entered into the MOPS.

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

Vote scrutinizing and counting personnel for the voting on a motion shall be appointed by the Chairman, provided that all the scrutinizing personnel shall be shareholders of the Company.

The vote counting operation of voting or election at a shareholders' meeting shall be conducted in a public place at the venue of the shareholders' meeting, and the voting results, including the number of voting rights, shall be announced on the spot after the completion of the counting and recorded accordingly.

Article 14 (Election)

When there is an election of directors at a shareholders' meeting, it shall be handled in accordance with the relevant election rules prescribed by the Company, and the election results, including a list of elected directors and a list of candidates who failed to be elected and the number of voting rights they received respectively, shall be announced on the spot.

The ballots for the election referred to in the preceding paragraph shall be sealed and signed by the monitoring

personnel and properly kept for at least one year. However, if any shareholder brings a lawsuit in accordance with Article 189 of the Company Act, the data shall be kept until the end of the lawsuit.

Article 15

The resolutions of the shareholders' meeting shall be recorded in the meeting minutes, signed or sealed by the Chairman, and distributed to the shareholders within 20 days after the meeting. The production and distribution of the minutes may be done electronically.

For the distribution of minutes referred to in the preceding paragraph, the Company may enter the minutes on the MOPS for public announcement.

The minutes shall be taken in order of the date, place, name of the Chairman, resolution method, essentials of the proceedings, and voting results (including the number of voting rights), and the number of voting rights received by each candidate shall be disclosed when there is an election of directors. The minutes shall be kept permanently during the existence of the Company.

Article 16 (Public Announcements)

The Company shall clearly disclose at the meeting venue and in the prescribed format the number of shares acquired by solicitors and the number of shares represented by entrusted agents on the day of the meeting.

If the resolution of a shareholders' meeting contains any material information stipulated by law or provided by the Taipei Exchange, the Company shall transmit the contents to the MOPS before the specified deadline.

Article 17 (Maintenance of Meeting Venue Order)

The personnel handling the affairs of the shareholders' meeting shall wear identification cards or armbands.

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

At the venue of the shareholders' meeting where speaking equipment is equipped, if a shareholder attempts to speak through any device other than the equipment set up by the Company, the Chairman may prevent the shareholder from doing so.

When a shareholder violates the rules of procedure and defies the Chairman's correction, or obstructs the proceedings and refuses to heed calls to stop, the Chairman may direct the proctors or security personnel to escort the shareholder out of the meeting venue.

Article 18 (Breaks and Continuation of a Meeting)

When a meeting is in progress, the Chairman may announce a break based on time considerations. If a force majeure event occurs, the Chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

Before the conclusion of the proceedings (including extraordinary motions) scheduled for the shareholders' meeting, if the venue for the meeting cannot continue to be used, another venue may be found to continue the meeting upon the resolution of the shareholders.

The shareholders' meeting may, in accordance with Article 182 of the Company Act, decide to postpone or renew the meeting within five days.

Article 19

These rules shall come into force after being approved by a shareholders' meeting, and the same shall apply when they are amended.

Article 20

These rules were established on June 15, 1995.

The first amendment was made on June 14, 2002.

The second amendment was made on June 9, 2006.

The third amendment was made on June 9, 2020.

The fourth amendment was made on June 9, 2022.

Appendix 3

Yong Shun Chemical Co., Ltd.

Regulations for Board of Directors Meetings

Article 1 (Basis for the adoption of these Rules)

To establish a strong governance system and sound supervisory capabilities for the Company's board of directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

Article 2 (Scope of these Rules)

With respect to the Company's board of directors' meetings, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.

Article 3 (Convening and notice of board meetings)

The board of directors shall meet quarterly.

A notice of the reasons for convening a board of directors' meeting shall be given to each director before 7 days before the meeting is convened. In emergency circumstances, however, a board of directors' meeting may be called on shorter notice.

The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof.

All matters set forth under Article 12, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board of directors' meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.

Article 4 (Meeting notification and meeting materials)

The designated unit responsible for the Company's board of directors' meetings shall be the Finance Department.

The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.

A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.

Article 5 (Preparation of attendance book and other documents; attendance by proxy)

When a board of directors' meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference.

Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with the Company's Articles of Incorporation. Attendance by videoconference will be deemed attendance in person. A director appointing another director to attend a board meeting in his or her place shall in each case give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting.

A proxy under paragraph 2 may accept a proxy from one person only.

Article 6 (Principles for determining the place and time of a board meeting)

A board of directors' meeting shall be held at the premises and during the business hours of the Company, or at a place and time convenient for all directors to attend and suitable for holding board of directors' meetings.

Article 7 (Chair and acting chair of a board meeting)

Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves to serve as chair.

Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

When the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson, or, if there is no vice chairperson or the vice chairperson also is on leave or for any reason is unable to act, by a managing director designated by the chairperson, or, if there is no managing director, by a director designated thereby, or, if the chairperson does not make such a designation, by a managing director or director elected by and from among themselves.

Article 8 (Reference materials, non-voting participants, and holding board meetings)

When a board meeting is held, the designated unit responsible for the board meetings shall furnish the attending directors with relevant materials for ready reference.

As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

The chair shall call the board meeting to order at the appointed meeting time and when more than half of all the directors are in attendance. When the time of a meeting has arrived and half of all board directors are not present, the meeting chair may announce postponement of the meeting time, provided that only two postponements may be made. If the quorum is still not met after two such delays, the chair shall re-call the meeting following the procedures provided in Article 3, paragraph 2.

The term "all board directors " as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2 shall be calculated as the number of directors then in office.

Article 9 (Retention of Audio or Video Recording of Board of Directors' Meetings)

The Company shall record on audio or video tape the entire proceedings of a board of directors meeting, and preserve the recordings for at least five years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a board of directors meeting, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

Where the meeting is held via video conferencing, the audio and visual documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the Company.

Article 10 (Content of Meeting Minutes)

Agenda items for the Company's regular board of directors meetings shall include at least the following:

I. Report Items:

- (I) Minutes of the last meeting and actions arising.
- (II) Reporting on important financial and business matters.
- (III) Reporting on internal audit activities.
- (IV) Other important matters to be reported.

II. Discussions:

- (I) Items discussed and continued from the last meeting.
- (II) Items for discussion at this meeting.

III. Extraordinary Motions.

Article 11 (Proposal Discussion)

A board of directors meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting.

The meeting chair may not declare the meeting closed without the approval of a majority of directors present at the meeting.

If at any time during the proceeding of a board of directors meeting the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of meeting, in which case Article 8, paragraph 5 shall apply mutatis mutandis.

Article 12 (Matters requiring discussion at a board meeting)

The following items shall be submitted for discussion by the Company's board of directors:

- I. The Company's business plan.
- II. Annual and semi-annual financial reports that are required to be audited and attested by a certified public accountant (CPA).
- III. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and an assessment of the effectiveness of the internal control system.
- IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
- V. The offering, issuance, or private placement of any equity-type securities.
- VI. The appointment or discharge of a financial, accounting, or internal audit officer.
- VII. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
- VIII. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. (In the case of a foreign issuer whose shares have no par value or a par value other than NT\$10, 2.5 percent of shareholders' equity shall be substituted for the calculation of the amount equal to 5 percent of paid-in capital required under this paragraph.)

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

At least one independent director of the Company shall attend the meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in the first paragraph, any and all independent directors shall attend the meeting. Where an independent director is unable to attend the meeting,

that independent director shall appoint another independent director to attend the meeting as proxy. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

Article 13 (Voting-I)

When the chair at a board of directors meeting is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chair may announce the discussion closed and bring the matter to vote.

When a proposal comes to a vote at the Company's board of directors meeting, if the chair puts the matter before all directors present at the meeting and none voices an objection, the matter is deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

- I. A show of hands or a vote by voting machine.
- II. A roll call vote.
- III. A vote by ballot.
- IV. A vote by a method selected at the Company's discretion.

"All directors present at the meeting" in the preceding two paragraphs does not include directors prohibited from exercising voting rights pursuant to Article 15, paragraph 1.

Article 14 (Voting-II and methods for vote monitoring and counting)

Except as otherwise stated in the Securities and Exchange Act or in the Company Act, a resolution on a matter at the Company's board of directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors.

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

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded.

Article 15 (Recusal system for directors)

If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.

Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item, such director shall be deemed to be an interested party with respect to that agenda item.

The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of the Company's board of directors meetings when a director is prohibited from exercising voting rights.

Article 16 (Meeting minutes and sign-in matters)

Discussions at the Company's board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

- I. Session (or year), time, and place of meeting.
- II. Name of the meeting chair.
- III. Attendance of directors at the meeting, specifying the names and number of members present, excused, and absent.
- IV. Names and titles of those attending the meeting as non-voting participants.
- V. Name of minutes taker.
- VI. Report Items.
- VII. Discussions: the method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director under Article 12, paragraph 4.
- VIII. Extraordinary motions: the name of the mover; the method of resolution and the result for each motion; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing.
- IX. Other matters required to be recorded.

Any of the following matters in relation to a resolution passed at a meeting of the board of directors shall be stated in the meeting minutes and within two days of the meeting be published on the MOPS designated by FSC of the Executive Yuan:

- I. Any matter about which an independent director expresses an objection or reservation that has been included in records or stated in writing.
- II. Matters that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors.

The attendance book forms a part of the minutes for each board of directors meeting and shall be well preserved during the existence of the Company.

The meeting minutes shall be signed or sealed by the chairman and the minutes taker, and distributed to the directors within 20 days after the meeting. The minutes shall be included in the Company's important files, and properly kept during the Company's existence.

The production and distribution of the minutes in Paragraph 1 may be done electronically.

Article 17 (Principles with respect to the delegation of powers by the board)

With the exception of matters required to be discussed at a board meeting under Article 12, paragraph 1, when the chair is appointed to exercise the powers of the board in accordance with applicable laws and regulations or the Company's Articles of Incorporation, the levels of such delegation and the content or matters it covers are as follows:

- I. Represent the company externally to sign contracts, any letter of intent or memorandum of understanding.
- II. The Company's business operation strategies and the scope/items of business.
- III. Determination of the record date for capital increase or decrease and cash dividend distribution.
- IV. Appointment, dismissal, appraisal, reward and punishment, promotion, retirement and compensation of non-managerial officers.

- V. Company structure.
- VI. Formulation of the Company's internal rules and regulations.
- VII. Intellectual property rights protection and patent applications.
- VIII. Supervision and management of internal auditors and their work duties.
- IX. Internal control supervision and management.
- X. Evaluation, auditing, and supervision of various existing or potential risks.
- XI. Legal compliance audits.
- XII. Funding (including withdrawal of funds within the loan limit and loan term extension)
- XIII. Appointment and employment of consultants, CPAs, and attorneys.
- XIV. Reviewing the transactions set forth in Article 15 where voting shall be disqualified due to conflicts of the interest of directors, especially material related-party transactions, acquisition or disposition of assets, and derivatives transactions.
- XV. Part of the Company's "Regulations Governing the Acquisition and Disposal of Assets" for the appointment of the chair.
- XVI. Other delegation to the chairman by authorization of the board of directors.

Article 18 (Enforcement)

The Regulation shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to the Regulation.

Article 19 (Supplementary provisions)

The Regulation was formulated on March 15, 2006.

The 1st amendment was made on December 25, 2006.

The 2nd amendment was made on March 24, 2008.

The 3rd amendment was made on August 18, 2008.

The 4th amendment was made on March 19, 2012.

The 5th amendment was made on March 25, 2013.

The 6th amendment was made on November 7, 2017.

The 7th amendment was made on May 7, 2019.

The 8th amendment was made on May 10, 2022 in the 17th meeting of the 19th term board of directors, provided the amended Articles 3 and 16 were implemented after the establishment of the Audit Committee.

Appendix 4

Yong Shun Chemical Co., Ltd.

Number of Shares Held by All Directors and Minimum Number of Shares to be Held

- I. The statutory percentages and shares to be held by the current directors of the Company are as follows:

Number of Ordinary Shares of the Company to be Issued: 61,056,000

Statutory Percentage to be Held by All Directors: 10%

Minimum Statutory Number of Shares to be Held by All Directors: 4,884,480

Note: In accordance with Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies: The shareholdings of independent directors elected by a public company shall not be counted in the total referred to in the preceding paragraph; if the Company has elected two or more independent directors, the share ownership figures calculated at the rates set forth in the preceding paragraph for all directors and supervisors other than the independent directors and shall decrease to 80 percent.

- II. As of the closing date of the general shareholders' meeting on April 16, 2024, the number of shares held by all directors is as follows:

Title	Name	Shareholding
Chairman	Tsai, Cheng-Fung	3,492,490
Director	Tsai, Chi-Lung	1,432,527
Director	Lin, Cheng-Chien	4,205,821
Director	Lin, Tsyr-Huan	6,305,327
Director	Lin, Jih-Cheng	27,810
Director	Lin Wu, Fang-Mei	91,080
Independent Director	Cheng, Chit-Man	0
Independent Director	Chin, Chang-Ming	0
Independent Director	Chou, Man-Chin	0
Number of Shares Held by All Directors		15,555,055

Appendix 5

Other Explanations

- I. Explanation on the Handling of Shareholders' Proposals at the Current General Shareholders' Meeting:
- Explanation: 1. In accordance with Article 172-1 of the Company Act, shareholders holding more than 1% of the total number of issued shares may submit to the Company proposals for the general shareholders' meeting. However, the number of such proposals shall be limited to one. Otherwise, the excess proposals will not be included in the agenda.
2. Acceptance of Shareholders' Written Proposal Applications for the Company's General Shareholders' Meeting This Year: The period is from April 6, 2024 to April 16, 2024, and it has been announced on the MOPS according to law.
3. As of April 16, 2024, the Company has not received any written proposals from shareholders.