



長榮鋼鐵股份有限公司
EVERGREEN STEEL CORPORATION

Stock Code: 2211

EVERGREEN STEEL CORPORATION

2025 Annual General Shareholders' Meeting

Meeting Minutes

May 28, 2025

THIS IS A TRANSLATION OF THE MINUTES FOR THE 2025 ANNUAL GENERAL SHAREHOLDERS' MEETING (THE "MINUTES") OF EVERGREEN STEEL CORPORATION (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE VERSION OF THE MINUTES SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

EVERGREEN STEEL CORPORATION

Minutes of 2025 Annual General Shareholders' Meeting

Type of Meeting: Physical Meeting

Meeting Time: 9:00 AM on May 28 (Wednesday), 2025

Meeting Location: Meeting Room on the 10th floor, International Convention Center of Chang Yung-Fa Foundation
No.11, Zhongshan S. Rd., Taipei City, Taiwan (R.O.C)

Attendance: There are 299,346,096 shares represented by attending shareholders (including electronic voting or by proxy), reaching 71.76% of entire 417,091,463 shares issued by the Company.

Chairman: Mr. Lin, Keng-Li, the Chairman of the Board

Secretary: Ms. Kuo, Yen-Yu

Attendants as guest: Mr. Liu, Nai-Ming, Independent Director and the Convener of Audit Committee / Mr. Tai, Jiin-Chyuan, Director / Ms. Lee, Mon-Ling, Director / Mr. Liu, Pang-En, President / Ms. Chen, Jiin-Shian, Lawyer / Ms. Chang, Ching-Hsia, CPA

(Four directors attended the Annual General Shareholders' Meeting, accounting for more than half of the Company's current seven directors.)

I. Report the total number of shares represented at this AGM.

II. Chairman calls meeting to order and address: Omitted.

III. Report Items:

A. Business Report of the year 2024 (Handbook pages 4-9).

B. Audit Committee's Review Report of the year 2024 (Handbook page 31).

C. 2024 Compensation of Employees and Directors Report:

The Board of Directors appropriated NT\$15,000,000 as Employees' Compensation in cash and NT\$7,000,000 as Directors' Compensation pursuant to the Articles of Incorporation.

D. 2024 Directors' Remuneration Report (Handbook pages 32-33).

E. 2024 Related Party Transaction Report (Handbook page 34).

IV. Ratification and Discussion Items

Proposed by the Board of Directors

Proposal 1: Ratification of the 2024 Business Report and Audited Financial Report (Handbook pages 4-29). Please ratify.

Description: The 2024 Financial Report of the Company has been audited by Ms. Chang, Ching-Hsia and Mr. Chao, Yung-Hsiang, the CPA of Deloitte & Touche Taiwan.

Resolution: The vote was in favor of the proposal, and the vote report was as follows –

Voting Results	Electronic Votes	Aggregated Votes (Including Electronic Votes)	% of the total Votes at the time of voting
Approval	275,222,960	288,450,517	96.34
Disapproval	57,505	57,505	0.01
Invalidation	0	0	0
Abstention/Unvoted	10,832,074	10,879,275	3.63
Total	286,112,539	299,387,297	100.00

Proposed by the Board of Directors

Proposal 2: Ratification of 2024 earnings distribution (Handbook page 30). Please ratify.

Description:

1. The Company is planning to distribute cash dividend NT\$5 per

share. The total amount of cash dividends shall be NT\$2,085,457,315. The cash dividend distribution will be calculated to the nearest round NT dollar, the remainder will be recognized as “Other Non-Operating Income” of the Company.

2. Subject to the approval of the Annual General Shareholders’ Meeting, the ex-dividend date and payment date for the cash dividend would be decided by the Chairman of the Board.

Resolution: The vote was in favor of the proposal, and the vote report was as follows –

Voting Results	Electronic Votes	Aggregated Votes (Including Electronic Votes)	% of the total Votes at the time of voting
Approval	275,307,794	288,535,351	96.37
Disapproval	63,672	63,672	0.02
Invalidation	0	0	0
Abstention/Unvoted	10,741,073	10,788,274	3.60
Total	286,112,539	299,387,297	100.00

Proposed by the Board of Directors

Proposal 3: Proposal to amend the Company’s “Articles of Incorporation” (Handbook pages 35-36). Please discuss.

Description:

1. On August 7, 2024, the Article 14 of the Securities and Exchange Act was amended and promulgated per Presidential Order No. Hua-Zong-I-Yi-11300069631, the paragraph 6 of the Article 14 stipulates: “A company whose stock is listed for trading on a stock exchange or over-the-counter securities exchange shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees. However, the

company's accumulated losses shall have been covered, if any".

2. In order to comply with the above regulations, the paragraph 1 of Article 27 of the Company's Articles of Incorporation is amended to specify that when the Company allocates employees' compensation, at least 60% of the employees' compensation should be allocated to the non-executive employees. In addition, Article 30 is amended to add the amendment date.

Resolution: The vote was in favor of the proposal, and the vote report was as follows –

Voting Results	Electronic Votes	Aggregated Votes (Including Electronic Votes)	% of the total Votes at the time of voting
Approval	275,298,952	288,526,509	96.37
Disapproval	70,598	70,598	0.02
Invalidation	0	0	0
Abstention/Unvoted	10,742,989	10,790,190	3.60
Total	286,112,539	299,387,297	100.00

V. Extraordinary Motion:

Summary of the Essential Points of the Proceeding

Summary of Shareholders' Statements:

Shareholder (Account No. 11292) inquired about the impact of tariffs and exchange rates on the Company, operating status of the subsidiaries, and the Company's investment plan. Shareholder (Account No. 55921) inquired about the Company's sustainable development plan.

Summary of explanations by the Company:

1. The Company operates in a domestic demand-driven industry and is less affected by tariff changes. The exchange rate has little impact on the Company, since the Company only needs to purchase a very small portion of materials from Japan or other regions.

2. To explain the operating status of the subsidiaries Hsin Yung Enterprise Corporation and Ever Ecove Corporation.
3. Many outdated incineration plants in the country need to be rebuilt through BOT projects or renovated through ROT projects, and the Company will participate if there is an opportunity. The Company will install energy storage equipment within the factory, which is expected to be completed in the first quarter of next year, aiming to achieve the purpose of peak shaving. The Company is also paying attention to industries related to the reuse of agricultural waste and surplus materials and will continue to conduct prudent evaluations.
4. To explain the Company's sustainable development plan and implementation status.

VI. Meeting Adjournment.

Note 1: The meeting minutes was recorded in accordance with the provision of paragraph 4 of Article 183 of the Company Act. The meeting audio recording still prevails regarding the meeting content, proceedings and shareholders' statements.

Note 2: Because the percentage of approval votes, disapproval votes, invalid votes, abstention votes and no votes held by total votes is calculated rounding down to two decimal places, as result, the total percentage will not be exactly equal to 100.00%.

Note 3: This translation of the minutes is intended for reference only and nothing else. In the event of any inconsistency between the English and Chinese versions, the Chinese version shall prevail.

EVERGREEN STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,991,237	5	\$ 3,020,667	9
Financial assets at amortized cost - current	2,918,281	7	3,291,045	9
Contract assets - current	3,327,746	8	2,729,598	8
Notes receivable, net	66,749	-	41,617	-
Trade receivables, net	1,179,273	3	823,456	2
Trade receivables from related parties, net	28,227	-	31,772	-
Other receivables	25,935	-	39,942	-
Current tax assets	1,669	-	22,830	-
Inventories	4,564,014	12	3,929,699	11
Other current assets	49,034	-	95,113	-
Total current assets	14,152,165	35	14,025,739	39
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current	15,327,673	38	11,090,592	31
Financial assets at amortized cost - non-current	47,801	-	400,036	1
Investments accounted for using equity method	175,337	1	167,910	1
Property, plant and equipment	4,551,087	11	3,923,775	11
Right-of-use assets	129,047	-	30,304	-
Investment properties	96,802	-	98,804	-
Intangible assets	5,392,294	13	5,559,032	16
Deferred tax assets	83,302	-	113,666	-
Refundable deposits	13,628	-	12,313	-
Net defined benefit assets - non-current	101,908	-	66,220	-
Other non-current assets	618,372	2	453,116	1
Total non-current assets	26,537,251	65	21,915,768	61
TOTAL	\$ 40,689,416	100	\$ 35,941,507	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current	\$ 2,283,781	6	\$ 1,833,977	5
Notes payable, net	324,402	1	259,254	1
Trade payables, net	1,921,809	5	1,211,378	4
Other payables	989,732	2	1,047,803	3
Current tax liabilities	310,854	1	424,347	1
Provisions - current	106,950	-	84,396	-
Lease liabilities - current	30,942	-	16,980	-
Current portion of long-term borrowings	194,400	-	-	-
Other current liabilities	40,576	-	36,659	-
Total current liabilities	6,203,446	15	4,914,794	14
NON-CURRENT LIABILITIES				
Long-term borrowings	2,235,600	6	2,830,000	8
Provisions - non-current	115,285	1	113,685	1
Deferred tax liabilities	91,000	-	83,801	-
Lease liabilities - non-current	95,506	-	9,462	-
Net defined benefit liabilities - non-current	6,056	-	8,006	-
Guarantee deposits received	77,419	-	81,213	-
Other non-current liabilities	73,717	-	79,513	-
Total non-current liabilities	2,694,583	7	3,205,680	9
Total liabilities	8,898,029	22	8,120,474	23
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital				
Ordinary shares	4,170,915	10	4,170,915	11
Capital surplus	1,319,721	3	1,319,674	4
Retained earnings				
Legal reserve	3,092,621	8	2,708,324	7
Unappropriated earnings	8,976,032	22	9,597,333	27
Total retained earnings	12,068,653	30	12,305,657	34
Other equity				
Exchange differences on translation of the financial statements of foreign operations	(160)	-	(666)	-
Unrealized gain on financial assets at fair value through other comprehensive income	10,784,979	27	6,514,461	18
Total other equity	10,784,819	27	6,513,795	18
Total equity attributable to owners of the Company	28,344,108	70	24,310,041	67
NON-CONTROLLING INTERESTS	3,447,279	8	3,510,992	10
Total equity	31,791,387	78	27,821,033	77
TOTAL	\$ 40,689,416	100	\$ 35,941,507	100

EVERGREEN STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE	\$ 12,917,338	100	\$ 11,090,533	100
OPERATING COSTS	<u>(9,444,265)</u>	<u>(73)</u>	<u>(7,194,816)</u>	<u>(65)</u>
GROSS PROFIT	<u>3,473,073</u>	<u>27</u>	<u>3,895,717</u>	<u>35</u>
OPERATING EXPENSES				
Selling and marketing expenses	(331,652)	(3)	(298,706)	(3)
General and administrative expenses	(297,801)	(2)	(283,755)	(2)
Expected credit gain	<u>20,313</u>	<u>-</u>	<u>21,898</u>	<u>-</u>
Total operating expenses	<u>(609,140)</u>	<u>(5)</u>	<u>(560,563)</u>	<u>(5)</u>
PROFIT FROM OPERATIONS	<u>2,863,933</u>	<u>22</u>	<u>3,335,154</u>	<u>30</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	81,155	1	74,594	1
Other income	604,466	5	1,489,453	13
Other gains (losses)	(10,530)	-	(23,190)	-
Finance costs	(60,446)	(1)	(51,000)	-
Share of profit of associates and joint ventures accounted for using equity method	<u>35,784</u>	<u>-</u>	<u>32,951</u>	<u>-</u>
Total non-operating income and expenses	<u>650,429</u>	<u>5</u>	<u>1,522,808</u>	<u>14</u>
PROFIT BEFORE INCOME TAX	3,514,362	27	4,857,962	44
INCOME TAX EXPENSE	<u>(610,764)</u>	<u>(5)</u>	<u>(544,157)</u>	<u>(5)</u>
NET PROFIT FOR THE YEAR	<u>2,903,598</u>	<u>22</u>	<u>4,313,805</u>	<u>39</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	40,172	-	(4,225)	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	4,334,308	34	1,104,663	10
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(8,038)</u>	<u>-</u>	<u>832</u>	<u>-</u>
	<u>4,366,442</u>	<u>34</u>	<u>1,101,270</u>	<u>10</u>

(Continued)

EVERGREEN STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	\$ 1,642	-	\$ (984)	-
Income tax related to items that may be reclassified subsequently to profit or loss	(455)	-	272	-
	<u>1,187</u>	<u>-</u>	<u>(712)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>4,367,629</u>	<u>34</u>	<u>1,100,558</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 7,271,227</u>	<u>56</u>	<u>\$ 5,414,363</u>	<u>49</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 2,553,063	20	\$ 3,669,814	33
Non-controlling interests	<u>350,535</u>	<u>2</u>	<u>643,991</u>	<u>6</u>
	<u>\$ 2,903,598</u>	<u>22</u>	<u>\$ 4,313,805</u>	<u>39</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 6,844,005	53	\$ 4,789,190	43
Non-controlling interests	<u>427,222</u>	<u>3</u>	<u>625,173</u>	<u>6</u>
	<u>\$ 7,271,227</u>	<u>56</u>	<u>\$ 5,414,363</u>	<u>49</u>
EARNINGS PER SHARE				
Basic	<u>\$ 6.12</u>		<u>\$ 8.80</u>	
Diluted	<u>\$ 6.12</u>		<u>\$ 8.79</u>	

(Concluded)

EVERGREEN STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company									
						Other Equity		Total	Non-controlling Interests	Total Equity
						Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income			
	Share Capital		Capital Surplus	Retained Earning						
	Shares (In Thousands)	Amount		Legal Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2023	417,091	\$ 4,170,915	\$ 1,319,454	\$ 2,441,847	\$ 8,106,299	\$ (362)	\$ 5,567,935	\$ 21,606,088	\$ 3,146,836	\$ 24,752,924
Appropriation and distribution of 2022 earnings										
Legal reserve	-	-	-	266,477	(266,477)	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(2,085,457)	-	-	(2,085,457)	-	(2,085,457)
Dividends from claims extinguished by prescription	-	-	220	-	-	-	-	220	-	220
Net profit for the year ended December 31, 2023	-	-	-	-	3,669,814	-	-	3,669,814	643,991	4,313,805
Other comprehensive (loss) income for the year ended December 31, 2023, net of income tax	-	-	-	-	(2,730)	(304)	1,122,410	1,119,376	(18,818)	1,100,558
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	3,667,084	(304)	1,122,410	4,789,190	625,173	5,414,363
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(261,017)	(261,017)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	175,884	-	(175,884)	-	-	-
BALANCE AT DECEMBER 31, 2023	417,091	4,170,915	1,319,674	2,708,324	9,597,333	(666)	6,514,461	24,310,041	3,510,992	27,821,033
Appropriation and distribution of 2023 earnings										
Legal reserve	-	-	-	384,297	(384,297)	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(2,711,095)	-	-	(2,711,095)	-	(2,711,095)
Dividends from claims extinguished by prescription	-	-	47	-	-	-	-	47	-	47
Net profit for the year ended December 31, 2024	-	-	-	-	2,553,063	-	-	2,553,063	350,535	2,903,598
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	29,402	506	4,261,034	4,290,942	76,687	4,367,629
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	2,582,465	506	4,261,034	6,844,005	427,222	7,271,227
Differences between consideration received or paid and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	-	-	(120,966)	-	22,076	(98,890)	(150,018)	(248,908)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(340,917)	(340,917)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	12,592	-	(12,592)	-	-	-
BALANCE AT DECEMBER 31, 2024	417,091	\$ 4,170,915	\$ 1,319,721	\$ 3,092,621	\$ 8,976,032	\$ (160)	\$ 10,784,979	\$ 28,344,108	\$ 3,447,279	\$ 31,791,387

EVERGREEN STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 3,514,362	\$ 4,857,962
Adjustments for:		
Depreciation expense	270,229	235,570
Amortization expense	282,950	161,827
Expected credit reversed gain recognized on trade receivables	(20,313)	(21,898)
Finance costs	60,446	51,000
Interest income	(81,155)	(74,594)
Dividend income	(585,128)	(1,469,709)
Share of profit of associates and joint ventures accounted for using equity method	(35,784)	(32,951)
Gain on disposal of property, plant and equipment	(4,339)	(1,078)
Gain on lease modification	(41)	(4)
Changes in operating assets and liabilities		
Contract assets	(577,883)	426,111
Notes receivable	(25,132)	56,507
Trade receivables	(352,224)	278,362
Other receivables	10,465	(6,014)
Inventories	(634,315)	(833,137)
Other current assets	46,079	(57,910)
Net defined benefit assets	2,521	(7,111)
Other non-current assets	(1,292)	-
Contract liabilities	449,804	783,855
Notes payable	65,148	(8,826)
Trade payables	710,431	15,843
Other payables	199,837	(21,781)
Provisions	22,554	12,659
Other current liabilities	3,917	1,957
Net defined benefit liabilities	14	(128)
Other non-current liabilities	(5,796)	53,505
Cash generated from operations	3,315,355	4,400,017
Interest received	84,697	70,286
Interest paid	(58,894)	(82,287)
Income tax paid	(674,026)	(370,418)
Net cash generated from operating activities	<u>2,667,132</u>	<u>4,017,598</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at fair value through other comprehensive income	97,226	298,343
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	3,165
Purchase of financial assets at amortized cost	-	(313,273)
Proceeds from sale of financial assets at amortized cost	724,999	-
Payments for property, plant and equipment	(998,152)	(915,000)

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EVERGREEN STEEL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Proceeds from disposal of property, plant and equipment	\$ 6,986	\$ 1,969
Increase in refundable deposits	(1,315)	-
Decrease in refundable deposits	-	2,176
Payments for intangible assets	(405,338)	(325,169)
Other Dividends received	585,128	1,469,709
Dividends received from associates	<u>30,000</u>	<u>40,000</u>
Net cash generated from investing activities	<u>39,534</u>	<u>261,920</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	100,000	2,830,000
Repayments of long-term borrowings	(500,000)	(3,330,000)
Increase in guarantee deposits	-	56,820
Decrease in guarantee deposits	(3,794)	-
Repayment of principal portion of lease liabilities	(31,389)	(25,471)
Repayment of cash dividend	(2,711,095)	(2,085,457)
Acquisition of additional interests in subsidiaries	(248,908)	-
Dividends paid to non-controlling interests	(340,957)	(260,997)
Dividends from claims extinguished by prescription	<u>47</u>	<u>220</u>
Net cash used in financing activities	<u>(3,736,096)</u>	<u>(2,814,885)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,029,430)	1,464,633
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>3,020,667</u>	<u>1,556,034</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,991,237</u>	<u>\$ 3,020,667</u>

(Concluded)

EVERGREEN STEEL CORPORATION

BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 872,076	3	\$ 2,101,349	7
Financial assets at amortized cost - current	1,444,000	4	996,000	4
Contract assets - current	3,327,746	10	2,729,598	10
Notes receivable, net	65,349	-	40,755	-
Trade receivables, net	832,499	3	589,978	2
Trade receivables from related parties, net	28,174	-	31,716	-
Other receivables	9,746	-	27,194	-
Current tax assets	1,669	-	-	-
Inventories	4,538,250	14	3,901,326	14
Other current assets	36,481	-	78,267	-
Total current assets	11,155,990	34	10,496,183	37
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current	14,673,997	44	10,673,375	38
Financial assets at amortized cost - non-current	5,010	-	5,010	-
Investments accounted for using equity method	4,688,892	14	4,430,270	16
Property, plant and equipment	2,356,534	7	2,305,891	8
Right-of-use assets	129,047	1	30,304	-
Investment properties	7,102	-	7,102	-
Intangible assets	7,466	-	4,262	-
Deferred tax assets	29,932	-	36,248	-
Refundable deposits	10,871	-	9,673	-
Net defined benefit assets - non-current	87,588	-	58,218	-
Other non-current assets	42,447	-	64,086	1
Total non-current assets	22,038,886	66	17,624,439	63
TOTAL	\$ 33,194,876	100	\$ 28,120,622	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current	\$ 2,278,483	7	\$ 1,819,757	6
Notes payable, net	324,177	1	259,041	1
Trade payables, net	1,456,918	4	1,044,419	4
Other payables	236,525	1	217,695	1
Current tax liabilities	228,647	1	260,337	1
Provisions - current	73,300	-	66,046	-
Lease liabilities - current	30,942	-	16,980	-
Other current liabilities	37,830	-	34,411	-
Total current liabilities	4,666,822	14	3,718,686	13
NON-CURRENT LIABILITIES				
Deferred tax liabilities	88,077	-	82,201	1
Lease liabilities - non-current	95,506	1	9,462	-
Other non-current liabilities	363	-	232	-
Total non-current liabilities	183,946	1	91,895	1
Total liabilities	4,850,768	15	3,810,581	14
EQUITY				
Share capital				
Ordinary shares	4,170,915	13	4,170,915	15
Capital surplus	1,319,721	4	1,319,674	4
Retained earnings				
Legal reserve	3,092,621	9	2,708,324	10
Unappropriated earnings	8,976,032	27	9,597,333	34
Total retained earnings	12,068,653	36	12,305,657	44
Other equity				
Exchange differences on translation of the financial statements of foreign operations	(160)	-	(666)	-
Unrealized gain on financial assets at fair value through other comprehensive income	10,784,979	32	6,514,461	23
Total other equity	10,784,819	32	6,513,795	23
Total equity	28,344,108	85	24,310,041	86
TOTAL	\$ 33,194,876	100	\$ 28,120,622	100

EVERGREEN STEEL CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE	\$ 10,009,518	100	\$ 8,192,540	100
OPERATING COSTS	<u>(7,658,311)</u>	<u>(77)</u>	<u>(5,925,787)</u>	<u>(72)</u>
GROSS PROFIT	<u>2,351,207</u>	<u>23</u>	<u>2,266,753</u>	<u>28</u>
OPERATING EXPENSES				
Selling and marketing expenses	(313,637)	(3)	(282,646)	(3)
General and administrative expenses	(182,751)	(2)	(169,816)	(2)
Expected credit gain	<u>20,313</u>	<u>-</u>	<u>21,898</u>	<u>-</u>
Total operating expenses	<u>(476,075)</u>	<u>(5)</u>	<u>(430,564)</u>	<u>(5)</u>
PROFIT FROM OPERATIONS	<u>1,875,132</u>	<u>18</u>	<u>1,836,189</u>	<u>23</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	37,191	-	26,527	-
Other income	562,536	6	1,279,683	16
Other gains (losses)	777	-	(1,398)	-
Finance costs	(2,223)	-	(4,603)	-
Share of profit of subsidiaries accounted for using equity method	<u>493,776</u>	<u>5</u>	<u>914,506</u>	<u>11</u>
Total non-operating income and expenses	<u>1,092,057</u>	<u>11</u>	<u>2,214,715</u>	<u>27</u>
PROFIT BEFORE INCOME TAX	2,967,189	29	4,050,904	50
INCOME TAX EXPENSE	<u>(414,126)</u>	<u>(4)</u>	<u>(381,090)</u>	<u>(5)</u>
NET PROFIT FOR THE YEAR	<u>2,553,063</u>	<u>25</u>	<u>3,669,814</u>	<u>45</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	32,647	-	(2,293)	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	4,097,846	41	1,160,601	14
Share of the other comprehensive income (loss) of subsidiaries accounted for using equity method	166,472	2	(39,086)	(1)

(Continued)

EVERGREEN STEEL CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Income tax relating to items that will not be reclassified subsequently to profit or loss	\$ (6,529)	-	\$ 458	-
	<u>4,290,436</u>	<u>43</u>	<u>1,119,680</u>	<u>13</u>
Items that may be reclassified subsequently to profit or loss:				
Share of the other comprehensive income (loss) of subsidiaries accounted for using equity method	632	-	(379)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	(126)	-	75	-
	<u>506</u>	<u>-</u>	<u>(304)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>4,290,942</u>	<u>43</u>	<u>1,119,376</u>	<u>13</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 6,844,005</u>	<u>68</u>	<u>\$ 4,789,190</u>	<u>58</u>
EARNINGS PER SHARE				
Basic	<u>\$ 6.12</u>		<u>\$ 8.80</u>	
Diluted	<u>\$ 6.12</u>		<u>\$ 8.79</u>	

(Concluded)

EVERGREEN STEEL CORPORATION

STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Share Capital		Capital Surplus	Retained Earnings		Other Equity		Total Equity
	Shares (In Thousands)	Amount		Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2023	417,091	\$ 4,170,915	\$ 1,319,454	\$ 2,441,847	\$ 8,106,299	\$ (362)	\$ 5,567,935	\$ 21,606,088
Appropriation and distribution of 2022 earnings								
Legal reserve	-	-	-	266,477	(266,477)	-	-	-
Cash dividends to shareholders	-	-	-	-	(2,085,457)	-	-	(2,085,457)
Dividends from claims extinguished by prescription	-	-	220	-	-	-	-	220
Net profit for the year ended December 31, 2023	-	-	-	-	3,669,814	-	-	3,669,814
Other comprehensive (loss) income for the year ended December 31, 2023, net of income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,730)</u>	<u>(304)</u>	<u>1,122,410</u>	<u>1,119,376</u>
Total comprehensive income (loss) for the year ended December 31, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,667,084</u>	<u>(304)</u>	<u>1,122,410</u>	<u>4,789,190</u>
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>175,884</u>	<u>-</u>	<u>(175,884)</u>	<u>-</u>
BALANCE AT DECEMBER 31, 2023	417,091	4,170,915	1,319,674	2,708,324	9,597,333	(666)	6,514,461	24,310,041
Appropriation and distribution of 2023 earnings								
Legal reserve	-	-	-	384,297	(384,297)	-	-	-
Cash dividends to shareholders	-	-	-	-	(2,711,095)	-	-	(2,711,095)
Dividends from claims extinguished by prescription	-	-	47	-	-	-	-	47
Net profit for the year ended December 31, 2024	-	-	-	-	2,553,063	-	-	2,553,063
Other comprehensive income for the year ended December 31, 2024, net of income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,402</u>	<u>506</u>	<u>4,261,034</u>	<u>4,290,942</u>
Total comprehensive income for the year ended December 31, 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,582,465</u>	<u>506</u>	<u>4,261,034</u>	<u>6,844,005</u>
Differences between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisitions or disposals	-	-	-	-	(120,966)	-	22,076	(98,890)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,592</u>	<u>-</u>	<u>(12,592)</u>	<u>-</u>
BALANCE AT DECEMBER 31, 2024	<u>417,091</u>	<u>\$ 4,170,915</u>	<u>\$ 1,319,721</u>	<u>\$ 3,092,621</u>	<u>\$ 8,976,032</u>	<u>\$ (160)</u>	<u>\$ 10,784,979</u>	<u>\$ 28,344,108</u>

EVERGREEN STEEL CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,967,189	\$ 4,050,904
Adjustments for:		
Depreciation expense	173,172	151,028
Amortization expense	3,808	4,052
Expected credit reversed gain recognized on trade receivables	(20,313)	(21,898)
Finance costs	2,223	4,603
Interest income	(37,191)	(26,527)
Dividend income	(556,193)	(1,267,643)
Share of profit of subsidiaries accounted for using equity method	(493,776)	(914,506)
Gain on disposal of property, plant and equipment	(532)	(266)
Gain on lease modification	(41)	(4)
Changes in operating assets and liabilities		
Contract assets	(577,883)	286,922
Notes receivable	(24,594)	56,869
Trade receivables	(238,931)	396,876
Other receivables	16,740	1,729
Inventories	(636,924)	(825,954)
Other current assets	41,786	(46,445)
Net defined benefit assets	3,277	(6,294)
Other non-current assets	(1,292)	-
Contract liabilities	458,726	781,617
Notes payable	65,136	(8,875)
Trade payables	412,499	(1,204)
Other payables	13,818	(20,542)
Provisions	7,254	(5,691)
Other current liabilities	3,419	2,586
Other non-current liabilities	131	(98)
Cash generated from operations	1,581,508	2,591,239
Interest received	37,899	25,091
Interest paid	(2,223)	(4,883)
Income tax paid	(441,949)	(135,109)
Net cash generated from operating activities	<u>1,175,235</u>	<u>2,476,338</u>

(Continued)

EVERGREEN STEEL CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at fair value through other comprehensive income	\$ 97,226	\$ 298,343
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	3,165
Purchase of financial assets at amortized cost	(448,000)	(431,410)
Payments for property, plant and equipment	(163,181)	(144,816)
Proceeds from disposal of property, plant and equipment	532	266
Increase in refundable deposits	(1,198)	(108)
Payments for intangible assets	(7,011)	(3,126)
Dividends received	556,193	1,267,643
Dividends received from subsidiaries	<u>552,276</u>	<u>471,710</u>
Net cash generated from investing activities	<u>586,837</u>	<u>1,461,667</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of long-term borrowings	-	(500,000)
Repayment of principal portion of lease liabilities	(31,389)	(25,471)
Repayment of cash dividend	(2,711,095)	(2,085,457)
Acquisition of additional interests in subsidiaries	(248,908)	-
Dividends from claims extinguished by prescription	<u>47</u>	<u>220</u>
Net cash used in financing activities	<u>(2,991,345)</u>	<u>(2,610,708)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,229,273)	1,327,297
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,101,349</u>	<u>774,052</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 872,076</u>	<u>\$ 2,101,349</u>

(Concluded)

EVERGREEN STEEL CORPORATION
2024 Profit Allocation Proposal

Unit : NT\$

Item	Amount
Unappropriated Retained Earnings at the Beginning of the Year	\$6,501,942,240
Add : Remeasurement of the Defined Benefit Plan Recorded in Retained Earnings	29,401,502
Add : Disposal of Investments in Equity Instruments Designated at Fair Value through Other Comprehensive Income	12,591,271
Subtract : Difference between consideration and carrying amount of subsidiaries acquired or disposed	(120,965,437)
Adjusted Undistributed Earnings	6,422,969,576
Add : Net Income of 2024	2,553,062,595
Subtract : Legal Reserve	(247,408,993)
Retained Earnings Available for Distribution as of December 31, 2024	8,728,623,178
Distribution Item :	
Cash Dividends of Ordinary Shares (NT\$5.0 per share)	2,085,457,315
Unappropriated Retained Earnings at the End of the Year	\$6,643,165,863
Note : The Company uses earnings of 2024 to distribute dividends.	

EVERGREEN STEEL CORPORATION

Comparison Table for Articles of Incorporation Before and After Amendments

After amendment	Before amendment	Reason for amendment
<p><u>Article 27</u> If the Company makes profit in a fiscal year, employees' compensation, no less than 0.5% of the profit, and directors' remuneration, no more than 2% of the profit, shall be set aside. <u>At least 60% of the employees' compensation should be allocated to the non-executive employees.</u> However, in case the Company has accumulated losses, the Company shall reserve an amount to offset accumulated losses beforehand. The employees' compensation and directors' remuneration shall be set aside afterwards according to the principles mentioned above. The profit in preceding paragraph refers to profit before tax without deducting employees' compensation and directors' remuneration. The employees' compensation shall be</p>	<p><u>Article 27</u> If the Company makes profit in a fiscal year, employees' compensation, no less than 0.5% of the profit, and directors' remuneration, no more than 2% of the profit, shall be set aside. However, in case the Company has accumulated losses, the Company shall reserve an amount to offset accumulated losses beforehand. The employees' compensation and directors' remuneration shall be set aside afterwards according to the principles mentioned above. The profit in preceding paragraph refers to profit before tax without deducting employees' compensation and directors' remuneration. The employees' compensation shall be distributed in the form of stock or cash; while the directors' remuneration shall be distributed only in the form of cash.</p>	<p>1. The paragraph 6 of Article 14 of the Securities and Exchange Act stipulates that a company whose stock is listed for trading on a stock exchange or over-the-counter securities exchange shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees. However, the company's accumulated losses shall have been covered.</p> <p>2. In accordance with the above regulations, paragraph 1 of this Article is amended to specify that when the Company allocates employees' compensation, at least 60% of the employees' compensation should be allocated to the non-executive employees.</p>

After amendment	Before amendment	Reason for amendment
<p>distributed in the form of stock or cash; while the directors' remuneration shall be distributed only in the form of cash.</p> <p>The employees' compensation may be distributed to the employees of subsidiaries of the Company. Qualification requirements of the employees who are entitled to receive the employees' compensation shall be determined by the Board of Directors.</p> <p>The amount of employees' compensation and directors' remuneration as well as the payment method of employees' compensation shall be determined by a resolution adopted by a majority vote at a board of directors' meeting attended by two-thirds (2/3) or more of the directors and be reported at a shareholders' meeting.</p>	<p>The employees' compensation may be distributed to the employees of subsidiaries of the Company. Qualification requirements of the employees who are entitled to receive the employees' compensation shall be determined by the Board of Directors.</p> <p>The amount of employees' compensation and directors' remuneration as well as the payment method of employees' compensation shall be determined by a resolution adopted by a majority vote at a board of directors' meeting attended by two-thirds (2/3) or more of the directors and be reported at a shareholders' meeting.</p>	
<p><u>Article 30</u></p> <p>These Articles where originally established on January 16, 1973; <u>The 57th amendment is made on May 28, 2025.</u></p>	<p><u>Article 30</u></p> <p>These Articles where originally established on January 16, 1973; The 56th amendment was made on June 10, 2022.</p>	Add the amended date.