

**Stock Code: 1506**



**RIGHT WAY INDUSTRIAL CO.,LTD.**

## **2024 Annual Report**

**Published on May 9, 2025**

<b>The Annual Report is disclosed at:</b>	<b>1. MOPS (<a href="https://mops.twse.com.tw">https://mops.twse.com.tw</a>)</b>
	<b>2. The “Investors” on the Company’s website (<a href="https://www.rightway.com.tw">https://www.rightway.com.tw</a>)</b>

**I. Name, job title, contact telephone, and email address of the Spokesperson as well as the Deputy Spokesperson:**

Spokesperson

Name: Lo, Shih-I

Job Title: General Manager

Telephone: (06) 266-4101

E-mail : Russel.Lo@rightway.tw

Deputy Spokesperson

Name: Huang, Chun-Ta

Job Title: Assistant Vice President, Finance Dept.

Telephone: (06) 266-4101

E-mail : Don.Huang@rightway.tw

**II. Address and phone number of the headquarters, branch offices and factories:**

Headquarters Address: No. 1015, Zhongzheng W. Rd., Dajia Neighborhood, Rende Dist., Tainan City 717-44  
Tel. No.: (06) 266-4101  
Fax No.: (06) 266-4015 、 (06) 266-4374

**III. Name, address, website and telephone of shareholders service agency:**

Name: Shareholder Services Agency Department of Yuanta Securities Co., Ltd.

Address: B1, No. 67, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106045

Telephone: (02) 2586-5859

Website: <https://www.yuanta.com.tw/eyuanta/agent>

**IV. Name, firm name, address, website, and Tel. No. of external auditor certifying the latest financial statements:**

External auditors: Lee, Chi-Chen & Wu, Chang-Chun

Name of CPA Firm: Deloitte of Touche

Address: 13F, No. 189, Sec. 1, Yongfu Rd., West Central Dist., Tainan City 700019

Telephone: (06) 213-9988

Website: <https://www.deloitte.com.tw>

**V. Name of any exchanges where the Company's securities are traded offshore, and the method by which to access information on said offshore securities: None.**

**VI. Company website: <https://www.rightway.com.tw>**

# INDEX

<u>One. Letter to Shareholders</u> .....	1
I. 2024 Business overview .....	2
II. Status on research and development.....	2
III. Summary of 2025 business plan .....	2
IV. The Company’s future development policy.....	4
V. Impact of the competitive environment, regulatory environment, and macroeconomic environment .....	4
<u>Two. Corporate Governance Report</u> .....	5
I. Profile of Directors, General Managers, Deputy General Managers, Assistant Vice Presidents, and heads of departments and branches.....	5
II. Remuneration paid to Directors, General Manager, and Deputy General Manager in the most recent year .....	19
III. Implementation of corporate governance.....	25
IV. Audit fee of independent auditors.....	91
V. Information on change of auditors .....	91
VI. If the chairman, general manager and managerial officers in charge of the Company's finance and accounting operations held any positions within the Company's external auditor firm or its affiliates during the past one year: .....	91
VII. Changes in the transfer or pledge of shares by directors, supervisors, managerial officers, and shareholders holding over 10% of the outstanding shares in the previous year and by the date of publication of the annual report: .....	92
VIII. Relationship Information, If Among the Company’s 10 Largest Shareholders Anyone is a Related Party or a Relative of Spouse or Within the Second Degree of Kinship of Other:.....	94
IX. The total number of shares and total equity stake held in any single investee by the Company, its directors and supervisors, managerial officers, and any enterprises controlled either directly or indirectly by the Company.....	95
<u>Three. Financing Activities</u> .....	96
I. Notes to capital and shares .....	96
II. Issuance of corporate bonds .....	104
III. Issuance of preferred stocks.....	104
IV. Issuance of overseas depository receipts .....	104
V. Status of employee stock warrant plan.....	104
VI. Restricted stock award and merger & acquisition (including merger, acquisition and split-up)....	104
VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares	

of other companies .....	104
VIII. Financing plans and implementation.....	104
<u>Four. Overview of Operations.....</u>	105
I. Description of Business .....	105
II. Markets, production, and marketing.....	111
III. Statistics about employees for the most recent two years .....	116
IV. Environmental protection expenditure.....	116
V. Labour Relations .....	117
VI. Cybersecurity management.....	119
VII. Important contracts.....	120
<u>Five. Review and Analysis of the Financial Position and Performance and Risk Management.....</u>	121
I. Overview of Finance.....	121
II. Financial Performance.....	122
III. Analysis on Cash Flow.....	123
IV. Impact of major capital expenditures on business and finance during the latest fiscal year.....	123
V. The Company's re-investment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year .....	124
VI. Analysis and Assessment on Risk Management.....	125
VII. Other important matters.....	126
<u>Six. Special Matters to be Included.....</u>	127
I. Information related to the Company's affiliates.....	127
II. Status of private placement of securities during the most recent fiscal year and up to the date of publication of the annual report .....	130
III. Other supplementary notes.....	130
<u>Seven. Events that significantly impacted shareholders' equity or security price .....</u>	130

## **One. Letter to Shareholders**

Dear Shareholders,

In 2024, due to the impact of the economy, the number of orders from the North American customers decreased. The demand for metal processing products was adjusted down by the customers, and the revenue decreased year-on-year. The new business system of the Company is currently under development. The preliminary results have been fruitful. From May 2023, the Company has been contributing to the revenue, with an average revenue of more than NT\$10 million per month in 2024. In 2025, the Company will aim to achieve the goal of zero losses, with a balanced point of NT\$20 million in revenue.

For the gross profit, the gross profit margin of metal processing products in 2024 is the same as the same period of last year. On the other hand, the new business system cabinet has not yet reached the operating scale, which affects a part of the gross profit performance. Overall, the positive gross profit margin is expected to remain stable at the current level.

Looking ahead to 2025, the metal processing market in Taiwan is expected to return to its previous level of revenue and profitability. Due to the transfer of orders in Mainland China, certain customers have transferred their orders to Southeast Asia for production; therefore, the operating revenue and profit of the Malaysia Plant will increase.

The Company will continue to focus on its core products, develop and strengthen its professional capabilities in aluminum alloy extrusion and forging, and work with customers to develop products. Meanwhile, the Company will strengthen the integration of external outsourcing to satisfy customers' "One-Stop-Solution." In addition, the Company will continue to expand its business in the B market (including design companies, channel operators, construction and construction companies, hotels, hospitals, and corporate decoration). So far, preliminary results have been fruitful, and the Company is also actively advancing. It is expected that good results will be seen soon. Overall, the Company is expected to improve its performance in 2025.

The Company's business overview and plans in the past year are stated as following:

## I. 2024 Business Overview:

### 1. Business plan implementation results:

Unit: In Thousands of New Taiwan Dollars

Items	2023	2024	Difference	Growth rate (%)
Operating revenue	1,140,720	1,036,620	(104,100)	(9.13)
Gross profit	184,736	168,729	(16,007)	(8.66)
Net operating profit (loss)	58,946	19,727	(39,219)	(66.53)
Net profit (loss) before tax	100,592	56,761	(43,831)	(43.57)
Net profit (loss)	88,549	40,433	(48,116)	(54.34)

2. Budget implementation status: N/A (No financial forecast was prepared by the Company in 2023)

3. Analysis on financial revenue & expense and profitability:

The Company's consolidated operating revenue for 2024 was NT\$1,036,620 thousand, representing a 9.13% decrease from NT\$1,140,720 thousand in the previous year. Net income after tax amounted to NT\$40,433 thousand, with earnings per share (EPS) of NT\$0.14, both declining from the prior year's net income of NT\$88,549 thousand and EPS of NT\$0.29.

The gross profit margin remained unchanged at 16% compared to the previous year. The operating profit margin was 2% in 2024, down from 5% in the previous year. The net profit margin was 4%, a decrease from 8% in the previous year.

## II. Status on research and development:

The Company's consolidated research and development (R&D) expenditures were NT\$10,966 thousand in 2023 and NT\$11,332 thousand in 2024, accounting for approximately 1% of consolidated operating revenue in each year. The Company always believes that only R&D can lead to the sustainability and create the Company's value. Therefore, the Company spares no efforts to invest capital in new products or technologies, in order to expand the Company's business scale.

## III. Summary of 2025 business plan:

### (I) Management philosophy:

1. Improve shareholders' satisfaction relying on stable operating revenue and increasingly growing income.
2. Upgrade customers' satisfaction relying on zero customer complaint, competitive cost and timely delivery.
3. Improve employees' satisfaction relying on safe and comfortable working environment and robust skill training and talent training system.

### (II) Business policy:

1. Continue to build ability in self-making of gravity casting and aluminum alloy forging.
2. Maintain and develop new business lines and customers at home and abroad.
3. Promote the project management system to expressly define the responsibilities and division of labor to demonstrate the high ability in integration.
4. Committed to minimizing the defective rate in development, production, packaging and logistics.
5. Optimize the development and production process, promote VA/VE and stock control mechanism, and reduce the time spent in changeover and defects in trial production.
6. Committed to achieving zero occupational accidents and preventing pollution, conserving energy, reducing carbon, promoting clean production, and establishing sound and safe working environment and management system.

7. Improve education and training, make everyone do his best, and give reward and punishment impartially.

**(III) 2025 business objectives:**

Looking forward to 2025, the Company will focus on the development of business lines including SUVs, industrial products and automobiles/motorcycles. The Company will improve its involvement in development of the existing customers. Meanwhile, OE will focus on the fields of industry and SUVs and AM on the after-sale market of pistons in North America (cars/snow cars/water motorcycles/heavy motorcycle). In the meantime, the Company also makes every endeavor to develop new customers and focus on vehicles (SUVs/electric cars), medical care and industry. For product positioning, the Company will focus on core products, e.g. aluminum recasting and aluminum forging related products, and also improve its ability in outsourcing and integration, such as the related products including pistons/cast iron/die-casting/steel forging, other than the Company's self-made products. In the future, the Company will, relying on its existing foundation, continue to take various corrective actions to satisfy customers' needs. The Company's new system cabinet business is actively developing new customers. Starting in 2025, order volume is expected to gradually increase, bringing fresh vitality and growth momentum to the Right Way Group.

**(IV) Sales volume forecast and the basis thereof:**

The Company engages in the balanced development in the fields of SUVs, industrial products and automobiles/motorcycles, and is diversified across industry type to disperse the Company's business risk and reduce the sales proportion of one single industry. The system furniture business explores the market in southern Taiwan and mainly focuses on construction companies/distribution companies/interior design companies.

**(V) Important production and marketing policy:**

1. As a professional manufacturer of industrial parts and the metal processing business of the Company with the ability of ODM, primarily targeting the market of export sales. The Company's strategy focuses on development of the SUVs rather than traditional vehicles, and industry customers. Its product lines cover the pistons/connecting rods for engines and extend to other related aluminum casting and aluminum forging parts. Domestically, the Company continues to maintain the close partnership with In the domestic market, it continues to maintain close partnerships with China Motor Corporation and Yulon Motor Co., Ltd.
2. On the basis of the existing product portfolio, the Company will develop similar products of higher technical level and with more added value, in order to satisfy the different needs from higher rank international customers and market the Company's fine-quality products to world-class companies.
3. The Company will also continue to increase its involvement in the markets in North America, Japan and Europe, and develop products related to the leisure industry as the focus of the Company's work to develop markets.
4. The Company will continue to develop new products to satisfy OEM customers' needs. For the AM market, it will provide parts with the equivalent quality provided by the original manufacturers, and also continue to develop new customers, practice the diversified sales policy, and combine the parent company's ability in development of technologies with overseas subsidiaries' production capacity and business locations to integrate resources to backup for each other and strive for business opportunities.
5. Relying on the abilities in design of technologies and outsourcing generated in the past years, the Company is committed to developing pistons and connecting rods for engines and related casting and forging parts, and marketing the pistons tied with connecting rods as packaged products, in order to satisfy customers' needs for a "one-stop solution" and develop the co-marketing of diversified products to improve the sales performance.

6. The Company will also send its sales representatives to work with technicians and QA staff to visit customers overseas, in order to help customers solve technical and quality problems, strive for the customers' trust in the Company and authorize the development of new products to improve the sales performance.

#### **IV. The Company's future development policy**

1. Invest sufficient R&D expenses and manpower to provide high-quality casting and forging parts, as a part of its complete product development and manufacturing services ranging from engineering design to mass production.
2. Uphold the spirit of "Honor, Innovation and Sustainability," when engaging in the technological cooperation with international enterprises, in order to pursue high quality and develop new products proactively.
3. Continue to expand the facilities to increase its production capacity, reduce costs and shorten the delivery period.

#### **V. Impact of the competitive environment, regulatory environment, and macroeconomic environment:**

The company's metal processing business supplies goods primarily to OEM customers. By the same token, the Company also provides the same professional services to customers in the after-sale service market. The Company's after-sale service is always proud of providing OE-level quality products to the independent product agents in the after-sale market. Relying on the solid foundation laid by the Company's efforts in developing the automobile and motorcycle industry over several decades, the Company has been definitively capable of working as an ODM. For the time being, the Company is working as a manufacturer of complex and high-tech parts for cars, ATV, snow cars, motorcycles, private yachts, vessels and gasoline/diesel trucks in the world. So far, the Company has an output of millions of casting or forging parts needed by pistons, connecting rods, and steering and suspension systems for its customers. In addition, the system furniture business is a new business introduced by the Company in recent years. Apart from strengthening the management of technology and material consumption, the Company is actively exploring markets in central and southern Taiwan in order to create more operating revenue and profits for the Company.

The Company's products primarily consist of casting and forging parts. With respect to the impact probably posed to the overall environment by waste, wasted and toxic substances and energy consumption, the Company always applies the concrete management program based on the environmental protection laws and regulations to practice its risk management, continue improving the equipment, protect employees' life and safety, promote educational training and employees' health, and benefit employees' welfare.

In the future, the Company will strengthen its corporate governance, perform corporate social responsibility, improve the business performance and pursue R&D innovation. Meanwhile, the Company strongly believes that, with the leadership of the outstanding management team and support from all shareholders, the Company's business will grow stably if the Company continues to uphold the ethical and sustainable management philosophy consistently, so as to create higher long-term value for all shareholders. We sincerely hope that all of you can continue to provide us with support, encouragement, assistance and guidance.

Finally, we hereby represent all of the Company's staff to extend our appreciation to you for taking time out of your busy schedules to attend the shareholders' meeting. We wish all of you good health and all the best.

Chairman: Hsieh, Li-Yun

General Manager: Lo, Shih-I

## Two. Corporate Governance Report

### I. Profile of Directors, General Managers, Deputy General Managers, Assistant Vice Presidents, and heads of departments and branches:

#### (I) Directors

April 12, 2025

Unit: share; %

Title	Nationality/ registration place	Name	Gender and age	Election / Appointment Date	Term Duration	Initial Elected Date	Number of Shares Held at Time of Election		Number of Shares Currently Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background	Concurrent Position in the Company or other Companies	Other managers, directors of supervisors who are spouse or blood relatives within the second degree			Remark (Note 10)
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relation ship	
Chairman	Republic of China	Brighton-Best International (Taiwan) Inc.	Not applicable	2022/06/20	3 years	2022/06/20	53,540,000	17.84%	53,540,000	17.82%	-	-	-	-	-	-	-	-	-	None
	Republic of China	Representative: Hsieh, Li-Yun	Female 71-80 years old	2022/06/20	3 years	2010/07/28	-	-	-	-	-	-	-	-	Department of Banking, Tatung Institute of Technology Chairman, Ta Chen Stainless Pipe Co., Ltd. Chairman, Brighton-Best International (Taiwan) Inc.	Note 1	Director	Kuo Jui-Tsai	Couple	None
Director	Republic of China	Brighton-Best International (Taiwan) Inc.	Not applicable	2022/06/20	3 years	2022/06/20	53,540,000	17.84%	53,540,000	17.82%	-	-	-	-	-	-	-	-	-	None
	Republic of China	Representative: Lo, Shih-I	Male 71-80 years old	2022/06/20	3 years	2017/11/16	-	-	220,000	0.07%	-	-	-	-	Department of Business Administration, NTU Vice President, American Express Bank, Taipei Branch	Note 2	-	-	-	None
Director	Republic of China	Brighton-Best International (Taiwan) Inc.	Not applicable	2022/06/20	3 years	2022/06/20	53,540,000	17.84%	53,540,000	17.82%	-	-	-	-	-	-	-	-	-	None
	Republic of China	Representative: Lee, Chien-Te	Male 51-60 years old	2022/06/20	3 years	2022/06/20	-	-	-	-	-	-	-	-	Graduate Institute of Business Administration, Tinghai University Financial Manager, Brighton-Best International (Taiwan) Inc. Financial Manager, LOTES CO., LTD.	Note 3	-	-	-	None
Director	Republic of China	Brighton-Best International (Taiwan) Inc.	Not applicable	2022/06/20	3 years	2022/06/20	53,540,000	17.84%	53,540,000	17.82%	-	-	-	-	-	-	-	-	-	None
	Republic of China	Representative: Chiu, Sheng- Tien	Male 41-50 years old	2022/06/20	3 years	2022/06/20	-	-	-	-	-	-	-	-	Department of Accounting, National Cheng Kung University Assistant Manager of Auditing Office, Brighton-Best International (Taiwan) Inc. Financial senior manager, Ta Chen Lung Mei Home Life Co., Ltd.	Note 4	-	-	-	None
Director	Republic of China	Kuo, Jui-Tsai	Male 71-80 years old	2022/06/20	3 years	2022/06/20	-	-	-	-	-	-	-	-	Department of Financial Management, Tatung Institute of Technology Sales Assistant Vice President, Ta Chen Stainless Pipe Co., Ltd. Head of Huiyuan Enterprise Director of Ta Cheng (Changshu)	Note 5	Chairman	Hsieh Li-Yun	Couple	None
Director	Republic of China	Chen, Po-Han	Male 31-40 years old	2022/06/20	3 years	2022/06/20	-	-	-	-	-	-	-	-	Department of Public Finance, NCCU Internal Auditing Manager, Ta Chen Lung Mei Home Life Co., Ltd.	Note 6	-	-	-	None
Independe nt Director	Republic of China	Shen, Ming- Chang	Male 71-80 years old	2022/06/20	3 years	2012/06/06	-	-	-	-	-	-	-	-	Department of Business Administration, Fu Jen Catholic University Senior Assistant Vice President, Core Pacific Securities Co., Ltd. Manager of Securities Finance Dept., Union Bank of Taiwan Co., Ltd. Director, Enite Securities Finance Co.	Note 7	-	-	-	None
Independe nt Director	Republic of China	Wang, Guang- Hsiang	Male 71-80 years old	2022/06/20	3 years	2017/06/19	-	-	-	-	-	-	-	-	NTU Administrative Leadership Program (40 credits for three school years) Director General of Department of General Affairs, Ministry of Finance	Note 8	-	-	-	None
Independe nt Director	Republic of China	Yeh, Yen-Hsiu	Male 71-80 years old	2022/06/20	3 years	2022/06/20	-	-	-	-	-	-	-	-	Department of Business Administration, Fu Jen Catholic University Director, Tung Ying Industrial Co., Ltd. Sales Assistant Vice President, Tung Ying Industrial Co., Ltd.	Note 9	-	-	-	None

Note 1: Chairman, Ta Chen Stainless Pipe Co., Ltd.; Chairman, Brighton-Best International (Taiwan) Inc.; Chairman, Ta Chen (B.V.I.) Holding Ltd.; Chairman, Shijiazhuang Tachen Jitai Machinery Co., Ltd.; Chairman, Ta Chen (Boye) Machinery Co., Ltd.; Director, Brighton-Best International (UK), Limited.; Director, Brighton-Best International (AU), Pty Ltd.; Director, Brighton-Best International (NZ), Limited; Chairman, Wei Mei Roller Blind Co., Ltd.; Director, Brighton-Best International Inc. (Cayman); Director, Cheng Rong (Shanghai) International Trade Ltd.; Chairman, Ta Chen Empire Co., Ltd.; Chairman, Yi Rong (Shanghai) Investment Management Ltd.; Chairman, Ta Chen (Hong Kong) Limited; Chairman, Ta Chen Lung Mei Home Life Co., Ltd.; Chairman, Wei Mei Hsin Shu Interior Decoration Co., Ltd.; Chairman, Hupao Technology Co., Ltd.; Chairman, Noei Geeng Enterprise Co., Ltd.; Chairman, Xie Xin Enterprise Co., Ltd.; Director, Clarke St. Property Holding, LLC.; Chairman, EXCELLENT GROWTH INVESTMENTS LIMITED; Chairman, Right Way Industrial (Malaysia) Sdn. Bhd.; Chairman, TRIM Engineering Sdn Bhd..

- Note 2: General Manager of the Company; Director, EXCELLENT GROWTH INVESTMENTS LIMITED; Director, RIGHT WAY NORTH AMERICA, INC.; Director, Right Way Industrial (Malaysia) Sdn. Bhd.; Director, TRIM Engineering Sdn. Bhd.
- Note 3: Financial Manager, Brighton-Best International (Taiwan) Inc.; Director, EXCELLENT GROWTH INVESTMENTS LIMITED; Director, Right Way Industrial (Malaysia) Sdn. Bhd.
- Note 4: Financial Assistant Vice President, Ta Chen Lung Mei Home Life Co., Ltd.
- Note 5: Sales Assistant Vice President, Ta Chen Stainless Pipe Co., Ltd.
- Note 6: Internal Auditing Manager, Ta Chen Lung Mei Home Life Co., Ltd.
- Note 7: Audit Committee and Remuneration Committee Member of the Company, Independent Director/Audit Committee and Remuneration Committee Member of Ta Chen Stainless Pipe Co., Ltd.; Independent Director/Audit Committee and Remuneration Committee Member of Brighton-Best International (Taiwan) Inc.
- Note 8: Audit Committee and Remuneration Committee Member of the Company; Independent Director/Audit Committee and Remuneration Committee Member of Ta Chen Stainless Pipe Co., Ltd.
- Note 9: The Company's Audit Committee Member and Remuneration Committee Member
- Note 10: If the Company's Chairman and General Manager or equivalent (supreme managerial officer) are the same person, or spouse or relative within 1st degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be explained. None

1. Principal shareholder of juristic-person shareholder

Book closure date: April 12, 2025

Name of Juristic-Person Shareholder	Principal shareholder of juristic-person shareholder
Brighton-Best International (Taiwan) Inc.	Ta Chen Stainless Pipe Co., Ltd.(42.72%),Jinn Her Enterprise Co., Ltd. (6.58%), Chao Sheng Co. Ltd. (2.99%), Tong Yi Investment Co., Ltd. (2.86%), Hsieh, Pei-Jung(2.25%), Lin, Fang-Kuan(2.17%), Xie, Han-Yin (2.07%), GAINS Investment Corporation(2.05%) , De Tend Investment Co., Ltd. (1.71%), Right Way Industrial Co., Ltd. (1.61%)

2. Principal shareholder of the juristic-person shareholder's principal shareholder who is a juristic person

Book closure date: April 12, 2025

Name of the juristic person	Principal shareholder of the juristic person
Ta Chen Stainless Pipe Co., Ltd.	Brighton-Best International (Taiwan) Inc. (6.87%), Yuanta Taiwan Dividend Plus ETF (5.06%), Ta Chen Empire Co., Ltd. (4.94%), Da Ying Cheng Investment Co. Ltd. (3.91%), Citibank (Taiwan) Ltd. in custody for Norges Bank (3.36%), Xie, Han-Yin (2.74%), Hsieh, PeiJung (2.70%), Allianz Global Investors Taiwan Intelligence Trends Fund (1.67%), Shieh, Rung-Kun (1.67%), Tong Yi Investment Co., Ltd. (1.64%)
Jinn Her Enterprise Co., Ltd.	Tsai, Yung-Yu(20.92%), Chen, Xi-Hui (17.99%), Tsai, XiongTian (14.70%), Tsai, Rong-Tai (12.38%), Tsai, Jung-Hsien (9.32%), De Tend Investment Co., Ltd. (6.63%), Zhen Jiang Investment Co., Ltd. (6.63%), Xie Tai Assets Management Co., Ltd. (6.63%), Tsai, Yong-Quan (2.53%), Tsai Zang, Xiu-Xiang (2%)
Chao Sheng Co. Ltd.	Tsai, Sheng-Han (13.34%), Tsai, Chao-Chin (6.67%), Tsai, Chao-Sheng (6.67%), Tsai, Chao-Song (6.67%), Tsai, Chao-Fang (6.67%), Tsai, Chao-Chin (6.67%), Tsai, Ming-Zhi (6.67%), Tsai, Bing-Yao (6.67%), Tsai, Zhe-Di (6.67%), Tsai, Ming-Xuan (6.67%)
Tong Yi Investment Co., Ltd.	Tsai, Hung-Chiuan (40.00%), Tai Chen, Su-Gan (20.00%), Tsai, Jen-Rung(20.00%), Tsai, Jia- Yan (20.00%)
GAINS Investment Corporation	China Steel Corporation (99.9988%), Wang, Chung-Yu (0.0002%), Chen, Chen-Jung (0.0002%), Tsou, Jo-Chi (0.0002%), Cheng, Kuo-Hua (0.0002%), Chung, Le-Min (0.0002%), Hu, Li-Jen (0.0002%)
De Tend Investment Co., Ltd.	Tsai, Yung-Yu (90.00%), Chen, Xi-Hui (10.00%)

Right Way Industrial Co., Ltd.	Brighton-Best International (Taiwan) Inc. (17.82%), WIN POWER E and T CO., LTD. (5.33%), YU PAO SYSTEM CABINET CO., LTD. (5.33%), SHING HWANG CO., LTD. (5.19%), GREEN SYSTEM CO., LTD. (4.33%), Hsiao, Chia-Sung (4.23%), Feng, Leng-Chih (2.8%), Jie Wei Te Investment Limited (2.33%), CHUAN MAI ENTERPRISE CO. (2%), Cai Jin Investment Co., Ltd. (1.8%)
--------------------------------	--

3. Disclosure of information on the professional qualifications of directors and independence of independent directors:

May 9, 2025

Name \ Conditions	Professional qualifications and experience	Independence	Number of other public companies in which concurrently serving as an independent director
Chairman Hsieh, Li-Yun	(1) The Company's Chairman, with the expertise in business management and financial management. (2) Free from any conditions defined in Article 30 of the Company Act.	-	-
Director Lo, Shih-I	(1) The Company's General Manager, with expertise in business management, financial management and sales & marketing. (2) Free from any conditions defined in Article 30 of the Company Act.	-	-
Director Lee, Chien-Te	(1) The Company's director, and also financial manager of Brighton-Best International (Taiwan) Inc., with expertise in financial management. (2) Free from any conditions defined in Article 30 of the Company Act.	-	-
Director Chiu, Sheng-Tien	(1) The Company's director, and also Financial Assistant Vice President of Ta Chen Lung Mei Home Life Co., Ltd., with expertise in financial management. (2) Free from any conditions defined in Article 30 of the Company Act.	-	-
Director Kuo, Jui-Tsai	(1) The Company's director, and also Sales Assistant Vice President of Ta Chen Stainless Pipe Co., Ltd., with expertise in sales and marketing. (2) Free from any conditions defined in Article 30 of the Company Act.	-	-
Director Chen, Po-Han	(1) The Company's director, and also Internal Auditing Manager of Ta Chen Lung Mei Home Life Co., Ltd., familiar with the Company's internal control and specialized in internal audit.	-	-

	(2) Free from any conditions defined in Article 30 of the Company Act.		
Director Shen, Ming- Chang	<p>(1) The Company’s current independent director, and also Remuneration Committee and Audit Committee Member.</p> <p>(2) Former positions: Assistant Vice President of Core Pacific Securities Co., Ltd.; Former Manager of Securities Finance Dept., Union Bank of Taiwan; Former Director of Entie Securities Finance Co., with the expertise in financial accounting.</p> <p>(3) Free from any conditions defined in Article 30 of the Company Act.</p>	<p>Independent Director Shen Ming-Chang’s compliance with the independence requirements:</p> <ol style="list-style-type: none"> <li>1. None of them, including he or his spouse or relatives within 2nd degree of kinship, serves as director, supervisor or employee in the Company or any of its affiliates;</li> <li>2. The number and percentage of the Company's shares held in their own name or in the name of their spouse, or relative within 2nd degree of kinship (or proxy shareholder) are both 0%;</li> <li>3. Independent Director of Ta Chen International, Inc. and Brighton-Best International (Taiwan) Inc., but according to Paragraph 2, Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies,” independent directors of parent company and subsidiaries may serve as independent director for each other concurrently.</li> <li>4. No amount of remuneration has been received in the last two years for</li> </ol>	2

		providing commercial, legal, financial, accounting or other professional services to the Company and its affiliates.	
Director Wang, Guang-Hsiang	<p>(1) The Company's current independent director, and also Remuneration Committee and Audit Committee Member.</p> <p>(2) Former positions: Director General of Department of General Affairs, Ministry of Finance; Supervisor of Financial Information Service Co., Ltd.; Director of BankTaiwan SECURITIES Co., Ltd.; Director of Taiwan Business Bank, Ltd.; Standing Supervisor of Small &amp; Medium Enterprise Credit Guarantee Fund of Taiwan; Supervisor of Farmers Bank of China; Director General of Department of General Affairs, the Directorate General of Budget, Accounting and Statistics (DGBAS) of Executive Yuan; Inspector/Director/Division Chief/Senior Executive Officer/Chief Secretary of Department of Finance, Taipei City Government; Tax Assistant/Tax Collector/Section Chief/Auditor of Taipei City Revenue Service Have work experience in the field of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company for five years</p> <p>(3) Free from any conditions defined in Article 30 of the Company Act.</p>	<p>Independent Director Wang Guang-Hsiang's compliance with the independence requirements:</p> <ol style="list-style-type: none"> <li>1. None of them, including he or his spouse or relatives within 2nd degree of kinship, serves as director, supervisor or employee in the Company or any of its affiliates;</li> <li>2. The number and percentage of the Company's shares held in their own name or in the name of their spouse, or relative within 2nd degree of kinship (or proxy shareholder) are both 0%;</li> <li>3. Independent Director of Ta Chen International, Inc., but according to Paragraph 2, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," independent directors of parent company and subsidiaries may serve as independent director for each other concurrently.</li> <li>4. No amount of remuneration has</li> </ol>	1

		been received in the last two years for providing commercial, legal, financial, accounting or other professional services to the Company and its affiliates.	
Director Yeh, Yen-Hsiu	<p>(1) The Company's current independent director, and also Remuneration Committee and Audit Committee Member.</p> <p>(2) Former Director of Tung Ying Industrial Co., Ltd.; Former Sales Assistant Vice President of Tung Ying Industrial Co., Ltd. Have work experience necessary for the business of the Company for five years</p> <p>(3) Free from any conditions defined in Article 30 of the Company Act.</p>	<p>Independent Director Yeh Yen-Hsiu's compliance with the independence requirements:</p> <ol style="list-style-type: none"> <li>1. None of them, including he and his spouse and relatives within 2nd degree of kinship, serves as director, supervisor or employee in the Company or any of its affiliates</li> <li>2. The number and percentage of the Company's shares held in their own name or in the name of their spouse, or relative within 2nd degree of kinship (or proxy shareholder) are both 0%;</li> <li>3. Never served as director, supervisor, or employee in any entity that has certain relationship with the Company (please refer to the subparagraphs 5~8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies )</li> <li>4. No amount of remuneration has</li> </ol>	0

		been received in the last two years for providing commercial, legal, financial, accounting or other professional services to the Company and its affiliates.	
--	--	--	--

4. Diversity and independence of the Board of Directors:

(I) Diversity of the Board of Directors: The Company advocates and respects the Board diversity policy, in order to strengthen the corporate governance and urge the robust development of the composition and structure of the Board of Directors. The Company believes that the diversity policy would help improve the Company’s overall performance. The appointment of the Board members is based on their merits and diversified complementary abilities across industries, including basic composition (e.g. age, gender and nationality, etc.). Each of them has the industrial experience and related skills (e.g. financial accounting, marketing and audit, etc.), in addition to the abilities including business judgement, business administration, leadership & decision making and crisis management, etc.. In order to improve the Board of Directors’ functions and achieve the corporate governance targets, the Company’s Board of Directors shall have the following abilities: 1. the ability to make business judgment; 2. the ability to analyze accounting and financial issues; 3. the ability to manage business; 4. the ability to manage crisis; 5. industrial knowledge; 6. international market perspective; 7. leadership; 8. the ability to make decision.

The Company's existing Board member diversity policy and implementation status thereof:

Diversity core  Name of Director	Basic composition						Industrial experience					Expertise						
	Nationality	Gender	Serving as an employee concurrently	Age					Seniority and term of office as an independent director	Professional service and marketing	Finance and banking	Bank and insurance	Commerce and supply	Information and technology	Metal and machinery	Laws	Accounting	Risk management
				31—40 years old	41—50 years old	51—60 years old	61—70 years old	71—80 years old										
Hsieh, Li-Yun	Republic of China	Female					√			√	√	√	√	√	√	√	√	
Lo, Shih-I		Male	√				√			√	√	√	√	√	√	√	√	
Lee, Chien-Te		Male			√					√	√	√	√	√	√	√	√	
Chiu, Sheng-Tien		Male		√						√	√	√	√		√	√	√	
Kuo, Jui-Tsai		Male					√			√	√	√	√	√	√	√	√	
Chen, Po-Han		Male		√							√	√	√			√	√	
Shen, Ming-Chang		Male					√	√			√	√	√	√	√	√	√	
Wang, Guang-Hsiang		Male					√	√			√	√	√	√		√	√	
Yeh, Yen-Hsiu		Male					√	√			√	√	√	√		√	√	

Specific management objectives of the Company's Board diversity policy and implementation status:

A. Specific management objectives:

- a. At least five of the Board members shall possess any of the abilities referred to in said table.
- b. Individual directors shall possess at least five abilities referred to in said table.

B. Status: All of the Board members have achieved the goals under the diversity policy so far.

- (1) The Company's directors have held the term of office for five years on average. None of the independent directors has held the term of office for more than three times consecutively. All of the directors are native Taiwanese, including 3 independent directors, i.e. 33%, and 1 director is concurrently an employee, i.e. 11%. In terms of the directors' age, 1 director has attained the age of 31~40 years old, 1 director are at the age of 41~50 years old, 1 director are at the age of 51~60 years old, and 6 directors are at the age of 71~80 years old. Meanwhile, the Company also values gender equality in the composition of the Board. The current Board of Directors includes one female member, accounting for 11% of the Board seats. In the future, we will strive to increase the proportion of female directors.
  - (2) The goals for the Board diversification, complementarity and implementation status have been achieved and maintained. In the future, the Company will develop the policy of diversity based on the Company's business operations, operating dynamics, and development needs, including but not limited to, the two general standards, basic requirements and values & professional knowledge and skills, in order to ensure that the Board members have the knowledge, skills, and experience necessary to perform their duties.
  - (3) If the number of female directors on the Company's Board of Directors is less than one-third of the total number of the directors, please describe the reason and the measures to be taken to enhance the diversity of the Board of Directors:

Reason: The Company currently has nine directors, including one female director. Although the Company has met the requirements of the relevant laws and regulations, the number of female directors has not yet reached one-third of the seats. This is due to the characteristics of the industry, which makes it difficult to recruit talent in a short time.

The Company will seek talent from the industry or from schools to improve the effectiveness of corporate governance and implement the policy of diversity for directors.
- (II) Independence of the Board of Directors: The Company's 9 directors include 3 independent directors, i.e. 33%. Except Chairman Hsieh, Li-Yun and Director Kuo, Jui-Tsai, who are relatives within the 2nd degree of kinship of each other, no other such relationship, such as spousal or relative within 2nd degree of kinship, exists among the other 7 directors. Therefore, the Company is held to be satisfying Paragraph 3, Article 26-3 of the Securities and Exchange Act.
- (1) The Company's comments on the independence of the board:

The Company always believes that the independence of directors should be judged subject to circumstances. The Board is committed to continually assessing the independence of directors

by taking into account the relevant factors including, whether the relevant directors may continue to raise constructive questions for the management and other directors, whether the views expressed by them are independent of those of the management or other directors, and whether they speak and behave appropriate inside and outside the Board of Directors. The Company's independent directors usually behave in line with expectations under appropriate circumstances, through their demonstration of said characteristics. Upon taking into account all circumstances referred to herein, the Company believes that all of the independent directors act independently of the Company's staff. For the resume of all directors, including (if any) the relationship with the other members, please refer to the preceding paragraph and MOPS.

## (II) Profile of General Managers, Deputy General Managers, Assistant Vice Presidents, and heads of departments and branches

Book closure date: April 12, 2025

Title (Note 1)	Nationality	Name	Gender	Election / Appointment Date	Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background (Note 2)	Concurrent Position in Other Companies	Managerial officers who are Spouse or Blood Relatives Within the Second Degree			Notes (Note 3)
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relationship with the Company	
General Manager	Republic of China	Lo, Shih-I	Male	2010.6.25	220,000	0.07%	-	-	-	-	Department of Business Administration, NTU Vice President, American Express Bank, Taipei Branch	Director, EXCELLENT GROWTH INVESTMENTS LIMITED Chairman, RIGHT WAY NORTH AMERICA, INC. Director, Right Way Industrial (Malaysia) Sdn. Bhd.	-	-	-	None
General Manager, Right Way Industrial (Malaysia) Sdn. Bhd.	Malaysia	Ooi, Ai Lee	Female	2015.6.1	-	-	-	-	-	-	Deputy General Manager, Right Way Industrial (Malaysia) Sdn. Bhd.	Director, Right Way Industrial (Malaysia) Sdn. Bhd. Director, TRIM ENGINEERING SDN. BHD.	-	-	-	None
Deputy General Manager, Manufacturing Dept., Right Way Industrial (Malaysia) Sdn. Bhd.	Republic of China	Chen, Hsin- Ping	Male	2015.6.11	-	-	-	-	-	-	National Taipei University of Technology (formerly known as National Taipei Institute of Technology) Manager, SAN YES AUTOMOTIVE TECHNOLOGY CO., LTD.	None	-	-	-	None
Financial Officer	Republic of China	Huang, Chun- Ta	Male	2016.10.6	-	-	-	-	-	-	National Cheng Kung University AMBA Assistant Audit Manager, KPMG	None	-	-	-	None

Note 1: Including the information about General Manager, Deputy General Manager, Assistant Vice President, and heads of departments and branches, and the information about persons who hold positions equivalent to a General Manager, Deputy General Manager or Assistant Vice President to be disclosed mandatorily.

Note 2: Previous work experiences relating to their current roles; if the person works in the external auditor's firm or its affiliated company during the said-noted time period, the job title and responsibilities must be provided.

Note 3: If the Company's Chairman and General Manager or equivalent (supreme managerial officer) are the same person, or spouse or relative within 1st degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be explained (e.g., the number of independent directors should be increased, or more than half of the directors should not serve as employees or managers concurrently, etc.):None

## II. Remuneration paid to Directors, General Manager, and Deputy General Manager in the most recent year

### (I) Compensation to Directors and Independent Directors (disclosure of individual director's name and compensation)

Unit: NTD Thousand

Title	Name	Directors' remuneration								Total Remuneration (A+B+C+D) as a % of the Net Income		Remuneration for concurrent position as an employee								Total Compensation (A+B+C+D+E+F+G) as a % of the Net Income		Compensation from investees other than subsidiaries, or parent company
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances for Operations (D)				Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employees' Profit Sharing Bonus (G)						
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report			The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company				
										Amount of Cash	Amount of stock							Amount of Cash	Amount of stock			
Chairman	Hsieh, Li-Yun	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100
Director	Lo, Shih-I	-	-	-	-	-	-	-	-	-	-	3,776	3,776	108	108	-	-	-	-	3,884 9.3101%	3,884 9.3101%	None
Director	Lee, Chien-Te	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,256
Director	Chiu, Sheng-Tien	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Director	Kuo, Jui-Tsai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,153
Director	Chen, Po-Han	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent Director	Shen, Ming-Chang	480	480	-	-	-	-	-	-	480 1.1505%	480 1.1505%	-	-	-	-	-	-	-	-	480 1.1505%	480 1.1505%	2,408
Independent Director	Wang, Guang-Hsiang	480	480	-	-	-	-	-	-	480 1.1505%	480 1.1505%	-	-	-	-	-	-	-	-	480 1.1505%	480 1.1505%	960
Independent Director	Yeh, Yen-Hsiu	480	480	-	-	-	-	-	-	480 1.1505%	480 1.1505%	-	-	-	-	-	-	-	-	480 1.1505%	480 1.1505%	None

1. Please state the policy, system, standards and structure of remuneration payments to independent directors, and describe the relationship between the responsibility, risk, time committed to the organization and other factors and the amount of remuneration to them:  
The remuneration to the Company's independent directors is handled in accordance with the "Regulations Governing Distribution of Remuneration to Directors." Irrespective of the Company's operating profit or loss, or the responsibilities or risks borne by, or time in engagement spent by, the independent directors, the Company shall pay each independent director NTS40,000 per month. The Remuneration Committee shall submit the proposal to the Board of Directors for resolution.

2. In addition to the disclosure shown in the above table, the remuneration received by the directors for their service provided to all companies listed in the financial reports in the most recent fiscal year: None.

## Remuneration Grade Table

Remuneration Paid to Directors	Name of Director			
	Total Remuneration from the First Four Items (A+B+C+D)		Total Remuneration from the First Seven Items (A+B+C+D+E+F+G)	
	The Company	All Companies in the Financial Report H	The Company	All Companies in the Financial Report I
Below NT\$1,000,000	Hsieh, Li-Yun, Lo, Shih-I, Lee, Chien-Te, Chiu, Sheng-Tien, Kuo, Jui-Tsai, Chen, Po-Han, Shen, Ming-Chang, Wang, Guang-Hsiang, Yeh, Yen-Hsiu	Hsieh, Li-Yun, Lo, Shih-I, Lee, Chien-Te, Chiu, Sheng-Tien, Kuo, Jui-Tsai, Chen, Po-Han, Shen, Ming-Chang, Wang, Guang-Hsiang, Yeh, Yen-Hsiu	Hsieh, Li-Yun, Lee, Chien-Te, Chiu, Sheng-Tien, Kuo, Jui-Tsai, Chen, Po-Han, Shen, Ming-Chang, Wang, Guang-Hsiang, Yeh, Yen-Hsiu	Hsieh, Li-Yun, Lo, Shih-I, Lee, Chien-Te, Chiu, Sheng-Tien, Kuo, Jui-Tsai, Chen, Po-Han, Shen, Ming-Chang, Wang, Guang-Hsiang, Yeh, Yen-Hsiu
1,000,000 (inclusive) to 20,000,000 (exclusive)	-	-	-	-
2,000,000 (inclusive) to 3,500,000 (exclusive)	-	-	-	-
3,500,000 (inclusive) to 5,000,000 (exclusive)	-	-	Lo, Shih-I	Lo, Shih-I
5,000,000 (inclusive) to 10,000,000 (exclusive)	-	-	-	-
10,000,000 (inclusive) to 15,000,000 (exclusive)	-	-	-	-
15,000,000 (inclusive) to 30,000,000 (exclusive)	-	-	-	-
30,000,000 (inclusive) to 50,000,000 (exclusive)	-	-	-	-
50,000,000 (inclusive) to 100,000,000 (exclusive)	-	-	-	-
100,000,000 or above	-	-	-	-
Total	9 persons	9 persons	9 persons	9 persons

\*The basis of compensation disclosed above is different according to the basis of the Income Tax Act. Therefore, the above table has been prepared solely for information disclosure, and not for tax purpose.

(II) Compensation to General Manager and Deputy General Managers

Unit: In Thousands of New Taiwan Dollars

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		Employees' Profit Sharing Bonus (D)				Total Remuneration (A+B+C+D) as a % of the Net Income		Compensation from investees other than subsidiaries, or parent company
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
								Amount of Cash	Amount of stock	Amount of Cash	Amount of stock			
General Manager	Lo, Shih-I	3,271	3,271	108	108	505	505	-	-	-	-	3,884 9.3101%	3,884 9.3101%	None
General Manager of Malaysia Factory	Ooi, Ai-Lee	-	1,820	-	-	-	-	-	-	-	-	-	1,820 4.3623%	None
Deputy General Manager of Malaysia Factory	Chen, Hsin-Ping	-	1,820	-	-	-	-	-	-	-	-	-	1,820 4.3623%	None

\*Disclosure is mandatory for persons who hold positions equivalent to a General Manager or Deputy General Managers (e.g. president, CEO, and director, etc.).

Remuneration Grade Table

Remuneration Paid to the General Manager and Deputy General Manager	Name of General Manager and Deputy General Managers	
	The Company	All Companies in the Financial Report
Below NT\$1,000,000	-	-
1,000,000 (inclusive) to 20,000,000 (exclusive)	-	Ooi, Ai-Lee, Chen, Hsin-Ping
2,000,000 (inclusive) to 3,500,000 (exclusive)	-	-
3,500,000 (inclusive) to 5,000,000 (exclusive)	Lo, Shih-I	Lo, Shih-I
5,000,000 (inclusive) to 10,000,000 (exclusive)	-	-
10,000,000 (inclusive) to 15,000,000 (exclusive)	-	-
15,000,000 (inclusive) to 30,000,000 (exclusive)	-	-
30,000,000 (inclusive) to 50,000,000 (exclusive)	-	-
50,000,000 (inclusive) to 100,000,000 (exclusive)	-	-
100,000,000 or above	-	-
Total	1 person	3 persons

(III) Compensation to Top 5 senior managers (disclosure of individual name and compensation) :

Unit: In Thousands of New Taiwan Dollars

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		Employees' Profit Sharing Bonus (D)				Total Remuneration (A+B+C+D) as a % of the Net Income		Compensation from investees other than subsidiaries, or parent company
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
								Amount of Cash	Amount of stock	Amount of Cash	Amount of stock			
General Manager	Lo, Shih-I	3,271	3,271	108	108	505	505	-	-	-	-	3,884 9.3101%	3,884 9.3101%	None
General Manager of Malaysia Factory	Ooi, Ai-Lee	-	1,820	-	-	-	-	-	-	-	-	-	1,820 4.3623%	None
Deputy General Manager of Malaysia Factory	Chen, Hsin-Ping	-	1,820	-	-	-	-	-	-	-	-	-	1,820 4.3623%	None
Assistant Vice Presiden of Finance Department	Huang, Chun-Ta	1,215	1,215	76	76	206	206	-	-	-	-	-	1,497 3.5881%	None
Assistant Manager of Technical Department	Chen, Shu-Wei	818	818	50	50	131	131	-	-	-	-	-	999 2.3945%	None

\*The basis of compensation disclosed above is different according to the basis of the Income Tax Act. Therefore, the above table has been prepared solely for information disclosure, and not for tax purpose.

(IV) Names of managerial officers who are assigned employee remuneration and the status of assignment

Book closure date: April 12, 2025

	Title	Name	Amount of stock	Amount of Cash	Total	Total as % of the Net Income
Managerial officers	General Manager	Lo, Shih-I	0	0	0	0.00
	Assistant Manager & Technology Supervisor	Chen, Shu-Wei				
	Assistant Vice President/Accounting & Financial Manager	Huang, Chun-Ta				

(I) Amount of compensation paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, general managers, and deputy general managers, and the respective proportion of such compensation to the income after tax referred to in the parent company only financial statements, as well as the policies, standards, and packages by which it was paid, the procedures through which the compensation was determined, and its association with business performance and future risks:

1. Amount of compensation paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, general managers, and deputy general managers:

Unit: NT\$Thousand

Items	2023		2024	
	The company	The consolidated financial statement	The company	The consolidated financial statement
Director's total remuneration	4,968	4,968	5,324	5,324
Ratio of director's total remuneration to net income after tax	5.73%	5.73%	12.76%	12.76%
President and vice president's total remuneration	3,528	7,012	3,884	7,524
Ratio of president's and vice president's total remuneration to net income after tax	4.07%	8.09%	9.31%	18.03%

2. The policies, standards, and packages for the payment of remuneration, the procedure for determining the remuneration, and its linkage to operating performance and future risks:

A. The independent directors of the Company receive fixed remuneration, do not participate in profit distribution, and considering all independent directors serve as members of the Audit Committee and Remuneration Committee, they are required to assume responsibilities for participating in committee discussions and decisions. Therefore, their compensation may be higher than that of ordinary directors, and they are entitled to receive transportation expenses based on actual attendance at meetings. Moreover, the policy and standard for paying the remuneration to directors are regulated by Article 31 of the Company's by-law: "Subject to the profit sought for the current year, the Company shall allocate 0.1%~3% of the profit as the remuneration to employees. The Board of Directors may resolve to distribute the remuneration in the form of stock or in cash, and the recipients of such stock dividends or cash dividends shall include employees of associated companies that meet certain conditions. The Company may have its Board of Directors resolve to allocate no more than 1.5% of said profit as the remuneration to directors. The proposals for distribution of the remuneration to employees and directors shall be reported to a shareholders' meeting, provided that the profit must first be taken to offset against the Company's cumulative losses, if any, and then the remuneration to employees and directors may be allocated subject to the proportions referred to in the preceding paragraph.", and regulated by Article 25 of the Company's by-law: "The Board of Directors is

authorized to decide the remuneration to directors subject to their engagement in the Company's operation and value of their contribution to the Company's operation, and in reference to the rate generally adopted by the peers in the same industry." In addition, the Company also utilizes the individual director (independent directors exclude) performance evaluation results according to the "Board of Directors Performance Evaluation Procedures" as a reference for salary compensation. The policy for the remuneration of the President and Vice President is stipulated in Article 27 of the Company's Articles of Incorporation:" The Company shall appoint managerial officers. The appointment and dismissal thereof and remuneration to them shall be governed by Article 29 of the Company Act. "

B. The remuneration of the Company's directors and management are determined in accordance with the Compensation Committee Charter, including cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with the compensation for directors and managerial officers as set out in the Regulations Governing Information to be published in Annual Reports of Public Companies.

C. The procedure for determining remuneration

(a) In addition to the annual evaluation results generated according to the "Regulations Governing Performance Evaluation on the Board of Directors," the Company performed the evaluation of the procedures for determining the remuneration also based on and the directors' participation in the Company's operations and personal performance contributions. The evaluation items included the occurrence of ethical risk incidents or other risk incidents posing adverse effects on the Company's image/goodwill, and staff corruption practices. The proportion of remuneration is also calculated in reference to the target achievement rate, profitability, operating efficiency, and degree of contribution, and the reasonable remuneration is paid. Meanwhile, the remuneration system for directors, as well as the reference for future nomination for reappointment, is reviewed from time to time subject to the actual operating condition and relevant laws and regulations. The remuneration for managers other than the President and Vice President is determined based on their professional experience and industry standards. Bonuses are awarded based on performance indicators, including financial and business metrics (such as profit growth, operational management quality improvement, and net profit after tax), comprehensive management indicators (such as organizational leadership and management ability, risk management, innovation and integration, and ESG sustainable development strategies), as well as other special contributions or significant achievements.

(b) The Company's directors and managers' relevant performance appraisal and remuneration rationality are regularly evaluated and reviewed by the remuneration committee and the board of directors every year. In addition to referring to the individual's performance achievement rate and contribution to the company, it also considers the company's overall operating performance, future industry risks and development trends. The remuneration system is to be reviewed and adjusted as necessary based on actual operating conditions and relevant regulations. After comprehensively considering the current trend of corporate governance, a reasonable remuneration system is required as the company seeks the balance between the company's sustainable operation and risk control. The remuneration for directors and managers in 2024 is reviewed by the remuneration committee and passed by the board of directors.

D. The relationship between remuneration and company performance as well as future risk exposure

(a) The Company reviews the payment standard and system of remuneration based mainly on overall business situation with measurement by operating performance and contribution, to enhance overall performance of the Board of Directors and management. The Company also takes into consideration typical remuneration levels paid by other companies to ensure the competitiveness of remuneration level of the company and to retain talent.

(b) The management's performance goals are combined with "risk control and management" with important decisions made after balancing various risk factors. The performance of relevant

decisions is reflected in the Company's profitability. Therefore, the remuneration of the management level is related to the performance of risk control.

### III. Implementation of corporate governance

#### (I) Operation of the Board of directors

##### (1) Information about operation of the Board of directors:

The Company completed the re-election of directors to elect the directors of 25th Board of Directors on June 20, 2022. The Board of Directors convened a total of 4 (A) meetings in 2024. Attendance is stated as following:

Title	Name	Attendance in person (or as observer) (times) (B)	Attendance by proxy	Percentage of attendance in person (or as observer) (%) (B/A)	Notes
Chairman	Representative of Brighton-Best International (Taiwan) Inc.: Hsieh, Li-Yun	4	0	100	
Director	Representative of Brighton-Best International (Taiwan) Inc.: Lo, Shih-I	3	1	75	
Director	Representative of Brighton-Best International (Taiwan) Inc.: Lee, Chien-Te	4	0	100	
Director	Representative of Brighton-Best International (Taiwan) Inc.: Chiu, Sheng-Tien	4	0	100	
Director	Kuo, Jui-Tsai	4	0	100	
Director	Chen, Po-Han	4	0	100	
Independent Director	Shen, Ming-Chang	4	0	100	
Independent Director	Wang, Guang-Hsiang	4	0	100	
Independent Director	Yeh, Yen-Hsiu	4	0	100	
Other issues to be recorded:					
I.For Board of Directors meetings that meet any of the following descriptions, state the date, session, contents of the motions, independent directors' opinions and how the Company has responded to such opinions:					
(D)Matters specified in Article 14-3 of the Securities and Exchange Act					
Session and Date of the	Content of Motions				Independent directors' opinions and

Board of Directors		how the Company has responded to such opinions
2024/3/12 11th meeting of the 25th Board of Directors	<ol style="list-style-type: none"> <li>1.The Company’s 2023 business report, parent company only financial statements and consolidated financial statements</li> <li>2.The Company’s 2023 earnings distribution plan.</li> <li>3.Director and employee remuneration distribution plan.</li> <li>4.For the effectiveness of the Company’s 2023 internal control system and the Statement on Internal Control System.</li> <li>5.For the evaluation on the independence and competence of the external auditors certifying the Company’s financial statements.</li> <li>6. For the determination of the record date for capital increase out of issuance of new shares for the Company’s employee stock warrants.</li> <li>7.For the amendments to certain provisions of the Company’s “Rules of Procedure for Board of Directors Meetings”.</li> <li>8. For the amendments to certain provisions of the Company’s “Audit Committee Charter”.</li> <li>9. For the date of convening the Company’s 2024 annual general meeting, and related matters.</li> </ol>	Approved by all independent directors unanimously.
2024/5/9 12th meeting of 25th Board of Directors	<ol style="list-style-type: none"> <li>1. The Company’s consolidated financial statements of Q1 2024.</li> </ol>	Approved by all independent directors unanimously.
2024/8/12 13th meeting of 25th Board of Directors	<ol style="list-style-type: none"> <li>1.The Company’s consolidated financial statements of Q2 2024.</li> <li>2. For the Company’s 2023 Sustainability Report</li> <li>3. For the Company’s new organizational structure °</li> </ol>	Approved by all independent directors unanimously.
2024/11/12 14th meeting of 25th Board of Directors	<ol style="list-style-type: none"> <li>1. For the Company’s consolidated financial statements of Q3 2024.</li> <li>2. For amend the Company's internal control systems, internal audit implementation rules, and related management measures.</li> <li>3. For the Company’s 2025 internal audit plan.</li> <li>4. For the Company’s 2025 budget plan.</li> <li>5. For loaning to the subsidiary, Right Way Industrial (Malaysia) Sdn. Bhd..</li> <li>6. For review on the Company’s determination of the salary &amp; bonus to directors and managerial officers, and the year-end bonus to the Company’s directors, existing managerial officers and employees.</li> </ol>	Approved by all independent directors unanimously.

(II) Any other resolution(s) by the Board of Directors meetings passed but with independent directors voicing opposing or qualified opinions on the record or in writing: None

II. For directors’ avoidance of motions which involves conflict of interest, the names of directors, contents of the motions, reasons of the recusal for conflict of interest, and participation in voting must be disclosed:

All directors recused themselves from the discussion and voting on the motions related to their salary and remuneration.

III. TWSE/TPEX-listed companies shall disclose the evaluation cycle and period, scope of evaluation, method and contents of evaluation of the Board of Directors' self (or peer) performance evaluation, and specify the status of the evaluation conducted by the Board of Directors.

(1) Execution of evaluation on the Board by an external expert:

A. In order to implement corporate governance, improve the functions of the Board, and establish performance targets to strengthen the efficiency of the Board, the Company has formulated the "Regulations for Performance Evaluations of the Board" and carried out the performance evaluation of the year at the end of each year based on the evaluation procedures and evaluation indicators specified in the "Regulations for Performance Evaluations of the Board." In addition, it engages an external professional and independent institution or external expert and scholar team to execute the evaluation once every three years.

B. Evaluation period: January 1, 2023 to December 31, 2023.

C. Evaluation institution: Qin En Management Consulting Co., Ltd.

D. Scope of evaluation: The Board, Audit Committee, Remuneration Committee, and individual Directors

E. Evaluation method: The overall evaluation is conducted in accordance with the internal regulations and documentation related to corporate governance, as well as the responses of all Directors to questionnaires and the results of interviews with the Chairman, conveners of functional committees, President, chief corporate governance officer, and chief auditor of the Company.

F. Date of report to the Board: March 12, 2024

G. Evaluation content and items:

Examine the Board operations of the Company based on five major aspects, including the Board's level of participation in the operation of the Company, improvement of the quality of the Board's decision-making, composition and structure of the Board, election and continuing education of Directors, and internal control.

Examine the level of participation of Directors of the Company based on six major aspects, including Directors' alignment with the goals and missions of the Company, awareness of the duties of a Director, participation in the operation of the Company, management of internal relationship and communication, the Director's professionalism and continuing education, and internal control.

Examine the operation of the Company's functional committees based on five major aspects, including the level of participation in the operation of the Company, awareness of the duties of the functional committee, quality of decisions made by the functional committee, composition of the functional committee and election of its members, and internal control.

H. Overall evaluation result: The Board of the Company has formulated relevant policies and procedures in accordance with relevant laws and regulations and domestic corporate governance indicators.

The Board of the Company is composed of Directors with relevant expertise and capabilities. Appropriate work assignments are made based on their experience for the effective operation of relevant functions of the Board and functional committees. The overall evaluation result was excellent.

(2) Execution of evaluation on Board of Directors:

A. Evaluation cycle: Once per year

B. Evaluation period: January 1, 2024~December 31, 2024

C. Scope of evaluation: Board of Directors, Audit Committee, Remuneration Committee, and Board members

D. Assessment methods: Internal self-assessment on the Board of Directors, internal self-assessment on Audit Committee and Remuneration Committee, and self-assessment on the Board members

E. Assessment contents:

- (a) Performance appraisal on the Board of Directors: Participation in the operation of the Company, improvement of the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, and internal control.
  - (b) Performance appraisal on individual members: The alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education and internal control.
  - (c) Performance appraisal on functional committees: The participation in the operation of the Company, awareness of the duties of the functional committee, quality of decisions made by the functional committee, composition of the functional committee and election of its members, and internal control.
- (3) The performance assessment scores: 5 stands for Extremely Excellent (Strongly Agree); 4 stands for Excellent (Agree); 3 stands for Moderate (Ordinary); 2 stands for Poor (Disagree); 1 stands for extremely poor (Strongly Disagree); the final scores are the average of the sum multiplying by 20.
- (4) The performance assessment results are stated as following, which were already reported to the Board of Directors on March 12, 2025.

Scope of evaluation	Weighted scores
Board of Directors	92
Board members	93
Functional committee - Audit Committee	87
Functional committee - Remuneration Committee	87

The performance assessment results of the Company's Board of Directors, Audit Committee, Remuneration Committee and individual Board members were all more than 80 scores, showing that the overall operations of the Company's Board of Directors satisfy the corporate governance requirements.

IV. Enhancements to the functionality of the Board of Directors in the current and the most recent year, and evaluation on the implementation status thereof (e.g. establishment of an Audit Committee, and improvement of information transparency, etc.):

1. The Company has adopted the "Regulations Governing Procedure of Board of Directors' Meetings." All of the parliamentary matters related to the Board of Directors shall be executed in accordance with the Regulations. Meanwhile, the information about the directors' attendance at the Board of Directors' meetings shall be entered into the MOPS periodically.
2. In order to enhance the corporate governance and improve the Board of Directors' functions, the Company has had 3 independent directors form the Remuneration Committee in accordance with Article 14-2 of the Securities and Exchange Act to help the Board of Directors perform its functions in reviewing the fairness and reasonableness of the various remuneration management policies.

(II) Information regarding Audit Committee operation:

The Company completed the re-election of directors on June 20, 2022. The Audit Committee convened a total of 4(A) meetings in 2024. Attendance of the independent directors is stated as following:

Title	Name	Actual Attendance in Person (B)	Attendance by Substitution	Actual Attendance Rate (%) (B/A)	Notes
Independent Director	Shen, Ming-Chang	4	0	100	
Independent Director	Wang, Guang-Hsiang	4	0	100	
Independent Director	Yeh, Yen-Hsiu	4	0	100	

Other issues to be recorded:

I. For the Audit Committee meetings that meet any of the following descriptions, state the date, session, contents of motion, independent directors' opposing opinions, reservations or key recommendations, Audit Committee's resolutions, and how the Company has responded to Audit Committee's opinions.  
(I) Matters specified in Article 14-5 of the Securities and Exchange Act

Date of the Meeting Session	Content of Motions	Audit Committee's resolutions	How the Company has responded to Audit Committee's opinions
2024/3/12 11th meeting of the 4th Committee	<ol style="list-style-type: none"> <li>The Company's 2023 business report, parent company only financial statements and consolidated financial statements</li> <li>The Company's 2023 earnings distribution plan.</li> <li>For the effectiveness of the Company's 2023 internal control system, and the Statement on Internal Control System.</li> <li>For the evaluation on the independence and competence of the external auditors certifying the Company's financial statements.</li> <li>For the determination of the record date for capital increase out of issuance of new shares for the Company's employee stock warrants.</li> <li>For the amendments to certain provisions of the Company's "Rules of Procedure for Board of Directors Meetings".</li> <li>For the amendments to certain provisions of the Company's "Audit Committee Charter".</li> <li>For the date of convening the Company's 2024 annual general meeting, and related matters.</li> </ol>	Unanimously approved as proposed.	Approved by all present directors unanimously
2024/5/9 12th meeting of the 4th Committee	<ol style="list-style-type: none"> <li>The Company's consolidated financial statements of Q1 2024.</li> </ol>	Unanimously approved as proposed.	Approved by all present directors unanimously

2024/8/12 13th meeting of the 4th Committee	1. The Company's consolidated financial statements of Q2 2024.	Unanimously approved as proposed.	Approved by all present directors unanimously
2024/11/12 14th meeting of the 4th Committee	1. For the Company's consolidated financial statements of Q3 2024. 2. For amend the Company's internal control systems, internal audit implementation rules, and related management measures. 3. For the Company's 2025 internal audit plan. 4. For loaning to the subsidiary, Right Way Industrial (Malaysia) Sdn. Bhd..	Unanimously approved as proposed.	Approved by all present directors unanimously

(II) Except for the abovementioned matters, others which have not been passed by the Audit Committee but have been approved by more than two-thirds of all directors: Not this situation.

II. For the recusal of independent directors due to conflicts of interest, please state the name of the independent director, the content of motion, the reason for recusal and the participation in voting: None.

III. Communication between independent directors and internal auditing managers and CPAs (material communications, methods and results of the Company's financial and business conditions).

(I) Policy on communication between independent directors and internal auditing officers and CPAs

1. Independent directors meet with the CPAs periodically each year. CPAs will report to the independent directors on the Company's financial position, overall operations and internal audit at the Audit Committee meeting, and communicate with the independent directors about the effect to the account entries by important adjusting journal entries or amendments to laws and regulations, if any. In the event of any significant abnormal situation, a meeting may be convened at any time.
2. The internal auditing officer shall meet with the independent directors once per quarter to report on the internal audit execution status and internal control practices. In the event of any significant abnormal situation, a meeting may be convened at any time.

(II) Summary of the communication history between independent directors and CPAs

Date	Key points
2024/03/12	1. The CPA's explanation on 2023 consolidated financial statements and parent company only financial statements. 2. The CPA discussed and communicated with the participants about the questions raised by the participants. 3. Independent directors' suggestions: No comment.
2024/11/12	1. The CPA explained the audit planning regarding the 2024 consolidated financial statements and parent company only financial statements and communicated the key audit matters. 2. The CPA discussed and communicated with the participants about the questions raised by the participants. 3. Independent directors' suggestions: No comment.

(III) Summary of the communication history between independent directors and internal auditing managers

Date	Key points
2024/03/12	1. Report on execution of the audit on business in Q4 2023. 2. Independent directors' suggestions: No comment.
2024/05/09	1. Report on execution of the audit on business in Q1 2024. 2. Independent directors' suggestions: No comment.
2024/08/12	1. Report on execution of the audit on business in Q2 2024. 2. Independent directors' suggestions: No comment.
2024/11/12	1. Report on execution of the audit on business in Q3 2024. 2. Independent directors' suggestions: No comment.

### **Audit Committee's focus of work**

The Company's Audit Committee consists of 3 independent directors, aiming to assist the Board of Directors to perform its obligation to supervise the quality and creditability of the Company's accounting & financial reporting process and audits, in order to improve the efficiency of corporate governance, and to communicate with CPAs and internal auditors on significant events about the Company's business and finance.

The 2024 review is outlined as following:

1. Establishment of or amendments to the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Appraisal on the effectiveness of the internal control system.
3. Establishment of or amendments to the procedures for handling the important business and financial activities, including acquisition or disposal of assets, derivatives trading, loaning to others and making of endorsements/guarantees for others, in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving directors' personal interest.
5. Significant assets or derivatives trading.
6. Significant loaning or making or endorsements or guarantees.
7. Offering, issuance or private placement of equity securities.
8. Appointment/dismissal of, remuneration to, competence, independence and performance of the external auditors.
9. Appointment/dismissal of financial, accounting or internal auditing managers.
10. Review on, and discussion with the external auditors on, the annual financial reports and quarterly financial reports required by the competent authority at home.
11. Any other significant events prescribed by the Company or competent authority.

(III) Status of corporate governance implementation and the differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons:

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
I. Does the Company follow “Corporate Governance Best Practice Principles” to establish and disclose its corporate governance practices?	Yes		The Company adopted the “Corporate Governance Best Practice Principles” upon approval of the Board of Directors, and released the same on the Company’s website ( <a href="https://www.rightway.com.tw/">https://www.rightway.com.tw/</a> ).	No difference.
II. Shareholding structure and shareholders' equity (I) Does the Company have the internal procedures regulated to handle shareholders’ proposals, doubts, disputes, and litigation matters, and have the procedures implemented accordingly?	Yes		(I) The Company’s Rules for Procedure of Shareholders’ Meetings expressly state that shareholders’ suggestions will be responded to at annual general meetings, and by the spokesperson or deputy spokesperson the company’s spokesperson or deputy spokesperson usually. Meanwhile, no dispute has arisen between the Company and shareholders in the most recent year.	(I) No difference.
(II) Does the Company possess the list of the Company’s major shareholders of ultimate controllers, and the list of the ultimate controllers of the major shareholders?	Yes		(II) The Company entrusts a professional stock affairs agency to handle related matters, and the dedicated personnel are responsible for relevant matters; therefore, the Company has a list of major shareholders who actually control the Company.	(II) No difference.
(III) Does the Company establish and implement the risk control and firewall mechanism with its affiliated companies?	Yes		(III) The Company has established the "Rules Governing Financial and Business Matters with Related Parties" to establish a risk control mechanism and appropriate firewall between the Company and its affiliates.	(III) No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(IV) Does the Company adopt internal rules prohibiting the Company's insiders from trading securities using information not disclosed to the market?	Yes		(IV) The Company has established its Procedures for Handling Material Inside Information and Prevention of Insider Trading and Code of Ethical Conduct which contain the relevant requirements that prohibit the Company's insiders from trading securities based on the non-public information.	(IV) No difference.
<p>III. Composition and responsibilities of the Board of directors</p> <p>(I) Does the Board of Directors have member diversity policies and specific management goals regulated and implemented substantively?</p>	Yes		<p>(I)</p> <p>(1) Diversity of the Board of Directors: The Company advocates and respects the Board diversity policy, in order to strengthen the corporate governance and urge the robust development of the composition and structure of the Board of Directors. The Company believes that the diversity policy would help improve the Company's overall performance. The appointment of the Board members is based on their merits and diversified complementary abilities across industries, including basic composition (e.g. age, gender and nationality, etc.). Each of them has the industrial experience and related skills (e.g. financial accounting, marketing and audit, etc.), in addition to the abilities including business judgement, business administration, leadership &amp; decision making and crisis management, etc.. In order to improve the Board of Directors' functions and achieve the corporate governance targets, the Company's Board of Directors shall have the following abilities:</p> <ol style="list-style-type: none"> <li>1. the ability to make business judgment;</li> <li>2. the ability to analyze accounting and financial issues;</li> <li>3. the ability to manage business;</li> <li>4. the ability to manage crisis;</li> <li>5. industrial knowledge;</li> <li>6. international market perspective;</li> </ol>	(I) No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																															
	Yes	No	Summary description																																
			<p>7. leadership; 8. the ability to make decision.</p> <p>The Company's directors have held the term of office for five years on average. None of the independent directors has held the term of office for more than three times consecutively. All of the directors are native Taiwanese, including 3 independent directors, i.e. 33%, and 1 director is concurrently an employee, i.e. 11%. In terms of the directors' age, 1 director has attained the age of 31~40 years old, 1 directors are at the age of 41~50 years old, 1 directors are at the age of 51~60 years old, and 6 directors are at the age of 71~80 years old. Meanwhile, the Company also values gender equality in the composition of the Board. The current Board of Directors includes one female member, accounting for 11.11% of the Board seats. In the future, we will strive to increase the proportion of female directors. The Company's existing Board member diversity policy and implementation status thereof: The basic composition is as follows:</p> <table border="1"> <thead> <tr> <th rowspan="3">Name of Director</th> <th rowspan="3">Diversity core</th> <th colspan="6">Basic composition</th> </tr> <tr> <th rowspan="2">Nationality</th> <th rowspan="2">Gender</th> <th rowspan="2">Serving as an employee concurrently</th> <th colspan="3">Age</th> <th rowspan="2">Seniority and term of office as an independent director</th> </tr> <tr> <th>31—40 years old</th> <th>41—50 years old</th> <th>51—60 years old</th> <th>61—70 years old</th> <th>71—80 years old</th> </tr> </thead> <tbody> <tr> <td>Hsieh, Li-Yun</td> <td></td> <td>Female</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>&gt;</td> <td>Less than 3 years</td> <td>3—6 years</td> </tr> </tbody> </table>	Name of Director	Diversity core	Basic composition						Nationality	Gender	Serving as an employee concurrently	Age			Seniority and term of office as an independent director	31—40 years old	41—50 years old	51—60 years old	61—70 years old	71—80 years old	Hsieh, Li-Yun		Female						>	Less than 3 years	3—6 years	
Name of Director	Diversity core	Basic composition																																	
		Nationality	Gender			Serving as an employee concurrently	Age			Seniority and term of office as an independent director																									
				31—40 years old	41—50 years old		51—60 years old	61—70 years old	71—80 years old																										
Hsieh, Li-Yun		Female						>	Less than 3 years	3—6 years																									

Issues to be Assessed	Implementation Status			Summary description	Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																																																																																
	Yes	No																																																																																			
				<table border="1"> <tr> <td>Lo, Shih-I</td> <td>Male</td> <td>√</td> <td></td> <td></td> <td></td> <td></td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Lee, Chien-Te</td> <td>Male</td> <td></td> <td></td> <td></td> <td>√</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Chiu, Sheng-Tien</td> <td>Male</td> <td></td> <td></td> <td>√</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Kuo, Jui-Tsai</td> <td>Male</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Chen, Po-Han</td> <td>Male</td> <td></td> <td>√</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Shen, Ming-Chang</td> <td>Male</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>√</td> <td>√</td> <td></td> </tr> <tr> <td>Wang, Guang-Hsiang</td> <td>Male</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>√</td> <td>√</td> <td></td> </tr> <tr> <td>Yeh, Yen-Hsiu</td> <td>Male</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>√</td> <td>√</td> <td></td> </tr> </table>	Lo, Shih-I	Male	√					√			Lee, Chien-Te	Male				√					Chiu, Sheng-Tien	Male			√						Kuo, Jui-Tsai	Male						√			Chen, Po-Han	Male		√							Shen, Ming-Chang	Male						√	√		Wang, Guang-Hsiang	Male						√	√		Yeh, Yen-Hsiu	Male						√	√		
Lo, Shih-I	Male	√					√																																																																														
Lee, Chien-Te	Male				√																																																																																
Chiu, Sheng-Tien	Male			√																																																																																	
Kuo, Jui-Tsai	Male						√																																																																														
Chen, Po-Han	Male		√																																																																																		
Shen, Ming-Chang	Male						√	√																																																																													
Wang, Guang-Hsiang	Male						√	√																																																																													
Yeh, Yen-Hsiu	Male						√	√																																																																													
				<p>Professional knowledge and skills are as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Name of Director</th> <th colspan="6">Industrial experience</th> <th colspan="3">Expertise</th> </tr> <tr> <th>Professional service and marketing</th> <th>Finance and banking</th> <th>Bank and insurance</th> <th>Commerce and supply</th> <th>Information and technology</th> <th>Metal and machinery</th> <th>Laws</th> <th>Accounting</th> <th>Risk management</th> </tr> </thead> <tbody> <tr> <td>Hsieh, Li-Yun</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> </tr> </tbody> </table>	Name of Director	Industrial experience						Expertise			Professional service and marketing	Finance and banking	Bank and insurance	Commerce and supply	Information and technology	Metal and machinery	Laws	Accounting	Risk management	Hsieh, Li-Yun	√	√	√	√	√	√	√	√	√																																																				
Name of Director	Industrial experience						Expertise																																																																														
	Professional service and marketing	Finance and banking	Bank and insurance	Commerce and supply	Information and technology	Metal and machinery	Laws	Accounting	Risk management																																																																												
Hsieh, Li-Yun	√	√	√	√	√	√	√	√	√																																																																												

Issues to be Assessed	Implementation Status										Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons	
	Yes	No	Summary description									
			Lo, Shih-I	√	√	√	√	√	√	√	√	
			Lee, Chien-Te	√	√	√	√	√	√	√	√	
			Chiu, Sheng-Tien	√	√	√	√	√		√	√	
			Kuo, Jui-Tsai	√	√	√	√	√	√	√	√	
			Chen, Po-Han		√	√	√				√	√
			Shen, Ming-Chang		√	√	√	√	√	√	√	
			Wang, Guang-Hsiang		√	√	√	√		√	√	
			Yeh, Yen-Hsiu		√	√	√	√		√	√	
			<p>(2) Specific management objectives of the Company's Board diversity policy and implementation status:</p> <p>A. Specific management objectives:</p> <p>a. At least five of the Board members shall possess any of the abilities referred to in said table.</p> <p>b. Individual directors shall possess at least five abilities referred to in said table.</p> <p>B. Status: All of the Board members have achieved the goals under the diversity policy so far.</p> <p>The goals for the Board diversification, complementarity and implementation status have been achieved and maintained. In the future, the Company will develop the policy of diversity based on the Company's business operations, operating dynamics, and development needs, including but not limited to, the two general standards, basic requirements and values &amp; professional knowledge and skills, in order to ensure that the Board members have the knowledge, skills, and experience necessary to perform their duties.</p>									

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(II) Does the Company, in addition to setting up the Remuneration Committee and Audit Committee lawfully, have other functional committees set up voluntarily?		No	(II) The Company has established the Remuneration Committee and the Audit Committee which are required by law. Meanwhile, it will set up other functional committees subject to business needs in the future.	(II) Apart from the establishment of a remuneration committee and an audit committee in accordance with the law, the FSC does not mandate the establishment of other functional committees of the Company.
(III) Does the Company establish a set of policies and assessment methods to evaluate the Board of Directors' performance, conduct the performance evaluation regularly at least on an annual basis, and submit the results of performance assessments to the Board of Directors and use them as reference in determining remuneration for individual directors, and their nomination for additional office term? .	Yes		(III) The Company has established a set of policies and assessment methods to evaluate the Board of Directors' performance, conduct performance evaluations regularly, at least on an annual basis, and submit the results of performance assessments to the Board of Directors and use them as reference in determining remuneration for individual directors, and their nomination for additional terms of office.	(III) Compliance with the regulations.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																		
	Yes	No	Summary description																			
(IV) Does the Company regularly evaluate its external auditors' independence?	Yes		<p>(IV) The Company's Audit Committee evaluates the independence and adequacy of CPAs once a year and submits the result to the Board for resolution. In addition to requiring CPAs to provide a "Declaration of Independence" and "Audit Quality Indicator Report (AQI Report)," the Company also carried out the evaluation based on the standards in the notes and 13 AQIs with reference to the transparency report voluntarily published by Deloitte &amp; Touche in the most recent years. It has been confirmed that CPAs have no other financial interests or business relationships with the Company, except for the fees for audit and taxation cases, and that their family members have not violated the independence requirements. With reference to the AQI information, the Company confirmed that the audit quality of the CPAs and the CPA's firm is in compliance with the Company's requirements. The evaluation results for the most recent year were discussed and approved by the Audit Committee on March 12, 2025, and reported to and approved by the Board as a resolution on the same day. All CPAs of the Company have complied with the Company's independence and adequacy criteria (Note) and are legible to be CPAs of the Company.</p> <p>(Note) Independence and adequacy evaluation criteria for CPAs</p> <table border="1"> <thead> <tr> <th>Issues to be Assessed</th> <th>Yes</th> <th>No</th> </tr> </thead> <tbody> <tr> <td>1. The external auditors have no direct or significant indirect financial interests with the Company.</td> <td>✓</td> <td></td> </tr> <tr> <td>2. The external auditors have no close business relationships with the Company.</td> <td>✓</td> <td></td> </tr> <tr> <td>3. The CPAs have no potential employment relationships with the Company during the audit on the Company.</td> <td>✓</td> <td></td> </tr> <tr> <td>4. The external auditors have no financing activities with the Company.</td> <td>✓</td> <td></td> </tr> <tr> <td>5. The external auditors do not receive any valuable gift or present from the Company or any of the Company's directors, supervisors or managers</td> <td>✓</td> <td></td> </tr> </tbody> </table>	Issues to be Assessed	Yes	No	1. The external auditors have no direct or significant indirect financial interests with the Company.	✓		2. The external auditors have no close business relationships with the Company.	✓		3. The CPAs have no potential employment relationships with the Company during the audit on the Company.	✓		4. The external auditors have no financing activities with the Company.	✓		5. The external auditors do not receive any valuable gift or present from the Company or any of the Company's directors, supervisors or managers	✓		(IV) No difference.
Issues to be Assessed	Yes	No																				
1. The external auditors have no direct or significant indirect financial interests with the Company.	✓																					
2. The external auditors have no close business relationships with the Company.	✓																					
3. The CPAs have no potential employment relationships with the Company during the audit on the Company.	✓																					
4. The external auditors have no financing activities with the Company.	✓																					
5. The external auditors do not receive any valuable gift or present from the Company or any of the Company's directors, supervisors or managers	✓																					

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>(valuing beyond the general social etiquette standards).</p> <p>6. The external auditors have not provided the Company with the audit services for seven consecutive years.</p> <p>7. The external auditors do not hold any shares of the Company.</p> <p>8. None of the external auditors or their spouses or dependents, or audit team members currently serves as a director, supervisor or manager of the Company or holds the position that would renders significant influence over the audit cases of the Company during the audit period or in the past two years, and during the future audit period.</p> <p>9. Whether the external auditors satisfy the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10, and whether the Company has received the “Statement of Independence” issued by the external auditors.</p>	
IV. Does the TWSE/TPEX listed company assign the adequate number of competent corporate governance officers, and appoint the chief corporate governance officer responsible for the corporate governance affairs (including but not limited to, provision to directors/supervisors the information needed by them to perform their	Yes		<p>The Company’s Board of Directors resolved on November 11, 2022 to appoint the Company’s chief corporate governance officer. Assistant Vice President of Finance Dept., Huang, Chun-Ta, was appointed to serve as the chief corporate governance officer responsible for the corporate governance practices.</p> <p>1. Functions:</p> <p>(1) Organization of the Board of Directors meetings and shareholders’ meetings pursuant to laws</p> <p>(2) Preparation of the Board of Directors meeting and shareholders’ meeting minutes</p>	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
duties, assistance to directors/supervisors in legal compliance, organization of the Board of Directors meetings and shareholders' meetings pursuant to laws, and preparation of the Board of Directors meeting and shareholders' meeting minutes, etc.)?			<p>(3) Assistance to directors and supervisors in holding office and continuing education.</p> <p>(4) Provision to directors/supervisors the information needed by them to perform their duties</p> <p>(5) Assistance to directors/supervisors in legal compliance</p> <p>2.2024 business implementation status</p> <p>(1)Organized Board meetings and shareholders' meetings pursuant to laws</p> <p>(2)Assisted in matters related to the continuing education of Directors (the continuing education of Directors has been reported to the MOPS)</p> <p>(3)Examined whether the Company meets the scoring requirements for corporate governance evaluation indicators</p> <p>(4)Amended the internal regulations related to corporate governance in accordance with the latest laws and regulations related to the Company's business field and corporate governance and submitted them to the Board for resolution.</p> <p>3.The chief corporate governance officer's continuing education program is stated as following:</p> <p>(1) Course name: Corporate Strategies and Responses Amid Global Economic and Financial Changes Date: May 9, 2024 Organization: Taiwan Securities Association Course hours: 3</p> <p>(2) Course name: Board and Executive Leadership: Roles and Duties in ESG Governance Date: June 27, 2024 Organization: Taiwan Corporate Governance Association Course hours: 6</p> <p>(3) Course name: Opportunities and Challenges for Industrial</p>	

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons									
	Yes	No	Summary description										
			<p>Transformation in Taiwan under Geopolitical Tensions</p> <p>Date: November 12, 2024</p> <p>Organization: Securities and Futures Institute</p> <p>Course hours: 3</p>										
V. Does the Company establish a communication channel for the stakeholders (including but not limited to, shareholders, employees, customers and suppliers), set up the stakeholder section on the Company's website, and respond to the stakeholders regarding their concerns over important corporate social responsibilities?	Yes		<p>The Company examined the stakeholders' connection to the Right Way and discussed and analyzed it at the stakeholder and material issue analysis meeting. In 2024, four types of material stakeholders were identified, including customers, employees, shareholders, and competent authorities. The communication with material stakeholders was reported to the Board on November 12, 2024, as follows:</p> <p>The material issues of concern of material stakeholders and communication (response) methods in 2024 are as follows:</p> <table border="1"> <thead> <tr> <th>Type of stakeholder</th> <th>Material issues of concern</th> <th>Communication (response) method</th> </tr> </thead> <tbody> <tr> <td>Customer</td> <td> <ul style="list-style-type: none"> <li>Product quality</li> <li>Business ethics</li> <li>Hazardous substance management</li> <li>Information security</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Customer Audit</li> </ul> </td> </tr> <tr> <td>Employee</td> <td> <ul style="list-style-type: none"> <li>Product quality</li> <li>Financial performance</li> <li>Talent development</li> <li>Talent attraction and retention</li> <li>Diversity, inclusion and equal rights</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Employee Welfare Committee</li> <li>Performance interview</li> <li>Education and Training</li> <li>Labor-management meeting</li> <li>Announce the employee complaint mailbox/Employee Welfare Committee</li> </ul> </td> </tr> </tbody> </table>	Type of stakeholder	Material issues of concern	Communication (response) method	Customer	<ul style="list-style-type: none"> <li>Product quality</li> <li>Business ethics</li> <li>Hazardous substance management</li> <li>Information security</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Customer Audit</li> </ul>	Employee	<ul style="list-style-type: none"> <li>Product quality</li> <li>Financial performance</li> <li>Talent development</li> <li>Talent attraction and retention</li> <li>Diversity, inclusion and equal rights</li> </ul>	<ul style="list-style-type: none"> <li>Employee Welfare Committee</li> <li>Performance interview</li> <li>Education and Training</li> <li>Labor-management meeting</li> <li>Announce the employee complaint mailbox/Employee Welfare Committee</li> </ul>	No difference.
Type of stakeholder	Material issues of concern	Communication (response) method											
Customer	<ul style="list-style-type: none"> <li>Product quality</li> <li>Business ethics</li> <li>Hazardous substance management</li> <li>Information security</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Customer Audit</li> </ul>											
Employee	<ul style="list-style-type: none"> <li>Product quality</li> <li>Financial performance</li> <li>Talent development</li> <li>Talent attraction and retention</li> <li>Diversity, inclusion and equal rights</li> </ul>	<ul style="list-style-type: none"> <li>Employee Welfare Committee</li> <li>Performance interview</li> <li>Education and Training</li> <li>Labor-management meeting</li> <li>Announce the employee complaint mailbox/Employee Welfare Committee</li> </ul>											

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons															
	Yes	No	Summary description																
			<table border="1"> <tr> <td></td> <td></td> <td>mailbox on the intranet or via internal e-mail</td> </tr> <tr> <td>Shareholders</td> <td> <ul style="list-style-type: none"> <li>Product quality</li> <li>Financial performance</li> <li>Information security</li> <li>Talent attraction and retention</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Investor conference</li> <li>Annual shareholders' meeting</li> <li>MOPS/announcements on the Company's website</li> </ul> </td> </tr> <tr> <td>Competent authority</td> <td> <ul style="list-style-type: none"> <li>Business ethics</li> <li>Information security</li> <li>Product quality</li> <li>Sustainable supply chain</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Announcements on MOPS</li> <li>Correspondence</li> </ul> </td> </tr> </table> <p>The stakeholder communication frequency, communication status, and communication channels in 2024 are as follows:</p> <table border="1"> <thead> <tr> <th>Type of stakeholder</th> <th>Communication frequency and communication status</th> <th>Communication channel</th> </tr> </thead> <tbody> <tr> <td>Customer</td> <td> <ul style="list-style-type: none"> <li>Annually</li> <li>From time to time</li> </ul> </td> <td>Business executives: Benjamin.lin benjamin.lin@rightway.tw</td> </tr> </tbody> </table>			mailbox on the intranet or via internal e-mail	Shareholders	<ul style="list-style-type: none"> <li>Product quality</li> <li>Financial performance</li> <li>Information security</li> <li>Talent attraction and retention</li> </ul>	<ul style="list-style-type: none"> <li>Investor conference</li> <li>Annual shareholders' meeting</li> <li>MOPS/announcements on the Company's website</li> </ul>	Competent authority	<ul style="list-style-type: none"> <li>Business ethics</li> <li>Information security</li> <li>Product quality</li> <li>Sustainable supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Announcements on MOPS</li> <li>Correspondence</li> </ul>	Type of stakeholder	Communication frequency and communication status	Communication channel	Customer	<ul style="list-style-type: none"> <li>Annually</li> <li>From time to time</li> </ul>	Business executives: Benjamin.lin benjamin.lin@rightway.tw	
		mailbox on the intranet or via internal e-mail																	
Shareholders	<ul style="list-style-type: none"> <li>Product quality</li> <li>Financial performance</li> <li>Information security</li> <li>Talent attraction and retention</li> </ul>	<ul style="list-style-type: none"> <li>Investor conference</li> <li>Annual shareholders' meeting</li> <li>MOPS/announcements on the Company's website</li> </ul>																	
Competent authority	<ul style="list-style-type: none"> <li>Business ethics</li> <li>Information security</li> <li>Product quality</li> <li>Sustainable supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Announcements on MOPS</li> <li>Correspondence</li> </ul>																	
Type of stakeholder	Communication frequency and communication status	Communication channel																	
Customer	<ul style="list-style-type: none"> <li>Annually</li> <li>From time to time</li> </ul>	Business executives: Benjamin.lin benjamin.lin@rightway.tw																	

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons									
	Yes	No	Summary description										
			<table border="1"> <tr> <td>Employee</td> <td> <ul style="list-style-type: none"> <li>Quarterly, four times in 2024</li> <li>Bi-annually, two times in 2024</li> <li>From time to time, new employee training and internal auditor educational training for IATF 16949 and ISO 14001</li> <li>Quarterly, four times in 2024</li> <li>From time to time</li> </ul> </td> <td>           TEL : 06-2664101 extension 3118(labor union)            kiwi.chen@rightway.tw         </td> </tr> <tr> <td>Shareholders</td> <td> <ul style="list-style-type: none"> <li>From time to time, held in December 17th 2024</li> <li>Annually, held on June 11, 2024</li> <li>From time to time</li> </ul> </td> <td>           Acting Spokesperson :            Don.Huang            Don.Huang@rightway.tw         </td> </tr> <tr> <td>Competent authority</td> <td> <ul style="list-style-type: none"> <li>From time to time</li> <li>From time to time</li> </ul> </td> <td>           Acting Spokesperson :            Don.Huang            Don.Huang@rightway.tw         </td> </tr> </table> <p>The Company has appointed the Spokesperson and Deputy Spokesperson, who may engage in two-way communication via phone, fax or interview, if necessary. Besides, the Company's website (<a href="https://www.rightway.com.tw/">https://www.rightway.com.tw/</a>) has also set up the Stakeholder Section to respond to the stakeholders regarding their concerns over important corporate social responsibilities.</p>	Employee	<ul style="list-style-type: none"> <li>Quarterly, four times in 2024</li> <li>Bi-annually, two times in 2024</li> <li>From time to time, new employee training and internal auditor educational training for IATF 16949 and ISO 14001</li> <li>Quarterly, four times in 2024</li> <li>From time to time</li> </ul>	TEL : 06-2664101 extension 3118(labor union) kiwi.chen@rightway.tw	Shareholders	<ul style="list-style-type: none"> <li>From time to time, held in December 17th 2024</li> <li>Annually, held on June 11, 2024</li> <li>From time to time</li> </ul>	Acting Spokesperson : Don.Huang Don.Huang@rightway.tw	Competent authority	<ul style="list-style-type: none"> <li>From time to time</li> <li>From time to time</li> </ul>	Acting Spokesperson : Don.Huang Don.Huang@rightway.tw	
Employee	<ul style="list-style-type: none"> <li>Quarterly, four times in 2024</li> <li>Bi-annually, two times in 2024</li> <li>From time to time, new employee training and internal auditor educational training for IATF 16949 and ISO 14001</li> <li>Quarterly, four times in 2024</li> <li>From time to time</li> </ul>	TEL : 06-2664101 extension 3118(labor union) kiwi.chen@rightway.tw											
Shareholders	<ul style="list-style-type: none"> <li>From time to time, held in December 17th 2024</li> <li>Annually, held on June 11, 2024</li> <li>From time to time</li> </ul>	Acting Spokesperson : Don.Huang Don.Huang@rightway.tw											
Competent authority	<ul style="list-style-type: none"> <li>From time to time</li> <li>From time to time</li> </ul>	Acting Spokesperson : Don.Huang Don.Huang@rightway.tw											

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
VI. Has the Company commissioned a professional shareholders service agent to handle shareholders affairs?	Yes		For the time being, the Company has appointed Shareholders Service Agency Dept., Yuanta Securities to handle the shareholders' meetings on behalf of the Company.	No difference.
VII. Information disclosure				
(I) Has the Company set up a website to disclose the Company's business, finance and corporate governance information?	Yes		(I) The Company has set up the website ( <a href="https://www.rightway.com.tw/">https://www.rightway.com.tw/</a> ) to introduce the Company's overview and business activities, disclose related information about business, finance and corporate governance on the website, and also enter the same to the MOPS for reference by the public per the competent authority's requirement.	(I) No difference.
(II) Does the Company adopt other information disclosure methods (e.g., establishing an English website, designating dedicated persons for collecting and disclosing information of the Company, practicing the spokesperson system, posting the investor conference on the Company's website, etc.)?	Yes		(II) The Company has set up webpages in English and designated dedicated personnel to collect the information about the Company and disclose the same according to facts. Meanwhile, the Company has also appointed a Spokesperson and Deputy Spokesperson. The Company is invited to attend the industry conference organized by Yuanta Securities periodically each year. For the details on business and finance, please visit the List of Investor Conferences or the Investor Conferences on the MOPS.	(II) No difference.
(III) Does the Company publish and report its annual financial report within two	Yes		(III) The Company publishes and reports its annual financial report within three months after the end of a fiscal year, and publishes and reports its	(III) No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
months after the end of a fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating status for each month before the specified time limit?			financial reports for the first, second, and third quarters as well as its operating status for each month before the specified time limit.	
VIII. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to, employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements, implementation of customer policy, and insuring against liabilities of the Company's directors and supervisors)?	Yes		<p>(I) Employees' rights and interests</p> <ol style="list-style-type: none"> <li>1. Employees may reflect their opinions on personal rights and interests, welfare, management and working environment to the Company at any time, and the reflection channel includes director supervisors and the Management Department.</li> <li>2. The Company has various welfare programs and also provides employee bonuses and year-end bonuses.</li> </ol> <p>(II) Employee care</p> <p>The Company has organized relevant matters of employee welfare and encourages employees to participate in health/leisure activities so as to adjust employees' body and mind and improve their cohesion.</p> <p>(III) Investor relations</p> <ol style="list-style-type: none"> <li>1. The Company discloses its financial and operational information on the "MOPS" in accordance with relevant laws and regulations to ensure the basic rights and interests of investors.</li> <li>2. To optimize the Company's system, it actively strengthened the functions of Directors and supervisors to improve the transparency of the Company's operations and protect shareholders' rights and interests.</li> <li>3. The Company has a website and a spokesperson and deputy spokesperson system to provide investors with financial and business information of transparency.</li> </ol> <p>(IV) Supplier relations</p> <ol style="list-style-type: none"> <li>1. Regularly examine the product cost structure and profit margin achievements to ensure the reasonableness of the purchase price.</li> </ol>	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>2. Maintain unblocked communication channels with suppliers and protect the rights and interests of both parties on the basis of mutual trust and mutual benefits.</p> <p>(V) Rights of stakeholders</p> <ol style="list-style-type: none"> <li>1. The Company respects intellectual property rights, and there has been no infringement on intellectual property rights.</li> <li>2. The Company attaches great attention to the media coverage of relevant laws and regulations on a daily basis to ensure that it obtains the latest laws and regulations in a timely manner.</li> <li>3. The Company discloses the implementation of social responsibility in the annual report for the shareholders' meeting.</li> </ol> <p>(VI) Continuing education of Directors All Directors of the Company have conducted training in accordance with the "Samples of the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies" during the year.</p> <p>(VII) Implementation of risk management policies and risk measurement standards The Company has established its internal control system, audit system, and self-evaluation procedures that render healthy control.</p> <p>(VIII) Implementation of customer policies The Company has established its Procedures for Handling Customer Complaints to duly determine the issues and the responsibility attribution of customer complaints, adopt prompt and effective countermeasures, and propose preventive and corrective measures to prevent the recurrence of similar incidents.</p> <p>(IX) Liability insurance purchased by the Company for Directors The Company has purchased liability insurance for Directors.</p>	
<p>IX. Please explain improvements that have been made as well as priorities to improve the results of the Corporate Governance Evaluation issued by the Taiwan Stock Exchange Corporate Governance Center. (Not required, if the Company is not one of the evaluated subjects.) The Company has adopted the Corporate Governance Best Practice Principles and appointed the Chief Corporate Governance Officer upon approval on November 11, 2022. The Company also plans to strengthen the preparation of the ESG report as the first priority.</p>				

Issues to be Assessed	Implementation Status		Summary description	Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No		
<p>1. According to the results of the previous Corporate Governance Evaluation, the improvements are as follows:  (1) The Company recorded the material content of shareholders' questions and its responses in the minutes of the annual shareholders' meeting.  (2) Uploaded uninterrupted audio and video throughout the shareholders' meeting after the meeting.</p> <p>2. The priority enhancements and improvement measures for the year are as follows:  (1) The company's annual report discloses the link between the performance evaluations and remuneration of directors and managerial officers.</p>				

Note 1: Always provide explanations in the summary description column, regardless of whether the status is ticked "Yes" or "No."

Note 2: The corporate governance self-assessment report refers to the report on the Company's current operation and execution of various self-assessment indicators as assessed and explained by the Company independently.

(IV) Composition and operations of the Remuneration Committee:

The Remuneration Committee consists of the whole independent director, operating in accordance with the Company's Articles of Association for Remuneration Committee. Its main job responsibilities include:

1. Stipulate and regularly review the performance of the directors and managerial officers, as well as the compensation policies, systems, standards and structure.
2. Regularly evaluate and stipulate the remuneration to directors and managerial officers.

(1) Information on members of the Remuneration Committee:

May 9, 2025

Identity	Name	Professional qualifications and experience	Number of other publicly listed companies in which concurrently serving as a remuneration committee member
Independent Director	Shen, Ming-Chang	Please refer to Pages 9~10.	2
Independent Director	Wang, Guang-Hsiang	Disclosure of information about professional qualifications of directors and independence of independent directors	1
Independent Director	Yeh, Yen-Hsiu		0

(2) Operations of the Remuneration Committee

1. The Remuneration Committee consists of 3 members.
2. Term of office to be held by the current (5th) Committee: June 20, 2022~June 19, 2025.  
The 5th Remuneration Committee convened 2(A) meetings in 2024.

Details of members' eligibility and attendance are stated as follows:

Title	Name	Actual Attendance in Person (B)	Attendance by Substitution	Actual Attendance Rate (%) (B/A)	Notes
Convener	Shen, Ming-Chang	2	0	100	
Committee member	Wang, Guang-Hsiang	2	0	100	
Committee member	Yeh, Yen-Hsiu	2	0	100	

Other issues to be recorded:

Date, session, contents of motion and resolutions of meetings held by the Remuneration Committee in the most recent year, and how the Company has responded to Remuneration Committee's opinions

Date and session of the meeting	Content of Motions	Remuneration Committee's resolutions	How the Company has responded to Remuneration Committee's opinions
2024/3/12 5th meeting of the 5th Committee	Review on director and employee remuneration distribution plan.	Approved by all of the Committee members unanimously	Approved by all present directors unanimously
2024/11/12 6th meeting of the 5th Committee	For review on the Company's determination of the salary & bonus to directors and managerial officers, and the year-end bonus to the Company's directors, existing managerial officers and employees.	Approved by all of the Committee members unanimously	Approved by all present directors unanimously

Should the Board reject or modify the suggestions from the Remuneration Committee, state the date, session, contents of the motions, resolution made by Board meeting and results thereof, and how the Company has responded to the Remuneration Committee's opinions (describe the differences and reasons, if any, should the Board of Directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): Not this situation.

Should any resolution(s) by the Remuneration Committee be passed but with any member voicing opposing or qualified opinions on the record or in writing, please describe the date and session of the meeting, contents of the motion, the entire members' opinions, and how their opinions are addressed: Not this situation.

(3) Information about the members and operations of the Nomination Committee: N/A.

(V) Status of promotion of sustainable development and the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX

Listed Companies and the reasons:

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
I. Has the Company established a governance structure to promote sustainable development, and set up a dedicated (or one holding concurrent positions) unit to promote sustainable development, with the board authorizing the senior management to manage the organization which is supervised by the board?	Yes		<p>1. The Board has authorized the President to promote various matters of sustainable development. As the dedicated unit to promote sustainable development, the Finance Department assists the President in formulating policies and coordinating the implementation of sustainability-related issues with relevant departments.</p> <p>2. In 2024, the Company's main initiatives for sustainable development were GHG inventory, establishment of sustainable development best practice principles, and sustainable development action plans. As of the end of 2024, the Company planned the timetable for matters related to GHG inventory and formulated the Sustainable Development Best Practice Principles and sustainable development action plans. The verification was completed in May 2024.</p> <p>3. The Finance Department has made the plan and progress of the quarterly GHG inspections in 2024 and has subsequently reported the implementation progress to the Board (dates: March 12, 2024, May 9, 2024, and August 12, 2024). Greenhouse gas verification has been completed, and the inventory and verification of greenhouse gas emissions have been designated as routine annual tasks; therefore, they will no longer be included in reports to the Board of Directors.</p> <p>4. The Company's chief corporate governance officer also reported the implementation of ethical corporate management, the promotion of the "Sustainable Corporate Development Action Plan," the "risk management" status under corporate governance, and the "communication with stakeholders" under corporate governance in 2024 (date: November 12, 2024).</p>	No difference

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			The Board examines relevant issues, provides opinions when necessary, and provides the management team with recommendations for improvement.	
II. Has the Company conducted risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulated relevant risk management policies and strategies?	Yes		<p>The risk evaluation boundary refers to the Company, including the locations in Taiwan and Malaysia, and subsidiary Right Way Industrial (Malaysia) Sdn. Bhd. is included in the scope based on its relevance to the main business and the level of impact on material topics. It also conducted the evaluation on the environmental, social and corporate governance issues related to the operations, subject to the principle of materiality and the results of communication with internal/external stakeholders. The management policy on the related risk issues is specified as follows:</p> <p>(I) Environmental issues:</p> <p>1. Climate change-related risk: The Company keeps watching the temperature control of air conditioners at the business place and office premises, air conditioner and uses energy effectively, hoping to achieve the goal of energy conservation and carbon reduction. Meanwhile, it also improves the internal and external risk communications with respect to the environmental safety and health practices, follow up the government's news in a timely manner, distribute correct information internally, improve the knowledge about epidemic prevention, and respond to the government's epidemic prevention and promotion practices.</p> <p>(II) Social Issues:</p> <p>1. Supply chain risk: Avoid excessive concentration of sources of procurement, and expand the supplier lineup proactively, in order to adjust the procurement quantity and items from time to time and mitigate the disturbance that might be caused by any single supplier's contingency, if any.</p> <p>2. Information security risk: The Company practices various information security management</p>	No difference

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>mechanisms, engages in the training and promotion of various information security programs from time to time, prepares the backup of key systems and databases regularly and stimulates and tests various information security incidents, in order to ensure the security controls by the information systems and users.</p> <p>(III) Corporate Governance Report</p> <p>1. Foreign exchange rate risk: The Company sends the dedicated personnel to execute the controls, collect the information on changes in the foreign exchange rates and forecast on the trends. Additionally, in order to mitigate the foreign exchange rate risk, the Company's adopts the specific improvement measures to cover the payment for procurement with the sales revenue denominated in the same currency to achieve the effect of natural hedging and also continues to improve the foreign exchange hedging operating model.</p> <p>2. Financing costs: The Company, based on Taiwan as the corporate business center, controls its subsidiaries' finance and capital. It provides the subsidiaries with more lenient credit terms and conditions, and also provide financing subject to the subsidiaries' business development needs, in order to reduce their dependence on local financial institutions, and considers the interest spreads in various countries in terms of the Group's overall interest to reduce the financing costs.</p>	
<p>III. Environmental issues</p> <p>(I) Does the Company have an appropriate environmental management system established in</p>	Yes		<p>(I) The Company has established the ISO 14001 environmental management system. Meanwhile, it continues to pass third-party assurances. (valid from July 11, 2023 to July 10, 2026), and it conducts</p>	(I) No difference.

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
<p>accordance with its industrial character?</p> <p>(II) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?</p>	Yes		<p>annual GHG inventory in accordance with ISO 14064-1 to track the emissions reduction achievements, which are disclosed in the Sustainability Report and on the Company's website. The greenhouse gas inventory was verified in May 2024.</p> <p>(II) The Company fulfills its corporate responsibility towards environmental protection and the safety and health of colleagues, which is based on the awareness of environmental protection, the management requirements for pollution control, and the social responsibility of environmental protection. The Company is committed to environmental protection and pollution reduction. It classifies and collects various wastes and engages qualified suppliers for treatment or reuse. It also improves the reusability of raw materials to maximize the use of renewable energy, communicates the recycling and reuse of printing paper, and requires employees to use e-mails to reduce paper consumption and, in turn, reduce the environmental load and achieve the purpose of recycling and reuse.</p> <p>In 2024, the achievements of our commitments to improving energy consumption efficiency are as follows:  The energy-saving target for 2024 was set at 1%, which was mainly due to the connection of the compressed air piping systems in the plant and replacement of old 50HP fixed-frequency air compressors with poor efficiency by variable-frequency air compressors. The original pipeline buried underground was corroded by moisture. The air pressure was seriously leaking and the pressure was unable to be concentrated. Even using two HP air compressors was not able to meet the operational needs of the site. After resetting the pipelines, only one air compressor is needed to meet operational needs, saving the electricity and maintenance cost of one extra air</p>	(II) No difference.

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>compressor, saving 1.98% of the energy consumption of the entire plant. Other energy-saving measures include the conversion of hydraulic broaching machines to servomotors. Next year, the Company plans to reduce the number of compressed air pipes in Plant 2 from 3 to 2 units, which is expected to save 1.1% of electricity. We will also replace hydraulic variable-frequency clamps and chiller systems.</p> <p>The solar power generation unit was installed on the roof 7 years ago and 3 years ago based on the lease. The solar power generation unit installed 7 years ago adopts the fixed monthly rent, so no power generation statistical data are available. The capacity of the solar power generation unit installed in 2021 was 1,489.2KW, with the total power generation in 2023 and 2024 as 1,904,403 kWh and 1,882,171 kWh, respectively. In the future, Right Way Industrial will re-evaluate the area where solar energy equipment may be installed, and consider the mode of power generation for self-use.</p> <p>The energy used by the Company mainly includes purchased electricity and liquefied natural gas (LNG). Energy consumption in 2023: electricity 33,846.65 GJ, liquefied petroleum gas 22,137.11, total energy consumption during the reporting period 56,124.09 GJ, and energy intensity: 0.10 GJ per unit of production (piece). Energy consumption in 2024: electricity 34,082.81 GJ, liquefied petroleum gas 25,277.31, total energy consumption during the reporting period 60,373.93 GJ. and energy intensity: 0.08 GJ per unit of production (piece). The product division implemented optimized production line scheduling to increase hourly output. Although total energy consumption was slightly higher than last year, the energy intensity decreased by 19.3% compared to the previous year.</p> <p>The achievements of using recycled supplies with low impacts on the environmental load in 2024 are as follows:</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(III) Does the Company assess the current and future potential risks and opportunities that climate change may present to enterprises and adopt related responsive measures?	Yes		<p>The Company continues to carry out the corrective action to reduce waste output and disposal costs. Currently, the main projects in progress at the site are specified as follows:</p> <ol style="list-style-type: none"> <li>1. Lubricating oil for static recovery and increasing the turnover rate to reduce the cost of lubricating oil disposal and treatment;</li> <li>2. Iron and aluminum impurities in waste oil are treated separately and reused after filtration. Aluminum cutting oil is then squeezed to purify the oil;</li> <li>3. The Cleaning naphtha is left for the sedation of impurities before being reused so as to reduce the procurement volume;</li> <li>4. The consumables and collected wood chips from the sheet metal factory are declared for recycling under code R0701.</li> </ol> <p>(III)With reference to the "Recommendations of the Task Force on Climate-related Financial Disclosures" issued by the Task Force on Climate-related Financial Disclosures (TCFD), the Company collected and analyzed foreign and domestic discussions on climate change issues to reinforce its response and management of climate change issues. In 2024, we implemented internal climate change risk and opportunity assessment procedures in accordance with the Company's internal climate change risk and opportunity assessment procedures with reference to the TCFD's recommended disclosure practices. The increasingly stringent climate change-related reporting requirements, the increase in disclosure items, the impact of steel-related industries of the carbon border tax, the imposition of carbon fees on major carbon emission companies, the replacement of existing products with low-carbon products in the market, changes in customers' behaviors due to low-carbon consumption requirements, and the increase in raw material cost due to the</p>	(III) No difference.

Items to be promoted	Implementation Status		Summary description	Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																													
	Yes	No																															
(IV) Does the Company maintain statistics on GHG emission, water consumption, and total waste volume in the last two years, and implement policies aiming at energy conservation and reduction of GHG, water consumption or other wastes?	Yes		<p>course of low-carbon transformation are issues with higher risks. Meanwhile, it assessed the climate physical risks related to low-frequency typhoons with increased intensity. The relevant departments of the Company are responsible for promoting response plans for the risks and opportunities identified in 2024.</p> <p>(IV)The Company maintain statistics on GHG emission, water consumption, and total waste volume in the last two years as follow: Greenhouse Gas Inventory InformationDescribe the emission volume (metric tons CO<sub>2</sub>e), intensity (metric tons CO<sub>2</sub>e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Direct Scope 1 (tCO<sub>2</sub>e)</th> <th>Indirect from energy Scope 2 (tCO<sub>2</sub>e)</th> <th>Other indirect Scope 3 (tCO<sub>2</sub>e)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>1,484.8907</td> <td>5,749.0115</td> <td rowspan="2">Complete Scope 3 inventory in coordination with the parent company by 2028 at the latest.</td> </tr> <tr> <td>2024</td> <td>1,526.5282</td> <td>5,938.0452</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Year</th> <th>GHG Emissions – Total (tCO<sub>2</sub>e)</th> <th>Intensity (tCO<sub>2</sub>e/NT\$ million)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>1,484.8907</td> <td>6.3400</td> </tr> <tr> <td>2024</td> <td>1,526.5282</td> <td>7.2009</td> </tr> </tbody> </table> <p>Water consumption and total weight of waste:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Water consumption</th> <th>Total weight of waste (unit: ton)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>13,295</td> <td>378.18</td> </tr> <tr> <td>2024</td> <td>15,305</td> <td>703.66</td> </tr> </tbody> </table> <p>GHG reduction policy: The company is an energy user, and 99% of the GHG emissions come from the electricity and natural gas purchased. Each year, the Company saves</p>	Year	Direct Scope 1 (tCO <sub>2</sub> e)	Indirect from energy Scope 2 (tCO <sub>2</sub> e)	Other indirect Scope 3 (tCO <sub>2</sub> e)	2023	1,484.8907	5,749.0115	Complete Scope 3 inventory in coordination with the parent company by 2028 at the latest.	2024	1,526.5282	5,938.0452	Year	GHG Emissions – Total (tCO <sub>2</sub> e)	Intensity (tCO <sub>2</sub> e/NT\$ million)	2023	1,484.8907	6.3400	2024	1,526.5282	7.2009	Year	Water consumption	Total weight of waste (unit: ton)	2023	13,295	378.18	2024	15,305	703.66	(IV) No difference.
Year	Direct Scope 1 (tCO <sub>2</sub> e)	Indirect from energy Scope 2 (tCO <sub>2</sub> e)	Other indirect Scope 3 (tCO <sub>2</sub> e)																														
2023	1,484.8907	5,749.0115	Complete Scope 3 inventory in coordination with the parent company by 2028 at the latest.																														
2024	1,526.5282	5,938.0452																															
Year	GHG Emissions – Total (tCO <sub>2</sub> e)	Intensity (tCO <sub>2</sub> e/NT\$ million)																															
2023	1,484.8907	6.3400																															
2024	1,526.5282	7.2009																															
Year	Water consumption	Total weight of waste (unit: ton)																															
2023	13,295	378.18																															
2024	15,305	703.66																															

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>1% of electricity according to the energy-saving targets established by the energy user and the execution plan. The ISO14064-1:2018 was introduced in 2023. In addition, the Company has completed the independent third-party verification of the greenhouse gas category 1 and category 2 emissions in 2024. We plan for the target of GHG reduction by 1% each year in accordance with the Company's energy-saving targets. In 2024, measures such as replacing fixed frequency air compressors with variable frequency ones, phasing lighting fixtures, and upgrading compressed air pipes were implemented. These measures saved 1.33% of electricity and reached the annual greenhouse gas reduction target. In the future, the Company will continue to monitor the internal and external trends of climate change issues, seek reduction opportunities, and improve its competitiveness.</p> <p>Waste management policy: The Company continues to carry out the corrective action to reduce waste output and disposal costs based on its waste management policy. The main projects are specified as follows:</p> <ol style="list-style-type: none"> <li>1. Lubricating oil for static recovery and increase in the turnover rate to reduce the cost of lubricating oil disposal and treatment;</li> <li>2. Iron and aluminum impurities in waste oil are treated separately and reused after filtration. Aluminum cutting oil is then squeezed to purify the oil;</li> <li>3. The stain removal oil is allowed to stand to precipitate impurities before being reused, thus reducing the amount of purchases.</li> <li>4. The consumables and collected wood chips from the sheet metal factory are declared for recycling under code R0701.</li> </ol> <p>Water consumption reduction policy:</p> <ol style="list-style-type: none"> <li>1. Use faucets with water-saving functions.</li> <li>2. Put up water-saving labels to remind employees to save water.</li> </ol>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons								
	Yes	No	Summary description									
			<p>3. Install water-saving valves in toilets to reduce water supply and fix the water leakage of toilets or water pipes at the workplace as soon as practicable.</p> <p>4. Set up water recycling and reuse measures and strengthen the recycling rate.</p>									
<p>IV. Social Issues</p> <p>(I) Does the Company develop its policies and procedures in accordance with laws and International Bill of Human Rights?</p>	Yes		<p>(I) The Company provides the protection of employees' basic interests and rights in accordance with the Labor Standards Act, organizes the Worker Welfare Committee pursuant to the relevant laws and regulations governing worker welfare, contributes welfare funds as required for employee welfare practices, and establishes a fair communication channel between labor and management.</p> <p>In order to protect and safeguard the basic human rights of employees, the Company supports and follows the spirit of human rights protection and basic principles disclosed in international human rights conventions such as the "Universal Declaration of Human Rights by the United Nations" and the "ILO Convention"; it has also formulated its human rights policy.</p> <p>The company formulates and discloses human rights protection policies and specific management plans:</p> <p>1. Regarding the implementation of human rights risk mitigation measures: There are "Complaint and Punishment Measures for Sexual Harassment and Stalking Prevention Measures".</p> <p>2. Education and training: The Company organized relevant education and training courses with a total of 114 participants.</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Course name</th> <th>Hours</th> <th>No. of participants</th> </tr> </thead> <tbody> <tr> <td>2024/4/13</td> <td>Prevention of</td> <td>3</td> <td>70</td> </tr> </tbody> </table>	Date	Course name	Hours	No. of participants	2024/4/13	Prevention of	3	70	(I) No difference.
Date	Course name	Hours	No. of participants									
2024/4/13	Prevention of	3	70									

Items to be promoted	Implementation Status				Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons		
	Yes	No	Summary description				
(II) Does the Company adopt and implement reasonable employee benefit policy (including remuneration, vacation and other	Yes			Sexual Harassment and Gender Equality Act			
			2024/9/29	Workplace Bullying Prevention and Practical Case Studies	2		1
			2024/11/27	Sexual Harassment Prevention: Have We Crossed the Line?	2.5		34
			2024/11/12	Prevention of Workplace Sexual Harassment and Related Measures (For Directors)	1		9
			(II) 1. The Company's current employee work rules are established in accordance with the Labor Standards Act. In terms of remuneration, the Company has established relevant remuneration, bonuses and performance evaluation regulations to effectively link work performance with individual remuneration. The implementation of business performance reflected in				
				(II) No difference.			

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
benefits, etc.), and reflect the operating performance or results to the remuneration to employees adequately?			<p>employees' remuneration is as follows:</p> <p>(1) Year-end bonus system:  Year-end bonuses are distributed to all employees based on the estimated operating results of the year by taking employees' seniority and the annual performance evaluation into account to provide incentives to all employees to jointly make efforts for the Company's targets. Also, the Articles of Incorporation stated that if the Company has profits for the year, it shall appropriate 0.1% to 3% as the remuneration of employees, which shall be distributed to all employees based on the annual performance evaluation. provided that the profit must first be taken to offset against the Company's cumulative losses, if any, and then the remuneration to employees may be allocated subject to the proportions referred to in the preceding paragraph.</p> <p>(2) Annual salary adjustment:  The annual raise is set subject to the business performance and individual performance. The more outstanding performance there is, the higher the raise is in order to achieve the incentive effect. The average raise was approximately 6% in 2023.</p> <p>(3) Employee share options  The Company has established the Regulations for Issuance and Subscription of Employee Stock Warrants. The number of shares available for subscription is approved according to the employee's job level and work performance to attract and retain professional talents required by the Company and improve employees' cohesion and sense of belonging. 2,300 units of employee stock warrants were issued (another 1,300 units remained unissued) in 2023, and employees subscribed for 537,750 shares in 2023.</p> <p>(4) Capital increase in cash  The company also has an employee stock subscription plan for executing a capital increase in cash. The number of shares available for</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	Yes		<p>subscription is approved according to the employee's job level and work performance to improve employees' cohesion so as to achieve the purpose of talent retention.</p> <p>2. In addition to labor insurance, National Health Insurance, and the leave system, other employee welfare includes welfare activities from time to time (i.e., employee gatherings), and the fixed welfare measures include domestic/overseas company trips, bonuses and gifts for the three major Chinese festivals, birthday gifts, marriage, bereavement, and childbirth subsidies organized by the Company's welfare committee.</p> <p>3. Provide free organic vegetarian Chinese meals.</p> <p>4. The Company continues to promote workplace diversification and equal opportunities for promotion. In 2024, the average proportion of female employees will be 29.26%, and the average proportion of female senior managers will be 27.3%.</p> <p>(III)The Company provides employees with a health checkup without charge each year and delegates labor safety staff to train all employees about safety and health education. Meanwhile, it is committed to reducing hazards to employees' safety and health, preventing potential occupational hazards and also providing the nursing personnel residing at the factory premises with necessary first aid equipment and measures. Meanwhile, the Company already executed the cooperation agreement with Kuo General Hospital, under which the Hospital shall send the physicians recognized by the central competent authority to provide healthcare counseling, medical consultation and medical referral services to the employees at the Company's premises at the designated time on a monthly basis during the term of the agreement.</p>	(III) No difference.

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>In order to prevent the employees from occupational accidents, the Company is committed to promoting the related safety education, and also implements various protection measures as below:</p> <ol style="list-style-type: none"> <li>1. Workers engaged in grinding pistons shall wear protective goggles.</li> <li>2. Workers driving forklifts shall wear safety helmets and seat belts, and drive the forklifts at the speed limit of no more than 25 kilometers, and no passengers are allowed.</li> <li>3. Workers working in high temperature environments shall wear protective gloves.</li> <li>4. Workers working in a noisy working environment shall wear earplugs.</li> </ol> <p><u>Occupational Safety and Health Policy</u></p> <p>The Company complies with the Occupational Safety and Health Act, and the policies established by related groups. Meanwhile, the Company respects the interested groups' occupational safety and health requirements, in order to construct a healthy and happy workplace.</p> <p>The Company upholds the disaster preparedness and prevention as the core concept, applies appropriate management tools, matures technology and available resources, integrates occupational safety and health issues at the factory premises, proposes effective countermeasures, continues to improve and promote occupational safety culture, and also improves the operating personnel protection management. Meanwhile, it invests resources to improve the prevention of occupational diseases and create a zero disaster environment.</p> <p>Further, the Company also establishes the quantitative indicators, expands the occupational safety and health activities to products and related services, improves the entire occupational safety and health performance, and controls risks effectively.</p> <p>In 2024, Right Way Taiwan reported 0 fatalities, 0 serious occupational injuries, 8 recordable occupational injuries. The Total</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>Recordable Incident Rate (TRIR or LTIR) was 3.03 and Days Away, Restricted, or Transferred (DART) rate 1.9. All incidents involved the Company's employees, and the primary type of occupational injuries were attributable to commuting-related traffic accidents. During the reporting period, there were zero occupational disease cases and zero non-employee accidents. In addition to reporting occupational injury statistics on a monthly basis as required by law, the Company also conducts root-cause analysis and improvement measures for accidents. Re-training on occupational safety for employees is also enhanced to prevent recurrence of the same incident.</p> <p>The key safety improvement measures in 2024 included increasing the number of fall arrest systems in the organic pit, reinforcing protective barriers around motor transmission components, and providing foot covers to prevent burns from aluminum molten metal. Next year, we plan to replace manual removal of aluminum dust with the introduction of extractors, and to upgrade the dust collector of the sandblasting machines to reduce the risk of airborne dust dispersion.</p> <p>Upon thorough review in the countermeasures, the Company revised the automatic inspection indicators, inspected the machine safety interlocking components and reiterated the Company's safety and survival clauses, as well as activating management's care for the physical and mental state of employees to ensure the employees' safety at work.</p> <p><u>Labor Operating Environment Monitoring</u></p> <p>To grasp the status of the labor work environment and assess the exposure of workers, the Company conducts 4 work environment monitoring every year to monitor and control physical and chemical hazard</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>factors, ensure the safety and health of workers, and prevent occupational disasters.</p> <p><u>Labor Safety Inspection</u></p> <p>The Company has established the annual labor safety inspection team’s work plan. The general manager serves as the general convener. The inspection reports are applied by the labor safety inspection team in the “labor safety inspection system,” in order to register the suggested improvements and improvement of deficiencies as reference for all units online. The inspection is conducted once per month, and time to time at factory premises. Subject to the suggested improvements, the labor safety inspection team meeting will discuss the deficiencies each month.</p> <p><u>Equipment Safety Management</u></p> <p>The Company determines the grading of equipment, lists and controls dangerous machine and equipment pursuant to laws, and conducts thorough inspection to ensure the safe operation of the equipment. In 2024, the Company's machinery has undergone regular inspections in accordance with “Occupational Safety and Health Management Act” and “Occupational Safety and Health Facility Rules” to ensure the safety of equipment and facilities.</p> <p><u>Education and Training</u></p> <p>The Company provides the designated personnel with various professional courses and education &amp; training for the prescribed hours, in accordance with the “Rules for Occupational Safety and Health Education and Training,” in order to communicate various safety and health requirements and emergent response policies to the workers.</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons												
	Yes	No	Summary description													
(IV) Does the Company have an effective career capacity development training program established for employees?	Yes		<p><u>The Company's Labor Safety Education, Training and Promotion in the Most Recent Three Years</u></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Persons attended the education and training sessions</th> <th>Man hours (H) for the education and training sessions</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>193</td> <td>508</td> </tr> <tr> <td>2023</td> <td>289</td> <td>971</td> </tr> <tr> <td>2024</td> <td>392</td> <td>1,295</td> </tr> </tbody> </table> <p><u>Certification by the Company</u>  The Company's factory premises have established the ISO 45001 system.  <u>The number of fire incidents, the number of casualties, the ratio of the number of casualties to the total number of employees, and relevant improvement measures in response to fire incidents:</u>  Number of fire incidents during the year: 0  Number of casualties: 0  The ratio of the number of casualties to the total number of employees: Not applicable  Relevant improvement measures in response to fire incidents: The Company has established various risk assessment standards and emergency response operations (i.e., fire and flood emergency response and drills in accordance with the Organizational Situation Analysis and Management Procedures and Emergency Response Procedures under IATF16949.</p> <p>(IV) Right Way Industrial has a well-established human resource management system upholding “screening, selecting, educating, using, and retaining” principles. It selects suitable talents according to the job description and provides them with sufficient training to enable them to exert their strengths and help us retain good talents. We have established a</p>	Year	Persons attended the education and training sessions	Man hours (H) for the education and training sessions	2022	193	508	2023	289	971	2024	392	1,295	(IV) No difference.
Year	Persons attended the education and training sessions	Man hours (H) for the education and training sessions														
2022	193	508														
2023	289	971														
2024	392	1,295														

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>dedicated education and training unit. New recruits must undergo the orientation training. On-the-job training will be based on the needs of the job and the successor training plan. Education and training on job functions and operational management will be combined with job development to explore the potential of each person. We aim to make the best use of our talents for the effective operation of the organization and the improvement of customer service quality. HR conducts annual education and training needs survey, job function inspections, special skills and professional certification retro-training each year, and arranges the education and training plan for next year for implementation. It is expected that employees will be able to perform better after receiving sufficient and appropriate education and training. Therefore, we also strive to provide employees with learning motivation to link education and training with the evaluation and promotion systems.</p> <p>The training materials are also improved based on actual business needs. For example, the HR Committee has added the annual important topics to the education and training materials based on the experience in conducting audit against international automakers. Some professional operations require professional licenses, such as X-RAYs, cranes, forklifts, environmental safety, labor safety and occupational nurses, etc. We arrange annual plans for professional technicians to receive regular training. Meanwhile, Right Way Industrial organizes business administration-related courses especially for grassroots officers, in order to cultivate their problem analysis and improvement planning capabilities, as well as strengthen internal communication and teamwork cohesion, and achieve sustainable corporate development. We believe that each employee has the most suitable career development. Combining the interests and functions of employees and working with the Company's business development goals, we create a learning culture and stimulate the potential of individuals and</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(V) Does the Company comply with laws and international standards with respect to customers' health, safety and privacy, marketing and labeling in all products and services offered, and implement consumer or customer interest protection policies and grievance procedures?			<p>the organization. Employees in different professional fields can receive appropriate training to strengthen their professional skills and improve their abilities. Through a variety of learning channels and abundant training resources, each employee can improve their professional capabilities and enjoy self-growth.</p> <p>The total number of hours of classes in 2024 was 697.2 hours, and the training expenditure totaled NT\$869,111.</p> <p>(V)</p> <p>1.The Company primarily engages in the production of metal processing products, which are ultimately applied to equipment or important automotive and motorcycle parts. Before mass production of such products, they would go through the test per the product specifications and customers' requirement. The services related to the products strictly comply with customers' instruction and related laws and regulations. The Company's official website also provides the contact mailbox to accept relevant grievances.</p> <p>2. The plates/raw materials of the Company's system furniture products are E0 environmental products, with the highest international level, imported from European factories to meet the different requirements of customers.</p>	(V) No difference
(VI) Does the Company adopt any specific supplier management			<p>(VI)</p> <p>1. The Company has established its "Supplier's Code of Conduct" to allow</p>	(VI) No difference

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
<p>policy demanding that the suppliers comply with the related regulations governing environmental protection, occupational safety and health or labors' human rights, and how is the policy implemented?</p>			<p>suppliers to understand and comply with the Company's social, environmental, and ethical requirements in terms of labor rights and interests, health and occupational safety and health, environmental protection, ethical specifications, and management systems.</p> <p>2. The management practices for suppliers are as follows:</p> <p>(A) "Supplier's Code of Conduct": The Company established its "Supplier's Code of Conduct," which is observed by suppliers.</p> <p>(B) "Assessment on product, environmental and social responsibility, and human rights of suppliers": The Company has established the "Supplier Management Procedures" to evaluate products, environmental and social responsibility, and human rights. Right Way Industrial conducts the evaluation primarily based on the quality management system. The selection process consists of the evaluation on product conformity, uninterrupted supply of goods, and related quality and delivery performance, and fulfillment of the corporate social responsibility of the Company and suppliers. If the supplier has the IATF 16949 quality certification system, ISO 14001 environmental management system, ISO 45001 occupational safety and health management system and other contributions to the environment, they may be listed as qualified suppliers. Evaluated as Grade B or above.</p> <p>(C) Newly developed supplier screening mechanism Newly developed suppliers shall go through the documentary review and approval. Meanwhile, a supplier development team shall be established. The procurement unit serves as the convener, and the members shall consist of personnel from the quality assurance, technical, industrial safety and other units to conduct the on-site assessment on new suppliers. The supplier evaluation form consists of nine major assessment indicators, including quality assurance, process control, engineering management, material</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>supply control, resolution of abnormality in quality, education and training, finished goods shipping management, environmental considerations, and HSE management. An order may be placed only after the new suppliers pass the supplier evaluation. A total of 5 new suppliers selected in 2024 have gone through the on-site evaluation and were held satisfying the safety and environmental protection requirements.</p> <p>(D) Audit on Supplier</p> <p>To ensure that the products and services provided by the suppliers meet the requirements, QA personnel arrange supplier manufacturing process audit plans every year according to the Operating Standards for Engineering Monitoring. One to two audits are conducted per month, and engineering monitoring and audit as well as product audits are carried out. Meanwhile, the annual evaluation on suppliers' QA system is conducted against the suppliers with average monthly amount of procurement dependence exceeding NT\$200,000, and also key suppliers selected as the targets of annual supplier evaluation. The evaluation is organized by the QA personnel each year, which, together with the procurement and technical units, shall conduct the supplier evaluation from September to December, and notify the suppliers within 10 days prior to the evaluation. Auditors conducting the annual supplier evaluation shall understand the supplier's process technology and product requirements and have the competence of second-party auditors. The evaluation shall be implemented item by item based on the second-party audit method and spirit. The evaluation results are recorded in the annual supplier evaluation score sheet for each item. The evaluation results are divided into five grades, namely AA, A, B, C and D. In the annual supplier's total scores, 40% for the total scores of the supplier performance assessment, 10% for exemption from inspection, 10% for the number of deliveries, 10% for acquisition of ISO 9001 or IATF 16949 certification, 15% for the delivery achievement rate, and 15% for the cost</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>matching rate. The annual evaluation is a plus/minus item, with AA grade +3 points, A grade +2 points, B grade +1 point, C grade -1 point, and D grade -2 points. For suppliers rated as D, they will be asked to apply stricter quality control and receive counseling services in the next 6 months. If the suppliers' performance still does not meet the Company's requirements and the suppliers fail to improve it, the procurement personnel shall apply for approval of termination of the transactions upon evaluation.</p> <p>(E) The on-site construction audits  In 2023, Right Way Industrial conducted the on-site construction audits against 23 suppliers and annual evaluation on 8 suppliers, for a total of 31 suppliers. There are no negative environmental impacts from the supply chain were found. Also there are no risks related to human rights, such as freedom of association, child labor, and forced labor. In 2023, a total of 63 suppliers were included in the annual general supplier evaluation with an overall average score of 80.6. None of the suppliers with a grade of D, and the suppliers of grade C will also be counseled, such as reviewing process technical problems to overcome product quality non-conformity, or on-site process monitoring to confirm process stability in order to improve.</p> <p>(F) Supplier Counseling  A visit is paid to the supplier's site to verify the forging equipment, mold problems, forging temperature and time control, hardness and impurities, and gradually improve and pass the OE customer's engineering monitoring before the transfer. The defective rate at the initial stage of mass production was 30%~50%. After continuous feedback of problems, the rate has been improved as less than 5%. In the future, we also hope to communicate with different process suppliers, constantly review the processing procedures and optimize the process, such as reducing the carrier for rework and rework or fine-grained process arrangement, in order to</p>	

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			complete products that meet the standards at one time, meet customers' needs and gradually reduce the number of enterprise's carbon emissions and move towards sustainable supply chain management.	
V. Does the Company prepare the corporate ESG report or any report of non-financial information based on international reporting standards or guidelines? Have the abovementioned reports obtained the verification or assurance opinions from third-party certification organizations?	Yes		2024 Sustainability Report based on the GRI Standards published by the Global Reporting Initiative (GRI) as the reference disclosure standards, it conducts the management procedures for material sustainability issues. The company has adopted the Sustainability Accounting Standards Board (SASB) and TCFD as the core topic of the Report to prepare the Report. In 2023, it appointed Legendary & Steadfast Accountancy (LSA) to provide the limited assurance in accordance with the "ISAE 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information."	No difference.
VI. If the Company has established its own ethical management principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe the current practices and any deviations thereof from such principles: The Company has established its "Sustainable Development Best Practice Principles" to continuously strengthen the implementation of sustainable corporate development. The actual operation is no different from the Company's Principles.				
VII. Other important information for facilitating the understanding of sustainable development and its implementation: The systems and measures adopted by the Company for environmental protection, community involvement, social contributions, social services, social welfare, consumer rights and interests, human rights, safety and health, and other social responsibility activities and their implementation: (I) Environmental protection 1. The waste generated by the Company is treated by a dedicated unit in accordance with environmental protection regulations, and the domestic garbage is centrally managed and classified. 2. The Company complies with the government's relevant environmental protection laws and regulations and conserves various resources in order to implement the environmental protection campaign. (II) Community involvement, social contribution, social services and social welfare: The Company supports the activities of disadvantaged groups in society from time to time and actively participates in activities related to building friendships with neighbors. (III) Consumer rights and interests: The Company values product quality, safety and innovation, responds to customer complaints in a timely manner, and				

Items to be promoted	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
<p>provides customers with comprehensive product information to protect consumer rights and interests.</p> <p>(IV) Human rights</p> <ol style="list-style-type: none"> <li>1. The Company's personnel regulations comply with the Labor Standards Act, and dedicated personnel are in place to handle employee-related matters to protect the basic rights and interests of employees.</li> <li>2. The Company shall not offer different treatments due to gender in the recruitment, interview, promotion, performance evaluation or promotion of job candidates or employees; the Company has also stipulated relevant requirements.</li> </ol> <p>(V) Safety and health: The Company provides employees with necessary safety and health education and disaster prevention and response training measures based on their work to ensure the safety of the working environment.</p> <p>(VI) Others: None.</p>				

## Climate-Related Information of TWSE/TPEX Listed Company

### 1. Implementation of Climate-Related Information

Item	Implementation status															
<p>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</p>	<p>(1) The Board approved the “Risk Management Regulations” of the Company on November 11, 2022 in order to establish a comprehensive risk management system and stable business operations to move toward the goal of sustainable development. The scope of risk management covers financial risk, operational risk, information security risk, environmental risk, and other risks, and emerging risks that may have direct and indirect economic impacts on stakeholders and the economy (i.e., climate change) are also included for identification and management.</p> <p>(2) The board of directors is the highest decision-making unit for risk management, and the director of corporate governance serves as the person in charge of risk management promotion. The Company's climate change governance structure allocates authority and responsibilities in accordance with the existing risk management organizational structure. Each business unit shall be the direct unit for initial risk discovery, assessment and control. The financial department shall coordinate, manage, and report the operation of risk management to the Board on a regular basis.</p>															
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>Based on the results of the identification and assessment of climate risks and opportunities in 2024, we concluded the main risk and opportunity factors that may cause short-, mid-, and long-term impacts. After internal and external discussions, 7 main risks and 1 possible opportunity were summarized. Extreme weather events may cause impacts on the Company as follows:</p> <table border="1" data-bbox="689 954 2069 1441"> <thead> <tr> <th data-bbox="689 954 976 994">Transformation risk</th> <th data-bbox="976 954 1283 994">Risk factor</th> <th data-bbox="1283 954 1525 994">Financial impact</th> <th data-bbox="1525 954 2069 994">Response strategies and plans</th> </tr> </thead> <tbody> <tr> <td data-bbox="689 994 976 1326">Short-term (0-1 years)</td> <td data-bbox="976 994 1283 1326"> <ul style="list-style-type: none"> <li>■ The reporting requirements for climate change have become more stringent, and the number of disclosure items has increased</li> </ul> </td> <td data-bbox="1283 994 1525 1326">Increase in indirect costs</td> <td data-bbox="1525 994 2069 1326"> <ul style="list-style-type: none"> <li>■ The Company will continue to plan the training on greenhouse gas inventory and IFRS S2, in order to enhance the awareness of climate change, and meet the need for disclosure in the future.</li> </ul> </td> </tr> <tr> <td data-bbox="689 1326 976 1441">Mid-term (1-3 years)</td> <td data-bbox="976 1326 1283 1441"> <ul style="list-style-type: none"> <li>■ Carbon border tax affects the iron and steel-</li> </ul> </td> <td data-bbox="1283 1326 1525 1441">Increase in direct cost</td> <td data-bbox="1525 1326 2069 1441"> <ul style="list-style-type: none"> <li>■ Customers may focus on the location of suppliers. The proportion of our products</li> </ul> </td> </tr> </tbody> </table>				Transformation risk	Risk factor	Financial impact	Response strategies and plans	Short-term (0-1 years)	<ul style="list-style-type: none"> <li>■ The reporting requirements for climate change have become more stringent, and the number of disclosure items has increased</li> </ul>	Increase in indirect costs	<ul style="list-style-type: none"> <li>■ The Company will continue to plan the training on greenhouse gas inventory and IFRS S2, in order to enhance the awareness of climate change, and meet the need for disclosure in the future.</li> </ul>	Mid-term (1-3 years)	<ul style="list-style-type: none"> <li>■ Carbon border tax affects the iron and steel-</li> </ul>	Increase in direct cost	<ul style="list-style-type: none"> <li>■ Customers may focus on the location of suppliers. The proportion of our products</li> </ul>
Transformation risk	Risk factor	Financial impact	Response strategies and plans													
Short-term (0-1 years)	<ul style="list-style-type: none"> <li>■ The reporting requirements for climate change have become more stringent, and the number of disclosure items has increased</li> </ul>	Increase in indirect costs	<ul style="list-style-type: none"> <li>■ The Company will continue to plan the training on greenhouse gas inventory and IFRS S2, in order to enhance the awareness of climate change, and meet the need for disclosure in the future.</li> </ul>													
Mid-term (1-3 years)	<ul style="list-style-type: none"> <li>■ Carbon border tax affects the iron and steel-</li> </ul>	Increase in direct cost	<ul style="list-style-type: none"> <li>■ Customers may focus on the location of suppliers. The proportion of our products</li> </ul>													

		<p>related industries</p> <ul style="list-style-type: none"> <li>■ Imposition of carbon fees on large companies with major carbon emissions</li> </ul>		<p>exported to the EU is relatively low. In the future, the Company will continue to focus on the relevant mechanisms of exporting countries.</p> <ul style="list-style-type: none"> <li>■ Continue to upgrade the old and obsolete equipment in the plant and pay attention to the latest technologies related to process equipment to improve the energy consumption of processes. The raw material prices of upstream suppliers will be reflected in the selling prices of products in accordance with market conditions.</li> </ul>
Long-term (3-5 years)	<ul style="list-style-type: none"> <li>■ Low-carbon products continue to replace existing products</li> <li>■ The low-carbon consumption requirements change customer behavior</li> <li>■ Rising raw material costs due to low-carbon transformation</li> </ul>	Increase in direct cost	<ul style="list-style-type: none"> <li>■ Based on the development trend of electric vehicles, Right Way has assisted customers in reducing energy consumption with lightweight products. In addition, the sales of cylinders may be affected; however, the proportion of sales of cylinders is small.</li> <li>■ The raw material prices of upstream suppliers will be reflected in the selling prices of products in accordance with market conditions.</li> </ul>	
Physical risk	Risk factor	Financial impact	Response strategies and plans	

	Long-term (3-5 years)	<ul style="list-style-type: none"> <li>■ Fewer typhoons with increased intensity</li> </ul>	Decrease in income due to the decrease in production capacity	<ul style="list-style-type: none"> <li>■ In response to heavy rainfalls that cause insufficient drainage, the cross-sectional area of the discharge outlet has been changed to increase the flow rate; automatic liquid level alarms and manual gates are used to control the direction of flooding, and the floor height of the plant is raised. There has been no equipment damage due to flooding arising from heavy rain.</li> <li>■ Due to the government's water restrictions (forced water conservation) during periods of water shortage, the current storage capacity of water towers is sufficient to buffer the water consumption of the process for two to three days. In addition, the plant conducts water shortage emergency response drills every two years to respond to possible future changes.</li> </ul>
	Transformation opportunity	Opportunity factor	Financial impact	Ways to realize the opportunity
	Short-term (0-1 years)	<ul style="list-style-type: none"> <li>■ Change to more efficient production processes</li> </ul>	Reduce indirect costs	<ul style="list-style-type: none"> <li>■ The Company is an energy user regulated by the "Requirements for Energy Users to Set Energy Saving Targets and Implement Programs" and must save at least 1% of electricity per year. At present, the Company has implemented the replacement of fixed frequency air compressors with inverter air</li> </ul>

				<p>compressors, the replacement of halogen lamps with LED lamps, and other measures. In 2024, the compressed air pipes were upgraded, reducing two fully running air compressors from to one operating at 80% capacity, saving 1.33% of electricity. In the future, the Company will continue to adopt high-efficiency equipment in response to the low-carbon transformation to reduce energy costs and strengthen production stability.</p>
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p><b>The financial impact of extreme weather events</b></p> <p>The Company compiles the information about risks over floods, storms, or shortage of water/electricity under the extreme climate change, based on the simulation information from the "Climate Change Disaster Risk Adaptation Platform" of the National Science and Technology Center for Disaster Reduction, "Taiwan Scientific Report on Climate Change 2017" and "Tainan City Climate Change Adaptation Plan 2020-Revised Version" and other research information. Based on the assessment on potential risks and upon the internal discussion, the impact posed on the Company's overall operations (e.g. shutdown and damage to equipment, etc.), upstream suppliers' supply pricing and supply chain's transportation is considered insignificant.</p> <p><b>Financial impact posed by transformation initiatives</b></p> <p>In reference to the "Taiwan 2050 Net-Zero Emission Roadmap and Strategy" of the National Development Council, the "Corporate Governance 3.0 - Sustainable Development Roadmap" of the FSC, the "Climate Change Response Act" of the Ministry of Environment, the Carbon Border Adjustment Mechanism of the EU, and industrial trends, the Company identifies risk and opportunity factors that may be associated with the Company's low-carbon transformation in the future. The Company will continue to promote energy conservation and carbon reduction measures, replace and update outdated power-consuming equipment, and seek the supply sources of raw materials emitting lower carbon in order to provide low-carbon products to customers. The initial stage of the process will increase the financial</p>			

	<p>expenditure in replacement of equipment, which will be amortized and recovered over the years subsequently.</p>
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<p>In reference to the "Taiwan 2050 Net-Zero Emission Roadmap and Strategy" of the National Development Council, the "Corporate Governance 3.0 - Sustainable Development Roadmap" of the FSC, the "Climate Change Response Act" of the Ministry of Environment, the Carbon Border Adjustment Mechanism of the EU, and industrial trends, the Company identifies risk and opportunity factors that may be associated with the Company's low-carbon transformation in the future. At the same time the Company identifies and consolidates potential physical risk factors associated with climate change, based on the simulation information from the "Climate Change Disaster Risk Adaptation Platform" of the National Science and Technology Center for Disaster Reduction, "Taiwan Scientific Report on Climate Change 2017" and "Tainan City Climate Change Adaptation Plan 2020-Revised Version" and other research information. The Company discusses the TCFD structure through cross-department meetings and analyzes the company's policies, regulations, technologies, market, urgency, and long-term climate risks on an item-by-item basis. It also examines the identification from time to time to ensure that the identification results comply with the current status. Based on the results of climate risk identification, response plans are formulated. Relevant departments develop continuous improvement measures and carry out follow-up reviews and implementation in accordance with the "Risk Management Regulations." Relevant management implementation status and risk control measures will be reported to the board of directors to supervise and track implementation results. The Company will further align with the IFRS Sustainability Disclosure Standards by incorporating analysis and assessment of sustainability information and climate-related core issues, and evaluating climate-related risks and opportunities in accordance with industry characteristics. The Company's Finance Department discusses the TCFD structure through cross-department meetings and analyzes the company's policies, regulations, technologies, market, urgency, and long-term climate risks on an item-by-item basis. It also examines the identification from time to time to ensure that the identification results comply with the current status. Based on the results of climate risk identification, response plans are formulated. Relevant departments develop continuous improvement measures and carry out follow-up reviews and implementation in accordance with the "Risk Management Regulations." Relevant management implementation status and risk control measures will be reported to the board of directors to supervise and track implementation results.</p>
<p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p>	<p>The transformation risk mainly considers the 2050 Net-Zero scenario, and the physical risk mainly considers the SSP-8.5 scenario. In the future, the Company will further integrate the international standards and connect the General Requirements for Disclosure of Sustainability under IFRS by adopting them directly. In the future, the low-carbon transformation process will be affected by more stringent regulations and policies and the increase in energy costs, thereby resulting in the increase in the manufacturing costs of</p>

	<p>the supply chain and boosting the price of raw materials and end consumption. Meanwhile, the Company will optimize the method by which the risk assessment should be analyzed to proceed with the planning and disclosure for financial quantitative assessment.</p>
<p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<p>In order to respond to global climate change and connect to international low-carbon trends, the Company will have discussions about the transformation plans of climate-related risks and conduct an analysis for the level of effect and probability.</p> <p>In August 2022, the FSC announced that starting from 2024, TWSE/TPEX-listed companies will be required to disclose nine types of major information in their annual reports, including the impact of climate change on the Company's finance and business, corporate governance attitude, and risk assessment, which also includes four hypothetical climate scenarios and GHG inventory. In the future, the Company will further adopt international standards and directly adopt IFRS sustainability disclosure standards.</p> <p>The Company is an energy user, and 99% of the GHG emissions come from the purchased electricity and natural gas. Each year, the Company saves 1% of electricity according to the energy-saving targets established by the energy user and the execution plan. It actively introduced ISO14064-1:2018 in 2023, and the Company completed the inventory and third-party verification of Scope 1 and Scope 2 greenhouse gas emissions in accordance with the ISO 14064-1:2018 standard in 2024. The Company supports government energy conservation policies and has established an annual greenhouse gas emission reduction target of no less than 1%.</p>
<p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>	<p>The Company does not use internal carbon pricing as a planning tool. Subsequently, policies, customers or external trends will be comprehensively evaluated as a reference for whether to promote carbon pricing in the future.</p>
<p>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</p>	<p>Please refer to the descriptions in 1-1 and 1-2 below.</p>
<p>9. Greenhouse gas inventory and assurance status and reduction targets,</p>	<p>Please refer to the descriptions in 1-1 below.</p>

strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	
---	--

1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information Describe the emission volume (metric tons CO<sub>2</sub>e), intensity (metric tons CO<sub>2</sub>e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

The organizational boundary for the greenhouse gas inventory is defined in accordance with ISO 14064-1:2018, using the operational control approach. The scope covers the Company and its subsidiary, Right Way Industrial (Malaysia) Sdn. Bhd.

	Direct Scope 1 (tCO <sub>2</sub> e)	Indirect from energy Scope 2 (tCO <sub>2</sub> e)	Other indirect Scope 3 (tCO <sub>2</sub> e)	Intensity (tCO <sub>2</sub> e /NT\$ million)
2023	1,715.1667	6,413.9272	Complete Scope3 inventory in coordination with the parent company by 2028 at the latest.	7.1183
2024	1,484.8907	5,749.0115		6.3400
Note: Greenhouse gas emissions intensity is calculated as the sum of Scope 1 and Scope 2 emissions divided by the revenue reported in the consolidated financial statements.				

1-1-2 Greenhouse Gas Assurance Information

Items/Year	2023	2024
The scope of assurance	Scope 1 & Scope 2	Scope 1 & Scope 2
GHG inventory standard	ISO 14064-1:2018	GHG Protocol Corporate Standard
Assurance institutions	SGS Taiwan Limited	SGS Taiwan Limited
Assurance standards	ISO 14064-3:2019	ISO 14064-3:2019
Assurance opinion	The Information Contents of Modified Unqualified Audit Opinions	The physical inspection of the factory site was completed in April 2025. Formal assurance report to be obtained. The comprehensive assurance information

		will be disclosed in the Sustainability Report.
--	--	---

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

The Company is an energy user under control, and 99% of the GHG emissions come from the electricity and natural gas purchased. Each year, the Company saves 1% of electricity according to the energy-saving targets established by the energy user and the execution plan. The Company also conducts regular inventory of greenhouse gas emissions each year. In 2024, the inventory was conducted in accordance with the GHG Protocol. In the short term, apart from achieving the government's energy conservation targets, we plan to reduce greenhouse gas emissions by 1% per year. We will set and plan the subsequent targets based on the overall greenhouse gas reduction strategy of the parent company, Ta Chen International. In 2024, a budget was created for the implementation of the greenhouse gas inventory plan, including further phasing out of high-energy-consuming equipment and improving process efficiency. The Company has incorporated ISO 14001 environmental management system into the greenhouse gas management mechanism, and strengthened the effectiveness of continuous improvement through the overall risk management mechanism.

(VI) Status of the Company's practice of ethical corporate management and differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons:

(1) Practice of ethical management

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
<p>I. Establish corporate conduct and ethics policy and implementation measures.</p> <p>(I) Does the Company establish ethical management policies approved by the Board and state in its regulations or external correspondence about the ethical management polices and practices and the commitment of the Board of Directors and senior management to actively implement the operating policies?</p> <p>(II) Does the Company establish the assessment mechanism about unethical conduct to analyze and assess the operating activities with higher risk of unethical</p>	<p>Yes</p> <p>Yes</p>		<p>(I) The Company has established its own “Ethical Management Best Practice Principles” and “Operating Procedure for Ethical Management and Guidelines for Ethical Conduct,” which were already approved by the Board of Directors. Meanwhile, it states in its regulations or external correspondence about the ethical management polices and practices, and the commitment of the Board of Directors and senior management to actively implement the operating policies.</p> <p>(II) The Company expressly states in the “Operating Procedure for Ethical Management and Guidelines for Ethical Conduct” that any unethical conduct is prohibited, and also discloses therein that it complies with laws and policies.</p>	<p>(I) No difference.</p> <p>(II) No difference.</p>

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
<p>conduct in the scope of business periodically, and adopt the unethical conduct prevention program based on the mechanism, which shall at least cover the prevention measures referred to in the subparagraphs of Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?</p> <p>(III) Does the Company expressly state the SOP, guidelines for conduct and reward &amp; punishment and grievance systems in the unethical conduct prevention program, implement the same precisely, and review</p>	Yes		<p>(III) The Company expressly defines the scope and responsible unit of such program in the “Operating Procedure for Ethical Management and Guidelines for Ethical Conduct,” and reviews periodically whether it is necessary to amend said program.</p>	<p>(III) No difference.</p>



Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies		
	Yes	No	Summary description			
<p>program to the Board of Directors periodically (at least for once per year)?</p> <p>(III) Does the Company have any policy that prevents a conflict of interest and channels that facilitate the report of conflicts of interest, and implement the same precisely?</p> <p>(IV) Does the Company fulfill the ethical management by establishing an effective accounting system and internal control system, and have an internal</p>	<p>Yes</p> <p>Yes</p>		<table border="1"> <tr> <td>Integrity promotion</td> <td> <p>1.The Company promotes the laws and regulations related to insider trading at Board meetings, and remind directors not to trade their stocks during the period of 30 days before the annual financial report and 15 days before the quarterly financial report.</p> <p>2. In May 2024, the Company sent e-mail to directors and managers to promote laws and regulations and precautions related to insider trading and insider shareholding.</p> </td> </tr> </table> <p>(III) The Company’s “Operating Procedure for Ethical Management and Guidelines for Ethical Conduct” expressly states the relevant regulations requiring the stakeholders’ recusal from resolution. The Company’s employees may apply the smooth grievance channel to file any grievance directly or via their immediate supervisors.</p> <p>(IV) The Company has established the effective and sound accounting system and internal control system to promote the ERP information system comprehensively, and to connect the five major management functions, including business, finance, human resources, R&amp;D and production and sourcing, to each other via the information system to check the abnormality hierarchically and manage the abnormality. Further, the Company also established the professional and independent internal audit framework to audit the compliance with the system periodically and submit the audit report to the Board of Directors.</p>	Integrity promotion	<p>1.The Company promotes the laws and regulations related to insider trading at Board meetings, and remind directors not to trade their stocks during the period of 30 days before the annual financial report and 15 days before the quarterly financial report.</p> <p>2. In May 2024, the Company sent e-mail to directors and managers to promote laws and regulations and precautions related to insider trading and insider shareholding.</p>	<p>(III) No difference.</p> <p>(IV) No difference.</p>
Integrity promotion	<p>1.The Company promotes the laws and regulations related to insider trading at Board meetings, and remind directors not to trade their stocks during the period of 30 days before the annual financial report and 15 days before the quarterly financial report.</p> <p>2. In May 2024, the Company sent e-mail to directors and managers to promote laws and regulations and precautions related to insider trading and insider shareholding.</p>					

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
<p>audit unit research and adopt related audit plans based on the unethical conduct risk assessment result and conduct audits on the status of compliance with the unethical conduct prevention program, or appoint a CPA to conduct the audits?</p> <p>(V) Does the Company provide internal and external ethical conduct training programs on a regular basis?</p>	Yes		<p>(V) The Company has the Management Dept. organize the internal training program to promote the laws and regulations governing ethical management on a regular basis. Meanwhile, HR Office will explain the work rules and ethical management requirements to new employees after the new employees report for duty. It will also send employees to attend related external programs, if any, from time to time.</p>	<p>(V) No difference.</p>
<p>III. Operations of the Company's grievance reporting system</p> <p>(I) Does the Company have a specific report and reward system stipulated, a convenient whistle-blowing channel established, and a responsible staff</p>	Yes		<p>(I) Article 23 of the "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Corporate Management and Guidelines for Conduct" are related to the whistleblowing system. The personnel of the Company shall actively report unethical conduct to Independent Directors, managers, chief internal auditor or other appropriate personnel.</p>	<p>(I) No difference.</p>

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
<p>designated to deal with the accused party?</p> <p>(II) Does the Company define the standard operating procedure, followup measures to be taken upon completion of the investigation, and nondisclosure mechanism toward the investigation of reported cases as accepted?</p> <p>(III) Does the Company take proper measures to protect the whistleblowers from suffering any consequence when reporting an incident?</p>	<p>Yes</p> <p>Yes</p>		<p>(II) The Company has established standard operating procedures and relevant confidentiality mechanisms for the investigation of whistleblowing matters in Article 23 of the "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Corporate Management and Guidelines for Conduct."</p> <p>(III) The Company has established relevant protection measures in Article 23 of the "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Corporate Management and Guidelines for Conduct."</p>	<p>(II) No difference.</p> <p>(III) No difference.</p>
<p>IV. Enhance information disclosure</p> <p>Does the Company disclose the contents of its ethical management best practice principles and the result of</p>	<p>Yes</p>		<p>The Company has a website to announce relevant financial and operating information to facilitate investors' understanding of the Company's operations, and it discloses such information on MOPS.</p> <p>The Company's website (<a href="https://www.rightway.com.tw/">https://www.rightway.com.tw/</a>), and also the "MOPS" (URL: <a href="https://mops.twse.com.tw/">https://mops.twse.com.tw/</a>) where the Company's information is also made available.</p>	<p>No difference</p>

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
implementation at its official website and MOPS?				
V. If the Company has established its own ethical management best practice principles in accordance with “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies,” please describe the current practices and any deviations thereof from such principles: The Company upholds the principles of ethical corporate management in cooperating with all suppliers and organizations and has established the "Ethical Corporate Management Best Practice Principles," which has been approved by the Board of Directors. The operation is not different from the Company's best practice principles.				
VI. Other important information to facilitate better understanding of the Company’s ethical management practices (such as reviewing and amending the Company’s existing Ethical Management Best Practice Principles): None.				

(2) Implementation of ethical management and measures adopted therefor: Please access the MOPS or the Company’s website

(<https://www.rightway.com.tw>) for the other information that may facilitate better understanding of the information related to the Company.

(VII) Other material information that will provide a better understanding of the state of the Company's implementation of corporate governance:

Please visit the MOPS or the Company’s website (<https://www.rightway.com.tw>).

(VIII) Status of implementation of the Internal Control System:

1. Statement on Internal Control:

Right Way Industrial Co., Ltd.

Statement on Internal Control:

Date: March 12, 2025

Based on the findings of a self-assessment, the Company states the following with regard to its internal control system during the year of 2024:

- I. The Company acknowledges and understands that the establishment, implementation and maintenance of the internal control system are the responsibility of the board and managerial officers, and that such a system has been implemented within the Company. The purpose of this system is to provide reasonable assurance in terms of business performance, efficiency (including profitability, performance, asset security etc), reliable, timely and transparent financial reporting, and regulatory compliance.
- II. The internal control system is designed with inherent limitations. No matter how perfect the internal control system is, it can only provide a reasonable assurance to the fulfillment of the three objectives referred to above. Moreover, the effectiveness of the internal control system could be affected by the changes of environment and circumstances. However, internal control system of the Company features a self-monitoring mechanism that enables immediate rectification of deficiencies upon discovery.
- III. The Company has assessed the effectiveness of the internal control system design and implementation in accordance with the criteria provided in the “Regulations Governing the Establishment of Internal Control Systems by Public Companies” (hereinafter referred to as “the Regulations”). The criteria introduced by the Regulations consisted of five major elements, each representing a different stage of internal control: 1. Control environment; 2. Risk assessment; 3. Control operation; 4. Information and communication; and 5. Supervision. Each component has its own items. Please see the Regulations for details.
- IV. The Company has adopted said criteria to validate the effectiveness of its internal control system design and execution thereof.
- V. Based on the assessment result referred to in the preceding paragraph, the Company believes that the design and implementation of the internal control system (including monitoring and management on subsidiaries) as of December 31, 2024, including the achievement rate of effectiveness and efficiency of operations and reliability, timeliness, transparency, and regulatory compliance of reporting, as well as the compliance with applicable laws, regulations, and bylaws, are effective and may reasonably ensure the achievement of aforementioned goals.
- VI. The Statement will be an integral part of the Company’s annual report and prospectus, and will be made public. Any falsehood, concealment or other illegality in the content made public will entail legal liability under Article 20, 32, 171 and 174 of the Securities and Exchange Act.
- VII. The Statement was approved by the Board of Directors’ meeting held on March 12, 2025, with none of the 9 directors present expressing dissenting opinions, and the remainder all affirming the contents of the Statement.

Right Way Industrial Co., Ltd.

Chairman: Hsieh, Li-Yun

General Manager: Lo, Shih-I

2. CPA’s review report on internal control system, if any: None.

(IX) Important resolution of the shareholders' meeting and Board of Directors for the latest year until the date of publication of the Annual Report:

Date	Session	Key Resolutions
2024/3/12	11th meeting of the 25th Board of Directors	<ol style="list-style-type: none"> <li>1. Passed the Company's 2023 business report, parent company only financial statements and consolidated financial statements.</li> <li>2. Passed the Company's 2023 earnings distribution plan.</li> <li>3. Passed director and employee remuneration distribution plan.</li> <li>4. Passed the effectiveness of the Company's 2023 internal control system and the Statement on Internal Control System.</li> <li>5. Passed the evaluation on the independence and competence of the external auditors certifying the Company's financial statements.</li> <li>6. Passed the determination of the record date for capital increase out of issuance of new shares for the Company's employee stock warrants.</li> <li>7. Passed the amendments to certain provisions of the Company's "Rules of Procedure for Board of Directors Meetings".</li> <li>8. Passed the amendments to certain provisions of the Company's "Audit Committee Charter".</li> <li>9. Passed the date of convening the Company's 2024 annual general meeting, and related matters.</li> </ol>
2024/5/9	12th meeting of 25th Board of Directors	<ol style="list-style-type: none"> <li>1. Passed the Company's consolidated financial statements of Q1 2024.</li> </ol>
2024/6/11	2024 Annual General Meeting	<p>Ratification Topics:</p> <ol style="list-style-type: none"> <li>1. Ratification of 2023 financial statements</li> <li>2. Ratification of 2023 earnings distribution plan</li> </ol> <p>Discussion Topics: None.</p> <p><b><u>Implementation status: Not applicable.</u></b></p>
2024/8/12	13th meeting of 25th Board of Directors	<ol style="list-style-type: none"> <li>1. Passed the Company's consolidated financial statements of Q2 2024.</li> <li>2. Passed the Company's 2023 Sustainability Report.</li> <li>3. Passed the Company's new organizational structure.</li> </ol>
2024/11/12	14th meeting of 25th Board of Directors	<ol style="list-style-type: none"> <li>1. Passed the Company's consolidated financial statements of Q3 2024.</li> <li>2. Passed amend the Company's internal control systems, Internal audit implementation rules, and related management measures.</li> <li>3. Passed the Company's 2025 internal audit plan.</li> <li>4. Passed the Company's 2025 budget plan.</li> <li>5. Passed loaning to the subsidiary, Right Way Industrial (Malaysia) Sdn. Bhd..</li> <li>6. Passed review on the Company's determination of the salary &amp; bonus to directors and managerial officers, and the year-</li> </ol>

Date	Session	Key Resolutions
		end bonus to the Company's directors, existing managerial officers and employees.
2025/3/12	15th meeting of 25th Board of Directors	<ol style="list-style-type: none"> <li>1. Passed the Company's 2024 business report, parent company only financial statements and consolidated financial statements.</li> <li>2. Passed the Company's 2024 earnings distribution plan.</li> <li>3. Passed director and employee remuneration distribution plan.</li> <li>4. Passed the effectiveness of the Company's 2024 internal control system and the Statement on Internal Control System.</li> <li>5. Passed the evaluation on the independence and competence of the external auditors certifying the Company's financial statements.</li> <li>6. Passed the amendments to certain provisions of the Company's Articles of Incorporation.</li> <li>7. Passed the amendment to the Company's Internal Control System and relevant management procedures.</li> <li>8. Passed the re-election of the Company's directors.</li> <li>9. Passed the release of non-competition restrictions on newly elected directors and their representatives.</li> <li>10. Passed matters relating to the nomination of candidates for directors and independent directors for the 2025 Annual General Meeting of Shareholders.</li> <li>11. Passed the nomination and review of candidates for directors and independent directors.</li> <li>12. Passed the date and related matters for convening the Company's 2025 Annual General Meeting of Shareholders.</li> </ol>
2025/5/12	16th meeting of 25th Board of Directors	<ol style="list-style-type: none"> <li>1. Passed the Company's consolidated financial statements of Q1 2025.</li> </ol>

(X) The main contents of important resolutions of the Board passed but with directors or supervisors voicing opposing opinions on the record or in writing during the most recent year and up to the date of publication of the annual report: None.

#### IV. Audit fee of independent auditors

(I) If a change of CPA firm resulted in a lower audit fee for that year compared to the previous year, the amount and reason of the reduction before and after the change must be disclosed: : None.

(II) If the audit fee was reduced by more than 10% from the previous year, the actual amount, proportion, and reasons for the reduction must be disclosed: None

(III) Breakdown of CPA Professional Fee

Unit: NTD Thousand

Name of Accounting Firm	Name of Accountant	Audit Period	Audit Service	Non-Audit Service	Total	Notes
Deloitte of Touche	Lee, Chi-Chen Wu, Chang-Chun	2024.01.01~ 2024.12.31	3,908	446	4,354	Non-Audit Service: Transfer pricing 200 Commercial & industrial registration 46 Business traveling allowance 70 Others(Typing fee) 130

V. Information on change of auditors:None

VI. If the chairman, general manager and managerial officers in charge of the Company's finance and accounting operations held any positions within the Company's external auditor firm or its affiliates during the past one year: None.

**VII. Changes in the transfer or pledge of shares by directors, supervisors, managerial officers, and shareholders holding over 10% of the outstanding shares in the previous year and by the date of publication of the annual report:**

Changes in shareholding of directors, managerial officers, supervisors and principal shareholders

Title	Name		2024		Until May 9, 2025	
			Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Juristic-person director/ principal director	Brighton-Best International (Taiwan) Inc.		0	0	0	0
Chairman	Brighton-Best International (Taiwan) Inc.	Hsieh, Li-Yun	0	0	0	0
Director		Lo, Shih-I	(180,000)	(190,000)	150,000	0
Director		Lee, Chien-Te	0	0	0	0
Director		Chiu, Sheng-Tien	0	0	0	0
Director	Kuo, Jui-Tsai		0	0	0	0
Director	Chen, Po-Han		0	0	0	0
Independent Director	Shen, Ming-Chang		0	0	0	0
Independent Director	Wang, Guang-Hsiang		0	0	0	0
Independent Director	Yeh, Yen-Hsiu		0	0	0	0
General Manager	Lo, Shih-I		(180,000)	(190,000)	150,000	0
Financial Assistant Vice President	Huang, Chun-Ta		(90,000)	0	0	0
Technology Manager	Chen, Shu-Wei		(20,000)	0	0	0

Remark: Said information about changes in equity was prepared based on the number of shares reported to the competent authority.

**Transfer of equity:**

In the most recent fiscal year and up to the date of publication of this annual report, there have been no instances where the counterparty to a share transfer by any director, managerial officer, or shareholder holding more than 10% of the Company's shares was a related party of the Company.

**Information about pledge of equity:**

In the most recent fiscal year and up to the date of publication of this annual report, there have been no instances where the counterparty to a share pledge by any director, managerial officer, or shareholder holding more than 10% of the Company's shares was a related party of the Company.

**VIII. Relationship Information, If Among the Company's 10 Largest Shareholders Anyone is a Related Party or a Relative of Spouse or Within the Second Degree of Kinship of Other**

Book closure date: April 13, 2024

Units: Shares; %

Name	Shares held by the Principle		Shares held by the spouse or the minority		Total shares held utilizing others' names		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Notes
	Shares	%	Shares	%	Shares	%	Name	Relations	
Brighton-Best International (Taiwan) Inc. Representative: Hsieh, Li-Yun	53,540,000	17.82	0	0.00	0	0.00	None	None	None
	0	0.00	0	0.00	0	0.00	None	None	None
WIN POWER E and T CO., LTD. Representative: Lin, Ting-Chia	16,000,000	5.33	0	0.00	0	0.00	Note 1	Note 1	None
	0	0.00	0	0.00	0	0.00	None	None	None
YU PAO SYSTEM CABINET CO., LTD. Representative: Lin, Yun-Man	16,000,000	5.33	0	0.00	0	0.00	None	None	None
	0	0.00	0	0.00	0	0.00	None	None	None
SHING HWANG CO., LTD. Representative: Lin, Ting-Chia	15,600,000	5.19	0	0.00	0	0.00	Note 2	Note 2	None
	0	0.00	0	0.00	0	0.00	None	None	None
GREEN SYSTEM CO., LTD. Representative: Chen, Shih-Wen	13,000,000	4.33	0	0.00	0	0.00	None	None	None
	1,000,000	0.33	0	0.00	0	0.00	None	None	None
Hsiao, Chia-Sung	12,705,213	4.23	0	0.00	0	0.00	None	None	None
Feng, Leng-Chih	8,420,028	2.80	0	0.00	0	0.00	None	None	None
Jie Wei Te Investment Limited Representative: Chen, Yen-Chieh	7,000,000	2.33	0	0.00	0	0.00	None	None	None
	3,063,000	1.02	0	0.00	0	0.00	None	None	None
CHUAN MAI ENTERPRISE CO. Representative: Yen, Hsiu-Lien	6,000,000	2.00	0	0.00	0	0.00	None	None	None
	3,000,000	1.00	0	0.00	0	0.00	None	None	None
Cai Jin Investment Co., Ltd. Representative: Kuo, Chien-Ting	5,400,000	1.80	0	0.00	0	0.00	None	None	None
	310,000	0.10	0	0.00	0	0.00	None	None	None

Note 1: Same as the responsible person of SHING HWANG CO., LTD.

Note 2: Same as the responsible person of WIN POWER E & T CO., LTD.

**IX. The total number of shares and total equity stake held in any single investee by the Company, its directors and supervisors, managerial officers, and any enterprises controlled either directly or indirectly by the Company:**

**Total equity stake**

Unit: Thousand shares; %

Investee  (Note)	Ownership by the Company		Investment by directors, supervisors, managerial officers and any enterprises controlled either directly or indirectly by the Company		Total Ownership	
	Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership	Number of Shares	Percentage of ownership
Right Way Industrial (Malaysia) Sdn. Bhd.	28,666	80%	-	-	28,666	80%
Right Way North America, Inc	-	100%	-	-	-	100%
Excellent Growth Investments Limited	20,073	100%	-	-	20,073	100%

Note: The investment accounted for using the equity method.

### Three. Financing Activities

#### I. Notes to capital and shares

##### (I) Source of capital

Year and Month	Issue Price	Authorized Share Capital		Paid-in Capital		Notes		
		Number of Shares (Thousand Shares)	Amount (in thousand)	Number of Shares (Thousand Shares)	Amount (in thousand)	Source of capital	Capital Increase by Assets Other than Cash	Others
1964.11	1,000	1.5	1,500	1.5	1,500	Investment in cash by NT\$1.5 million	None	—
1966.04	1,000	4	4,000	4	4,000	Cash capital increase by NT\$2.5 million	None	—
1967.07	1,000	5	5,000	5	5,000	Cash capital increase by NT\$1 million	None	—
1969.06	1,000	7	7,000	7	7,000	Cash capital increase by NT\$1.25 million, and capital increase out of earnings by NT\$750,000 in 1968	None	—
1970.07	100	100	10,000	100	10,000	Cash capital increase by NT\$1.641, and capital increase out of earnings by NT\$1.359 million in 1969	None	Change of the par value
1971.04	100	110	11,000	110	11,000	Capital increase out of earnings by NT\$1 million in 1970	None	—
1972.07	100	180	18,000	180	18,000	Cash capital increase by NT\$3.37 million, and capital increase out of earnings by NT\$3.63 million in 1971	None	—
1973.07	100	300	30,000	300	30,000	Cash capital increase by NT\$5.16 million, and capital increase out of earnings by NT\$5.04 million and capital increase out of capital surplus by NT\$1.8 million in 1972	None	—
1975.07	100	500	50,000	500	50,000	Cash capital increase by NT\$2.87 million, and capital increase out of earnings by NT\$14.277 million and capital increase out of capital surplus by NT\$2.853 million in 1973 and 1974	None	—

Year and Month	Issue Price	Authorized Share Capital		Paid-in Capital		Notes		
		Number of Shares (Thousand Shares)	Amount (in thousand)	Number of Shares (Thousand Shares)	Amount (in thousand)	Source of capital	Capital Increase by Assets Other than Cash	Others
1976.05	100	700	70,000	700	70,000	Capital increase out of earnings by NT\$6.82 million, capital increase out of capital surplus by NT\$1.735 million, and capital increase out of assets appreciation reserves by NT\$11.445 million in 1975	None	—
1977.12	100	730	73,000	730	73,000	Cash capital increase by NT\$3 million	None	—
1978.05	100	839.5	83,950	839.5	83,950	Capital increase out of earnings by NT\$10.95 million in 1976 and 1977	None	—
1978.12	100	906	90,600	906	90,600	Cash capital increase by NT\$6.65 million	None	—
1979.08	10	15,000	150,000	15,000	150,000	Cash capital increase by NT\$36.75 million	None	—
1980.01	10	16,500	165,000	16,500	165,000	Capital increase out of earnings by NT\$15 million in 1979	None	—
1981.09	10	23,650	236,500	23,650	236,500	Cash capital increase by NT\$55 million, and capital increase out of earnings by NT\$16.5 million in 1980	None	—
1982.09	10	25,423.75	254,237.5	25,424	254,237	Capital increase out of capital surplus by NT\$17.7375 million	None	—
1983.08	10	26,440.70	264,407	26,441	264,407	Additional paid-in capital NT\$10.1695 million	None	—
1984.09	10	36,000	360,000	36,000	360,000	Cash capital increase by NT\$85.01672 million, and capital increase out of earnings by NT\$10.57628 million	None	—
1985.01	10	37,080	370,800	37,080	370,800	Capital increase out of capital surplus by NT\$10.8 million	None	—
1988.07	10	40,788	407,880	40,788	407,880	Cash capital increase by NT\$29.664 million and capital increase out of capital surplus by	None	—

Year and Month	Issue Price	Authorized Share Capital		Paid-in Capital		Notes		
		Number of Shares (Thousand Shares)	Amount (in thousand)	Number of Shares (Thousand Shares)	Amount (in thousand)	Source of capital	Capital Increase by Assets Other than Cash	Others
						NT\$7.416 million in 1986 and 1987		
1989.09	10	53,500	535,000	53,500	535,000	Cash capital increase by NT\$74.0956 million, and capital increase out of earnings by NT\$53.0244 million	None	—
1990.08	10	64,505	645,050	64,505	645,050	Cash capital increase by NT\$40.5 million, capital increase out of earnings by NT\$53.50 million and capital increase out of capital surplus by NT\$16.05 million	None	—
1991.07	10	67,730	677,302.5	67,730	677,302	Additional paid-in capital NT\$32.2525 million	None	—
1995.07	10	100,000	1,000,000	74,774	747,742	Capital increase out of earnings by NT\$35.21973 million in 1984 Capital increase out of capital surplus by NT\$35.21973 million	None	—
1997.07	10	103,000	1,030,000	82,252	822,516	Capital increase out of earnings by NT\$37.3871 million and capital increase out of capital surplus by NT\$37.3871 million in 1996	None	—
1998.02	10	103,000	1,030,000	102,252	1,022,516	Cash capital increase by NT\$200 million	None	—
2010.08	10	103,000	1,030,000	72,252	722,516	Capital reduction to compensate the loss, NT\$300 million	None	—
<b>2010.09</b>	<b>12</b>	<b>103,000</b>	<b>1,030,000</b>	<b>102,252</b>	<b>1,022,516</b>	<b>Cash capital increase by 30 million shares at the par value of NT\$10 per share (in private placement)</b>	<b>None</b>	<b>—</b>
2012.12	17.22	160,000	1,600,000	122,252	1,222,516	Cash capital increase by 200 million shares	None	-
2015.03	24.18	160,000	1,600,000	122,256	1,222,558	Domestic 1st convertible corporate bonds converted to	None	-

Year and Month	Issue Price	Authorized Share Capital		Paid-in Capital		Notes		
		Number of Shares (Thousand Shares)	Amount (in thousand)	Number of Shares (Thousand Shares)	Amount (in thousand)	Source of capital	Capital Increase by Assets Other than Cash	Others
						common stock totaling 4,135 shares		
2018.04	12	248.5	2,485	122,504	1,225,043	Employees' exercise of stock options to apply for issuance of new shares in 2015	None	-
2019.04	12	351.25	3,513	122,856	1,228,555	Employees' exercise of stock options to apply for issuance of new shares in 2015	None	-
2020.04	12	306	306	123,161	1,231,618	Employees' exercise of stock options to apply for issuance of new shares in 2015	None	—
2020.05	10	40,000	400,000	163,161	1,631,618	Cash capital increase by 40 million shares	None	-
<b>2021.12</b>	<b>9.24</b>	<b>16,000</b>	<b>160,000</b>	<b>179,161</b>	<b>1,791,618</b>	<b>Cash capital increase by 16 million shares at the par value of NT\$10 per share (in private placement)</b>	<b>None</b>	<b>-</b>
<b>2022.05</b>	<b>11.32</b>	<b>84,000</b>	<b>840,000</b>	<b>263,161</b>	<b>2,631,618</b>	<b>Cash capital increase by 84 million shares at the par value of NT\$10 per share (in private placement)</b>	<b>None</b>	<b>-</b>
2022.09	13.50	615	61,500	263,777	2,637,768	Employees' exercise of stock options to apply for issuance of new shares in 2019	None	-
<b>2022.12</b>	<b>15</b>	<b>15,000</b>	<b>150,000</b>	<b>278,777</b>	<b>2,787,768</b>	<b>Cash capital increase by 15 million shares At par value of NT\$10 per share (in private placement)</b>	<b>None</b>	<b>-</b>
<b>2023.02</b>	<b>15</b>	<b>21,000</b>	<b>210,000</b>	<b>299,777</b>	<b>2,997,768</b>	<b>Cash capital increase by 21 million shares At par value of NT\$10 per share (in private placement)</b>	<b>None</b>	<b>-</b>
2023.07	13.3~13.5	334.75	3,347.5	300,111.5	3,001,115	Employees' exercise of stock options to apply for issuance of new shares in 2019	None	-
2023.12	13.30	199	1,990	300,310.5	3,003,105	Employees' exercise of stock options to apply for issuance of new shares in 2019	None	-

Year and Month	Issue Price	Authorized Share Capital		Paid-in Capital		Notes		
		Number of Shares (Thousand Shares)	Amount (in thousand)	Number of Shares (Thousand Shares)	Amount (in thousand)	Source of capital	Capital Increase by Assets Other than Cash	Others
2024.04	13.30	78	780	300,388.5	3,003,885	Employees' exercise of stock options to apply for issuance of new shares in 2019	None	-

Note: The capital increase shall also mark the effective date (date of approval) and approval No..

- 1972.07 Effective date (date of approval) for the capital increase: May 8, 1971, Approval No.: (60) (5) (8) Jian-Zi No. 40637.
- 1973.07 Effective date (date of approval) for the capital increase: January 8, 1974, Approval No.: (63) (1) (11) Jian-Zi No. 2130.
- 1973.07 Effective date (date of approval) for the capital increase: September 23, 1975, Approval No.: Jing (64) Shang 23024.
- 1976.05 Effective date (date of approval) for the capital increase: August 30, 1976, Approval No.: Jing (65) Shang 23866.
- 1977.12 Effective date (date of approval) for the capital increase: March 20, 1978, Approval No.: Jing (67) Shang 07817.
- 1978.12 Effective date (date of approval) for the capital increase: February 14, 1979, Approval No.: Jing (68) Shang 04550.
- 1979.04 Effective date (date of approval) for the capital increase: July 30, 1979, Approval No.: Jing (68) Shang 23368.
- 1979.08 Effective date (date of approval) for the capital increase: October 18, 1979, Approval No.: Jing (68) Shang 34741.
- 1980.01 Effective date (date of approval) for the capital increase: November 13, 1980, Approval No.: Jing (69) Shang 39260.
- 1982.09 Effective date (date of approval) for the capital increase: October 18, 1982, Approval No.: Jing (71) Shang 38060.
- 1983.08 Effective date (date of approval) for the capital increase: September 23, 1983, Approval No.: Jing (72) Shang 39267.
- 1984.09 Effective date (date of approval) for the capital increase: November 29, 1984, Approval No.: Jing (73) Shang 46588.
- 1985.01 Effective date (date of approval) for the capital increase: October 3, 1985, Approval No.: Jing (74) Shang 43379.
- 1988.07 Effective date (date of approval) for the capital increase: September 3, 1988, Approval No.: Jing (77) Shang 26861.
- 1989.09 Effective date (date of approval) for the capital increase: December 23, 1989, Approval No.: Jing (78) Shang 136446.

- 1990.08 Effective date (date of approval) for the capital increase: December 14, 1990, Approval No.: Jing (79) Shang 125414.
- 1991.07 Effective date (date of approval) for the capital increase: October 2, 1991, Approval No.: Jing (80) Shang 120694.
- 1995.07 Effective date (date of approval) for the capital increase: September 8, 1995, Approval No.: Jing (84) Shang 113732.
- 1997.07 Effective date (date of approval) for the capital increase: September 2, 1997, Approval No.: Jing (86) Shang 115652.
- 1998.02 Effective date (date of approval) for the capital increase: January 13, 1998, Approval No.: Jing (87) Shang 100319.
- 2010.09 Effective date (date of approval) for the capital increase: September 24, 2010, Approval No.: Jing-Shou-Shang-Zi No. 09901215860. (in private placement)**
- 2012.12 Effective date (date of approval) for the capital increase: December 17, 2012, Approval No.: Jing-Shou-Shang-Zi No. 10101256090.
- 2014.12 Domestic 1st secured convertible corporate bond: December 29, 2014, Approval No.: Jin-Guan-Zheng-Fa-Zi No. 1030049952.
- 2018.04 Date of approval for 2015 employees' exercise of the stock options to apply for issuance of new shares: April 20, 2018, Approval No.: Jing-Shou-Shang-Zi No. 10701038580.
- 2019.04 Date of approval for 2015 employees' exercise of the stock options to apply for issuance of new shares: April 15, 2019, Approval No.: Jing-Shou-Shang-Zi No. 10801042390.
- 2020.04 Date of approval for 2015 employees' exercise of the stock options to apply for issuance of new shares: April 20, 2020, Approval No.: Jing-Shou-Shang-Zi No. 10901063910.
- 2020.05 Effective date (date of approval) for the capital increase: May 28, 2020, Jing-Shou-Shang-Zi No. 10901078490.
- 2021.12 Effective date (date of approval) for the capital increase: December 28, 2021, Jing-Shou-Shang-Zi No. 11001235370. (in private placement)**
- 2022.05 Effective date (date of approval) for the capital increase: May 12, 2022, Jing-Shou-Shang-Zi No. 11101071720. (in private placement)**
- 2022.09 Date of approval for 2019 employees' exercise of the stock options to apply for issuance of new shares: September 12, 2022, Approval No.: Jing-Shou-Shang-Zi No. 11101176140.
- 2022.12 Effective date (date of approval) for the capital increase: December 28, 2022, Approval No.: Jing-Shou-Shang-Zi No. 11101071720. (in private placement)**
- 2023.02 Effective date (date of approval) for the capital increase: February 9, 2023, Approval No.: Jing-Shou-Shang-Zi No. 11230012250. (in private placement)**
- 2023.07 Date of approval for 2019 employees' exercise of the stock options to apply for issuance of new shares: July 6, 2023, Approval No.: Jing-Shou-Shang-Zi No. 11230115450.
- 2023.12 Date of approval for 2019 employees' exercise of the stock options to apply for issuance of new shares: Dec. 18, 2023, Approval No.: Jing-Shou-Shang-Zi No. 11230233840.
- 2024.04 Date of approval for 2019 employees' exercise of the stock options to apply for issuance of new shares: Apr. 19, 2024, Approval No.: Jing-Shou-Shang-Zi No. 11330053560.

**(II) Capital and Shares**

Type of Shares	Authorized Share Capital			Notes
	Shares outstanding (Note)	Un-issued Shares	Total	
Common stock	300,388,501	199,611,499	500,000,000	Shares outstanding, including the number of shares in private placement instead of public offering, 166,000,000 shares

Note: Please specify whether the stock is that issued by a TWSE listed company or a TPEX listed company (please specify, if it is restricted from trading on TWSE or TPEX).

**(II) Information on the shelf registration: None.**

**(IV) Name list of principal shareholders:**

April 12, 2025

Name of Main Shareholders	Shares	Number of Shares Held	Percentage of ownership
Brighton-Best International (Taiwan) Inc.		53,540,000	17.82%
WIN POWER E and T CO., LTD.		16,000,000	5.33%
YU PAO SYSTEM CABINET CO., LTD.		16,000,000	5.33%
SHING HWANG CO., LTD.		15,600,000	5.19%
GREEN SYSTEM CO., LTD.		13,000,000	4.33%
Hsiao, Chia-Sung		12,705,213	4.23%
Feng, Leng-Chih		8,420,028	2.80%
Jie Wei Te Investment Limited		7,000,000	2.33%
CHUAN MAI ENTERPRISE CO.		6,000,000	2.00%
Cai Jin Investment Co., Ltd.		5,400,000	1.80%

**(V) Dividend policy and the implementation status:**

1. Dividend policy:

(1) Dividend policy in the Articles of Incorporation:

Subject to the profit sought for the current year, the Company shall allocate 0.1%~3% of the profit as the remuneration to employees. The Board of Directors may resolve to distribute the remuneration in the form of stock or in cash, and the recipients of such stock dividends or cash dividends shall include employees of associated companies that meet certain conditions. The Company may have its Board of Directors resolve to allocate no more than 1.5% of said profit as the remuneration to directors. The proposals for distribution of the remuneration to employees and directors shall be reported to a shareholders' meeting, provided that the profit must first be taken to offset against the Company's cumulative losses, if any, and then the remuneration to employees and directors may be allocated subject to the proportions referred to in the preceding paragraph.

If there is a surplus after account settlement of the fiscal year, the Company shall pay applicable taxes pursuant to laws and make up for any accumulated losses, followed by the allocation of 10% of the remainder as legal reserve, unless such legal reserve amounts to the paid-in capital, and the remainder, if any, is appropriated for special reserve or reversed as special reserve. If there is still a balance, it will be pooled up with the undistributed earnings carried forward from previous years for distribution as shareholder dividend and bonus under a proposal prepared by the Board of Directors subject to the resolution made by a shareholders' meeting.

The Company adopts the dividend policy in response to the current and future development plans and by taking into account the investment environment, funding needs and domestic/foreign competition overview, as well as shareholders' interest. The shareholder dividends may be distributed in stock and in cash per the earnings distribution plan prepared by the Board of Directors. Among the other things, the cash dividend shall be no less than 50% of the total dividends.

(2) The distribution of dividends proposed (resolved) this year

The 2024 net income has already applied to compensate the deficit and, therefore, no dividends would be distributed to shareholders.

2. The effects of bonus shares on the Company's business performance and earnings per share for the last two years: The Company never distributed bonus shares for the last two years.

**(VI) The impact of bonus shares proposed by this shareholders' meeting on the Company's business performance and earnings per share:**

No proposal for distribution of bonus shares was presented at this shareholders' meeting.

**(VII) Remuneration to employees, directors and supervisors:**

1. The percentages or ranges with respect to employees' and directors' remuneration specified in the Articles of Incorporation:

Subject to the profit sought for the current year, the Company shall allocate 0.1%~3% of the profit as the remuneration to employees. The Board of Directors may resolve to distribute the remuneration in the form of stock or in cash, and the recipients of such stock dividends or cash dividends shall include employees of associated companies that meet certain conditions. The Company may have its Board of Directors resolve to allocate no more than 1.5% of said profit as the remuneration to directors. The proposals for distribution of the remuneration to employees and directors shall be reported to a shareholders' meeting, provided that the profit must first be taken to offset against the Company's cumulative losses, if any, and then

- the remuneration to employees and directors may be allocated subject to the proportions referred to in the preceding paragraph.
2. The basis for the estimation of remunerations to employees and directors in current period, basis of estimation for share-based employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure: According to the 2024 business results, the net profit after tax was NT\$40,433 thousand, which was used to cover the accumulated losses from the previous years. Therefore, no distribution of dividends and remuneration to employees was resolved this year. In the future, if there are distributable earnings remaining after the losses are covered, the Company will estimate the possible employee bonus and remuneration to directors based on the remuneration to directors distributed in the past. The discrepancy, if any, between the actual distributed amount and the estimated figure is to be treated as a change in accounting estimates and stated as income for next year.
  3. Remuneration distribution plan approved by the Board of Directors: The Company's operating results until the end of 2024 show accumulated losses; therefore, no distributable earnings may afford for the distribution of employee bonus.
  4. Actual payment of the remuneration to employees/directors in the previous year (including the number of shares allocated, the sum of cash paid, and the price at which shares were issued), and any discrepancies from the figures estimated (explain the amount, the cause, and treatment of such discrepancies): The Company's operating results until the end of 2024 show accumulated losses; therefore, no distributable earnings may afford for the distribution of employee bonus/remuneration and remuneration to directors.

**(VIII) The Company's buyback of the Company's shares: None**

**II. Issuance of corporate bonds: None**

**III. Issue of preferred stocks: None**

**IV. Issuance of overseas depository receipts: None**

**V. Status of employee stock warrant plan: None.**

**VI. Restricted stock award and merger & acquisition (including merger, acquisition and split-up): None.**

**VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.**

**VIII. Financing plans and implementation:None.**

## **Four. Overview of Operations**

### **I. Description of Business**

#### **(I) Scope of business:**

##### **1. Main contents**

- (1) Casting, forging, processing, manufacturing, trading and import/export of engines, motorcycles, automobiles and parts thereof, pistons, piston rings, piston shafts and accessories thereof, steering system parts, crankshafts, chain rods, camshafts, machine, tools and parts thereof, bicycles and parts thereof.
- (2) Metal and non-metal casting, forging and production.
- (3) Metal and non-metal surface treatment.
- (4) Manufacturing, processing and trading of mold and die.
- (5) Import/export and agency of said products.
- (6) Processing and sales of system furniture and trading of plates and hardware accessories.

##### **2. Percentage of operation:**

Unit: In Thousands of New Taiwan Dollars

<b>Business lines</b>	<b>2024 turnover</b>	<b>Percentage of operation (%)</b>
Automotive parts and components	903,694	87.18
System cabinet	132,926	12.82
Total	1,036,620	100.00

##### **3. The Company's current product lines:**

- (1) Pistons, connecting rods and engine brackets for engines, and tie rod joints and side rod assemblies for automobiles.
- (2) Ball joints of chassis, steering system parts, balance beam and other forging parts for automobiles.
- (3) Spare parts for industry, such as refrigeration compressor components and outboard motor-related components, etc.
- (4) System furniture-related products, such as tall cabinets, low cabinets, and TV cabinets.

##### **4. New products planned to be developed:**

- (1) Use the high-temperature strength characteristics of NASA materials, develop internal combustion engine products proactively, such as casting and forging of pistons.
- (2) Components related to refrigeration compressors.
- (3) Continued development of parts related to outboard engines.
- (4) Development of aluminum forging parts related to suspension/steering systems.

#### **(II) Industry overview:**

##### **I. Foreword**

##### **Automakers:**

As a capital-intensive and technology-intensive traditional industry, the supply chain system in the automobile industry covers a wide range and demonstrates the obvious division of labor model under the Center-Satellite system. A car is made of about 8,000 to 15,000 parts depending on the grade and specifications. These parts involve a wide professional field covering multiple important industries, such as electronics, steel, plastics and petrochemicals. The economic effect produced therefor makes a great contribution to Taiwan's automobile industry.

Taiwan's auto parts manufacturing can be divided into two major parts. One refers to the OEM supply chain system, and the other refers to the parts market focusing on AM after-sale maintenance

services. Most of the manufacturers operating as OEM focus on the domestic market and, therefore, are more likely to be affected by the economy in the domestic automobile market and usually work with automakers closely. Notwithstanding, a few of them transform to the ODM (Original Design Manufacturer) supply chain system dedicated to design and manufacturing at the same time, as their abilities in development and production have improved increasingly and they inherit the design level commissioned by the original manufacturer. The suppliers engaged in AM tend to adopt the export-oriented model and target the USA as the main export country. The suppliers' business performance relies on the quantity of orders from foreign countries.

System furniture industry:

In the early phase in Taiwan, house purchases, house changes, and renovation were not popularized. Therefore, when selecting the designs and furniture, wooden works were used for decoration. Wooden work decoration accounted for a large proportion of household decoration in the past. The wooden work decoration in the early phase has the problem of a longer construction period and formaldehyde in the decoration environment. Formaldehyde (or formalin) is a colorless and irritating gas that can cause adverse effects on human health. With the rise of Taiwanese people's awareness of environmental protection, coupled with the beginning of the customization services of household decoration, the system furniture was born. System furniture is fast in construction, diverse in specifications, cleaner in the construction environment, and stable in quality, and the results can be known in advance through the design. System furniture has gradually become the mainstream in the household decoration market. Customers can visit stores for simple renovations on their own or commission store designers to design and visit the site for measurements, and the household renovation can be completed in a short period after contract signing and deposit payment.

## II. Review 2024

Automakers:

With the efforts spent by the suppliers for so many years, the quality of Taiwan's automakers has approached the level in some advanced countries. With the huge capital invested in R&D in recent years, the automakers launched differentiated products that satisfy local consumers' needs and committed to improving customers' service satisfaction, the cars made in Taiwan have been recognized nationally, and the percentage of cars made in Taiwan in the total market was increasing, attaining 87.2%, a new high, in 2004. Since 2005, the percentage of cars made in Taiwan in the total market has declined year by year, between January~December 2024 is 51.01%. Expansion of the domestic demand market for cars is not an easy job in Taiwan. Suppliers have proactively joined the international division of labor system to expand export sales, and also invested capital to establish factories in Southeast Asia, so as to break through the bottleneck for survival and development.

System furniture industry:

In recent years, demand for Taiwan's furniture industry has increased. In addition, many consumers have begun to value aesthetics, functional style, and environmental attributes. As a result, the furniture industry has moved toward personal and customized services, which made customized furniture enter the furniture market and led to the transformation of and changes in the furniture industry. According to statistics from the Department of Statistics, Ministry of Economic Affairs, the total sales value of the furniture industry in Taiwan in 2024 was approximately NT\$94 billion, representing a slight increase of 13 % compared to 2023.

## III. Outlook 2025

Automakers:

In recent years, the automobile industry has oriented its business development towards automatic driving, Internet of vehicles, electric power and sharing services increasingly. However, the electric car market became sluggish due to the outbreak of pandemic in Wuhan in 2020. In 2020, as the epidemic was mitigated in Wuhan, the economy recovered, and the car market grew remarkably. The two leading automakers, BMW and Mercedes-Benz, also launched new electric vehicle models and, therefore, opened the new generation traffic flow.

Looking forward to 2025, as the economy has not yet recovered, and many carmakers are facing plant closures or M&As, coupled with the instability of the U.S. Trump's tariffs and foreign policy, the car industry is expected to have a decrease in new car sales in 2025 compared to 2024. The rising price of cars has also curbed the industry's recovery. Taiwan's new car sales is expected to be slightly lower in 2025 compared to 2024 due to the slow recovery of the global economy.

System furniture industry:

The features of the system furniture are based on the characteristics of different components, and a variety of assembly modes may be produced. Hardware hinges, pull-board drawers, handles, and trimmed panels allow the diverse functions of system furniture. The planning and design are also based on the needs of consumers at present to satisfy consumers' living functions. In recent years, traditional wooden furniture has gradually been replaced by system furniture, awareness of environmental protection has increased, and green building industry concepts have also been adopted for plates and raw materials. The development of the furniture in the future is promising.

#### IV. Conclusion

Taiwan's major competitiveness in the electric vehicle industry does not reside in the finished products but the supply chain of components and parts. At the very beginning when Tesla was established, the Taiwan-based suppliers including Chroma and FUKUTA have supplied the key components and parts to Tesla. Meanwhile, there are other suppliers who also have supplied goods to international leading manufacturers.

For the time being, Taiwan has the electric car platform led by Foxtron (co-founded by Foxconn and Yulon), which is dedicated to supplying the complete components and parts, including power control modules, power batteries, motors, and smart car electrical systems. Taiwan's strengths reside in its high compatibility, excellent technologies, and rapid product development. It has remarkable strengths in the field of electric vehicles. Meanwhile, due to the environment protection issue, the development of electric cars has become a vested trend. Though Taiwan's ability in finished products is weaker, Taiwan is still expected to become one part of the global electric components and parts supply system, in consideration of the complete supply chain and customers' recognition of the products, as same as the development model in the ICT industry.

With the changes in the environment and the increasing advancement of technologies, coupled with the rise of consumers' awareness of environmental protection, consumers' behaviors are forced to change. Therefore, the future design of system furniture will emphasize comfort, environmental protection, and intelligence while taking into account the perspectives of customers so as to understand the features of system furniture required by customers and provide comprehensive products and services to services. By doing so, we can create and improve a broader blue ocean market for system furniture and create better system furniture designs for customers.

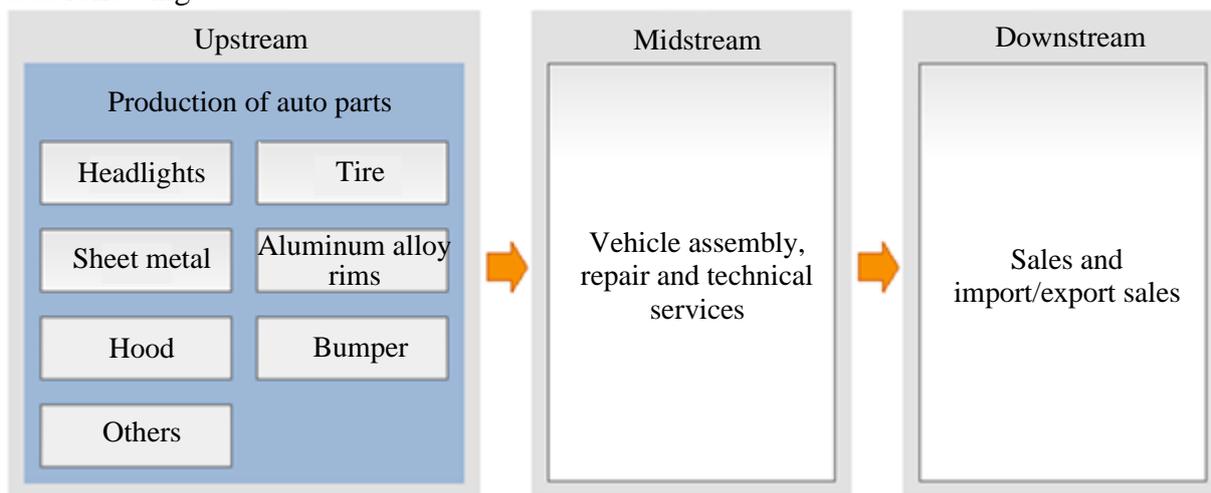
#### V. Company outlook

The Company has been experienced in development of technologies for more than five decades. The product series extend from pistons at the very beginning to the connecting rods and then industrial products. The R&D team always can provide complete product development services. Many of the end users of the Company's products are world-renowned manufacturers. Therefore, the Company expects to strive for orders placed for electric cars, based on the existing strength in customers, so as to facilitate its transformation. The new business of system furniture is in its initial stage, and we have been securing customers extensively through team efforts to render more favorable overall operating performance.

#### **(III) Relations between upstream, midstream and downstream segments of the industry**

Automakers:

As the automobile industry is a capital-intensive and technology-intensive traditional industry, its industry chain is quite huge. A car is made of about 30,000 parts, covering the different industries including steel, plastic, rubber, glass, machinery, electrical engineering, electronics and services and the relevant talents with the expertise and skill in R&D, manufacturing, procurement, marketing, management and warranty, that are integrated to form the complete automobile industry. The upstream segment of the industry chain primarily consists of the manufacturers of related components and parts, the mid-stream segment consists of assembly plants and assembly, repair and technical service providers, and the downstream segment consists of importers, agents and sale & service locations. The relations between upstream, midstream and downstream segments of the industry are stated as following:



Source of data: TPEX; IEK; compiled by Right Way

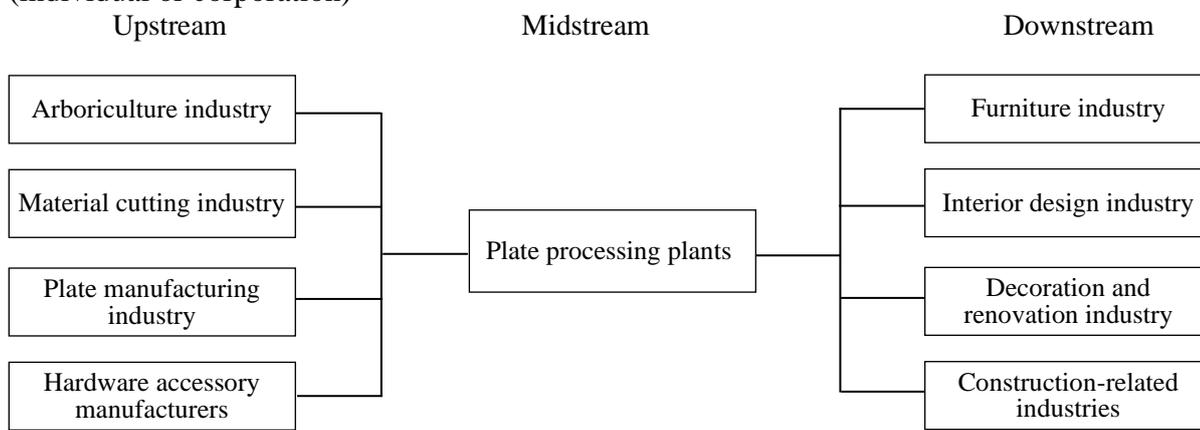
System furniture:

After purchasing plates from domestic and foreign plate suppliers, Right Way undergoes in-house processing according to the model specified in customer orders and then delivers the products to customers. It also accepts orders with multiple models (i.e., processing on order or cooperation with peer companies for one-stop services from design, processing, and to the final on-site assembly) to satisfy the needs of customers to the greatest extent.

Upstream: Plate manufacturers and hardware accessory suppliers. Plates are mainly produced from treetops, bark, sawdust, wood cores, wood blocks, tailings and bonding resins.

Midstream: Wood material processing plants that cut, drill, and wash the plates according to customer orders and assemble and deliver goods according to customer needs. The Company is in this line of business.

Downstream: Mainly the furniture industry, interior design companies, interior design companies, decoration and renovation companies, construction-related industries, and end consumers (individual or corporation)



Source of data: Compiled by Right Way

**(IV) Overview of technologies and R&D:**

## 1. R&amp;D results for the most recent three years:

No.	R&D project	Target	Purpose	Result
1	Development of the leisure industry aluminum casting parts	Implementation of development and production in response to OEM customers' needs	Leisure industry aluminum casting parts to expand the types of aluminum casting parts which the Company may undertake.	Complete samples and provide the same to customers for testing
2	Build the in-plant aluminum forging process capability	Build the basic capability and inspection for in-plant aluminum forging process	Expand and improve aluminum forging production technology and quality inspection	Complete the construction of production line and FPT equipment of the aluminum forging plant Deliver finished products to automakers or customers, and continue to increase the mass production models
3	R&D of new forging piston products	1. Update on and market share of types of pistons 2. Satisfy customers' needs to improve products manufactured under different models	1. High-intensity pistons for special needs used in racing car engines 2. Increase the manufacturing ability for new market orders and demands	Deliver finished products to automakers or customers, and continue to increase the mass production models
4	Development of aluminum casting parts	Increase the in-plant types of products to meet customers' needs and create sales performance	Make customer's parts through casting, and satisfy customer needs with casting parts	Deliver the finished samples and implement mass production parts
5	New product and process forging, processing, production and R&D	Production in response to the implementation of customers' parts	Expand the materials and types of the forging parts which the Company may undertake	Complete the testing and trial assembly of parts, implement them in mass production, e.g. control arm and knuckle arm, etc.
6	Casting, production and R&D of cylinder liner special alloy centrifugal	Localization and implementation of production of parts with OEM customers	Expand the types of products which the Company may undertake	Already complete parts, and implement in mass product

## 2. Future R&D plans:

No.	R&D project	Target	Purpose	Progress	Expected expenses to be incurred until the end of 2025
1	Special performance aluminum alloy forging piston production & R&D	Expansion of the demand for engines for purpose of racing in new production process	High-end competitive vehicle engine through special alloy forging	Compete the testing and trial assembly of parts, implement them in mass production	Single model: Mold & die NT\$300,000 Inspection & fixture NT\$250,000 Development fees NT\$200,000
2	Production and R&D of steel forging parts	Implementation of production of parts with OEM customers	Expand the types of forging parts which the Company may undertake	Compete the testing and trial assembly of parts, implement them in mass production	Single model: Mold & die NT\$600,000 Inspection & fixture NT\$200,000 Development fees NT\$500,000
3	Continued R&D on the appearance and surface treatment of SUVs	Meet the parts appearance & surface treatment standards required by customers	Expand the types of products which the Company may undertake	Trial production of multiple models for customers' confirmation per customers' needs, and implementation of mass production	Development fees NT\$700,000
4	Production and R&D of parts made of casting iron and casting aluminum	Implementation, manufacturing and production in response to new customers' needs for parts	Expand the types of casting iron and casting aluminum parts which the Company may undertake	Trial production of multiple models for customers' confirmation per customers' needs, and implementation of mass production	Single model: Mold & die NT\$500,000 Inspection & fixture NT\$400,000 Development fees NT\$200,000

## 3. R&D expenditure for the most recent three years:

Year	Expenditure	Notes
2022	NT\$18,086 thousand	Including the salary of R&D personnel, R&D expenditure including the expenses in creation and modification of materials, equipment and fixture.
2023	NT\$10,966 thousand	
2024	NT\$11,332 thousand	

## (V) Long-term, mid-term and short-term business development plans:

### 1. Long-term and short-term business development plans

(1) Development of new products for aluminum casting/recasting and aluminum forging parts.

- (2) Shorten the development and sample delivery time to win customers' willingness to entrust new product development and improve performance.
- (3) Continue to expand the cooperation with traders, and develop markets at home and abroad.
- (4) Work with foreign TIER 1 manufacturers, and launch into the foreign industrial OEM factories or SUV OEM factories or passenger car OEM factories directly.
- (5) Promote the high value-added pistons, such as anodized pistons, transfer printing pistons, and pistons with wear ring coils.
- (6) Develop broken connecting rod technology proactively, in response to the market demand.
- (7) The Company is actively exploring markets in central and southern Taiwan for system furniture to create operating income.

## 2. Long-term business development plan

- (1) Development of industrial compressor parts and vessel engine parts
- (2) Active marketing of the combination of piston and connecting rod to major international manufacturers, and cooperation with domestic upstream suppliers to strive for co-marketing business opportunities.
- (3) Train professional technical R&D personnel, and develop aluminum parts and steel products and assembly thereof.
- (4) The Company continues to explore markets beyond central and southern Taiwan for system furniture to set a foundation for stable growth.

## II. Markets, production, and marketing:

### (I) Territories where the main products are sold:

Territory	Sales ratio (%)	Territory	Sales ratio (%)
Domestic market	23.3	America	45.5
Asia	19.8	Other territories	11.4

### (II) Market share

#### Automotive industry

According to the statistics of Taiwan Transportation Vehicle Manufacturers Association, the domestic auto components sector generated NT\$294.6 billion in 2024, down by 3.25% from 2023. The Company's 2024 revenue from automotive components was NT\$903,694 thousand, and the Company's market share of automotive components was estimated at 0.31%. Although the proportion is not high, the Company's outstanding quality and flexibility in production have been recognized as an excellent partner by China Motor Corporation and Yulon Motor in the domestic market. In terms of the export market, the Company has also been recognized by major international manufacturers such as Thermo King and Bombardier Recreational Product (BRP) as a quality supplier, which indicates that the Company's products have a certain competitive advantage.

#### System furniture:

According to the statistics of the Directorate-General of Budget, Accounting and Statistics, Ministry of Economic Affairs, the sales value of Taiwan's furniture industry in 2024 was about NTD 94 billion, a slight increase of 13% compared to 2023. The Company's system furniture segment generated NT\$132,926 thousand in revenues during 2024, representing about 0.14% market share of Taiwan's furniture industry.

### (III) Future market supply and demand and growth:

#### 1. Supply change

As major global carmakers expand their production scale, they are moving away from the traditional fully integrated manufacturing model. The self-manufacturing rate of automotive components continues to decline to create opportunities for Taiwanese auto parts manufacturers to become key R&D partners. However, based on the safety considerations, the auto parts manufacturers must undergo strict safety verification. The process is lengthy and costly, including qualification reviews, testing, and sample submissions. Once a supplier successfully passes rigorous customer quality certification and becomes an official supplier, they are generally difficult to replace. Therefore, carmakers set qualification threshold to ensure product reliability, making it difficult for competitors to enter the OEM supply chain. As a result, it is difficult for newcomers to enter the OEM market in a short period of time, ensuring that existing auto parts manufacturers can refrain from the disruptive competition of new entrants.

## 2. Changes in demand

TRI expects a slight growth of global auto market sales by 2.4% in 2024, and a limited increase in the demand for the auto market in 2025. The total sales of new energy vehicles in 2024 - 2025 will still maintain a double-digit growth, but the growth rate will decline. China has announced its 2025 budget to support the promotion of new energy vehicle. The new carbon emission standards in western countries have caused a pressure on the sales of fossil fuel vehicles. The uncertainty in the U.S. may increase due to the possible change in policies.

## **(IV)Competitive advantages, favorable and unfavorable factors for future development, and countermeasures:**

### 1. Competitive advantages

#### A. R&D ability

In recent years, the Company has continued to improve its product design capabilities and develop a number of new products for die castings and forgings to meet the needs of carmakers, and to directly enter foreign OEM and ODM markets.

#### B. Product quality

The Company has been recognized by customers as an outstanding manufacturer and has been awarded with quality excellence or certification in recent years. The Company maintains good performance in the automotive supply chain and works closely with customers to keep a stable cooperative relationship.

#### C. Enhancement of process technology

The Company has a considerable competitive advantage in the technical level, and has obtained support from the original manufacturers in terms of drawings, processes and quality control standards. The Company has also obtained material authorization from NASA for the use of aluminum alloys, and has maintained a certain competitive advantage in the automotive parts market that is highly competitive.

### 2. Favorable factors

#### A. High entry threshold and few competitors in the product market

The auto industry has a small number of manufacturers in a closed market. Based on the consideration of safety, the auto industry has extremely high requirements for the quality and yield rate of components. The auto components must be certified and pass strict safety standards. The qualifications of suppliers, product certification, and the time required for the delivery of samples are quite long and costly. Therefore, only few suppliers have the capabilities to pass the qualifications and product certifications. Also, the same component is mostly provided by only one or two suppliers. Moreover, once component suppliers enter the supply system of an automobile manufacturer or distributor, they are not likely to be replaced, making the cooperative relationship fairly stable and difficult for newcomers to enter the supply system.

#### B. Accumulate years of experience in in-house design and development and international quality certification

Currently, OEMs in Europe and the US have shifted their focus of procurement to the Asia Pacific region. The Company has accumulated years of experience in in-house design and development and has a stable and high-quality image. The Company has attained ISO/TS16949 quality management system certification, ISO-14001 environmental management certification and introduced ROHS clean production, helping to enhance the image of the Company and attract orders from advanced countries in Europe and the US.

#### C. Enhancement of process technology

The Company has mastered aluminum product materials from NASA and Japanese engine piston design technology. The piston products feature lightweight properties and high-temperature resistance. The Company leverages its advantage in producing a wide variety of materials with high flexibility in production and is targeting high-value customers. The Company takes a proactive approach in developing high-end customers such as heavy motorcycles and outboard motors. Moreover, the Company utilizes its superior iron-aluminum casting processing techniques to collaborate with internationally renowned manufacturers in developing various auto parts, including engine car connecting rods and aluminum alloy electrical enclosures. The Company develops high value-added products and increases the added value of products.

### 3. Disadvantageous factors:

#### A. The domestic market size is insufficient; China and Southeast Asia competitors are improving their quality.

As the auto parts industry is limited by the small size of the domestic market and the wide variety of models, the OEM production and sales market is relatively limited. The production and manufacturing is less economical, which in turn compresses the profit margins of component manufacturers. (2) Competitors from China and Southeast Asia countries have kept improving their quality. Besides, they have the pricing advantages and, therefore, the Company will face significant pressure gradually.

#### Action(s):

Component manufacturers have developed a variety of flexible manufacturing technologies that meet international quality standards through automated local processes. The domestic auto parts manufacturers are actively expanding overseas markets. In 2002, Taiwan joined the WTO, and in 2011, automotive components were included in the ECFA. The domestic auto industry has the advantage of a complete supply chain development, and has strengthened automated production, and endeavored to win orders to achieve economies of scale and reduce costs. In the future, there will still be a certain degree of competitiveness in the establishment of vertical division of labor on both sides of the strait. In addition, the Company has integrated the production capacity of two companies, Taiwan Plant and Right Way Malaysia, to increase the Group's capacity utilization. The Company has adopted the policy of order consolidation and technological improvement to enhance the Group's operating efficiency, in order to actively win orders in the North American and ODM markets.

#### B. Development trend of the electric vehicle industry

After Nissan, General Motors and Mitsubishi Motors began launching electric vehicles in 2011, major international manufacturers have been introducing new types of electric vehicles every year. The performance and cost of the new electric vehicles have gradually met the needs of consumers. In the long run, electric vehicles will affect the development of the Company's internal combustion engine. The future growth of electric vehicles will compress the development of internal combustion engine vehicles.

#### Action(s):

Currently, the Company is actively engaged in the research and development of electric assembly production, to meet the needs of customers, and to expand the opportunities for electric assembly production, in order to expand the Company's external product categories. In addition, the Company is actively expanding into markets for other industrial engine applications such as automotive air conditioning compressors, marine engines (outboard motors), enhancing the Company's competitive edge.

**(V) Purpose of main products:**

1. Pistons and connecting rods for automotive and motorcycle engines.
2. Pistons and connecting rods for various internal combustion engine power equipment.
3. Pistons and connecting rods for compressors.
4. Car engine mount.
5. Cylinder liners for various engines.
6. Automotive chassis suspension and steering system parts.
7. Various steel products processing parts.
8. Various aluminum alloy processing parts.
9. Aluminum casting, aluminum forging, iron casting and steel forging components for various automobiles, motorcycles and SUVs.
10. System furniture processing products.

**(VI) Production process of main products:**

1. Production process of pistons:  
Raw materials and supplies > melting > casting > heat treatment > surface sand blasting > processing engineering > surface treatment > rinse > quality assurance inspection > assembly and packaging > finished product storage
2. Production process of forging:  
Raw materials and supplies > cutting > heating > forging engineering > heat treatment > shaping > surface sand blasting > processing engineering > surface treatment > quality assurance inspection > assembly and packaging > finished product storage.
3. System furniture manufacturing process:  
Plate > Cutting > Edge Treatment > Drilling > Molding > Assembly and Packaging > Finished Product Storage.

**(VII) Supply status of main raw materials:**

1. Raw materials applied in bulk: The international quotation for aluminum alloy fluctuates drastically. In order to purchase materials at reasonable price, the Company negotiates with the main suppliers for the price each month. The Company also asks the suppliers to act in response to the Company's inventory management, in order to help control over stable quality and procurement cost, delivery period and inventory management. Further, in addition to China Steel Corporation, there are still multiple steel suppliers available to the Company, so as to increase the room for bargaining and help reduce the procurement cost.
2. For procurement of materials, supplies and parts, the Company inspects key suppliers and improves the supply chain to ensure uninterrupted supply. All spare parts or outsourced processing and processes are handled by the relevant service providers working with the Company permanently. Supplier evaluation is performed through the quality assurance procedure, so that new development cases may be promoted successfully. In order to avoid stockpile and backlog of funds, the Company adopted the resilient principle for "Order in Bulk and Deliver in Batches" to control the preparation of materials.
3. In order to avoid stockpile and backlog of funds, the Company adopted the resilient principle for "Order in Bulk and Deliver in Batches" to control the preparation of materials. Some suppliers chose to shorten the leading time before the supply, and the procurement unit also adjusted the procurement cycle, so that inventories may be controlled effectively.
4. Place orders with qualified suppliers only, comply with related laws and contracts at the time of procurement, and ensure the uninterrupted supply; confirm that the product satisfies environmental protection requirements, in response to the customers' requirements on environmental protection for their products.

## (VII) Top ten buyers/suppliers for the most recent two years

### 1. Information about main clients in the last two years

Unit: In Thousands of New Taiwan Dollars

Items	2023				2024				2025 1 <sup>st</sup> quarter			
	Title	Amount	Percentage of the net sales of the year (%)	Relationship with the Company	Title	Amount	Percentage of the net sales of the year (%)	Relationship with the Company	Title	Amount	To the annual net sales amount until the previous quarter (%)	Relationship with the Company
1	Thermo king Corporation	448,961	39.36	None	Thermo king Corporation	322,675	31.13	None	Thermo king Corporation	84,462	33.57	None
2	LIFE STYLE METAL CO., LTD.	90,698	7.95	None	PERUSAHAAN OTOMOBIL NASIONAL SDN. BHD.	93,742	9.04	None	EMERSON PROCESS MANAGEMENT	31,053	12.34	None
	Others	601,061	52.69	None	Others	620,203	59.83	None	Others	136,099	54.09	None
	Net Sales	1,140,720	100.00	-	Net Sales	1,036,620	100.00	-	Net Sales	251,614	100.00	-

Explanation on major changes: Due to the economic downturn, Lifestyle Metal reduced orders, affecting performance. However, PERUSAHAAN has begun mass production and procurement, leading to increased revenue.

### 2. Information about main suppliers in the last two years

Unit: In Thousands of New Taiwan Dollars

Items	2023				2024				2025 1 <sup>st</sup> quarter			
	Title	Amount	Percentage of the net purchase of the year (%)	Relationship with the Company	Title	Amount	Percentage of the net purchase of the year (%)	Relationship with the Company	Title	Amount	To the annual purchase amount until the previous quarter (%)	Relationship with the Company
1	Al Forge Tech Co., LTD.	60,284	12.61	None	SUMIMETAL INDUSTRIES (MALAYSIA) SDN. BHD.	54,705	11.51	None	SUMIMETAL INDUSTRIES (MALAYSIA) SDN. BHD.	19,464	17.07	None
2	CHUNG MING ENTERPRISE	57,774	12.09	None	Ta Chen Stainless Pipe Co., Ltd.	46,310	9.74	None	Ta Chen Stainless Pipe Co., Ltd.	10,364	9.09	None
3	SUMIMETAL INDUSTRIES (MALAYSIA) SDN. BHD.	53,881	11.27	None	Al Forge Tech Co., LTD.	43,645	9.18	None	CHUNG MING ENTERPRISE	8,259	7.24	None
	Others	306,054	64.03	None	Others	330,654	69.57	None	Others	75,946	66.60	None
	Purchase Net	477,993	100.00	-	Purchase Net	475,314	100.00	-	Purchase Net	114,033	100.00	-

Explanation on major changes: The system cabinet revenue of Right Way Group increased in 2023; as a result, its purchases of raw materials such as steel sheets from Dacheng Steel also increased accordingly. The fluctuation in proportion is considered appropriate.

### III. Statistics about employees for the most recent two years:

March 31, 2025

Year		2023	2024	Until March 31, 2025
Number of Employees	Production	280	286	286
	Sales	14	20	21
	Administration	69	69	68
	Total	363	375	375
Average Age		41.5	41.5	42.5
Average Service Tenure		12.0	11.5	12.0
Distribution of Educational Background %	Doctoral degree	-	-	0.3
	Master's degree	1.7	1.3	1.1
	College/University	33.6	34.9	34.4
	Senior high School	34.4	30.4	29.6
	Below senior high school	30.3	33.3	34.6

### IV. Environmental protection expenditure:

In the most recent year and as of the date of publication of the annual report, losses due to environmental pollution (including compensation and environmental protection audit results that violate environmental protection laws and regulations, the date of punishment, the scope of the punishment, the violation of the provisions of the regulations, the contents of the violation of the regulations, the contents of the punishment), and disclose the current and future estimated amount and corresponding measures; if it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated:

1. Losses due to environmental pollution: None.
2. The corrective action plan to be adopted in the future and estimated expenditure: In response to the addition of casting-related equipment, the foundry facility shall proceed with applying for an amendment to the fixed pollution source operating permit. It is estimated that the expenses will be NT\$500 thousand.
3. In order to practice the environmental protection philosophy and fulfill the social responsibility, the Company practices and complies with the environmental protection laws and regulations, in accordance with the emission standards required under related local government laws and regulations.
4. Future capital expenditure in environmental protection
  - (1) Pollution control equipment to be purchased or contents of the improvement: Review on the documents including the relevant regulations governing waste water treatment equipment at new

factory premises, asphalt road paving and improvement at factory premises and environmental protection from time to time.

- (2) Annual fixed expenditure in environmental protection: Garbage and waste disposal and transportation fees, fixed inspection on air, water and waste control equipment, personnel and drug expenditure, etc.
- (3) Expected expenditure: NT\$1,000 (thousand)
- (4) Effect of improvement: Satisfy the environmental protection requirements.

#### Quality and environmental certification system

1. The Company passed IATF16949 2016 quality system certification.
2. The Company passed ISO14001 2015 quality system certification.

### **V. Labour Relations:**

(I) Employee benefit plans, continuing education, training, retirement systems and the status of their implementation, as well as the status of labor-management agreements and measures for preserving employees' rights and interests:

#### 1. Employee benefit plans and implementation status:

- (1) Organize the Worker Welfare Committee in accordance with the worker welfare laws and regulations, and contribute the welfare fund for employee welfare practices pursuant to requirements.
- (2) All employees are entitled to labor insurance, national health insurance, labor pension and group insurance.
- (3) Provide high-quality and inexpensive lunch, and free meals during overtime work.
- (4) The Worker Welfare Committee grants gift vouchers/gift money for Dragon Boat Festival, Moon Festival, and Lunar Year Holidays.
- (5) Year-end bonus at the end of year.
- (6) Gift money for marriage, funeral, ceremony and celebration.
- (7) Worker Welfare Committee organizes employees' travels and subsidizes the traveling allowance.
- (8) Birthday gifts of each month.
- (9) Social activity.
- (10) Free parking.
- (11) Free health checkup for employees each year.
- (12) Employee stock warrants.

#### 2. Retirement system and implementation status:

In order to take care of the employees' retirement life, facilitate the harmony between labor and management, and improve employees' work efficiency, the Company adopted its own regulations governing retirement of employees in accordance with the Labor Standards Act, and also established the Pension Supervision Committee to contribute 7.5% of the total salary to the exclusive pension account on a monthly basis according to laws. In response to the implementation of the Labor Pension Act, as of July 1, 2005, for employees who choose

to apply the new system, 6% of their monthly salary shall be appropriated to the personal pension account at the Bureau of Labor Insurance.

3. Labor-management agreement and maintenance measures for various employee rights:

The Company has established the Labor Union (Fu-Lao-Zi-Huan-Zi No. 1000412577). Meanwhile, the Company will appoint representatives of labors and the management to convene the labor-management meeting periodically pursuant to the Labor Standards Act, and have the Union's members and the management engage in irregular two-way communication meeting. Meanwhile, each employee has executed the indefinite labor contract. The labors and management have executed the collective bargaining agreement (Tainan City Government's approval No.: Nan-Shi-Lao-Zi-Zi No. 1132391421) on November 7, 2024.

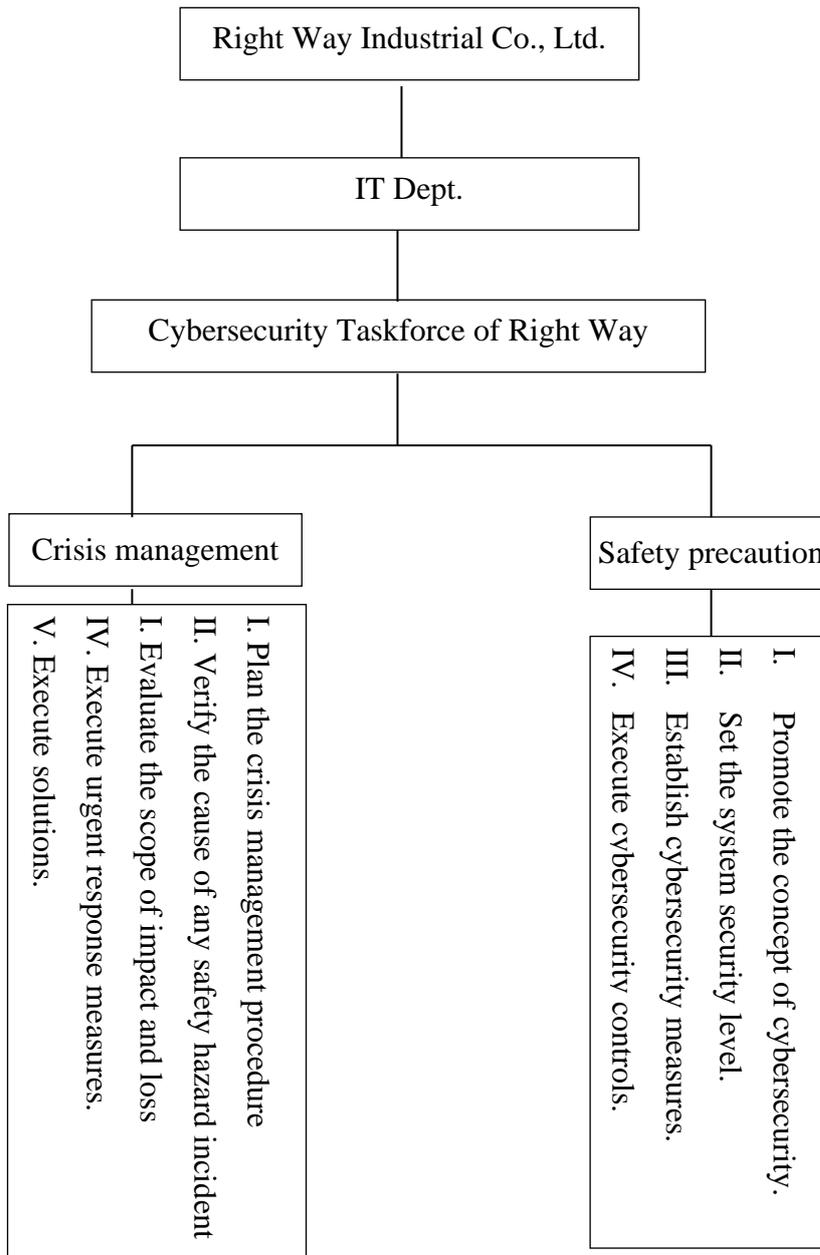
Since the Labor Union was established on June 25, 1994, it has been organizing team leaders and cadres training and labor education training from time to time to strengthen the union's organization and labor awareness. Members' proposals or labor-management-related issues are discussed at the meeting. The Company organizes labor education and training for the union members in March and April of each year to strengthen their knowledge of labor issues. It also organizes the union membership meeting in July and August of each year, reviews the execution of the collective bargaining agreement in November and December each year, and makes adjustment based on laws, union's and labor's opinion, and practices. When there is a dispute over the rights and interests of the Company and the union, and both parties fail to reach agreement through negotiation, the union may convene a special meeting. After a majority of the members approve the strike, there must be a cooling-off period of 60 days before the actual strike. 99.57% of the company employees are unionized. Employees who are not unionized are also entitled to the conditions under the collective bargaining agreement.

(II) In the most recent year and as of the date of publication of the annual report, losses due to labor-management disputes (including labor inspection results that violate the Labor Standards Act, the date of punishment, the scope of the punishment, the violation of the provisions of the regulations, the contents of the violation of the regulations, the contents of the punishment), and disclose the current and future estimated amount and corresponding measures; if it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated:None.

## VI. Cybersecurity management:

### (I) Cybersecurity risk management framework

1. The Company adopted the Cybersecurity Urgent Response Plan and Operation Procedure according to the regulations governing urgent response.
2. The Company established the normal task group, “Cybersecurity Taskforce,” of Right Way. The Chief Information Security Officer shall serve as the convener of the Taskforce. The Taskforce members consist of the information staff. One contact person for an emergency is appointed, who is primarily responsible for executing cybersecurity prevention and urgent response measures.
3. Organizational Framework and Functions of “Cybersecurity Taskforce” of Right Way



(II) The Company’s cybersecurity policy

1. Establish the information security management regulations in line with laws and customers’ needs.
2. Protect the confidentiality, completeness and availability of the Company’s and customers’ information.
3. Include the common sense that information security is everyone's responsibility into the Company's culture.
4. Provide a safe information operating environment to ensure the Company’s sustainable operation.

(III) The Company’s concrete management programs, and investments in resources for cyber security management

1. Adopt the multi-layer network architecture design and install various information security protection systems (firewalls) to improve the overall information environment security, and also execute the maintenance contract on a yearly basis.
2. Install the center-control version of the anti-virus system, update the latest version of the virus code periodically and schedule virus scanning on a weekly basis, and also execute the maintenance contract on a yearly basis.
3. Conduct the information system restoration drill at least once each year, and subject it to the approval of General Manager.
4. Follow the factory’s standard operating procedure for data processing to control and review the personnel’s authority of access to accounts.
5. Send personnel to attend external educational training courses periodically each year, in order to improve the information personnel’s information security knowledge and professional skills, and promote the information security practices to all employees periodically.

(IV) No losses have been suffered by the Company due to significant cybersecurity incidents by the date of publication of the annual.

(V) The Company’s ID Dept. will analyze and manage the provisions in the operating procedure on the “event risk assessment” subject to the organization’s condition each year, and produce the IT Dept.’s event risk assessment report and submit the same to the General Manager for approval. The report includes the analysis on “potential risk events” and “corresponding risk control measures.”

**VII. Important contracts:**

Nature of Contract	Counterparty	Contract Period	Important Information	Restrictive clause
Technological support royalty contract	Executed with PAC MATERIALS, LLC	Executed on February 23, 2006	Agreement related to the royalty payable for the materials, NASA-398, NASA-388 and NASA-358, about the Company’s pistons	None

## **Five. Review and Analysis of the Financial Position and Performance and Risk Management**

### **I. Overview of Finance:**

#### **Comparative and analysis list of financial performance**

Unit: In Thousands of New Taiwan Dollars

Items \ Year	2023	2024	Difference	
			Amount	%
Current assets	1,188,741	1,098,633	(90,108)	(8)
Fund and long-term investment	-	-	-	-
Property, plant and equipment	1,119,112	1,156,478	37,366	3
Intangible assets	-	-	-	-
Other assets	870,067	910,323	40,256	5
Total assets	3,177,920	3,165,434	(12,486)	-
Current liabilities	306,835	290,145	(16,690)	(5)
Long-term liabilities	1,437	1,637	200	14
Other liabilities	78,218	84,432	6,214	8
Total Liabilities	386,490	376,214	(10,276)	(3)
Capital	3,004,063	3,003,885	(178)	-
Capital surplus	424,479	424,736	257	-
Accumulated profit or loss	(564,916)	(512,535)	52,381	(9)
Other shareholders' equity	(140,185)	(199,936)	(59,751)	43
Equity attributable to owners of the Company	2,723,441	2,716,150	(7,291)	-
Non-controlling interests	67,989	73,070	5,081	7
Total shareholders' equity	2,791,430	2,789,220	(2,210)	-
Analysis of percentage increase/decrease over 20%:				
1. Other shareholders' equity : Mainly attributable to the recognition of investment valuation gains and cumulative foreign exchange fluctuations arising from overseas entities.				
2. Future Response Plan: The above changes have not materially adversely affected the Company, and there are no material abnormalities in the Company's overall performance, so there is no need to formulate a response plan.				

## II. Financial Performance:

### (I) Comparison and analysis of operating results

Unit: NTD Thousand

Items \ Year	2023	2024	Increase (decrease) in amount	Variation %	Notes
<b>Net revenue</b>	1,140,720	1,036,620	(104,100)	(9)	
Operating costs	955,984	867,891	(88,093)	(9)	
<b>Gross profit</b>	184,736	168,729	(16,007)	(9)	
Operating expenses	125,790	149,002	23,212	18	Description 1
<b>Operating income</b>	58,946	19,727	(39,219)	(67)	Description 2
Non-operating income and expenses	41,646	37,034	(4,612)	(11)	
<b>Net profit before tax from continuing operations</b>	100,592	56,761	(43,831)	(44)	Description 2
Income tax gains (expenses)	(12,043)	(16,328)	(4,285)	36	Description 3
<b>Profit after tax from continuing operations</b>	88,549	40,433	(48,116)	(54)	Description 2
Losses on discontinued operations	-	-	-	-	
Other comprehensive income	(21,479)	(42,722)	(21,243)	99	Description 4
<b>Total comprehensive income</b>	67,070	(2,289)	(69,359)	(103)	Description 4
<p>Analysis of percentage increase/decrease over 20%:</p> <p>Description 1. The increase is due to higher operating expenses in the fiscal year 2024.</p> <p>Description 2: As a result of the increased operating expenses in fiscal year 2024, operating income, pre-tax net profit, and after-tax net profit performed worse compared to the previous year.</p> <p>Description 3: The main reason is the subsidiary's supplementary recognition of prior year income tax in fiscal year 2024.</p> <p>Description 4: The main reason is the recognition of investment valuation gains and foreign currency translation losses of overseas entities in fiscal year 2024.</p>					

### (II) Sales volume forecast and the basis thereof:

Please refer to “One. Letter to Shareholders” on Pages 1~4 and “Markets, production, and marketing” on Page 111.

### III. Analysis on Cash Flow:

#### Review and analysis of cash flows

Unit: In Thousands of New Taiwan Dollars

Balance of cash, beginning	Cash flow (net cash flow from operating activities) for the year	Cash outflow (net cash flow from investing activities/financing activities/effect of changes in foreign exchange rate) for the year	Cash surplus	Financing of cash deficit	
				Investment Project	Wealth Management Project
509,641	19,456	130,037	399,060	None	None

1. Analysis on changes in cash flow for the year:

Operating activities: Mainly due to the profit in the current period.

Investing activities: Primarily a result of the subscription for the shares of Brighton-Best International (Taiwan) Inc., and the purchase of real estate, plants, and equipment.

Financing activities: Mainly due to an increase in borrowings.

2. Financing of cash deficit: None.

3. Cash flow analysis for the coming year:

Balance of cash, beginning	Cash inflow for the year	Cash outflow for the year	Cash surplus	Financing of cash deficit	
				Investment Project	Wealth Management Project
399,060	123,197	62,057	460,200	None	None

Explanation: No cash deficient will occur for the next year.

### IV. Impact of major capital expenditures on business and finance during the latest fiscal year: None. °

**V. Company's re-investment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year:**

Unit: NT\$ and foreign currency in thousand

Name of the investees	Investment policy	Investment gains (losses) recognized for the current period	Major causes for profit or loss thereof	Improvements	Investment plans for the next year
Right Way Industrial (Malaysia) Sdn. Bhd.	Manufacturing car and motorcycle pistons	3,002	Revenue increase	None	None
Total		3,002	Note: Only the major investment projects which recognized investment gain and loss for the current period are identified.		

## VI. Analysis and Assessment on Risk Management:

(I) Impact of changes in interest rates and currency exchange and inflation on the Company's profit and loss and the response measures to be taken in the future:

Items	Amount in 2024 (in thousand)	Items	Amount in 2024 (in thousand)
Interest income	6,198	Interest expenditure	2,945
Net exchange gains	35,521	Net exchange losses	24,971
Total	41,719	Total	27,916
Notes	The effects of the changes in interest rate and foreign exchange rate to the Company's income was NT\$13,803 thousand in 2024.		

The Company evaluates the changes in interest rates periodically, and negotiates with correspondent banks to seek the most favorable financing rates in a timely manner to reduce financial expenditure. For the changes in foreign exchange rate, as the Company's import and export sales require foreign exchange, under the principles for operating foreign exchange, the revenue from foreign exchange, if any, shall be deposited into the foreign currency deposit account to satisfy the need for foreign exchange expenditure, if any. Meanwhile, the Company will assess the changes in foreign exchange to seek appropriate operations.

(II) Policies on high-risk and highly leveraged investments, loans to third parties,

endorsements/guarantees, and derivatives trading, main causes of profit or loss incurred, and future responsive measures: The Company never engaged in high-risk and highly leveraged investments, derivatives trading, and endorsements/guarantees in 2024. The counterparty to the loan is a directly invested entity of the Company; therefore, credit checks and risk assessments are not required.

For the main causes of profit or loss incurred in 2024, please refer to the "Comparison and analysis of operating results" on Page 122.

(III) Future R&D plans and R&D expenses expected to be invested: For details, please refer to Page 110.

(IV) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response: Since execution of the trade agreement by the two sides of the Straits, the cooperation between the two sides has rapidly grown and thereby drove the automobile industry's growth significantly. China has become the world's largest automobile consumer market and also the world's largest automobile production base. In response to the local policy, and in order to strive for orders locally, local production has become the main business model. For this reason, the Company plans to expand the factory premises and production lines of Right Way Auto Parts (Fuzhou) Co., Ltd. and also continue to strengthen the management of local customers to strive for more OEM orders and fit the trend in the automobile industry. There is no change in important policy or law changes in Taiwan related to system furniture that has significant effects on the finances and business of the Company.

(V) Impact on the Company's business and finance due to technological changes (including information and cybersecurity risks) and industry transformations, and responsive measures:

The Company engages in the traditional industry and, therefore, no direct or significant impact has been posed by technological changes to the Company's business and finance.

For the information security risk assessment & analysis and responsive measures, in order to practice the information security management, the Company strictly controls the access to data and maintenance of the data security, and installs firewalls, spam filtering and anti-virus software to control and maintain the Company's normal operations. The Company's IT Dept. is responsible for establishing the information security policy and promoting the information

security. It will also conduct the audit on information security to mitigate the Company's information security risk.

- (VI) Impact on crisis management in the event of a change in corporate identity, and responsive measures: None.
- (VII) Expected benefits and possible risks of merger and acquisition, and responsive measures: The Company has no M&A plans.
- (VIII) Expected benefits and possible risks of facilities expansion, and responsive measures: None.
- (IX) Risks and responsive measures associated with concentrated sales or purchases: The Company has no concentrated sales or purchases. Meanwhile, in order to avoid excessive concentrated purchases, the Company upholds the principle for cooperation with two suppliers under its procurement policy for evading risks.
- (X) Impact and risk on the Company due to major transfer or conversion of equity by directors, supervisors, or shareholders with more than 10% ownership interest, and responsive measures: According to Article 26 of the Securities and Exchange Act, the total shares of nominal stocks held by the entire body of either directors or supervisors of an issuer shall not be less than a specified percentage of its total issued shares. Therefore, the Company doesn't suffer any business risk arising from major transfer or conversion of equity by directors, supervisors, or shareholders with more than 10% ownership interest.
- (XI) Impact and risks on the Company due to a change of the right of management, and responsive measures: None.
- (XII) Litigations and non-contentious cases: None.
- (XIII) Other important risks and responsive measures: None.

**VII. Other important matters: None.**

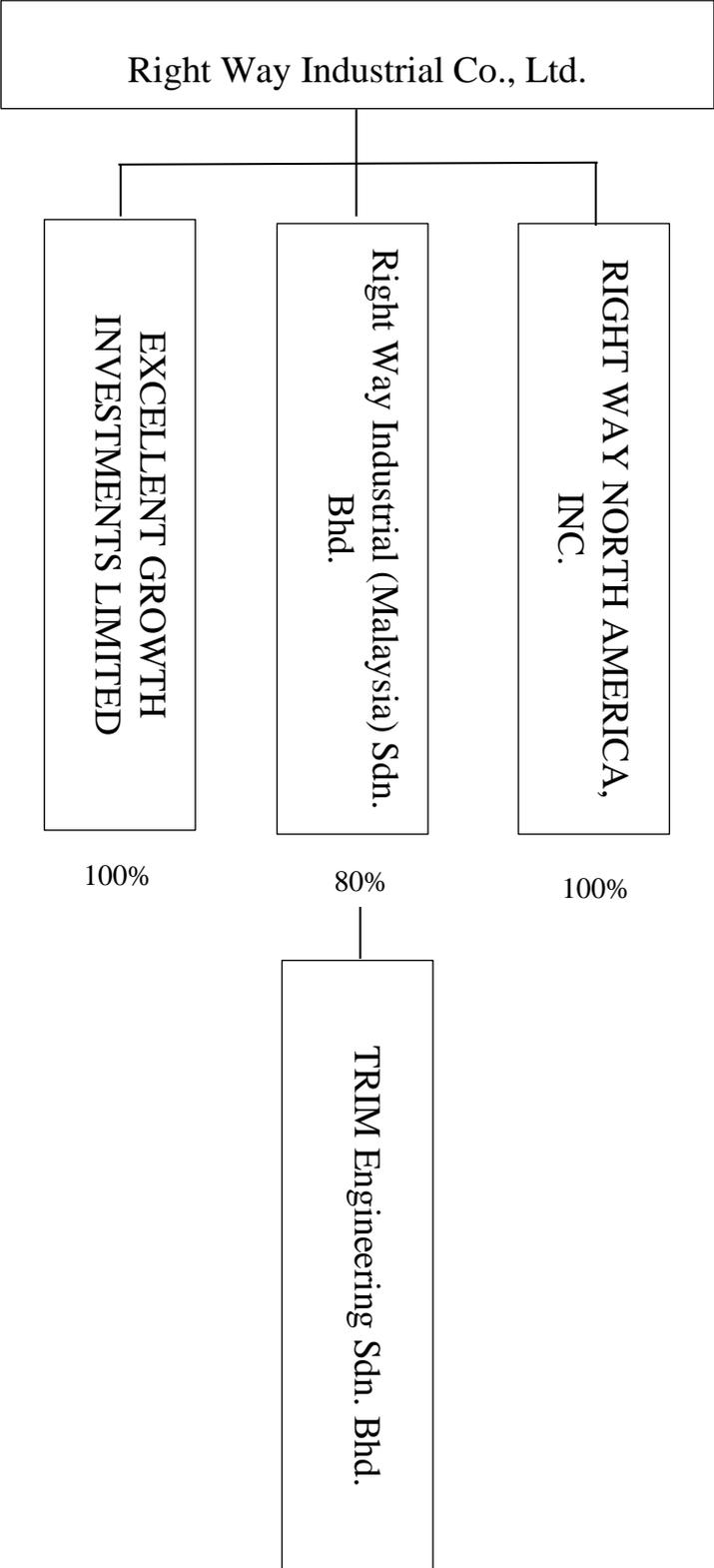
**Six. Special Matters to be Included**

**I. Information related to the company’s affiliates**

(I) Consolidated Business Report of Affiliated Companies

1. Organization Chart of Affiliated Companies

December 31, 2024



## 2. Basic Information on Affiliated Companies

Unit : \$ Thousand

Item	Date of Establishment	Address	Total amount of paid-in capital (Note 1)	Main business and products
Right Way Industrial (Malaysia) Sdn. Bhd.	1989.04.18	LOT 20 & 21 HICOM INDUSTRIAL ESTATE, SECTION 26, SECTOR B, 40000 SHAH ALAM, SELANGOR DARUL EHSAN, MALAYSIA P. O. Box 7165	MYR36,000	Manufacturing car and motorcycle pistons
TRIM Engineering Sdn. Bhd.	2001.4.17	LOT 28 & 29, Kaw. Perindustrian Ayer Keroh, 75450 Melaka. MALAYSIA	MYR10,000	Manufacturing of connecting rods
Excellent Growth Investments Limited	1995.8.16	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.	USD20,073	General investment
Right Way North America, Inc.	2010.10.01	150 West First Street, New Richmond, WI 54017, USA	USD50	Car and motorcycle engines Trading of parts

Note 1: For affiliated enterprises that are foreign companies, the paid-in capital is translated based on the exchange rate as of the balance sheet date. (1 USD = 32.785 NTD; 1 MYR = 7.33 NTD).

3. Information on the directors, supervisors and general manager of each affiliate

Unit: shares; %

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
Right Way Industrial (Malaysia)Sdn. Bhd.	Chairman  Director and General Manager concurrently  Director	Right Way Industrial Co., Ltd. Representative: Hsieh, Li-Yun Right Way Industrial Co., Ltd. Representative: Ooi, Ai-Lee  Right Way Industrial Co., Ltd. Representative: Lo, Shih-I Representative: Lee, Chien-Te	28,665,667	80
TRIM Engineering Sdn. Bhd.	Chairman  Director	Right Way Industrial (Malaysia)Sdn. Bhd. Representative: Hsieh, Li-Yun Right Way Industrial (Malaysia)Sdn. Bhd. Representative: Lo, Shih-I Representative: Ooi, Ai-Lee	8,950,000	90
Excellent Growth Investments Limited	Chairman  Director	Right Way Industrial Co., Ltd. Representative: Hsieh, Li-Yun Right Way Industrial Co., Ltd. Representative: Lo, Shih-I Representative: Lee, Chien-Te	20,073,457	100
Right Way North America, Inc	Director	Right Way Industrial Co., Ltd. Representative: Lo, Shih-I	-	100

4. Information on the controlling and subordinate companies presumably sharing the same shareholders: None.

5. Explanation of the business operated by the Company and its affiliates: The Company and its affiliates are engaged in the manufacturing and trading of automotive and motorcycle parts, as well as the manufacturing and sales of system cabinets.

## 6. Financial overview and business results of affiliates

Unit: NT\$ Thousand, except NT\$ for the earnings (loss) per share

Date: December 31, 2024

Company Name	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Operating Income	Net Profit (Loss) for the Period	Earnings per Share (EPS)
Right Way Industrial (Malaysia) Sdn. Bhd.	263,880	537,847	180,145	357,702	342,370	8,865	(6,396)	(0.18)
Excellent Growth Investments Limited	627,761	97	-	97	-	-	1	-
Right Way North America, Inc.	1,639	5,974	-	5,974	7,298	(1)	-	Note 3
TRIM Engineering Sdn. Bhd.	73,300	284	20	264	-	(31)	(31)	-

**Note 1:** The number of issued shares is calculated in accordance with the capital amount, based on a par value of NT\$10 per share.

**Note 2:** Balance sheet and income statement items are translated using the exchange rate on the balance sheet date.

**Note 3:** Earnings per share are not calculated as no shares have been issued.

### (II) Affiliated company consolidated financial report:

In year 2024 (from 2024.01.01 to 2024.12.31), the companies which shall be structured into the affiliated company consolidated business report in accordance with “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Companies”, is the same as the companies which are structured into the parent company/subsidiary consolidated financial report in accordance with IFRSs No.10, and the information to be disclosed in the affiliated company consolidated financial report has already been disclosed in the parent company/subsidiary consolidated financial report, therefore will not prepare an additional affiliated company consolidated financial report.

(III) Affiliated Report : Refer to Attachment 1.

**II. Status of private placement of securities during the most recent fiscal year and up to the date of publication of the annual report: None.**

**III. Other matters that require additional description: None.**

**Seven. Events that significantly impacted shareholders’ equity or security price: None.**

## Attachment 1

### Statement

The Company's 2024 (from 2024.01.01 to 2024.12.31) Affiliation Report was prepared based on the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," and there are no major discrepancies between the information disclosed and the related information disclosed in the notes of the financial report for the aforementioned period.

Very truly yours,

Right Way Industrial Co., Ltd.

By

Hsieh, Li-Yun

Chairman

March 12, 2025

To: Right Way Industrial Co., Ltd.

According to the declaration of Right Way Industrial Co., Ltd. (the Company), the Affiliation Report of 2024 dated March 12, 2025 had been prepared in conformity with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliates Enterprises (“the Criteria”) and the information in the above report has no significant inconsistency from the notes to the financial statements as of and for the year ended December 31, 2024 (“the Notes”). The declaration is shown on the previous page.

We have examined the Affiliation Report of the Company against the Criteria and the Notes. As stated in the above declaration, there was no significant inconsistency found between your 2024 Affiliation Report and the Criteria and the Notes for the year ended December 31, 2024.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 12, 2025

Affiliation Report

1. Relationship status between the controlling and subsidiary companies

Unit: shares; %

Name of controlling company	Reason for control	Status of the controlling company's share ownership and pledge			Status of director, supervisor, or manager designation by the controlling company	
		Number of shares held	Shareholding Percentage	Number of Shares Pledged	Title	Name
Ta Chen Stainless Pipe Co., Ltd.	The controlling company is the parent of the affiliated company.	779,000	0.26%	None	None	None
Brighton-Best International (Taiwan) Inc.	The company is a subsidiary of the controlling company.	53,540,000	17.82%	None	Chairman of the Board Director and President Director Director	Hsieh, Li-Yun Lo, Shih-I Lee, Chien-Te Chiu, Sheng-Tien

Note: Where the controlling company of a subsidiary company is a subsidiary company of another company, the other company's information shall also be provided; where the other company is a subsidiary company of another company, the same shall apply.

2. Transaction

(1) Purchase and sales transaction status

Unit: thousand NTD; %

Transaction status with controlling company			Transaction status with controlling company		Regular transaction terms		Cause of variation
Purchase (sales)	Amount	Percentage of total purchases (sales)	Unit price (NTD)	Credit period	Unit price (NTD)	Credit period	
Purchase	46,310	9.74%	No comparable transactions available for comparison	Net 30 days	Regular transaction terms	Net 30-120 days	None
Sales	69	0.01%	Regular transaction terms	Net 30 days	Regular transaction terms	Net 30-120 days	None

Unit: thousand NTD; %

Accounts receivable (payable) and notes		Overdue accounts receivable			Remarks
Balance	Ratio of total accounts receivable (payable) and notes	Amount	Processing method	Allowance for bad debts	
8,325	6.66%	-	-	-	-
-	0.00%	-	-	-	-

(2) Property transaction status: None.

(3) Status of fund intermediation: None

(4) Status of asset leasing:

Transaction Type (Leased or Rented)	Subject		Lease Period	Lease Type	Lease Type	Collection (Payment) Method	Comparison with General Rent Levels	Total Rent in the Current Period	Collection and Payment Status in the Current Period	Other Terms
	Name	Location								
Lessee	Machines	No. 1015, Chung Cheng West Rd., Ta-Chia Village, Jeng-Der Dist., Tainan City 717, Taiwan (R.O.C.)	2024/1/1-12/31	Operating lease	Based on comparable rental rates	Paid monthly	No comparable transactions available for comparison	27,600	Paid in full	None

(5) Other significant transactions: None

3. Endorsements and guarantees: None.

4. Other matters with material impact on finance and business: None.

# RIGHT WAY INDUSTRIAL CO.,LTD.

Chairman: Hsieh, Li-Yun

Published on May 9, 2025



**Specialized in manufacturing:**

**Various pistons**

**Car steering system parts**

**Forging**

**Processing of system furniture**



URL of the Company's website:

[www.rightway.com.tw](http://www.rightway.com.tw)

TEL:(06)266-4101 FAX:(06)266-4015

No. 1015, Zhongzheng W. Rd., Dajia Neighborhood,  
Rende Dist., Tainan City 717-44