

Stock code : 1457

YI JINN INDUSTRIAL CO., LTD

2024 Annual Shareholders' Meeting

Reference materials for various proposals

Date of meeting: Juan 19, 2024 (Wednesday), at 9:00 a.m.

Place of meeting: No. 29, Hongzhou St., Guishan Dist., Taoyuan City
(subsidiary: Hung Chou Factory)

Acknowledged Matters :

Proposed by board of directors

Proposal: 2023 business report, financial statements and the proposal earnings distributions, for your approval.

Explanation: (1) The Company's balance sheets, statements of comprehensive income, statements of changes in equity and statements of cash flows of the year 2023 (included consolidated financial statements, please refer of attachment 4 of the agenda), were audited by Pan Chun-Ming and Chang, Shu-Ying of KPMG, and audit report has been offered.

(2) 2023 business report of the Company, please refer of attachment 1 of the agenda.

(3) The profit distribution made in accordance with Articles of Incorporation is as follows:

YI JINN INDUSTRIAL CO.,LTD 2023 Profit Distributio

Unit: NTD

Beginning of period undistributed earnings	1,380,593,408
Add: net profit after tax of the fiscal year	567,119,704
Disposal of equity instruments measured at fair value through other comprehensive income	1,843,999
Subtotal:	1,949,557,111
Minus: special reserve	29,269,380
designated 10% legal reserve	(56,896,370)
Distributable earnings subtotal of the fiscal year	1,921,930,121
Minus: Distribution of cash dividends to stockholders (NT\$1 per share)	(301,647,640)
Distribution of stock dividends to shareholders (NT\$0.5 per share)	(150,823,820)
End of term undistributed earnings	1,469,458,661
Note: undistributed profit of the year 2023 was prior to distribute.	

Chairman:
Chan, Cheng-Tien

Managerial Officer:
Weng, Mao-Cheng

Accountant in charge:
Lai, Yu-Min

(4) For your approval.

Resolution:

Matters for Discussion (ONE)

Proposed by board of directors

Proposal: Proposal for Issuance of New Shares through Capitalization of Earnings

Explanation:

- (1) The Company plans to allocate a shareholder dividend of NT\$150,823,820 from the distributable earnings of 2023 to increase capital, issuing 15,082,382 new common shares, each with a par value of NT\$10.
- (2) The capital increase for this issue will be based on the shareholder's holding ratio recorded in the shareholder register on the record date, with 50 shares being distributed for every 1,000 shares held without compensation. Any odd shares that are less than one share shall be allocated by the shareholders themselves within five days from the date when the transfer of shares is suspended during the ex-rights period. Overdue cash will be paid according to the face amount in accordance with Article 240 of the Company Law, calculated up to yuan. If there are any remaining shares, the Chairman is authorized to negotiate their purchase at par value with specific individuals. For shareholders participating in the book-entry distribution of shares, the cost of processing the book-entry transfer will be deducted from the amount of any fractional shares less than one share.
- (3) The newly issued shares will have the same rights and obligations as the original shares. Issuing without entity. If subsequent changes in the Company's share capital due to other factors affect the number of outstanding shares, causing the shareholder's stock distribution ratio to change, Chairman is authorized to make relevant adjustments.
- (4) Upon approval by the Annual Shareholders' Meeting and the competent authority, the Board of Directors is authorized to determine the ex-rights date and record date for the capital increase by issuing new shares from retained earnings.

Resolution:

Election Matters

Proposed by board of directors

Proposal: comprehensive re-elected the Company's directors, for your election.

Explanation:

- (1) The term of office of the Company's current directors ended on August May 03, 2024.
- (2) According to Article 16 of Articles of Incorporation, programed to elect nine directors, and included three independent directors at the annual shareholders' meeting, the term of office is three years from June 19, 2024 to June 18, 2027.
- (3) According to Article 16 of Articles of Incorporation, the election of directors shall be adopted the candidates' nomination system, the candidates list was approved by the resolution of the board of directors on March 12, 2024, for the revenant information, please refer of chart below:
- (4) Independent director candidate Mr. Lai Shangui has served as an independent director of the company for more than three terms (actual term of office is from 2017/06/16 to 2024 /6/19). Due to consideration of his expertise in corporate governance and familiarity with relevant laws and regulations , and the company's operating results and net-zero carbon reduction achievements are obvious to all, and it has obviously helped the company. Therefore, Mr. Lai Shangui will still be listed as one of the independent director candidates this time, so that when he performs his duties as an independent director, They can still use their expertise and provide professional advice to the Board of Directors for supervision.
- (5) I would like to propose an election.

Results of the election:

YI JINN INDUSTRIAL CO.,LTD the candidates list

(Proposed by board of directors)

Candidate title	Name	Gender	Shareholding	Principal work experience and professional qualifications
Directo	Chan, Cheng-Tien	Male	23,010,494	High School Hung Chou Fiber Co. Ltd. Chairman Kwang Ming Silk Mill Co. Ltd. Chairman Oriental Union Chemical Corporation Independent Director Taiwan Textile Federation Chairman
Directo	Cheng, Yu-Jing	Female	2,053,074	Collage Hung Chou Fiber Co. Ltd. Directo Kwang Ming Silk Mill Co. Ltd. Directo
Directo	Chan, Yi-Chin	Female	2,916,961	Collage Hung Chou Fiber Co. Ltd. Directo Kwang Ming Silk Mill Co. Ltd. Directo
Directo	Chen, Meng-Wu	Male	0	Masters Small and Medium Enterprise Modernization Research Foundation Chairman Deloitte Chief of Operations
Directo	Weng, Mao-Cheng	Male	582,343	Collage Yi Jinn Industrial Co. Ltd. General Manager
Directo	Lai, Yu-Min	Female	594,916	Masters Yi Jinn Industrial Co. Ltd. Deputy General Manager
Independent Director	Lai, Sun-Quae	Male	0	Masters CSBC Corporation, Taiwan Chairman Small and Medium Enterprise Administration Director General Topco Scientific Co., Ltd. Chairman
Independent Director	Huang, Tien-Chang	Male	0	Masters Taiwan Business Bank Co., Ltd. Chairman Trust Association of R.O.C. Chairman Mega International Commercial Bank Co., Ltd. Managing Independent Director
Independent Director	Chen, Shiou-Chung	Male	0	Collage Tah Tong Textile Co., Ltd. Chairman Taiwan Spinner's Association Executive Director Taiwan Textile Federation Executive Director Taiwan Textile Research Institute Director Chinese National Federation of Industries Industry Consultant

Matters for Discussion (TWO)

Proposed by board of directors

Proposal : for release of Directors from non-competition restrictions

Explanation :

- (1) According to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) The list of persons who have been lifted from non-competition restrictions in accordance with regulations is as follows:

Candidate title	Name	Contents of proposed lifting of non-competition
Directo	Chan, Cheng-Tien	Hung Chou Fiber Co. Ltd. Chairman Kwang Ming Silk Mill Co. Ltd. Chairman Yi Xin Industrial Co. Ltd. Chairman Yi Tong Fiber Co. Ltd. Chairman Da Tien International Development Co., Ltd. Chairman Dayi International Development Co., Ltd Chairman Oriental Union Chemical Corporation Independent Director
Directo	Chan, Yi-Chin	Kwang Ming Silk Mill Co. Ltd. Directo Hung Chou Fiber Co. Ltd. Directo
Directo	Cheng, Yu-Jing	Hung Chou Fiber Co. Ltd. Directo Kwang Ming Silk Mill Co. Ltd. Directo Yi Tong Fiber Co. Ltd. Directo
Directo	Lai, Yu-Min	Da Tien International Development Co., Ltd. Directo Dayi International Development Co., Ltd Chairman Directo
Independent Director	Chen, Shiou-Chung	Tah Tong Textile Co., Ltd. Chairman Everest Textile Co., Ltd. Independent Director Great Bell Printing & dyeing Co., Ltd. Director

Resolution:

Extemporary Motions

Adjournment