

Shareholder Proposal for Young Poong's 2025 Annual General Meeting

Hi, This is MUST Asset Management.

As a non-controlling shareholder holding more than a 3% stake in Young Poong, we are committed to enhancing the overall corporate value of Young Poong in today's dynamic and challenging environment. At the same time, we strive to ensure that the value of one share held by the controlling shareholder and one share held by non-controlling shareholders are recognized equally.

As demonstrated in Korea Zinc's Extraordinary General Meeting (EGM) on January 23, Young Poong is currently undergoing a turbulent and complex process to recover and enhance the value and shareholder rights of its substantial stake in Korea Zinc. As a shareholder of Young Poong, we sincerely hope that the Korea Zinc project will lead to an increase in Young Poong's corporate value. Furthermore, we hope this process and outcome will serve as a positive case study in the capital markets.

To date, we have not engaged in extensive communication with Young Poong's management as shareholders. While our actual engagement has been limited, this is partly due to the company's expressed commitment to execution and also out of consideration for the complexity and challenges surrounding the company's ongoing projects. In line with this approach, we have decided to make a concise shareholder proposal for the upcoming annual general meeting, focusing on a few essential matters. Below is a brief explanation.

1. Swift Execution of Shareholder-Friendly Policies

We have made multiple requests to the company regarding various shareholder-friendly policies, emphasizing the importance of sequencing and timing. However, even relatively simple measures such as share buyback cancellations and stock splits (or bonus issues) have yet to be implemented. We would like to explicitly reiterate our criticism of the company's stance that "we are committed to execution, but it is only a matter of timing."

Korea Zinc's project is undoubtedly critical to Young Poong's corporate value. For it to succeed, the opinions of the general capital market, financial authorities, and proxy advisory firms are highly influential. However, Young Poong has repeatedly delayed the execution of essential shareholder-friendly policies, leading to persistent and severe criticism from capital market stakeholders. In particular, even official reports from proxy advisory firms have included strong criticisms, which is a serious concern.

The "cross-shareholding voting rights restriction" issue that arose on January 23 had already been recognized by in-depth researchers since last year. As such, we had continuously urged the company to implement shareholder-friendly policies before this date to mitigate Young

Poong's extreme undervaluation. Given that a company with a net asset value of approximately KRW 5 trillion was trading at a market capitalization of just KRW 0.7 trillion, transactions amounting to merely KRW 0.07 trillion resulted in a 10% change in ownership.

Had these policies been implemented earlier to improve Young Poong's stock price, the absolute transaction amount would have been higher, making it more burdensome for significant share transfers to occur. Additionally, the extreme undervaluation of Young Poong's stock price would have been less justifiable, making it legally and reputationally more difficult for certain actions to be taken.

Ignoring extreme undervaluation can have severe negative consequences on real corporate value. To ensure the success of Young Poong's ongoing projects, we once again strongly urge the prompt execution of essential shareholder-friendly policies. We request that these measures be implemented either at the upcoming annual general meeting or before then.

2. Recommendation of Outside Directors

Young Poong currently has three outside directors, all of whom serve one-year terms, meaning that new appointments will be made at this annual general meeting. With this in mind, we propose three outside director candidates based on their expertise, independence, and suitability for Young Poong.

Candidate 1: Attorney Young Joon Jeon

Young Poong has faced increasing scrutiny and demands from the capital market regarding corporate governance, ownership structure, and shareholder value enhancement. It is also one of the companies in the Korean capital market with the greatest disparity between controlling shareholders' real value and non-controlling shareholders' market value. While the company has recently begun taking steps toward positive change, much work remains to be done. To protect shareholder rights and ensure independent governance, we recommend Attorney Young Joon Jeon, a partner at Kim, Chang & Lee Law Firm. He has extensive experience in corporate governance, shareholder activism, and capital markets, having previously worked at Economic Reform Research Institute and Hannuri Law Firm. He will play a crucial role in advocating for all shareholders' interests and ensuring that non-controlling shareholders' voices are adequately represented on the board.

Candidate 2: CEO Eunghan Park

Young Poong owns two major buildings in central Seoul, with an estimated value of KRW 1.0–1.2 trillion, significantly exceeding the company's current market capitalization of KRW 0.7 trillion. Given the substantial weight of these real estate assets within the company's net assets, an independent outside director with expertise in leasing, remodeling, and asset sales is essential for sound decision-making. We recommend CEO Eunghan Park, a division head at R Square, Korea's No.1 commercial real estate leasing, brokerage, and asset management firm. With his deep expertise, we believe he will provide strategic guidance in maximizing the value of Young

Poong's real estate assets as an outside director.

Candidate 3: Attorney Hyunyoung Jee

Young Poong faces significant environmental challenges and must navigate scrutiny from government agencies, environmental groups, and other stakeholders while ensuring long-term, sustainable corporate growth. The company must balance environmental responsibility with strategic decision-making to enhance its long-term value. To address these complex dynamics, we propose Attorney Hyunyoung Jee, Deputy Director at Green Transition Institute, as an outside director. She has extensive experience in ESG, environmental regulations, and sustainable corporate management, having previously worked at Duru Law Firm. Her expertise will provide critical guidance on ESG strategy, ensuring that Young Poong's environmental initiatives are both practical and aligned with the company's long-term growth.

Additional Considerations on Outside Director Appointments

As a publicly traded company with over KRW 2 trillion in total assets, Young Poong must comply with Korea's Capital Markets Act, which prohibits an all-male board composition. In this regard, appointing Attorney Hyunyoung Jee, an expert in environmental and governance matters, would strengthen the board's gender diversity while maintaining or enhancing its professional expertise and independence.

We hope that these proposals contribute to Young Poong's corporate value enhancement and long-term success.

Thank you.

Best regards,

Dooyong Kim

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