

2025 Annual Shareholders' Meeting Minutes

Time: 9:30 AM, Tuesday, May 20, 2025

Meeting convening method: Physical shareholders' meeting

Venue: No. 22, Pingding, Erhu Vil., Xihu Township, Miaoli County

Miaoli Plant of Tung Ho Steel Enterprise Corporation

Quorum: 598,318,471 shares were represented by the shareholders and proxies present (255,078,832 shares were presented via electronic transmission) which amounted to 81.93% of the Company's 730,213,818 issued and outstanding shares.

Directors Present: Ho, Chieh-Teng, Ho, Yu-Shu, Tung, Po-Hsun, Huang, Chih-Ming, Chen, Pao-Ho, Hou, Yean-Liang

Independent Directors Present: Lieu, Der-Ming, Liu, Chi-Kang, Liu, Chia-Wen

Chairman: Ho, Chieh-Teng

Recorders: Lin, Yu-Hsuan, Wu, Pei-Shiuan

Meeting Procedure

1. Call Meeting to Order
2. Chairperson's Remarks: (omitted)
3. Reports

(I) 2024 Annual Business Report

Description:

1. The Company mainly engages in the production and sales of rebar, H-beam, steel plate and channel steel. The production and sales volume in 2024 and 2023 are listed in the following table:

Unit: Metric tons

	Production volume			Sales volume		
	2024	2023	Growth rate	2024	2023	Growth rate
Billet	1,840,779	1,901,382	-3.19%	254	13,991	-98.18%
Rebar	1,407,591	1,471,113	-4.32%	1,364,208	1,449,920	-5.91%
H-beam	479,718	503,887	-4.80%	493,475	512,006	-3.62%
Steel plate	103,683	102,264	1.39%	78,186	83,692	-6.58%
Channel	46,087	42,554	8.30%	46,059	39,849	15.58%
I-Beam	1,636	2,395	-31.69%	1,527	2,376	-35.73%
Sale and purchase of steel	0	0	0.00%	503	2,143	-76.53%
Steel sheet piles	2,134	746	186.06%	2,125	1,049	102.57%
Total	3,881,628	4,024,341	-3.55%	1,986,337	2,105,026	-5.64%

2. The net operating income of parent company only and consolidated financial statements for 2024 and 2023 are as follows:

Unit: Thousands of New Taiwan Dollars

	2024	2023(note)	Growth rate
Parent company only operating income	45,177,863	49,355,594	-8.46%
Consolidated operating income	60,162,997	61,505,649	-2.18%

Note: It includes continuing operations and discontinued operations in 2023

3. Please refer to Attachment 1 of the Meeting Handbook for the business report.

4. Please take a look at it.

(II) Report on the 2024 Annual Financial Statement Reviewed by the Audit Committee.

Description:

1. The Report on the 2024 Annual Financial Statement has been audited and attested by CPAs Isabel Lee and Hui-Chih Kou of KPMG in Taiwan, and has been reviewed by the Audit Committee. The CPAs' audit report and the Audit Committee's review report have been issued respectively. Please refer to Attachment 2 and Attachment 3 of the Meeting Handbook for more information.
2. Please take a look at it.

(III) Report on the 2024 cash dividends from earnings

Description:

1. In accordance with Article 28-1 of the Company's Articles of Incorporation, if the distribution of profits is made in cash, it shall be authorized by the Board of Directors with the resolution of more than 2/3 of the directors present and the approval of more than half of the directors present, and report to the Shareholders' Meeting.
2. A cash dividend of NT\$2,920,855,272, or NT\$4 per share, was approved by the resolution of the 14th meeting of the 25th term of the Board of Directors.
3. Cash dividends of less than NT\$1 shall be tallied and listed under stockholders' equity.
4. If there is any subsequent change in the number of outstanding shares for other reasons, the chairman of the Board of Directors is authorized to adjust the allotment rate for shareholders.

5. As resolved by the Board of Directors, the ex-dividend date of the cash dividend was set as March 26, 2025 and the payment date was set as April 23, 2025.

6. Please take a look at it.

(IV) Report on the 2024 Distribution of Remuneration to Employees and Directors.

Description:

1. Pursuant to Article 28 of the Articles of Incorporation.

2. As approved by the 13th meeting of the 25th term of the Board of Directors, 2.5% of the Company's profit for 2024 shall be appropriated as employee remuneration and 2% as directors' remuneration, respectively. The remuneration shall be paid in cash, excluding employees of subsidiaries.

3. The total employee remuneration for 2024 was NT\$136,813,089 and the total remuneration to directors was NT\$109,450,472.

4. Please take a look at it.

(V) Report on the 2024 Remuneration Received by Directors.

Description:

1. Please refer to Attachment 4 of the Meeting Handbook for 2024 Annual Report on the Remuneration Received by Directors.

2. Directors' remuneration policy:

(1). In accordance with Article 28 of the Articles of Association, no more than 2% of the current year's profits shall be appropriated as directors' remuneration, depending on the performance evaluation results of each director in the current year.

Pursuant to Article 10 of the Company's "Rules for Performance Evaluations of the Board of Directors", the performance evaluation results of directors shall be taken as the reference for determining their remuneration. On December 31, 2019, the resolution of the 18th meeting of the 23rd term of the Board of Directors approved the methods for the calculation and distribution of directors' salaries and remuneration, which included the directors' performance evaluation results: Directors' remuneration = Distributable directors' remuneration × Proportion of shares held by individual directors to the number of shares held by all directors × Payout ratio from the performance evaluation of the directors.

The payout ratio for director performance assessment is calculated based on the evaluation results according to Article 9 of the Rules of the Performance Evaluation of the Board of Directors: for those who are "superior to the standard" or "above the standard", the

distribution rate is 100%; for those who “meet the standard”, the distribution rate is 90%; for those who “fail to meet the standard”, the distribution rate is 80%, and for those who “need to make improvement”, the distribution rate is 70%.

Each director's self-evaluation results in 2024 are shown in the table below, and all evaluations are rated as "superior to the standard": (5 points for strongly agree; 4 points for agree; 3 points for average; 2 points for disagree; 1 point for strongly disagree)

6 major aspects of self-evaluation	Number of questions	Proportion	Average score
A. Familiarity with the goals and missions of the company	5	16.67%	4.89
B. Awareness of the duties of a director.	5	16.67%	4.98
C. Participation in the operation of the company	10	33.33%	4.90
D. Management of internal relationship and communication.	4	13.33%	4.89
E. The director's professionalism and continuing education	3	10.00%	4.63
F. Internal control	3	10.00%	4.89
Total/average score	30	100.00%	4.86

(2).Also, in accordance with Article 22-1 of the Company's Articles of Incorporation, the Remuneration and Nominating Committee recommends monthly fixed remuneration with reference to the standards of relevant peers and listed companies and the responsibilities of directors, and submit it to the board meeting for approval.

(3).In addition to the fixed monthly remuneration, the directors shall receive a monthly attendance fee based on the actual number of meetings attended.

(4).If concurrently serving as a member of the various functional committees of the Company, the director shall be paid a fixed monthly remuneration and attendance fees in accordance with the actual number of meetings attended.

3. Independent directors' remuneration policy:

(1).Independent directors receive monthly fixed remuneration and do not participate in the distribution of earnings, and are paid attendance fees on a per-meeting basis based on the actual number of meetings attended.

(2).The above fixed remuneration is based on each independent director's participation in and contribution to the Company's operations and the value of their contributions to the Company. It is

proposed to the Board of Directors after evaluation and discussion by the Remuneration and Nominating Committee, taking into account the payout to listed companies in the same industry and related industries.

(3).For serving as a member of each functional committee of the Company, the functional committee member shall be paid a fixed monthly remuneration and shall be paid attendance fees in accordance with the actual number of meetings attended.

4.Please take a look at it.

(VI) Report on communication between Audit Committee and Internal Audit Supervisor.

Description:

1. The internal audit supervisor of the Company sends the relevant materials regarding the internal audit reports to the independent directors for review every month, and the independent directors guide the internal audit unit through the communication mechanism. Please refer to Attachment 5 of the Meeting Handbook for the key summary of the communication between the Audit Committee and the internal audit supervisor in 2024.

2.Please take a look at it.

4. Ratification

(I)Ratified the 2024 Annual Business Report and Financial Statement. (Board of directors' proposal)

Description:

1.The accountants and the Audit Committee found no discrepancies in the Company's 2024 business report and financial statements (including the consolidated financial statements). Please refer to Attachment 1 and Attachment 6 of the Meeting Handbook.

2. Please ratify it.

Resolution: after the voting, there are 568,486,823 votes in favor, which is 95.01% of the total shares; 1,378,357 votes against; 28,453,291 votes abstained; 0 invalid vote. The proposal by the Board of Directors was approved.

(II)Ratification of the 2024 Annual Earnings Distribution Table. (Board of Directors' proposal)

Description:

1. The Company's net income before tax for 2024 was NT\$5,226,260,018. In addition, income tax expense was recognized as NT\$746,423,217 and net profit after tax was NT\$4,479,836,801 in accordance with Bulletin No. 12

of International Financial Reporting Standards.

2. For the year of 2024, except for the distribution of cash dividends, the remaining items in the annual earnings distribution table include the legal reserve provided, the reduction of equity in the special reserve reversed, a special reserve provided in response to climate change adaptation and mitigation, and the re-measurement of changes in declared benefit plans for the current period. Please refer to Attachment 7 of the Meeting Handbook for the items and descriptions.
3. Please ratify it.

Resolution: after the voting, there are 570,205,982 votes in favor, which is 95.3% of the total shares; 221,530 votes against; 27,890,959 votes abstained; 0 invalid vote. The proposal by the Board of Directors was approved.

5. Matter of discussion

(I) Proposal of the amendments to the "Articles of Incorporation". (Board of Directors' proposal)

Description:

1. Pursuant to Paragraph 6 of Article 14 of the Securities and Exchange Act, a company shall specify in its Articles of Incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees. However, the company's accumulated losses shall have been covered. Additionally, the Financial Supervisory Commission's Order No. 1130385442, issued on November 8, 2024, stipulates that publicly listed companies must amend their Articles of Incorporation in accordance with this provision by the latest at the 2025 annual shareholders' meeting. Therefore, the amendment to Article 28 of the Company's "Articles of Incorporation" is hereby enacted.
2. Please refer to Attachment 8 of the Meeting Handbook for the Comparison Table of Amendments to the "Articles of Incorporation".
3. Please discuss it.

Resolution: after the voting, there are 565,322,000 votes in favor, which is 94.48% of the total shares; 224,649 votes against; 32,771,822 votes abstained; 0 invalid vote. The proposal by the Board of Directors was approved.

(II) Proposal of the amendments to the "Procedures Governing the Acquisition and Disposal of Assets". (Board of Directors' proposal)

Description:

1. Pursuant to Article 17 of the Corporate Governance Best Practice

Principles for TWSE/TPEX Listed Companies, TWSE/TPEX companies engaging in financial or business transactions with related parties must adhere to the principles of fairness and reasonableness. In addition to establishing written regulations, significant transactions approved by the Board of Directors must be reported at the most recent annual shareholders' meeting at the end of the fiscal year. Therefore, amendments have been made to certain provisions of the Company's "Procedures Governing the Acquisition or Disposal of Assets."

2. Please refer to Attachment 9 of the Meeting Handbook for the Comparison Table of Amendments to the "Procedures Governing the Acquisition or Disposal of Assets"

3. Please discuss it.

Resolution: after the voting, there are 565,315,184 votes in favor, which is 94.48% of the total shares; 229,920 votes against; 32,773,367 votes abstained; 0 invalid vote. The proposal by the Board of Directors was approved.

6. Extempore Motions: None.

7. Adjournment: at 10:15 am on the same day

No shareholders asked questions at this shareholders' meeting.

Chairman: Ho, Chieh-Teng

Recorders: Lin, Yu-Hsuan, Wu, Pei-Shiuan