



CHC RESOURCES

# **CHC Resources Corporation**

## **2025 Annual Shareholders' Meeting Meeting Handbook (Translation)**

9:00 a.m., June 25, 2025 (Wednesday)  
No. 2, Youcheng Lane, Yanhai 3rd Road, Siaogang, Kaohsiung, Taiwan(R.O.C.)  
CHC Linhai Plant's Meeting Room

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**CHC Resources Corporation**  
**2025 Annual Shareholders' Meeting**  
**Meeting Procedures**

1. Call the Meeting to Order
2. Chairman's Remarks
3. Report Items
4. Proposals for Ratification
5. Proposals for Discussion
6. Directors Election
7. Other Matters
8. Extraordinary Motions
9. Meeting Adjourned

**CHC Resources Corporation**  
**2025 Annual Shareholders' Meeting**  
**Meeting Agenda**

1. Time: 9:00 a.m., June 25, 2025 (Wednesday)
2. Meeting Method : Physical meeting
3. Venue: No. 2, Youcheng Lane, Yanhai 3rd Road, Siaogang, Kaohsiung, Taiwan(R.O.C.)(CHC Linhai Plant's Meeting Room)
4. Attendants: Shareholders and proxies entrusted by shareholders
5. Chairman: Chairman of the Board, Mr. Hung-Ta Lin
6. Chairman's Remarks
7. Report Items
  - (1) Report on the Operations of 2024.
  - (2) Report on Audit Committee's Review Report of 2024.
  - (3) Report on compensation for employees and remuneration for directors of 2024.
8. Proposals for Ratification
  - (1) To approve 2024 Business Report and Financial Statements.
  - (2) To approve the Proposal for Distribution of 2024 profits.
9. Proposals for Discussion
  - (1) Discussion on amendments to the Company's Articles of Incorporation.
10. Directors Election

To elect 15 directors of the 13th Board of Directors (including 3 independent directors).
11. Other Matters

Discussion to approve the lifting of non-competition restrictions for directors of the 13th Board of Directors (excluding independent directors).
12. Extraordinary Motions
13. Meeting Adjourned

## **Report Items**

**1. Report on the Operations of 2024.**

**2. Report on Audit Committee's Review Report of 2024.**

**(Please refer to the Audit Committee's Review Report)**

## **Audit Committee's Review Report**

The Board of Directors has prepared and submitted to the undersigned, Audit Committee of CHC Resources Corporation, 2024 Business Report, Financial Statements, and Earning Distribution proposal. The Financial Statements have been duly audited by CPA Yu Hsiang Liu and Chao-Chun Wang of Deloitte & Touche Taiwan.

The above Business Report, Financial Statements, and Earning Distribution proposal have been examined and determined to be complying with requirements under laws and regulations related to the Company Act by the undersigned. This Report is duly submitted in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To: 2025 Annual Shareholders' Meeting

CHC Resources Corporation  
Convener of the Audit Committee : Chun-Hsien Wang

February 26, 2025

### **3. Report on compensation for employees and remuneration for directors of 2024**

**Proposed by the Board of Directors**

#### **Explanatory Note:**

- (1) According to the requirements under Article 30 of the Company's Articles of Incorporation, when the Company recorded profits in any given year, the Board of Directors shall appropriate no less than 0.1% as the remuneration for employees, and no more than 1% as the remuneration for Directors; the distribution target for employee's remuneration includes employees of its affiliates who satisfied certain conditions. However, when the Company has accumulated losses, retain the amount for compensation in advance before providing for the remuneration of employees and remuneration of Directors according to the above percentage.
- (2) In 2024, the Company recorded a profit of NT\$1,482,778,383 (i.e., profit before income tax to deducting remuneration of employees and Directors). The Company provides NT\$47,672,001 (approximately 3.22%) as the remuneration of employees and NT\$9,534,400 (approximately 0.64%) as the remuneration for Directors.

# **Proposals for Ratification**

## **1. Proposal:**

To approve 2024 Business Report and Financial Statements

**Proposed by the Board of Directors**

## **Explanatory Note:**

Please refer to Attachment 1 for the 2024 Business Report and the financial statements for the year ended December 31st, 2024.

## **Resolution:**

# Attachment 1

## CHC Resources Corporation 2024 Business Report

In 2024, the domestic public works and construction market remained stable. The Company increased the import of raw materials to enhance the production and sales volume of Ground Granulated Blast Furnace Slag (GGBFS) to meet customer demand. Despite facing adverse factors such as rising electricity prices, the Company has strengthened cost control and improved production processes, resulting in an EPS of NT\$4.66 after tax, (a 38% increase compared to 2023). We hereby report the Company's 2024 Business Results, 2025 Business Plans as follows:

### I. Business Results of 2024

#### (I) Management Principles:

- Entrench in green industries and expand production and sales capacity
- Conduct R&D on low-carbon materials and reinforce cost control
- Fortify information security protection and ensure zero accidents in industrial safety
- Promote net-zero transformation and deepen ESG principles

(II) Business Results: The Company's consolidated operating revenue was NT\$13,290,553 thousand in 2024, a 7% increase compared to 2023. The net profit after tax was NT\$1,183,189 thousand, a 38% increase compared to 2023. This growth can be attributed to the enhanced profitability of the Granulated Blast Furnace Slag (GBFS) Cement business.

(III) Analysis of financial income and expenses and profitability: Please refer to the attached financial statements for an overview of the financial performance in 2024.

#### (IV) Research and Development:

1. Research and development of low-carbon cementitious materials, specifically techniques low-carbon concrete and low-carbon products.
2. Develop low-carbon raw materials for steel production, including techniques for low-carbon iron ore recycling etc.
3. Develop innovative low-carbon materials, including techniques to enhance the reactivity of BOF slag powder and the development of inorganic polymer solutions.

### II. 2025 Business Plan

#### (I) Expected Production and Sales Overview:

##### 1. Granulated Blast-Furnace Slag Cement Business:

Based on the public works budget for 2025 and statistical data on building permits and construction commencement permit licenses issued in 2024, short-term market demand for GGBFS is expected to remain stable. However, close attention must still be paid to the potential impact of government housing policies on the construction sector. In the long term, as carbon neutrality becomes a central focus, industries across the board are accelerating efforts to reduce carbon emissions. Furthermore, the continued annual decline in fly ash output from power plants is expected to drive increased demand for

low-carbon materials such as GGBFS. Additionally, regarding the supply of GBFS raw materials, domestic steel mills are anticipating a reduction in the output of GBFS due to the government's carbon reduction policies. In response, the Company has strengthened its overseas sourcing strategy to ensure stable production that meets market demand.

2. Resource Reutilization Business:

The Company's BOF slag, air-cooled blast furnace slag, and mineral fine aggregates are all classified as low-carbon, environmentally friendly products. These materials are primarily used in road construction, cement production, and marine engineering projects. The artificial fluorite is produced from calcium fluoride byproducts generated by the semiconductor industry and supplied to steel mills as a sustainable alternative in steelmaking, thereby establishing a “Cross-industry Alliance and Co-creating a Circular Economy” business model. In line with the increasing focus on carbon reduction, the Company will leverage the low-carbon advantages of our products to tap into new market opportunities. These efforts will also help industries enhance their carbon reduction performance, paving the way for long-term, mutually beneficial partnerships.

(II) Future Development Plan:

1. Granulated Blast Furnace Slag Cement Business:

- (1) Optimize production capacity, improve quality, strengthen customer service and build long-term relationships.
- (2) Reduce production costs and energy consumption, increase product competitiveness, and improve environmental friendliness.
- (3) Enhance production techniques and innovate new products.

2. Resource Reutilization Business:

- (1) Improve the quality and techniques of products derived from resources to increase their value and broaden their range of applications.
- (2) Implement autonomous management and enhance sales control.
- (3) Leverage advantages of core expertise and low-carbon products, and develop diverse markets and business opportunities.

The Company has long adhered to the 4Rs (Reduce, Reuse, Recovery, Recycle) principles of resource sustainability, ensuring that resources are continuously circulated throughout the economic production and consumption processes, thereby promoting environmental sustainability. With outstanding performance, the Company was awarded the Silver Award for "Outstanding Resource Recycling Enterprise" by the Ministry of Environment in 2024 and was also named one of the "Top 100 Carbon Competitiveness Companies" by Business Weekly. Looking ahead, beyond our current resource utilization practices, we will invest in the research and development of diverse application technologies to link various industry chains, creating greater opportunities for recycling and reuse. These efforts will help drive new momentum in our pursuit of environmental sustainability.

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

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

ASSETS	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 490,442	4	\$ 302,321	2
Financial assets at fair value through other comprehensive income- current (Notes 7 and 28)	212,724	2	292,293	2
Financial assets for hedging - current (Notes 22 and 28)	-	-	4,279	-
Contract assets - current (Notes 23 and 29)	308	-	1,682	-
Notes receivable (Note 8)	311,067	3	270,597	2
Accounts receivable (Note 8)	203,540	2	227,045	2
Accounts receivable - related parties (Notes 8 and 29)	926,316	8	851,298	8
Other receivables	24,909	-	22,572	-
Other receivables - related parties (Note 29)	38,054	-	20,845	-
Current tax assets (Note 25)	-	-	71	-
Inventories (Notes 5 and 9)	402,947	3	440,505	4
Prepayments (Notes 10 and 29)	97,430	1	120,863	1
Other financial assets - current (Notes 11 and 30)	91,577	1	102,631	1
Refundable deposits - current (Note 15)	15,348	-	35,635	-
Costs to fulfil a contract (Note 23)	14,691	-	12,066	-
Other current assets	17,632	-	47,526	-
Total current assets	<u>2,846,985</u>	<u>24</u>	<u>2,752,229</u>	<u>22</u>
<b>NONCURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - noncurrent (Notes 7 and 28)	35,320	-	33,564	-
Investments accounted for using the equity method (Note 13)	279,582	2	299,179	2
Property, plant and equipment (Notes 14, 29 and 30)	4,562,251	39	4,842,613	40
Right-of-use assets (Notes 15, 29 and 30)	1,344,963	11	1,652,561	13
Investment properties (Note 16)	2,325,783	20	2,328,773	20
Intangible assets (Note 17)	6,099	-	7,980	-
Deferred tax assets (Note 25)	105,637	1	105,330	1
Prepayments for equipment	59,147	1	476	-
Refundable deposits - noncurrent (Note 15)	229,517	2	240,188	2
Other financial assets - noncurrent (Notes 11 and 30)	3,850	-	4,005	-
Other noncurrent assets (Note 21)	4,140	-	4,438	-
Total noncurrent assets	<u>8,956,289</u>	<u>76</u>	<u>9,519,107</u>	<u>78</u>
<b>TOTAL</b>	<u>\$ 11,803,274</u>	<u>100</u>	<u>\$ 12,271,336</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 18)	\$ 355,234	3	\$ 593,895	5
Contract liabilities - current (Notes 23 and 29)	46,230	-	56,801	-
Notes payable	15,086	-	16,208	-
Accounts payable	158,885	1	145,610	1
Accounts payable - related parties (Note 29)	103,159	1	101,638	1
Payables on equipment	16,524	-	47,571	-
Other payables (Note 19)	855,024	8	983,531	9
Other payables - related parties (Notes 19 and 29)	178,597	2	79,597	1
Current tax liabilities (Note 25)	173,673	1	216,082	2
Lease liabilities - current (Notes 15 and 29)	348,955	3	356,934	3
Current portion of long-term borrowings (Notes 18 and 30)	64,862	1	142,670	1
Guarantee deposits received - current	36,967	-	55,034	-
Other current liabilities	5,132	-	6,277	-
Total current liabilities	<u>2,358,328</u>	<u>20</u>	<u>2,801,848</u>	<u>23</u>
<b>NONCURRENT LIABILITIES</b>				
Long-term borrowings (Notes 18 and 30)	1,329,724	11	1,491,510	13
Provisions - noncurrent (Note 20)	377,107	4	306,146	2
Deferred tax liabilities (Note 25)	142,985	1	129,412	1
Lease liabilities - noncurrent (Notes 15 and 29)	926,974	8	1,201,508	10
Net defined benefit liabilities (Note 21)	8,262	-	49,409	-
Guarantee deposits received - noncurrent	5,851	-	6,400	-
Total noncurrent liabilities	<u>2,790,903</u>	<u>24</u>	<u>3,184,385</u>	<u>26</u>
Total liabilities	<u>5,149,231</u>	<u>44</u>	<u>5,986,233</u>	<u>49</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 22)</b>				
Ordinary shares	2,485,404	21	2,485,404	20
Capital surplus	162,411	1	162,024	1
Retained earnings				
Legal reserve	1,657,720	14	1,574,514	13
Special reserve	17,532	-	-	-
Unappropriated earnings	2,195,338	19	1,854,078	15
Total retained earnings	<u>3,870,590</u>	<u>33</u>	<u>3,428,592</u>	<u>28</u>
Other equity	(104,465)	(1)	(17,532)	-
Total equity attributable to owners of the Corporation	6,413,940	54	6,058,488	49
<b>NON-CONTROLLING INTERESTS (Note 22)</b>	<u>240,103</u>	<u>2</u>	<u>226,615</u>	<u>2</u>
Total equity	<u>6,654,043</u>	<u>56</u>	<u>6,285,103</u>	<u>51</u>
<b>TOTAL</b>	<u>\$ 11,803,274</u>	<u>100</u>	<u>\$ 12,271,336</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

## CHC RESOURCES CORPORATION AND SUBSIDIARIES

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

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

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 29)				
Sales	\$ 7,816,089	59	\$ 6,883,575	56
Construction revenue	14,203	-	13,681	-
Service revenue	<u>5,460,261</u>	<u>41</u>	<u>5,497,646</u>	<u>44</u>
Total operating revenue	<u>13,290,553</u>	<u>100</u>	<u>12,394,902</u>	<u>100</u>
OPERATING COSTS (Notes 9, 24 and 29)				
Cost of goods sold	6,063,759	46	5,434,012	44
Construction costs	13,527	-	12,307	-
Service costs	<u>5,216,321</u>	<u>39</u>	<u>5,392,413</u>	<u>44</u>
Total operating costs	<u>11,293,607</u>	<u>85</u>	<u>10,838,732</u>	<u>88</u>
GROSS PROFIT	<u>1,996,946</u>	<u>15</u>	<u>1,556,170</u>	<u>12</u>
OPERATING EXPENSES (Notes 24 and 29)				
Selling and marketing expenses	222,706	2	183,543	1
General and administrative expenses	273,607	2	274,605	2
Research and development expenses	<u>25,810</u>	<u>-</u>	<u>23,750</u>	<u>-</u>
Total operating expenses	<u>522,123</u>	<u>4</u>	<u>481,898</u>	<u>3</u>
PROFIT FROM OPERATIONS	<u>1,474,823</u>	<u>11</u>	<u>1,074,272</u>	<u>9</u>
NON-OPERATING INCOME AND EXPENSES (Notes 24 and 29)				
Interest income	7,106	-	6,187	-
Other income	49,025	-	54,294	-
Other gains and losses	(2,561)	-	(4,112)	-
Finance costs	(69,598)	(1)	(85,431)	(1)
Share of profit of associates	<u>9,797</u>	<u>-</u>	<u>14,335</u>	<u>-</u>
Total non-operating income and expenses	<u>(6,231)</u>	<u>(1)</u>	<u>(14,727)</u>	<u>(1)</u>
PROFIT BEFORE INCOME TAX	1,468,592	10	1,059,545	8
INCOME TAX EXPENSE (Note 25)	<u>285,403</u>	<u>1</u>	<u>201,532</u>	<u>1</u>
NET PROFIT FOR THE YEAR	<u>1,183,189</u>	<u>9</u>	<u>858,013</u>	<u>7</u>

(Continued)

## CHC RESOURCES CORPORATION AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 21, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	\$ 31,890	-	\$ (12,056)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(77,813)	-	(23,989)	-
Gain (loss) on hedging instruments subject to basis adjustment	42	-	(2,074)	-
Share of the other comprehensive loss of associates accounted for using the equity method	(16,825)	-	(3,534)	-
Income tax related to items that will not be reclassified subsequently to profit or loss	(6,378)	-	2,411	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of the financial statements of foreign operations	12,606	-	(24,909)	-
Share of the other comprehensive income of associates accounted for using the equity method	<u>26</u>	<u>-</u>	<u>773</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>(56,452)</u>	<u>-</u>	<u>(63,378)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,126,737</u>	<u>9</u>	<u>\$ 794,635</u>	<u>7</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,159,134	9	\$ 839,555	7
Non-controlling interests	<u>24,055</u>	<u>-</u>	<u>18,458</u>	<u>-</u>
	<u>\$ 1,183,189</u>	<u>9</u>	<u>\$ 858,013</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,100,815	9	\$ 780,191	7
Non-controlling interests	<u>25,922</u>	<u>-</u>	<u>14,444</u>	<u>-</u>
	<u>\$ 1,126,737</u>	<u>9</u>	<u>\$ 794,635</u>	<u>7</u>

(Continued)

## CHC RESOURCES CORPORATION AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

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	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
EARNINGS PER SHARE (Note 26)				
Basic	\$ 4.66		\$ 3.38	
Diluted	\$ 4.65		\$ 3.37	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

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

	Total Equity Attributable to Owners of the Corporation						Other Equity				Total Equity Attributable to Owners of the Corporation	Non-controlling Interests	Total Equity
	Ordinary Shares	Capital Surplus	Retained Earnings			Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Total			
			Legal Reserve	Special Reserve	Unappropriated Earnings								
BALANCE AT JANUARY 1, 2023	\$ 2,485,404	\$ 162,024	\$ 1,496,349	\$ -	\$ 1,721,535	\$ 3,217,884	\$ (16,063)	\$ 48,367	\$ 2,032	\$ 34,336	\$ 5,899,648	\$ 218,661	\$ 6,118,309
Appropriation of 2022 earnings (Note 22)													
Legal reserve	-	-	78,165	-	(78,165)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(621,351)	(621,351)	-	-	-	-	(621,351)	-	(621,351)
	-	-	78,165	-	(699,516)	(621,351)	-	-	-	-	(621,351)	-	(621,351)
Net profit for the year ended December 31, 2023	-	-	-	-	839,555	839,555	-	-	-	-	839,555	18,458	858,013
Other comprehensive loss for the year ended December 31, 2023, net of income tax	-	-	-	-	(9,523)	(9,523)	(20,400)	(27,367)	(2,074)	(49,841)	(59,364)	(4,014)	(63,378)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	830,032	830,032	(20,400)	(27,367)	(2,074)	(49,841)	780,191	14,444	794,635
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(6,490)	(6,490)
Disposal of investments in equity instruments at fair value through other comprehensive income (loss)	-	-	-	-	2,027	2,027	-	(2,027)	-	(2,027)	-	-	-
BALANCE AT DECEMBER 31, 2023	2,485,404	162,024	1,574,514	-	1,854,078	3,428,592	(36,463)	18,973	(42)	(17,532)	6,058,488	226,615	6,285,103
Appropriation of 2023 earnings (Note 22)													
Legal reserve	-	-	83,206	-	(83,206)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	17,532	(17,532)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(745,621)	(745,621)	-	-	-	-	(745,621)	-	(745,621)
	-	-	83,206	17,532	(846,359)	(745,621)	-	-	-	-	(745,621)	-	(745,621)
Changes in capital surplus from investments in associates accounted for using the equity method	-	13	-	-	(129)	(129)	-	-	-	-	(116)	-	(116)
Net profit for the year ended December 31, 2024	-	-	-	-	1,159,134	1,159,134	-	-	-	-	1,159,134	24,055	1,183,189
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	25,463	25,463	10,741	(94,565)	42	(83,782)	(58,319)	1,867	(56,452)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,184,597	1,184,597	10,741	(94,565)	42	(83,782)	1,100,815	25,922	1,126,737
Changes in ownership interests in subsidiaries	-	374	-	-	-	-	-	-	-	-	374	42	416
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(12,476)	(12,476)
Disposal of investments in equity instruments at fair value through other comprehensive income (loss)	-	-	-	-	3,151	3,151	-	(3,151)	-	(3,151)	-	-	-
BALANCE AT DECEMBER 31, 2024	\$ 2,485,404	\$ 162,411	\$ 1,657,720	\$ 17,532	\$ 2,195,338	\$ 3,870,590	\$ (25,722)	\$ (78,743)	\$ -	\$ (104,465)	\$ 6,413,940	\$ 240,103	\$ 6,654,043

The accompanying notes are an integral part of the consolidated financial statements.

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

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

	<u>For the Year Ended December 31</u>	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 1,468,592	\$ 1,059,545
Adjustments for:		
Depreciation expense	860,962	931,069
Amortization expense	26,982	22,097
Net gain on financial assets at fair value through profit or loss	(415)	(468)
Finance costs	69,598	85,431
Interest income	(7,106)	(6,187)
Dividend income	(7,704)	(12,888)
Share of profit of associates	(9,797)	(14,335)
Gain on disposal of property, plant and equipment	(158)	(145)
Reversal of write-down of inventories	(869)	(409)
Impairment loss on property, plant and equipment	49,541	2,005
Recognition of provisions	70,961	144,197
Others	(177)	(78)
Changes in operating assets and liabilities		
Contract assets - current	1,374	17,730
Notes receivable	(40,470)	(23,780)
Accounts receivable	23,505	(48,696)
Accounts receivable - related parties	(75,018)	(326,224)
Other receivables	(2,055)	(10,550)
Other receivables - related parties	(17,209)	21,565
Inventories	38,427	(64,237)
Prepayments	23,433	36,873
Other current assets	29,894	(8,465)
Other financial assets	11,209	(9,845)
Costs to fulfil a contract	(2,625)	(2,816)
Contract liabilities - current	(10,571)	18,604
Notes payable	(1,122)	(8,683)
Accounts payable	13,275	3,730
Accounts payable - related parties	1,521	(2,675)
Other payables	(128,311)	7,241
Other payables - related parties	99,000	(16,258)
Provisions	-	(2,585)
Other current liabilities	(1,145)	(6,931)
Net defined benefit liabilities	(16,002)	(18,862)
Cash generated from operations	<u>2,467,520</u>	<u>1,764,970</u>
Income taxes paid	<u>(314,475)</u>	<u>(180,567)</u>
Net cash generated from operating activities	<u>2,153,045</u>	<u>1,584,403</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	-	(30,298)

(Continued)

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Acquisition of financial assets at fair value through profit or loss	\$ (530,000)	\$ (900,000)
Proceeds from disposal of financial assets at fair value through profit or loss	530,415	900,468
Acquisition of financial assets for hedging	-	(8,864)
Proceeds of financial assets for hedging	4,321	40,113
Proceeds from the capital reduction on investments accounted for using the equity method	-	4,861
Acquisition of property, plant and equipment	(359,827)	(225,892)
Proceeds from disposal of property, plant and equipment	381	435
Decrease in refundable deposits	30,958	8,450
Payments for intangible assets	(2,880)	(4,625)
Increase in other noncurrent assets	(21,549)	(17,083)
Interest received	6,824	6,174
Dividends received from others	7,704	12,888
Dividends received from associates	<u>12,476</u>	<u>16,926</u>
Net cash used in investing activities	<u>(321,177)</u>	<u>(196,447)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	5,881,107	6,221,943
Repayments of short-term borrowings	(6,121,930)	(6,041,660)
Proceeds from short-term bills payable	5,000	200,000
Repayments of short-term bills payable	(5,000)	(200,000)
Proceeds from in long-term borrowings	4,680,000	3,600,000
Repayments of long-term borrowings	(4,923,542)	(3,993,708)
Proceeds from guarantee deposits received	(18,616)	(4,220)
Repayments of principal portion of lease liabilities	(316,288)	(367,508)
Dividends paid to owner of the Company	(745,621)	(621,351)
Interest paid	(70,786)	(89,225)
Dividends paid to non-controlling interests	<u>(12,476)</u>	<u>(6,490)</u>
Net cash used in financing activities	<u>(1,648,152)</u>	<u>(1,302,219)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	<u>4,405</u>	<u>(9,101)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	188,121	76,636
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>302,321</u>	<u>225,685</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 490,442</u>	<u>\$ 302,321</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

# CHC RESOURCES CORPORATION

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

ASSETS	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash (Note 6)	\$ 222,690	2	\$ 110,475	1
Financial assets at fair value through other comprehensive income - current (Notes 7 and 26)	204,395	2	280,849	2
Financial assets for hedging - current (Notes 20 and 26)	-	-	4,279	-
Contract assets - current (Notes 21 and 27)	-	-	1,485	-
Notes receivable (Note 8)	302,923	3	259,999	2
Accounts receivable (Note 8)	115,940	1	130,343	1
Accounts receivable - related parties (Notes 8 and 27)	893,467	8	791,525	8
Other receivables	167	-	250	-
Other receivables - related parties (Note 27)	42,111	-	24,672	-
Inventories (Notes 5 and 9)	362,413	4	392,600	4
Prepayments (Note 27)	37,869	-	35,435	-
Refundable deposits - current (Note 13)	12,550	-	19,220	-
Costs to fulfil a contract (Note 21)	12,324	-	10,759	-
Other current assets	9,867	-	2,846	-
Total current assets	<u>2,216,716</u>	<u>20</u>	<u>2,064,737</u>	<u>18</u>
<b>NONCURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - noncurrent (Notes 7 and 26)	17,102	-	16,501	-
Investments accounted for using the equity method (Note 11)	1,357,965	12	1,298,922	11
Property, plant and equipment (Notes 12, 27 and 28)	3,591,747	32	3,851,267	35
Right-of-use assets (Notes 13 and 27)	1,190,725	11	1,491,516	13
Investment properties (Note 14)	2,335,638	21	2,338,719	20
Intangible assets (Note 15)	5,875	-	7,498	-
Deferred tax assets (Note 23)	104,952	1	104,926	1
Prepayments for equipment	58,615	1	-	-
Refundable deposits - noncurrent (Note 13)	226,903	2	237,581	2
Other financial assets - noncurrent (Notes 10 and 28)	3,850	-	3,850	-
Other noncurrent assets	233	-	283	-
Total noncurrent assets	<u>8,893,605</u>	<u>80</u>	<u>9,351,063</u>	<u>82</u>
<b>TOTAL</b>	<u>\$ 11,110,321</u>	<u>100</u>	<u>\$ 11,415,800</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 16)	\$ 280,625	3	\$ 448,466	4
Contract liabilities - current (Notes 21 and 27)	41,091	-	29,802	-
Notes payable	10,521	-	11,643	-
Accounts payable	144,556	1	127,891	1
Accounts payable - related parties (Note 27)	103,807	1	101,801	1
Payables on equipment	15,820	-	46,953	-
Other payables (Notes 17 and 30)	742,669	8	866,677	8
Other payables - related parties (Notes 17 and 27)	220,879	2	119,699	1
Current tax liabilities (Note 23)	163,960	1	202,201	2
Lease liabilities - current (Notes 13 and 27)	338,338	3	343,513	3
Current portion of long-term borrowings (Note 16)	-	-	78,833	1
Guarantee deposits received - current	21,526	-	38,370	-
Other current liabilities	4,622	-	5,855	-
Total current liabilities	<u>2,088,414</u>	<u>19</u>	<u>2,421,704</u>	<u>21</u>
<b>NONCURRENT LIABILITIES</b>				
Long-term borrowings (Note 16)	1,200,000	11	1,300,000	11
Provisions - noncurrent (Notes 18 and 30)	377,107	3	306,146	3
Deferred tax liabilities (Note 23)	96,288	1	82,837	1
Lease liabilities - noncurrent (Notes 13 and 27)	921,093	8	1,194,652	11
Net defined benefit liabilities (Note 19)	8,262	-	49,409	-
Guarantee deposits received - noncurrent	5,217	-	2,564	-
Total noncurrent liabilities	<u>2,607,967</u>	<u>23</u>	<u>2,935,608</u>	<u>26</u>
Total liabilities	<u>4,696,381</u>	<u>42</u>	<u>5,357,312</u>	<u>47</u>
<b>EQUITY (Note 20)</b>				
Ordinary shares	2,485,404	22	2,485,404	22
Capital surplus	162,411	1	162,024	1
Retained earnings				
Legal reserve	1,657,720	15	1,574,514	14
Special reserve	17,532	-	-	-
Unappropriated earnings	2,195,338	21	1,854,078	16
Total retained earnings	<u>3,870,590</u>	<u>36</u>	<u>3,428,592</u>	<u>30</u>
Other equity	(104,465)	(1)	(17,532)	-
Total equity	<u>6,413,940</u>	<u>58</u>	<u>6,058,488</u>	<u>53</u>
<b>TOTAL</b>	<u>\$ 11,110,321</u>	<u>100</u>	<u>\$ 11,415,800</u>	<u>100</u>

The accompanying notes are an integral part of the standalone financial statements.

# CHC RESOURCES CORPORATION

## STANDALONE STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 21 and 27)				
Sales	\$ 6,650,261	56	\$ 5,797,841	52
Construction revenue	14,203	-	13,681	-
Service revenue	<u>5,224,913</u>	<u>44</u>	<u>5,273,222</u>	<u>48</u>
Total operating revenue	<u>11,889,377</u>	<u>100</u>	<u>11,084,744</u>	<u>100</u>
OPERATING COSTS (Notes 9, 22 and 27)				
Cost of goods sold	5,131,066	43	4,524,000	41
Construction costs	13,527	-	12,307	-
Service costs	<u>4,964,574</u>	<u>42</u>	<u>5,167,679</u>	<u>47</u>
Total operating costs	<u>10,109,167</u>	<u>85</u>	<u>9,703,986</u>	<u>88</u>
GROSS PROFIT	<u>1,780,210</u>	<u>15</u>	<u>1,380,758</u>	<u>12</u>
OPERATING EXPENSES (Notes 22 and 27)				
Selling and marketing expenses	219,234	2	196,379	2
General and administrative expenses	221,790	2	209,941	2
Research and development expenses	<u>27,655</u>	<u>-</u>	<u>25,945</u>	<u>-</u>
Total operating expenses	<u>468,679</u>	<u>4</u>	<u>432,265</u>	<u>4</u>
PROFIT FROM OPERATIONS	<u>1,311,531</u>	<u>11</u>	<u>948,493</u>	<u>8</u>
NON-OPERATING INCOME AND EXPENSES (Notes 22 and 27)				
Interest income	1,651	-	1,394	-
Other income	43,312	-	49,025	1
Other gains and losses	(4,485)	-	(5,285)	-
Finance costs	(52,022)	-	(59,376)	(1)
Share of profit of subsidiaries and associates	<u>125,585</u>	<u>1</u>	<u>92,670</u>	<u>1</u>
Total non-operating income and expenses	<u>114,041</u>	<u>1</u>	<u>78,428</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	1,425,572	12	1,026,921	9
INCOME TAX EXPENSE (Note 23)	<u>266,438</u>	<u>2</u>	<u>187,366</u>	<u>2</u>
NET PROFIT FOR THE YEAR	<u>1,159,134</u>	<u>10</u>	<u>839,555</u>	<u>7</u>

(Continued)

# CHC RESOURCES CORPORATION

## STANDALONE STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 19, 20 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 31,504	-	\$ (11,610)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(75,853)	(1)	(22,551)	-
Gain (loss) on hedging instruments subject to basis adjustment	42	-	(2,074)	-
Share of the other comprehensive loss of subsidiaries and associates accounted for using the equity method	(18,452)	-	(5,051)	-
Income tax related to items that will not be reclassified subsequently to profit or loss	(6,301)	-	2,322	-
Items that may be reclassified subsequently to profit or loss:				
Share of the other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	<u>10,741</u>	<u>-</u>	<u>(20,400)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>(58,319)</u>	<u>(1)</u>	<u>(59,364)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,100,815</u>	<u>9</u>	<u>\$ 780,191</u>	<u>7</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 4.66</u>		<u>\$ 3.38</u>	
Diluted	<u>\$ 4.65</u>		<u>\$ 3.37</u>	

The accompanying notes are an integral part of the standalone financial statements.

(Concluded)

# CHC RESOURCES CORPORATION

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

	Retained Earnings						Other Equity			Total	Total Equity
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments		
BALANCE AT JANUARY 1, 2023	\$ 2,485,404	\$ 162,024	\$ 1,496,349	\$ -	\$ 1,721,535	\$ 3,217,884	\$ (16,063)	\$ 48,367	\$ 2,032	\$ 34,336	\$ 5,899,648
Appropriation of 2022 earnings (Note 20)											
Legal reserve	-	-	78,165	-	(78,165)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(621,351)	(621,351)	-	-	-	-	(621,351)
	-	-	78,165	-	(699,516)	(621,351)	-	-	-	-	(621,351)
Net profit for the year ended December 31, 2023	-	-	-	-	839,555	839,555	-	-	-	-	839,555
Other comprehensive loss for the year ended December 31, 2023, net of income tax	-	-	-	-	(9,523)	(9,523)	(20,400)	(27,367)	(2,074)	(49,841)	(59,364)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	830,032	830,032	(20,400)	(27,367)	(2,074)	(49,841)	780,191
Disposal of financial assets at fair value through other comprehensive income (loss)	-	-	-	-	2,027	2,027	-	(2,027)	-	(2,027)	-
BALANCE AT DECEMBER 31, 2023	2,485,404	162,024	1,574,514	-	1,854,078	3,428,592	(36,463)	18,973	(42)	(17,532)	6,058,488
Appropriation of 2023 earnings (Note 20)											
Legal reserve	-	-	83,206	-	(83,206)	-	-	-	-	-	-
Special reserve	-	-	-	17,532	(17,532)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(745,621)	(745,621)	-	-	-	-	(745,621)
	-	-	83,206	17,532	(846,359)	(745,621)	-	-	-	-	(745,621)
Changes in capital surplus from investments in associates accounted for using the equity method	-	13	-	-	(129)	(129)	-	-	-	-	(116)
Net profit for the year ended December 31, 2024	-	-	-	-	1,159,134	1,159,134	-	-	-	-	1,159,134
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	25,463	25,463	10,741	(94,565)	42	(83,782)	(58,319)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,184,597	1,184,597	10,741	(94,565)	42	(83,782)	1,100,815
Changes in ownership interests in subsidiaries	-	374	-	-	-	-	-	-	-	-	374
Disposal of financial assets at fair value through other comprehensive income (loss)	-	-	-	-	3,151	3,151	-	(3,151)	-	(3,151)	-
BALANCE AT DECEMBER 31, 2024	\$ 2,485,404	\$ 162,411	\$ 1,657,720	\$ 17,532	\$ 2,195,338	\$ 3,870,590	\$ (25,722)	\$ (78,743)	\$ -	\$ (104,465)	\$ 6,413,940

The accompanying notes are an integral part of the standalone financial statements.

# CHC RESOURCES CORPORATION

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

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 1,425,572	\$ 1,026,921
Adjustments for:		
Depreciation expense	802,180	869,500
Amortization expense	26,717	21,427
Net gain on financial assets at fair value through profit or loss	(415)	(468)
Finance costs	52,022	59,376
Interest income	(1,651)	(1,394)
Dividend income	(7,555)	(12,464)
Share of profit of subsidiaries and associates	(125,585)	(92,670)
Gain on disposal of property, plant and equipment	(158)	(358)
Write-down (reversal) of inventories	(960)	1,673
Impairment loss on property, plant and equipment	49,541	2,005
Recognition of provisions	70,961	144,197
Others	(177)	-
Changes in operating assets and liabilities		
Contract assets - current	1,485	17,522
Notes receivable	(42,924)	(23,289)
Accounts receivable	14,403	(16,406)
Accounts receivable - related parties	(101,942)	(288,848)
Other receivables	83	972
Other receivables - related parties	(17,439)	17,564
Inventories	31,147	(83,042)
Prepayments	(2,434)	52,173
Other current assets	(7,021)	1,517
Other financial assets	-	(650)
Costs to fulfil a contract	(1,565)	(3,169)
Contract liabilities - current	11,289	(4,694)
Notes payable	(1,122)	(9,177)
Accounts payable	16,665	(1,435)
Accounts payable - related parties	2,006	(3,914)
Other payables	(124,265)	(15,417)
Other payables - related parties	101,180	(7,211)
Provisions	-	(2,585)
Other current liabilities	(1,233)	(6,822)
Net defined benefit liabilities	(15,944)	(17,547)
Cash generated from operations	<u>2,152,861</u>	<u>1,623,287</u>
Income taxes paid	<u>(291,254)</u>	<u>(167,507)</u>
Net cash generated from operating activities	<u>1,861,607</u>	<u>1,455,780</u>

(Continued)

# CHC RESOURCES CORPORATION

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

	<u>For the Year Ended December 31</u>	
	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	\$ -	\$ (30,298)
Acquisition of financial assets at fair value through profit or loss	(530,000)	(900,000)
Proceeds from disposal of financial assets at fair value through profit or loss	530,415	900,468
Acquisition of financial assets for hedging	-	(8,864)
Proceeds of financial assets for hedging	4,321	40,113
Proceeds from the capital reduction and liquidation on investment accounted for using the equity method	-	4,861
Acquisition of property, plant and equipment	(343,117)	(203,883)
Proceeds from disposal of property, plant and equipment	381	396
Decrease in refundable deposits	17,348	8,802
Payments for intangible assets	(2,880)	(4,485)
Increase in other noncurrent assets	(22,164)	(17,062)
Interest received	1,651	1,398
Dividends received from others	7,555	12,464
Dividends received from subsidiaries and associates	<u>59,090</u>	<u>67,351</u>
Net cash used in investing activities	<u>(277,400)</u>	<u>(128,739)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	5,686,940	5,917,707
Repayments of short-term borrowings	(5,854,781)	(5,828,519)
Proceeds from short-term bills payable	-	200,000
Repayments of short-term bills payable	-	(200,000)
Proceeds from long-term borrowings	4,680,000	3,600,000
Repayments of long-term borrowings	(4,858,833)	(3,927,667)
Increase in guarantee deposits received	(14,191)	(15,399)
Repayments of principal portion of lease liabilities	(312,332)	(363,269)
Dividends paid	(745,621)	(621,351)
Interest paid	<u>(53,174)</u>	<u>(60,712)</u>
Net cash used in financing activities	<u>(1,471,992)</u>	<u>(1,299,210)</u>
NET INCREASE IN CASH	112,215	27,831
CASH AT THE BEGINNING OF THE YEAR	<u>110,475</u>	<u>82,644</u>
CASH AT THE END OF THE YEAR	<u>\$ 222,690</u>	<u>\$ 110,475</u>

The accompanying notes are an integral part of the standalone financial statements.

(Concluded)

## **2. Proposal:**

To approve the Proposal for Distribution of 2024 Profits

**Proposed by the Board of Directors**

### **Explanatory Note:**

- (1) The Company intends to distribute its 2024 Earning Distribution according to the requirements under Article 30-1 of the Company's Articles of Incorporation; please see Attachment 2 for details.
- (2) The Company intends to distribute shareholders' bonuses amounted to NT\$994,161,472 (a distribution of NT\$4 per share in cash). Undistributed earnings after the distribution shall be NT\$995,483,053.
- (3) The ex-dividend date for the cash dividend is intended to be determined by the Chairman after the Earning Distribution proposal had been passed at the Annual Shareholders' Meeting. When distributing cash dividends, the total dividends distributed to each Shareholder shall be round up to "NT\$1," and the differences arising thereof shall be recognized as expenses by the Company.

### **Resolution:**

## Attachment 2

### CHC Resources Corporation 2024 Earning Distribution Table

Item	Total	Unit: NT\$ Remarks
Earnings available for distribution		
Opening balance of undistributed earnings	\$1,007,719,614	
Add: re-measurement of defined benefit plans credited to retained earnings	25,463,431	
Add: gains (loss) from the disposal of investments in equity instruments at fair value through other comprehensive profit or loss credited to retained earnings	3,150,890	
Less: Adjustment for insufficient capital surplus recognized under the equity method	(129,431)	
Adjusted undistributed earnings	1,036,204,504	
Add: net profit for the year	1,159,134,206	
Less: Legal reserve	(118,761,910)	Note 1
Less: Special Reserve	(86,932,275)	Note 2
Earnings available for distribution for the period	1,989,644,525	
Earning distribution item:		
Shareholders' bonuses:		
Cash bonus (NT\$4 per share)	(994,161,472)	
Closing undistributed earnings	\$995,483,053	Note 3

Note 1: In accordance with requirements under the laws and regulations, net profit for the year (NT\$1,159,134,206) add re-measurement of defined benefit plans credited to retained earnings (NT\$25,463,431) and add gains (loss) from the disposal of investments in equity instruments at fair value through other comprehensive profit or loss credited to retained earnings (NT\$3,150,890) and less adjustment for insufficient capital surplus recognized under the equity method(NT\$129,431) had been adopted as the provision basis of the legal reserve.

Note 2: In accordance with requirements under the laws and regulations, the Company had provided the special reserve to recognize the increase in deduction item for other shareholders' equity (NT\$86,932,275) for 2024.

Note 3: When calculating the tax on undistributed earnings for profit-seeking businesses under Article 66-9 of the Income Tax Act, the Company shall distribute the latest annual earnings first.

# **Proposals for Discussion**

## **1. Proposal:**

Discussion on amendments to the Company's Articles of Incorporation.

**Proposed by the Board of Directors**

## **Explanatory Note:**

1. Pursuant to Article 14, Section 6 of the Securities and Exchange Act, it is proposed to amend Article 30 of the Company's Articles of Incorporation to include a provision requiring that no less than 30% of employee remuneration be allocated to non-executive employees. Furthermore, Article 34 will be revised to reflect the edition and date of this amendment.
2. A comparison table outlining the proposed amendments to specific articles of the Articles of Incorporation is provided in attachment 3.

## **Resolution:**

## Attachment 3

### Comparison Table for Amendments to the Company's Articles of Incorporation of CHC Resources Corporation

Revised clause	Clause in force	Explanation
<p>Article 30</p> <p>When the Company recorded profits in any given year, the Board of Directors shall appropriate no less than 0.1% as the remuneration for employees, and no more than 1% as the remuneration for Directors. <b><u>Furthermore, at least 30% of the employee remuneration shall be allocated to non-executive employees</u></b>; the distribution target for employee's remuneration includes employees of its affiliates who satisfied certain conditions. However, when the Company has accumulated losses, retain the amount for compensation in advance before providing for the remuneration of employees and remuneration of Directors according to the above percentage.</p> <p>(Omit)</p>	<p>Article 30</p> <p>When the Company recorded profits in any given year, the Board of Directors shall appropriate no less than 0.1% as the remuneration for employees, and no more than 1% as the remuneration for Directors; the distribution target for employee's remuneration includes employees of its affiliates who satisfied certain conditions. However, when the Company has accumulated losses, retain the amount for compensation in advance before providing for the remuneration of employees and remuneration of Directors according to the above percentage.</p> <p>(Omit)</p>	<p>In accordance with Article 14, Section 6 of the Securities and Exchange Act, regulations regarding the allocation of employee remuneration to non-executive employees have been incorporated into the Articles of Incorporation.</p>
<p>Article 34</p> <p>The Articles of Incorporation was established on 30 April 1991; the 1st amendment was made on 20 March 1992; the 2nd amendment was made on 19 October 1992; the 3rd amendment was made on 8 September 1995; the 4th amendment was made on 19 April 1996; the 5th amendment was made on 11 December 1996; the 6th amendment was made on 20 June 1997; the 7th amendment was made on 25 May 1998; the 8th amendment was made on 22 April 1999; the 9th amendment was made on 22 June 1999; the 10th amendment was made on 21 June 2000; the 11th amendment was made on 7 November 2000; the 12th amendment was made on 18 May 2001; the 13th amendment was made on 10 June 2002; the 14th amendment was made on 9 June 2005; the 15th amendment was made on 16 June 2006; the 16th amendment was made on 19 June 2008; the 17th amendment was made on 19 June 2009; the 18th amendment was made on 25 June 2010; the 19th amendment was made on 24 June 2011; the 20th amendment was made on 24 June 2014; the 21st amendment was made on 12 June 2015; the 22nd amendment was made on 21 June 2016; the 23rd amendment was made on 22 June 2018; the 24th amendment was made on 23 June 2022; <b><u>the 25th amendment was made on 25 June 2025.</u></b></p>	<p>Article 34</p> <p>The Articles of Incorporation was established on 30 April 1991; the 1st amendment was made on 20 March 1992; the 2nd amendment was made on 19 October 1992; the 3rd amendment was made on 8 September 1995; the 4th amendment was made on 19 April 1996; the 5th amendment was made on 11 December 1996; the 6th amendment was made on 20 June 1997; the 7th amendment was made on 25 May 1998; the 8th amendment was made on 22 April 1999; the 9th amendment was made on 22 June 1999; the 10th amendment was made on 21 June 2000; the 11th amendment was made on 7 November 2000; the 12th amendment was made on 18 May 2001; the 13th amendment was made on 10 June 2002; the 14th amendment was made on 9 June 2005; the 15th amendment was made on 16 June 2006; the 16th amendment was made on 19 June 2008; the 17th amendment was made on 19 June 2009; the 18th amendment was made on 25 June 2010; the 19th amendment was made on 24 June 2011; the 20th amendment was made on 24 June 2014; the 21st amendment was made on 12 June 2015; the 22nd amendment was made on 21 June 2016; the 23rd amendment was made on 22 June 2018; the 24th amendment was made on 23 June 2022.</p>	<p>Add the date and version of this amendment.</p>

## **Directors Election**

### **Proposal:**

To elect 15 directors of the 13th Board of Directors (including 3 independent directors).

**Proposed by the Board of Directors**

### **Explanatory Note:**

1. The term of office of the current 12th Board of Directors will end on June 22, 2025. It is proposed that the 13th Board of Directors be fully re-elected in conjunction with the 2025 Annual Shareholders' Meeting, and the 12th Board of Directors will serve until the 13th Board of Directors takes office.
2. In accordance with Article 16 of the Company's Articles of Incorporation, there shall be 13 to 15 directors, the number of independent directors shall not be less than 3, and a candidate nomination system shall be adopted; 15 directors, including 12 non-independent directors and 3 independent directors, shall be elected at the Annual Shareholders' Meeting in 2025, and the nominees shall be listed in Attachment 5 for a term of 3 years from June 25, 2025 to June 24, 2028.

### **Election Result:**

## Attachment 5

### List of candidates for the 13th session of directors (including independent directors) of CHC Resources Corporation

Candidate number	Account number	Candidate Category	Name of candidate	Number of shares held	Education	Experience	Current position	Has he served as an independent director for three consecutive terms
1	1	Director	Representative of China Steel Corporation Hung-Ta Lin	49,289,597	Master of Materials Science and Engineering , University of Sheffield , UK	Assistant Vice President of Production Division, China Steel Corporation	Chairman of CHC Resources Corporation	N.A.
2	1	Director	Representative of China Steel Corporation I-Min Wu	49,289,597	Master of Science in Environmental Technology, Centre for Environmental Policy, Imperial College London	General Manager of Environmental Protection Department, China Steel Corporation	President of CHC Resources Corporation	N.A.
3	1	Director	Representative of China Steel Corporation Chih-Hong Lin	49,289,597	Bachelor of Electrical Engineering Technology , Taiwan Institute of Industrial Technology	General Manager of the Raw Material Handling & Implant Transportation Department, China Steel Corporation	General Manager of the Raw Material Handling & Implant Transportation Department, China Steel Corporation	N.A.
4	1	Director	Representative of China Steel Corporation Chi-Lun Kao	49,289,597	Bachelor of Material Science Engineering, National Tsing Hua University	General Superintendent of Steel Making Department, China Steel Corporation	General Superintendent of Steel Making Department, China Steel Corporation	N.A.
5	4	Director	Representative of TCC Group Holdings CO., LTD. Chien-Chiang Huang	30,196,163	Bachelor of Transportation and Communication Management Science , National Cheng Kung University	Senior Vice President, TCC Group Holdings CO., LTD.	Senior Vice President, TCC Group Holdings CO., LTD.	N.A.
6	4	Director	Representative of TCC Group Holdings CO., LTD. Ming-Jen Yu	30,196,163	MBA, Stern School of Business, New York University	CFO, TCC Group Holdings CO., LTD.	CFO, TCC Group Holdings CO., LTD.	N.A.
7	2	Director	Representative of China Steel Structure Co.,Ltd. Jui-Teng Chen	23,182,738	Master of Industrial Engineering, National Chiao Tung University	Chairman of China Steel Structure Corporation	Chairman of China Steel Structure Corporation	N.A.
8	5	Director	Representative of Asia Cement Corporation Chen-He Chung	22,801,185	Master of International Business Management , Da-Yeh University	Manager of the Domestic Sales Department, Asia Cement Corporation	Manager of the Domestic Sales Department, Asia Cement Corporation	N.A.
9	5	Director	Representative of Asia Cement Corporation Chih-Hsien Chen	22,801,185	Master of Chemical Engineering , Chung Yuan Christian University	Chief Assistant General Superintendent , Hualien Plant, Asia Cement Corporation	Chief Assistant General Superintendent , Hualien Plant, Asia Cement Corporation	N.A.

Candidate number	Account number	Candidate Category	Name of candidate	Number of shares held	Education	Experience	Current position	Has he served as an independent director for three consecutive terms
10	8636	Director	Representative of Universal Cement Corporation Zhi-Yuan Hou	17,020,254	Master of Arts in Regional Studies-East Asia(RSEA) , Harvard University	Chief Operating Officer and Director, Universal Cement Corporation	Chief Operating Officer and Director, Universal Cement Corporation	N.A.
11	8636	Director	Representative of China Steel Chemical Corporation Yi-Hung Chen	15,019,341	Bachelor of Mechanical and Engineering , National Sun Yat-sen University	Vice President of China Steel Chemical Corporation	Vice President of China Steel Chemical Corporation	N.A.
12	8693	Director	Representative of Southeast Cement Corporation Rong-Tzong Tang	13,083,801	Bachelor of Business Administration, Tunghai University	Vice President of the Business Department, Southeast Cement Corporation	Vice President of the Business Department, Southeast Cement Corporation	N.A.
13	Y12001XXXX	Independent Director	Chung-Chia Yang	0	Ph.D. in Civil Engineering ,Northwestern University , USA	Professor, Department of Harbor and River Engineering, National Taiwan Ocean University	Emeritus Professor, Department of Harbor and River Engineering, National Taiwan Ocean University	Yes
14	T10052XXXX	Independent Director	Fu-Tien Jeng	0	Ph.D. in Civil Engineering, National Taiwan University	Professor, Graduate Institute of Environmental Engineering, National Taiwan University	Emeritus Professor, Graduate Institute of Environmental Engineering, National Taiwan University	None
15	R22139XXXX	Independent Director	Mei-Chin Chen	0	Bachelor of Business Management , National Sun Yat-sen University	Certified Public Accountant, Wise Top CPA Firm	Certified Public Accountant, Wise Top CPA Firm	None

## **Other Matters**

### **Proposal:**

Discussion to approve the lifting of non-competition restrictions for directors of the 13th Board of Directors (excluding independent directors).

**Proposed by the Board of Directors**

### **Explanatory Note:**

1. In accordance with Article 209 of the Company Act, a director shall obtain permission from the shareholders' meeting to perform acts for himself/herself or for others that fall within the scope of the Company's business.
2. In consideration of the fact that the newly elected non-independent directors of the 13th Board of Directors of the Company (including, in the case of directors elected by corporate shareholders, the corporate shareholders and their designated representatives) have invested in or operated other companies with the same or similar business scope as the Company and served as their directors or managers, we hereby request the shareholders' meeting to agree to release the newly elected non-independent directors of the 13th Board of Directors of the Company (including, in the case of directors elected by corporate shareholders, the corporate shareholders and their designated representatives) from the non-competition restriction if the aforementioned circumstances arise.
3. Details of the positions held by the candidates for the non-independent directors of the 13th Board of Directors of the Company who also hold major positions in other companies are set out in Attachment 6.

### **Resolution:**

## Attachment 6

### Candidates for the 13th session of non-independent directors of CHC Resources Corporation Status of concurrently holding major positions in other companies

Name of director candidate	Concurrently holding positions in other companies
Representative of China Steel Corporation: Hung-Ta Lin	Director: CHC Resources Vietnam Co., Ltd
Representative of China Steel Corporation: I-Min Wu	Chairman: Union Steel Development Corporation Directors: Pao Good Industrial Co., Ltd., CHC Resources Vietnam Co., Ltd., Hsin Hsin Cement Enterprise Corporation Supervisor: Eminent III Venture Capital Corporation
Representative of China Steel Corporation: Chih-Hong Lin	General Manager of the Raw Material Handling & Implant Transportation Department, China Steel Corporation
Representative of China Steel Corporation: Chi-Lun Kao	General Superintendent of Steel Making Department, China Steel Corporation Chairman, China Steel Resources Corporation
Representative of TCC Group Holdings CO., LTD.: Chien-Chiang Huang	Chairman: TCC Asset Management & Development Corporation, Feng Sheng Enterprise Company, TJ Transport Corporation, E.G.C. CEMENT CORP., Ho-Ping Industrial Port Corporation, TCC Fuzhou Cement Co., Ltd., TCC Fuzhou Yangyu Port Co.,Ltd. Director: Taiwan Transport & Storage Co., Ltd., Taiwan Cement Engineering Corporation, Pan Asia(Engineers Constructors) Corporation, Ta-Ho Maritime Corporation, Ho-Ping Power Company, TCC Information Systems Corporation, TCC Shaoguan Cement Co., Ltd, Chiefolk Company Limited, Hong Kong Cement Company Limited, Hong Kong Concrete Company Limited, Quon Hing Concrete Co Ltd., TCC International Holdings Limited, Taiwan Cement (Dutch) Holdings B.V. 、 TCC International Limited.
Representative of TCC Group Holdings CO., LTD.: Ming-Jen Yu	CFO, TCC Group Holdings CO., LTD. Director: Feng Sheng Enterprise Company, Kuan-Ho Refractories Industry Corporation, Ho-Ping Renewable Energy Company Supervisors: TCC Investment Corporation, Union Cement Traders Inc. , TCC Energy Storage Technology Corporation, Energy Helper TCC Corporation, TCC Sustainable Energy Investment Corporation, Tuo Shan Recycle Technology Company, TCC Green Energy Corporation, SHI-MEN Green Energy Corporation, Ta-Ho Maritime Corporation, Ho-Ping Power Company, Ho-Ping Renewable Energy Company.
Representative of China Steel Structure Co.,Ltd.: Jui-Teng Chen	Chairman, China Steel Structure Corporation, Nikken & CSSC Metal Products Co., Ltd. Director: United Steel Engineering & Construction Corp.
Representative of Asia Cement Corporation: Chen-He Chung	Manager of Domestic Sales Department, Asia Cement Corporation, President of Nan-Hwa Cement Corporation Directors: Pao Good Industrial Co., Ltd., Ya Li Transportation Corporation, Fu Ming Transport Corporation, Ya Sing Ready Mixed Concrete Corporation, Nan Hwa Cement Corporation. Supervisor: Chiahui Power Corporation, Pan Asia(Engineers Constructors) Corporation.
Representative of Asia Cement Corporation: Chih-Hsien Chen	Chief Assistant General Superintendent of Hualien Plant, Asia Cement Corporation Directors: ,Ya Tung Ready Mixed Concrete Co., Ltd. ,Nan-Hwa Cement Corporation, Asia Engineering Enterprise Corporation, Everstrong Iron & Steel Foundry & MFG. Corp., Ya Li Transportation Corporation.

Name of director candidate	Concurrently holding positions in other companies
<p>Representative of Universal Cement Corporation: Zhi-Yuan Hou</p>	<p>Chief Operating Officer and Director, Universal Cement Corporation.  Managing Director: Universal Concrete Industry Co., Ltd.  Directors: Universal Cement Corporation, Universal Cement Investment Co., Tainan Cement Industry Co., Kaohsiung Terminal Transport Co., Huanchung Cement International Corporation, Lioho Machine Works, Ltd., Grand Bills Finance Corp., Tainan Spinning Co., Ltd., Nantex Industry Co., Ltd., Prince Housing &amp; Development Corp., Times Square International Hotel Corporation, TECO Electric &amp; Machinery CO., LTD.</p>
<p>Representative of China Steel Chemical Corporation: Yi-Hung Chen</p>	<p>Vice President of China Steel Chemical Corporation, President of Ever Wealthy International Corporation  Supervisors: Transglory Investment Corporation, Changzhou China Steel Chemical New Materials Technology Co., Ltd</p>
<p>Representative of Southeast Cement CO.,LTD.: Rong-Tzong Tang</p>	<p>Vice President of the Business Department, Southeast Cement Corporation  Directors: Dongni Construction Co., Ltd., Tiancheng Concrete Enterprise Ltd.</p>

# Extraordinary Motions

# **Rules and Regulations**

## **CHC Resources Corporation**

### **Rules Governing Procedures for Shareholders' Meeting**

Established on May 25, 1998  
The 10th amendment was made on August 25, 2021

Article 1 Except for otherwise provided by the laws and regulations, or the Articles of Incorporation, the Rules of Procedures for the Shareholders' Meetings of the Company shall comply with the Rules of Procedures.

Article 2 Unless otherwise provided by the law and regulations, Shareholders' Meetings of the Company shall be convened by the Board of Directors.

The Company shall upload the electronic version of the meeting notice for the Shareholders' Meeting, paper for the power of attorney, the proposals, discussions, election or dismissal of Directors to the Market Observation Post System (MOPS) 30 days before the Annual Shareholders' Meeting, or 15 days before the Extraordinary Shareholders' Meeting. The Company shall prepare and upload the electronic file of the Shareholders' Meeting handbook and the supplemental materials for the meeting to the MOPS 21 days before the Annual Shareholders' Meeting or 15 days before the Extraordinary Shareholders' Meeting. 15 days before the date of Shareholders' Meeting, the Shareholders' Meeting agenda handbook and supplementary materials for the meeting shall be prepared for Shareholders' perusal at any time, displayed at the Company and the Company's professional stock agency, and distributed on-site during the Shareholders' Meeting.

The notice and public announcement shall indicate the reasons for convening the meeting. The notice, when agreed by counterparties, may be delivered by electronic means.

Election or dismissal of Directors, changes in the Articles of Incorporation, capital reduction, application for the suspension of the public offering, permission for non-competition of Directors, capital transferred from earnings, capital transferred from reserve, corporate dissolution, merger, spin-off, or items pertaining to Paragraph 1, Article 185 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" or other matters that may not be proposed at that Shareholders' Meeting as extraordinary motions according to laws and regulations shall be listed in the meeting proposals with a description of the main contents, and shall not be raised in extraordinary motions.

As for the reasons for the convening of the shareholders' meeting, where re-election of all directors and the date of appointment have been indicated, after the re-election at the shareholders' meeting is completed, the date of appointment shall not be changed through an Extraordinary motion or other means at the same meeting.

A shareholder holding 1 percent or more of the total number of issued shares may submit a proposal to the Company for discussion at an Annual Shareholders' Meeting. Each proposal shall only cover one issue. Any proposal with more than one issued covered shall not be included in the agenda. In addition, where the circumstances under any subparagraph, Paragraph 4, Article 172-1 of the Company Act apply to a proposal submitted by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before the Annual Shareholders' Meeting, the Company shall announce the acceptance of Shareholders' proposals, the acceptance methods for written or electronic proposals, and the acceptance period; the acceptance period may not be less than 10 days.

A proposal submitted by a Shareholder shall be limited to 300 words, and no proposal with more than 300 words shall be included in the meeting agenda. The Shareholder submitting the proposal shall attend in person or by proxy at the Annual Shareholders' Meeting and take part in the discussion of the proposal.

The Company shall, prior to the delivery of the meeting notice, inform all the Shareholders who submitted proposals, the screening results, and shall include the proposals conforming to the requirements under the Article into the meeting notice. At the Shareholders' Meeting, the Board of Directors shall explain the reasons for the exclusion of any Shareholder's proposals.

Article 3 For each Shareholders' Meeting, a Shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company stating the scope of the proxy's authorization.

A Shareholder shall provide one proxy form to appoint one proxy. The form shall be delivered to the Company five days prior to the date of the Shareholders' Meeting. When more than one proxy forms are delivered, the one received earliest shall prevail. However, this restriction does not apply to the withdrawal of prior proxy engagements.

Should a Shareholder intend to exercise voting rights in writing or via electronic manners after the deliverance of the proxy form, the intent must be declared in writing to the Company two days before the date of the Shareholders' Meeting. When the cancellation is overdue, the voting by proxy prevails.

Article 4 The venue for a Shareholders' Meeting shall be at the location of the Company, or a place easily accessible to Shareholders and suitable for a Shareholders' Meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 5 The Company shall indicate on the meeting notice the attendance registration time and location and other matters for attention for Shareholders.

The time during which the Shareholders' attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the meeting commences. The place at which the attendance registrations are accepted shall be clear indications and a sufficient number of suitable personnel assigned to handle the attendance

registrations.

The Shareholders or their appointed proxies (the "Shareholders") shall attend the Shareholders' Meeting with attendance permit, attendance card, or other attendance certificates. The Company shall not arbitrarily request attending Shareholders to provide other documents of proof. Those who solicit letters of authorization shall also bring identification documents for verification.

The Company shall deliver the meeting handbook, annual report, attendance permit, speaker's slip, voting ticket, and other meeting materials to the Shareholders who attend the Shareholders' Meeting. Where there is a Director election, the election votes shall be otherwise enclosed.

When the government or a juristic person is a Shareholder, it may be represented by more than one representative at a Shareholders' Meeting. When a juristic person has been delegated to attend the Shareholders' Meeting, only one person should be delegated as a proxy.

Article 6 When a Shareholders' Meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint one of the Directors to act as the Chairman. Where the Chairman has not made such a designation, a Chairman shall be elected among the Directors.

Where a Director is to chair the meeting as described in the preceding paragraph, it shall be a Director who has held the position for at least six months and is familiar with the Company's financial and business conditions. The same shall apply when the Chairman is a representative of a juristic person Director.

Where a Shareholders' Meeting is convened by a party with the power to convene, but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall elect one person from among themselves to act as the Chairman.

Article 7 The Shareholders' Meeting convened by the Board of Directors shall have more than half of the Board of Directors and at least one member of each of functional committees attending in person. The attendance record shall be documented in the minute book of the Shareholders' Meeting.

The Company may appoint its attorneys, CPA, or related persons to present at a Shareholders' Meeting.

Article 8 The Company shall make uninterrupted audio and video recording starting from the attendance registrations, the proceedings of the meeting, the voting, and to the vote-counting procedures.

The aforementioned recordings shall be kept for at least one year. However, where a Shareholder files a lawsuit based on Article 189 of the Company Act, the recordings shall

be retained until the conclusion of the litigation.

Article 9 The attendance for the Shareholders' Meeting shall be based on the number of shares, and the number of shares attended shall be calculated based on the attendance card being submitted. For Shareholders who exercised their voting rights in writing or via electronic manners, add the number of shares that exercised the voting rights in writing or via electronic manners.

During the course of the meeting, the total number of voting rights shall be updated at any time for an increase in the attending Shareholders.

Article 10 At the time of the meeting, the Chairman shall immediately call the meeting to order while announcing relevant information on the number of non-voting rights and the number of shares present. However, where no attending Shareholders represent more than half of the total of issued shares, the Chairman shall announce a delay of the meeting. The delay is limited to twice, and the total delay time must not exceed one hour. Where the meeting had been delayed two times, but no Shareholders represent more than half of the total of issued shares attended, except for complying with paragraph 2, the Chairman shall announce adjournment.

If the aforementioned two delays still fail to meet the quorum, but the number of shares that represent more than one-third of the total number of issued shares are present, tentative resolutions may be resolved pursuant to Article 175-1 of the Company Act, and each Shareholder will be notified of the tentative resolutions, and another Shareholders' Meeting will be convened within one month. However, special resolutions required by the Company Act shall comply with the requirements of the Company Act.

Where, prior to the conclusion of the meeting, the attending Shareholders represent more than half of the total number of issued shares, the Chairman may resubmit the tentative resolutions for a vote by the Shareholders' Meeting pursuant to Article 174 of the Company Act.

Article 11 When the Shareholders' Meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Relevant motions (including extraordinary motions and amendments to the original motions) shall be voted on a case-by-case basis, and the meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the Shareholders' Meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a Shareholders' Meeting convened by a party with the power to convene that is not the Board of Directors.

The Chairman may not arbitrarily declare the adjournment of the meeting before the end of proceedings (including extemporary motions). When the Chairman declares the meeting adjourned in violation of the Rules of Procedures, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new Chairman in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending Shareholders, and then continue the meeting.

Upon the end of the agenda, after the Chairman had announced adjournment according to

the Rules of Procedures, Shareholders may not elect another Chairman to continue the meeting at the same venue or otherwise.

Article 12 The Chairman shall remain fair and just and strictly implement the Rules of Procedures to facilitate the process of the meeting.

Attending Shareholders are obliged to comply with the Rules of Procedures, the speech etiquette, and maintain the meeting's order.

Article 13 Before attending Shareholders making a speech, the Shareholders shall fill in the speaker's slips specifying the summary of the speech, the Shareholder's account number, and the name of the account. The Chairman shall set the order of speech.

A Shareholder who has submitted a speaker's slip but failed to deliver a speech shall be deemed to have not spoken. Where the contents of the speech are inconsistent with the contents of the speaker's slip, the contents of speech shall prevail.

Except with the consent from the Chairman, a Shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. When the Shareholder's speech violates the rules or exceeds the scope of the agenda item, the Chairman may terminate the speech.

When a Shareholder attends the Shareholders' Meeting, other Shareholders may not speak or interrupt unless they have sought and obtained the consent from the Chairman and the Shareholder that has the floor. The Chairman shall stop any violation.

When a juristic person Shareholder appoints two or more representatives to attend a Shareholders' Meeting, only one of the representatives may speak on the same proposal.

After an attending Shareholder has spoken, the Chairman may respond in person or direct relevant personnel to respond.

Article 14 The Chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extemporary motions put forward by the Shareholders; when the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion closed and call for a vote, while arranging sufficient time for voting.

Article 15 The Shareholders of the Company shall be entitled to one vote with each share they hold; however, Shareholders whose voting rights are restricted or have no voting rights according to paragraph 3, Article 157 and paragraph 2, Article 179 of the Company Act or requirements of other laws and regulations shall be excluded.

When the Company convenes a Shareholders' Meeting, Shareholders shall exercise their voting power by electronic means or may do it in writing; the method of exercising their voting power in writing or by electronic means shall be indicated in the Shareholders' Meeting notice. A Shareholder exercising voting rights in writing or by electronic means shall be deemed to have attended the Shareholders' Meeting in person. However, the

Shareholder shall be deemed to have abstained from the extraordinary motions or amendments to the original motion.

A Shareholder intending to exercise voting rights in writing or via electronic manners under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the Shareholders' Meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, this restriction does not apply when a declaration is made to cancel the earlier declaration of intent.

Where a Shareholder (who has exercised his/her voting rights in writing or via electronic manners) intends to attend the Shareholders' Meeting in person, it shall cancel the written declaration of intent for the voting rights in the same manner stated in the preceding paragraph two days before the Shareholders' Meeting. When the cancellation is overdue, the voting right exercised in writing or via electronic manners shall prevail. When a Shareholder has exercised voting rights in writing or via electronic manners and by appointing a proxy to attend the Shareholders' Meeting, the voting rights exercised by the proxy attending the meeting shall prevail.

For the resolutions of the Shareholders' Meeting, the number of shares of Shareholders with no voting rights shall be excluded from the total number of issued shares.

Except for exercising the rights to elect Directors, when a Shareholder is an interested party in any item of the agenda, and there is the likelihood that such a conflict of interest would prejudice the interests of the Company, the Shareholder shall abstain from the vote, and may not exercise voting rights on behalf of any other Shareholders. The number of shares with voting rights that may not be exercised shall be excluded from the voting number of the attending Shareholders.

Except for the trust business or the stock agency approved by the securities regulatory authority, when one person is entrusted by two or more Shareholders at the same time, the voting rights it represents shall not exceed 3% of the voting rights of the total issued shares. Where it does, the exceeding voting rights shall be excluded. However, such voting rights shall still be included in the voting rights attended the meeting.

Article 16 Except as otherwise provided in the Company Act and the Articles of Incorporation, the resolution of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending Shareholders. At the time of a vote, for each proposal, the Chairman or a person designated by the Chairman shall first announce the total number of voting rights represented by the attending Shareholders, followed by a poll of the Shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

Article 17 When there is an amendment or alternative to the same motion, the Chairman shall combine it with the original case and set the order of voting. When any among them is passed, the other proposals will then be deemed rejected, and no further voting shall be

required.

Article 18 Before the vote of any proposal, the Chairman shall designate two scrutineers and several counting agents to execute their relevant duties. The scrutineers shall be Shareholders.

The vote counting at the Shareholders' Meeting or election proposals shall be carried out publicly at the venue holding the Shareholders' Meeting immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record shall be made for the vote.

Article 19 Where there is a Director election at the Shareholders' Meeting, the election shall be carried out according to the Company's Procedures for Election of Directors, and the election results shall be announced at the scene, including the name list of the elected Directors and the number of passing votes thereof, and the name list of unelected candidates and the number of votes they obtained.

Article 20 Matters relating to the resolutions at a Shareholders' Meeting shall be recorded in the minute book. The minute book shall be signed or stamped by the Chairman and shall be distributed to all Shareholders within 20 days from the conclusion of the meeting. The preparation and distribution of the minute book may be affected via electronic manners.

The distribution of the minute book, as described in the preceding paragraph, may be conducted by a public announcement on the MOPS.

The minute book shall accurately record the year, month, day, and place of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and the voting results (including the votes counted). Where there is an election of Directors, the number of votes obtained by each candidate shall be disclosed. The minute book shall be retained for the entire duration of the Company. The minute book shall be fully disclosed on CHC's website.

Article 21 On the day of a Shareholders' Meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by proxy assent from others and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the Shareholders' Meeting.

Article 22 Where matters put to a resolution at a Shareholders' Meeting constitute material information under applicable laws or regulations, or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 23 Staff handling administrative affairs of a Shareholders' Meeting shall wear identification cards or armbands.

The Chairman may direct the pickets or security personnel to help maintain order at the meeting place. The pickets or security personnel shall wear armbands with the word "Picket" when maintaining order.

At the place of a Shareholders' Meeting, where a Shareholder attempts to speak through any device other than the public address equipment set up by the Company, the Chairman may stop the Shareholder from so doing.

Where the Shareholder violates the Rules of Procedures and defies the Chairman's instruction, obstructs the proceedings, and refuses to stop, the Chairman may direct the pickets or security personnel to escort the Shareholder out of the venue.

Article 24 When a meeting is in progress, the Chairman may announce a break based on time considerations. Where an unpreventable event occurs, the Chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

Before the completion of agendas (including extraordinary motions) of the Shareholders' Meeting, when the meeting venue is not available for continued use, the Shareholders' Meeting may resolve to seek a new venue to resume the meeting.

The Shareholders' Meeting may, in accordance with the provisions of Article 182 of the Company Act, decide to postpone or resume the assembly within five days.

Article 25 The Rules of Procedures, and any amendments thereto, shall be implemented after passing at a Shareholders' Meeting.

# **CHC Resources Corporation**

## **Rules Governing the Election of Directors**

Established on June 20, 1997  
The 6th amendment was made on August 25, 2021

Article 1 Except as otherwise provided by law and regulation or the Articles, elections of the Company's Directors shall be conducted in accordance with these Procedures.

Article 2 The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's Directors. The composition of the Board of Directors shall be determined by considering diversity and formulating an appropriate policy on diversity based on its operations, operating dynamics, and development requirements, which shall include but not limited to standards regarding the following two aspects:

1. General conditions and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: Professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experiences.

Each member of the Board of Directors member shall have the necessary knowledge, skill, and literacy to perform their duties; the abilities that to be presented as a whole are as follows:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.

Spousal relationships or familial relationships within the second degree of kinship may not exist among more than half of the Directors.

The Board of Directors of the Company shall consider adjusting its composition based on the results of the performance evaluation.

Article 3 In accordance with Article 192-1 of the Company Act, the Company adopts the candidate nomination system for elections of Directors. When nominating candidates for Director, the name, educational background, and experiences of the nominated shall be stated. Independent Directors and Non-independent Directors shall be nominated separately; Shareholders shall elect the Directors among the lists of candidates, respectively.

The nomination of the Company's Independent Directors shall comply with the

requirements under Article 5 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

Where an Independent Director candidate of the Company under the provisions of the preceding paragraph has already served as an Independent Director of the Company for three consecutive terms, the Company shall publicly disclose, together with the review results under the preceding paragraph, the reasons why the candidate is nominated again for the Independent Directorship, and present the reasons to Shareholders at the time of the election at the Shareholders' Meeting.

The qualifications of the Company's Independent Director shall comply with the requirements under Article 2, Article 3, and Article 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

The election for Independent Directors and Non-independent Directors shall be held at the same time, with nomination made separately, and the number of elected seats shall be calculated individually.

Where a Director is discharged for any reason, causing the number of Directors to be lower than that required in the Articles, a by-election for Director shall be held at the next Shareholders' Meeting. However, where the Director vacancies reach one-third of seats stipulated by the Articles, the Company shall hold an Extraordinary Shareholders' Meeting for the by-election within 60 days of the actual vacancy date.

When the number of the Company's Independent Directors falls below that required under Paragraph 1, Article 14-2 of the Securities and Exchange Act and relevant requirements under the "Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings," a by-election for Director shall be held at the next Shareholders' Meeting. When all Independent Directors are discharged, the Company shall hold an Extraordinary Shareholders' Meeting for the by-election within 60 days of the actual vacancy date.

Article 4 The registered single cumulative election method is adopted for the election of the Company's Directors. The number of Directors to be elected shall be the election rights for each ordinary share with voting rights. The election rights may be used together to elect one person or separately to elect multiple persons.

Article 5 The Board of Directors shall prepare voting tickets in numbers corresponding to the Directors to be elected with attendance permit numbers printed on them. The number of voting rights associated with each voting ticket shall be specified on the tickets, which shall then be distributed to the ordinary Shareholders in attendance at the Shareholders' Meeting.

Attendance permit numbers printed on the voting tickets are used for the registration of voters.

Voting tickets will not be given to ordinary Shareholders who exercised their voting rights via electronic manners.

Article 6 Regarding the number of the Company's Independent Directors and Non-independent Directors to be elected, candidates who won the most voting rights represented by the votes shall be elected as Independent Directors and Non-independent Directors. When two or more candidates receive the same number of votes, thus exceeding the number of Directors to be elected, they shall draw lots to determine the winner, with the Chairperson drawing lots on behalf of any candidate absent.

Article 7 Before the election, the Chairperson shall designate three scrutineers and several counting agents to execute their relevant duties. The scrutineers shall be Shareholders.

Article 8 Missions of a scrutineer is as follow:

1. To publicly check the voting box before commencing the vote.
2. To seal the voting box after the vote, and to open the seal for retrieving the votes immediately before the vote counting and deliver to the counting agents for vote counting.
3. To inspect or determine invalid votes.
4. To verify the votes counted by the counting agents with the election rights
5. To assist the Chairperson in maintaining orders during the vote and vote counting.

The Board of Directors shall prepare the voting box in Subparagraph 1 of the preceding paragraph.

Article 9 Voters shall fill in the following information on the lists of Independent Director and Non-independent Director candidates, respectively, in the "candidate" columns on their voting tickets.

1. Where a candidate is a natural person who is a Shareholder or not a Shareholder, fill in the name and the code of the candidate.
2. Where a candidate is a juridical person or a government Shareholder, fill in the name of the juridical person or the government Shareholder and the code of the candidate.
3. Where a candidate is the representative assigned by a juridical person or a government Shareholder, fill in the name of the juridical person or the government Shareholder, the name of the representative, and the code of the candidate.

Article 10 A voting ticket is invalid under any of the following circumstances:

1. When a voter failed to hand in the attendance card to complete the registration procedures.
2. When a voter failed to use the voting ticket prepared by the parties with the convening power.

3. When a voter cast a blank ticket into the voting box.
4. When the handwriting is unable to be recognized or is altered, excluding correction or addition/deletion due to writing mistakes.
5. A vote with other words or marks entered in addition to the name and the candidate code.
6. The name of the candidate filled in or the candidate code is incomplete or inconsistent with that on the list of candidates.
7. When more two or more candidates are entered on the vote.
8. When the voting ticket is torn and become incomplete.
9. When the voting ticket is contaminated, and the candidate entered on the vote may not be identified.
10. When the Independent Director or Non-independent Director candidate entered on the vote are not on the list of Independent Director and Non-independent Director Candidates.

Article 11 The vote counting shall be conducted after the completion of voting. For any doubt regarding the voting ticket, a scrutineer shall determine whether the ticket is invalid. When there is any dispute arising from such determination, all scrutineers shall conduct a vote. When the result shows an equal number of positive and negative votes, the voting ticket shall be invalid.

Article 12 Upon the completion of vote counting, the scrutineers shall verify and confirm the total number of valid votes and invalid votes, and record the number of valid votes, the number of invalid votes, and the voting rights among the two on the record sheet, and hand in the record sheet to the Chairperson to immediately announce the list of elected Directors.

Article 13 The scrutineers shall pack and seal the valid votes and invalid votes separately and co-sign on the seal. Meanwhile, mark "Invalid" on the invalid vote's package, and submit them to the Company for safekeeping. The period of safekeeping shall be at least one year. However, where a Shareholder files a lawsuit related to the election of Director based on Article 189 of the Company Act, the votes shall be retained until the conclusion of the litigation.

Article 14 These Procedures, and any amendments hereto, shall be implemented after being approved at the Shareholders' Meeting.

# Articles of Incorporation of CHC Resources Corporation

Established on April 30, 1991

The 24th amendment was made on June 23, 2022

## Chapter 1 General

Article 1 The Company is established according to the requirements related to limited companies according to the Company Act of the Republic of China and was named "CHC Resources Corporation."

Article 2 Business scope of the Company is as follow:

1. C901990 Other Non-Metallic Mineral Products Manufacturing.
2. F111090 Wholesale of Building Materials
3. C901050 Cement and Concrete Products Manufacturing.
4. C901060 Refractory Materials Manufacturing.
5. J101090 Waste Disposal.
6. CA01070 Scrapped Car and Boat Dismantling and Scrap Iron and Steel Metal Processing.
7. J101080 Resource Recycling.
8. F107170 Wholesale of Industrial Catalyst.
9. F120010 Wholesale of Refractory Materials.
10. C802120 Industrial and Additive Manufacturing.
11. F113100 Wholesale of Pollution Controlling Equipment.
12. F107200 Wholesale of Chemical Feedstock.
13. F401010 International Trade.
14. J101050 Environmental Testing Services.
15. E401010 Dredging industry.
16. C801010 Basic Industrial Chemical Manufacturing.
17. J101990 Other Environmental Protection Construction.
18. J101030 Waste Disposing.
19. J101040 Waste Treatment
20. CA02990 Other Metal Products Manufacturing.
21. I103060 Management Consulting.

22. I199990 Other Consultancy.
23. IG03010 Energy Technical Services.
24. IZ09010 Management System Certification.
25. CA01080 Refining Aluminum/Smelting and Refining of Aluminum.
26. F207050 Retail Sale of Manure.
27. F207170 Retail Sale of Industrial Catalyst.
28. F207200 Retail Sale of Chemical Feedstock.
29. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 The Company may provide external endorsement/guarantee as required by its operations according to the requirements under the Company's Procedures for Endorsement/Guarantee.

Article 3 To achieve the diversification of our operating objectives, the total investment made by the Company in other companies (as a shareholder with limited liability) is not subject to the restriction where such investment may not exceed 40% of the Company's paid-up capital under Articles 13 of the Company Act.

Article 4 The Company is established in Kaohsiung City, the Republic of China. The Company may establish domestic and overseas branch organizations at proper venues according to its actual needs.

Article 5 Except for otherwise provided by the regulatory authority for securities, the Company's announcements shall be published on the substantial part of a circulating daily newspaper that circulates at the location where the Company operates.

#### Chapter 2 Shares

Article 6 The total capital of the Company shall be NT\$3 billion, divided into 300,000,000 shares with a par value of NT\$10 per share, and shall be issued in installments.

Article 6-1 The Company may make consolidation and re-issue its share certificates with a higher par value according to the request of Taiwan Depository & Clearing Corporation.

Article 7 Except where physical certificates are not printed, the Company shall number its share certificates, and the share certificates shall be signed or stamped by three or more Directors, and the issuance shall be subject to the certification by the competent authority or an issuance registration institution recognized by the competent authority.

Where physical certificates are not printed for the issued shares of the Company, the Company shall engage a centralized securities depository enterprise/institution for the registration of such shares.

Article 8 The handling of the Company's stock affairs shall be conducted in accordance with the

provisions under the "Regulations Governing the Administration of Shareholder Services of Public Companies" and relevant laws and regulations.

### Chapter 3 Shareholders' Meeting

- Article 9 The Company's Shareholders' Meeting falls in the following categories:
1. Annual Shareholders' Meeting shall be convened by the Board of Directors within six months from the end of the fiscal year according to the law.
  2. Extraordinary Shareholders' Meeting shall be convened according to the law when necessary.
- Article 10 The convening of the Annual Shareholders' Meeting shall comply with requirements under the Company Act, the Securities and Exchange Act, and relevant laws and regulations.
- Article 11 Except for otherwise provided in the Company Act or other laws and regulations, resolutions at Shareholders' Meetings shall be adopted by at least half of all Shareholders present. Consent from Shareholders present who represent more than half of the total number of voting rights shall be obtained for implementation.
- Article 12 The Shareholders of the Company shall be entitled to one vote with each share they hold; however, Shareholders whose voting rights are restricted or have no voting rights according to Paragraph 3, Article 157 and Paragraph 2, Article 179 of the Company Act shall be excluded.
- Article 13 Where a Shareholder is unable to attend a Shareholders' Meeting for any reason, the Shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company. Except for otherwise required by the Company Act, a Shareholder engaging a proxy for attendance shall comply with the "Rules for Using Proxies to Attend Shareholders' Meeting for Publicly Trading Companies" promulgated by the competent authority.
- Article 14 Where the Shareholders' Meeting is convened by the Board of Directors, the Chairman shall chair the meeting. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint a Director to act as the Chairman. Where the Chairman has not made such a designation, a Chairman shall be elected among the Directors. Where a Shareholders' Meeting is convened by a party with the power to convene, but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall elect one person from among themselves to act as the Chairman.
- Article 15 Resolutions at a Shareholders' Meeting shall be recorded in the minute book. The minute book shall be signed or stamped by the Chairman of the Shareholders' Meeting. The minute book, together with the sign-in book for attending Shareholders and the proxy forms for engaging proxies for attendance shall be compiled by the Board of Directors

and kept by the Company.

#### Chapter 4 Directors, Audit Committee, and Managers

Article 16 The Company has 13 to 15 Directors. The Company adopts a candidate nomination system; shareholders shall elect the Directors among the list of candidates. A Director's tenure shall be three years, and may be re-elected for consecutive terms.

When electing Directors at the Shareholders' Meeting, the number of Directors to be elected shall be the election rights for each share. The election right may be used together to elect one person or separately to elect multiple persons. Candidates who won the most voting rights represented by the votes shall be elected as Directors.

Within the number of Directors of each session elected according to paragraph 1, the number of Independent Directors shall not be less than three, and shall not be less than one-fifth of the number of Directors to be elected. The Independent Directors' professional qualifications, shareholding, and part-time restrictions, determination of independence, nomination methods, and other matters of compliance shall be subject to the relevant requirements under laws and regulations for securities and exchange.

The election for Independent Directors and Non-independent Directors shall be held at the same time, with nomination made separately, and the number of elected seats shall be calculated individually.

Article 16-1 The Company has established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is responsible for the implementation of the functions and powers of the Supervisors stipulated in the Company Act, the Securities and Exchange Act, and other laws and regulations. The Audit Committee comprises all Independent Directors, and the number of its members shall not be less than three, one of the members shall be the convener, and at least one of the members shall have accounting or financial expertise.

The resolution of the Audit Committee shall be approved by the majority of all members of the Audit Committee.

The exercise of the function and power of the Audit Committee, the organization regulations, and other matters to be complied with shall comply with the Securities Exchange Act and other relevant laws and regulations or the Company's rules.

Article 17 The traffic allowance of Directors, the remuneration of Independent Directors, and the salary of the Chairman shall be determined by the Board of Directors with reference to the standards in the same industries and of listed companies. Other grants for the Chairman shall be determined with reference to relevant requirements for the salary package of employees.

Article 18 The functions and powers of the Board of Directors are as follows:

1. Review of annual operating policy and operating budget.

2. Approval of personnel at the level of vice president and above and the head of finance and accounting and the Chief Auditor.
3. Review of annual Business Report and Financial Report.
4. Review of the pledge, sale/purchase, or other disposals of the Company's properties.
5. Approval of investment plans related to the Company's business.
6. Approval of significant capital expenditure.
7. Approval of acquisition and transfer of specialized technology, patents, and technical partnership contracts.
8. Approval of the establishment and demolition of branches.
9. Proposal for the amendments to Articles of Incorporation, change in capital, and the dissolution or merger of the Company.
10. Proposal for earning distribution or loss compensation.
11. Approval of the appointment, discharge of, and compensation for the CPA.
12. Approval of the Company's internal organization and its authority.
13. Formulation or amendments to procedures for significant financial or business conducts, such as acquisition or disposal of assets, engaging in derivatives trading, loaning of funds to others, or provision of endorsements/guarantees to others, as well as the approval of internal control system and other significant rules.
14. Approval of the primary rights, obligations, and conditions of significant contracts.
15. Approval of offering, issuance, or private placement of any equity-based securities.
16. Review of other matters authorized by laws and regulations.

Article 19 Unless otherwise provided by the Company Act and other laws and regulations, a resolution of the Board of Directors shall be adopted by the consent of half of the Directors in attendance at the meeting where half of the total number of Directors presents.

Article 20 The Chairman shall be elected at a Board of Directors meeting among the Directors with two-thirds or more of all Directors in attendance and the consent of the majority of the Directors present. The Chairman represents the Company and is in charge of our overall business. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint a Director to act as the Chairman. Where the Chairman has not made such a designation, a Chairman shall be elected among the Directors.

Article 21 The Board of Directors meeting shall be convened once every quarter. Extraordinary Board of Directors meetings may be convened when necessary. Except for otherwise required by the Company Act, a Board of Directors meeting shall be convened by the

Chairman.

For the convening of the Board of Directors meeting, all Directors shall be informed 7 days prior to the meeting regarding the date, venue, agenda, and sufficient meeting materials. However, a Board of Directors meeting may be convened at any time when there is an emergency.

The notice set forth in the preceding paragraph may be effected in writing, via facsimile or other electronic documents.

Article 22 Where a Director is unable to attend the Board of Directors meeting in person for any reason, it may engage another Director to stand proxy according to the law. A proxy in the preceding paragraph may accept a proxy from one person only.

A Director residing outside of the Republic of China may engage other Shareholders residing within the Republic of China in writing to attend the Board of Directors meeting as its proxy according to requirements under the Company Act.

Article 23 (Deleted)

Article 24 (Deleted)

Article 24-1 The Company is responsible for Directors' liability insurance with respect to liabilities resulting from the exercise of duties according to the law during their tenure.

Article 25 The Company has one President and several Vice Presidents. The appointment, discharge, and remuneration shall be proposed by the Chairman to the Board of Directors meeting and determined with two-thirds or more of all Directors in attendance and the consent of the majority of the Directors present.

Article 26 The President of the Company shall manage the corporate business according to the resolutions of the Shareholders' Meeting and the Board of Directors meeting.

Article 27 The Company's international organization and its functions shall be subject to the resolution of the Board of Directors.

Article 28 The Company's Assistant Vice Presidents and other personnel of the same hierarchy shall be proposed by the President to the Chairman for the approval of employment. Other employees shall be employed by the President.

#### Chapter 5 Accounting

Article 29 The fiscal year of the Company is from January 1 to December 31 each year. Upon the end of each fiscal year, the Board of Directors shall prepare the following books and statements and propose at the Annual Shareholders' Meeting for ratification:

1. Business Report;
2. Financial Statements;
3. Proposal for earning distribution or loss compensation.

Article 30 When the Company recorded profits in any given year, the Board of Directors shall appropriate no less than 0.1% as the remuneration for employees, and no more than 1% as the remuneration for Directors; the distribution target for employee's remuneration includes employees of its affiliates who satisfied certain conditions. However, when the Company has accumulated losses, retain the amount for compensation in advance before providing for the remuneration of employees and remuneration of Directors according to the above percentage.

The Board of Directors shall resolve on the distribution proposal of employees' remuneration and Directors' remuneration and report at the Annual Shareholders' Meeting.

Article 30-1 Shall there be earnings after the final annual account, the Company shall pay taxes and make up for the accumulated losses according to the law, and appropriate 10% as the statutory surplus reserve. However, where the statutory surplus reserve has reached the amount of its paid-up capital, the appropriation shall no longer be made. The remaining earnings shall be used in the appropriation or the reversal of the special surplus reserve subject to the Company's business requirements or according to the requirements of laws and regulations. Where there are still remaining balances, plus the undistributed earnings of last year as earnings available for distribution. The Board of Directors shall prepare the earning distribution proposal and submit to the Shareholders' Meeting for the resolution of dividend distribution or reservation.

As the Company operates in an ever-changing business environment and is in the stable growth stage during its life cycle, the Board of Directors would consider the stability of dividends when formulating the earning distribution proposal, taking into account the Company's future capital requirement and long-term financial planning. Except for the capital requirement, the actual earnings distributed each year shall be no less than 50% of the earnings available for distribution, and the Shareholders' cash bonuses shall be no less than 50% of the Shareholders' bonuses.

Article 31 The distribution of Shareholders' bonuses shall be subject to the Shareholders registered on the members' registrar on the ex-dividend date.

#### Chapter 6 Appendix

Article 32 The Organization Regulations and Operational Regulations of the Company shall be otherwise established by the Board of Directors.

Article 33 For unaddressed matters in the Articles of Incorporation, comply with the requirements under the Company Act and relevant laws and regulations.

Article 34 The Articles of Incorporation was established on 30 April 1991; the 1st amendment was made on 20 March 1992; the 2nd amendment was made on 19 October 1992; the 3rd amendment was made on 8 September 1995; the 4th amendment was on 19 April 1996; the 5th amendment was made on 11 December 1996; the 6th amendment was made on

20 June 1997; the 8th amendment was made on 22 April 1999; the 9th amendment was made on 22 June 1999; the 10th amendment was made on 21 June 2000; the 11th amendment was made on 7 November 2000; the 12th amendment was made on 18 May 2001; the 13th amendment was made on 10 June 2000; the 14th amendment was made on 9 June 2005; the 15th amendment was made on 16 June 2006; the 16th amendment was made on 19 June 2008; the 17th amendment was made on 19 June 2009; the 18th amendment was made on 25 June 2010; the 19th amendment was made in 2011; the 20th amendment was made on 24 June 2014; the 21st amendment was made on 12 June 2015; the 22nd amendment was made on 21 June 2016; the 23rd amendment was made on 22 June 2018; the 24th amendment was made on 23 June 2022.

# List of Shareholding by Current Directors

## CHC Resources Corporation List of Shareholdings of the Directors

1. The Company's paid-up capital is NT\$2,485,403,680 and the number of issued shares is 248,540,368 shares.
2. According to the requirements under Article 26 of the Securities and Exchange Act, the aggregate minimum shareholding of Directors shall be 15,000,000 shares.
3. As of the book closure date for the Shareholders' Meeting, the individual and aggregate shareholdings of the Directors are set out as follows, which is in line with the percentage standards provided under Article 26 of the Securities and Exchange Act.

April 27, 2025

Title	Name	Number of Shares Held (Common shares)	Remarks
Director	China Steel Corporation	49,289,597	Hung-Ta Lin (Chairman) I-Min Wu (Director) Chih-Hong Lin (Director) Chi-Lun Kao (Director)
Director	TCC Group Holdings CO., LTD.	30,196,163	Chien-Chiang Huang (Director) Ming-Jen Yu (Director)
Director	China Steel Structure Corporation	23,182,738	Jui-Teng Chen (Director)
Director	Asia Cement Corporation	22,801,185	Chih-Hsien Chen (Director) Chen-He Chung (Director)
Director	Universal Cement Corporation	17,020,254	Zhi-Yuan Hou (Director)
Director	China Steel Chemical Corporation	15,019,341	Yi-Hung Chen (Director)
Director	Southeast Cement Corporation	13,083,801	Rong-Tzong Tang (Director)
Independent Director	Chun-Hsien Wang	0	
Independent Director	Fu-Tien Jeng	0	
Independent Director	Chung-Chia Yang	0	
Total number of shares held by all Directors		170,593,079	