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<http://www.kycc.com.tw>

Kuo Yang Development Co., Ltd.

2024 Annual Report

Print Date: April 30, 2025

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VI. Company Website: <http://www.kycc.com.tw>

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Chapter 1. Letter to Shareholders

Dear Shareholders, Greetings.

The global economy continued to be affected by factors such as high inflation, high interest rates, and geopolitical problems in 2024, and as a result, the overall economic growth remained moderate. Taiwan's housing market also continued to consolidate, mainly due to the government's continued interest rate hikes, selective credit controls and other policies. Nevertheless, the "New Preferential Housing Loans for the Youth" program will continue to be implemented until July 31, 2026. This program is continuing to stabilize owner-occupied housing purchases and has offered monumental support for the market's rebound, indicating that there is still growth potential in inelastic demand.

Although the overall industrial real estate market faces pressure from weak export growth and increasingly speculative corporate investment in the first half of 2024, Kuo Yang Construction has continued to expand operational services by relying on our sound strategies in land layout and market judgment. Having observed that the demand for AI applications remains unabated, major tech companies have also recommenced factory expansion plans later in the year. In addition, ESG (environmental, social, and governance) and carbon neutrality have become the new standard for the global supply chain, and companies' demand for green factories/offices and energy-saving facilities has increased significantly, further supporting the growth of the industrial land market.

Confronted with these industry transformations, Kuo Yang Construction has already made forward-looking arrangements and has been actively purchasing land in industrial zones since 2020. We successively promoted a number of projects last year (2024), including the "Neihu Intercontinental Factory and Office Project" which is nearing completion, the "Sanchong Digital Technology Building Project" under construction, and the "Xizhi Xiwan Road", "Tucheng Zhongyi Project", and "Zhonghe Project" which are expected to obtain building permits in 2025. Our land inventory has reached 16,000 square meters, laying a solid foundation for subsequent project launches. Smart, energy-saving, green building planning have been deployed at all of these projects to meet the needs for market upgrade. Moreover, they are constructed to become regional landmarks to further

enhance our brand visibility and asset value.

In addition to industrial real estate, Kuo Yang Construction has also actively addressed the government's housing policy and urban renewal promotions. In 2024, we promoted the "Kuo Yang Jilin" project, which is currently under construction, and the "Xindian Baoyuan project", for which permit has been granted. We expect to obtain permit for the "Kaohsiung Special Trade Zone 3 (South Base-North Side)" urban renewal project in 2025, and we were lauded as the best applicant for the "Zuoying HSR Technology Hub" tender project, which we will complete project submission by 2025. In addition, several other large-scale projects are also being planned for development. Through collaboration with the government and landowners, Kuo Yang is committed to leveraging the urban regeneration effect, strengthening regional functions, and creating improvements in overall living and environmental quality.

In terms of corporate sustainability, in 2024, Kuo Yang Construction continued to incorporate "sustainability" into the core of our operations. Besides responding to the 2050 Net-zero Emissions policy and goal, we further took the initiative to fully deploy green building, smart building, and international LEED certification planning principles in new projects. In addition to practicing energy conservation and carbon reduction in architectural designs, we also actively assist our clients in achieving green transformation, steadily moving towards our corporate vision of building sustainable cities and creating buildings of happiness ◦

The Company's 2024 Business Report and 2025 Business Plan are summarized below:

I. 2024 Business Report

Dear Shareholders, Greetings. :

Looking back at 2024, the Company has adhered to the philosophy of sound operation and innovative development, actively promoted various sales plans, and achieved good results in both the residential and factory and office markets. The following is an overview of this year's operations:

(I) Business Plan Implementation Results

During the year, a total of 9 construction projects were sold, of which 6 projects completed and 3 presale projects, with a total sales amount of 6.174 billion yuan

1. 6 projects completed

(1) Residential: Kaohsiung "Kuo Yan" "Smile Era",
Tainan "The Green Place A, The Green Place B, The Green Place C",
Taipei "South Manor"

(2) Plants and offices : Taipei Kuo Yang Intercontinental Corporate Head Office
(Neihu)

(3) Sales Amount: NT\$2,667,820,000

2. 3 presale projects:

(1) Residential: Taipei Kuo Yang Jilin. New taipei Kuo Yang Jilin Guanghe、
Tainan "The Green World" (The Green Place D).

(2) Sales Amount: NT\$3,506,780,000

(II) Budget Implementation

The Company did not prepare a financial forecast for 2024 and therefore does not prepare an analysis report.

(III) Analysis of Financial Gains and Losses and Profitability

1. Financial Expenditures Unit: NT\$1,000

Item	2024	2023
Operating revenue	607, 692	735, 459
Operating costs	(370, 256)	(443, 914)
Operating profit	237, 436	291, 545
Operating expenses	(286, 371)	(280, 810)
Operating profit	(48, 935)	10, 735
Non-operating income and expenses	265, 408	322, 976
Pre-tax profit	216, 473	333, 711
Income tax expenses	(11, 347)	(28, 835)
Net profit of the term	205, 126	304, 876

2. Profitability

Item	2024	2023
Return on assets	1. 12%	1. 82%
Return on equity	2. 00%	3. 08%

<u>Pre-tax income to paid-in capital ratio</u>	5.70%	8.78%
Net profit margin	33.75%	41.45%
Earnings per share(NT\$)	0.52	0.80

(IV) Research and Development

1. Key development projects:

- (1) Acquired building permit in 2024:
 - (a) Residential: New Taipei 「Kuo Yang Guanghe」
 - (b) Plants and offices: New Taipei 「Kuo Yang Advanced」
- (2) projects being constructed in 2024:

Taipei "Kuo Yang Intercontinental Corporate Head Office"
- (3) Building permit expected to be acquired in 2025:
 - A. North:
 - (a) Residential: Keelung "Good morning, Kuo Yang Phase 2".
 - (b) Plants and offices:

Tucheng District Urban Renewal Project in New Taipei City..
 - B. South:
 - (a) Residential: Kaohsiung Nong 16 Project、Kaohsiung Special Trade Zone 3 Office Building Urban Renewal Project (North side of the South Base)、Kaohsiung HSR Technology Hub public urban renewal project。
- (4) projects being expected to be constructed in 2025:

Tainan " Emerald Forest Phase 4 .The Beautiful Manor"
- (5) Projects being developed:
 - A. North:
 - a. Residential: Keelung Hot Spring Residence Case
Taipei Ren'ai Urban Renewal Project.
Taipei Beitou Daye Road Renewal Project
 - B. South: Kaohsiung Qianjin Livelihood Renewal Project

2. Planning and Design::

We are committed to building a high-quality brand image and adhering to the concept of sustainable operation. In terms of architectural planning, we will follow the 2050 Net-zero Emission target by deploying environmentally sustainable designs, including the following:

- Combine design with local characteristics to enhance integrations between the architecture and the environment.
- Optimize building ventilation and energy-saving design to reduce energy consumption.
- Promote water resource circulation and greenify the environment to improve the comfort of living.
- Use low-energy-consuming equipment and smart building technology to create green and sustainable buildings.

We will further enhance the brand image of "Kuo Yang's green

buildings" through these plans, and create a Kuo Yang Construction that is healthier, smarter and more energy-efficient than ever.

3. Engineering Cost, Progress, and Quality Management:

(1) Cost control

In the face of rising construction material costs, the Company will switch from separate, project-by-project procurement to joint annual procurement to reduce costs through achieving economies of scale.

(2) Engineering progress management

● Introducing new construction methods:

For instance, use construction methods such as aluminum molds, integrated bathrooms, and interior decoration industrialization, etc., to effectively reduce labor shortage problems, shorten engineering period, improve construction efficiency, and reduce waste materials.

● Introducing Project Management Information System (PMIS):

Features and Benefits of PMIS:

- Standardized operating procedures to improve work efficiency.
- Rapid information sharing, information can be understood instantly.
- Work collaboratively with clear responsibilities.
- Information transparency reduces errors.
- Dashboard alerts and real-time tracking.
- Preserve complete file records and pass on knowledge.

(3) Quality and safety management

Comprehensively introduce electronic safety surveillance system to reduce engineering risks through real-time monitoring.

Established standardized engineering processes to ensure steady improvement in construction quality.

4. Brand Building and Customer Service::

(1).Construction transparency

Provide construction progress report to purchasing customers, allowing them to instantly understand engineering progress and recognize Kuo Yang's thoughtfulness in engineering, thereby boosting their trust.

(2) Lifetime housing health check

A professional management team has been set up to provide lifelong housing health check services, and ensure the comfort of residents. And subsequent engineering plan can be adjusted immediately based on the feedback from residents in our buildings, thus effectively improving the quality of our projects.

(3) Overall community building and fostering customer relationships

Community activities are organized to help residents understand, use, and maintain facilities properly, build consensus among residents, and create a quality and warm community.

(4) Introducing digital transformation and smart services

The "Home Go" community management smartphone app is introduced during the pre-sale stage to handle residents' needs instantly and provide immediate services. After the handover procedure is completed, community

management and security surveillance will be implemented, and after-sales service is fully transparent.

5. Brand building and customer service:

(I) Adjustment of residential land development strategy

Faced with the sixth and seventh rounds of credit controls - the most stringent throughout Taiwan's history, pre-sale and existing home sales volumes in Taiwan's seven major municipal areas almost halved in Q4, showing a market situation in which prices were consolidating at high levels but transaction volumes faced a sudden drop.

The Company's residential land development strategy will focus on urban renewal and joint construction projects, which will not only improve a city's appearance, but also reduce land purchasing risks and achieve stable development benefits.

(II) Factory, office, and industrial real estate market layout

Due to the expansion of global AI industry chain investment and the continued growth of the semiconductor industry, domestic and foreign companies have increased demand for production expansion in Taiwan, driving growth in demand for the commercial real estate and industrial real estate markets. The Company will cater to this trend by increasing investments in the development of industrial land in Taipei City and New Taipei City.

(III) Participate in government's prime area investment promotions and urban renewal projects

We continue to pay attention to the government-sponsored tender projects in prime areas and actively participate in public urban renewal. After winning the bid for the Kaohsiung Special Trade Zone 3 (North Side of South Base) Public Urban Renewal Development Project, we were also selected as the best applicant for the "Zuoying HSR Technology Hub Public Urban Renewal Project" in May 2024.

(IV) Activate existing assets and strengthen strategic partnerships

Through forming strategic alliances with industry peers, we can submit urban renewal development plans for idle land in Minguan East Road, Jingmei District, etc. in 2025, effectively increasing land value and development efficiency.

As a whole, the Company has demonstrated steady growth in both the existing home and pre-sale markets. With our precise market layout and high-quality products, we have successfully enhanced Kuo Yang's brand competitiveness and paved a solid foundation for future development.

Looking ahead, we will continue to pay attention to market trends, actively develop innovative products that meet market demand, strengthen brand value, and create long-term and stable investment returns for shareholders through sound operations.

II. 2025 Business Plan overview

Projects in the sales phase

- (I) Existing houses 4 :
 - 1. Residential buildings : Kaohsiung Kuo Yan, Smile Era The Green Place B
 - 2. Plants and offices : Taipei Kuo Yang Intercontinental Corporate Head Office (Neihu)

- (II) presale projects 4:
 - 1. Residential buildings: New Taipei Guanghe
Tainan The Green World (The Green Place Phase D)
Kaohsiung 「Kuo Yang Platinum Royal」
 - 2. Plants and offices: New Taipei 「Kuo Yang Advanced Technology Building」 (Xizhi)

III. Future development strategy

- (I) Kuo Yang is opting for a diverse arrangement in land development, and except for industrial land at specific areas, we have turned to urban renewal or joint construction projects in terms of residential buildings. Apart from Northern Taiwan, we are continue to expand towards the southern region. °

- (II) In addition, we are also focusing on the planning, construction method, and material use in individual construction projects to reduce waste generated during the construction process and increase circular recycling, And consider health, energy saving, ecology, and waste reduction , thereby constructing (nearly) carbon neutral buildings that are more environmentally friendly. We also hope to maintain the Company's operating performance and to building a quality brand image by providing precise product positioning and well-rounded service quality. We are implementing ESG and thoughtful designs to strengthen Kuo Yang's products and become the first choice when customers are buying a house.

IV. Impact of the external competitive environment, regulatory environment, and overall business environment

- (I) Favorable factors:
 - 1. Stable Interest Rates and Improved Capital Environment
After Taiwan’s Central Bank raised interest rates by only 0.125% (12.5bps) in 2024, interest rates have since then remained stable, while policies of major central banks around the world have eased, leading to ample market liquidity. Long-term capital costs remained low and investor confidence is renewed, especially in the industrial land and commercial property sectors, which showed strong growth momentum and helped to stabilize market development.
 - 2. Government Promotes Sustainable Building and Urban Renewal
The government continues to promote green buildings and urban renewal. The central government and regional governments such as Taipei City are promoting

energy efficiency improvements in construction in tiered phases based on the 2050 Net-zero Emissions target. For dangerous and old buildings, measures such as building bulk incentives and financial subsidies are implemented, such as the disaster prevention urban renewal incentives program launched by the Taipei City Government. These policies not only encourage property developers to transform and upgrade, use innovative construction methods and green building materials to promote the development of near-zero and low-emissions buildings, but also encourage developers to continuously revitalize and renew old and existing urban spaces in the city center.

(II) Unfavorable factors:

1. House Hoarding Tax and Credit Controls Put Pressure on the Market

The government has implemented a nationwide tax on house hoarding. Owners of multiple non-self-use properties face heavy taxes, while reinforced credit controls are also placed on the housing market to curb speculative behavior. This move may lead to market consolidations in the short term. Developers and investors need to prudently assess financial pressure, which will affect project launches and market liquidity.

2. Slowing Global Growth and Increased External Risks

Downward revisions are expected for the global economic growth, while geopolitical risks and weak demand in major markets have also affected Taiwan's exports and domestic demand. The continued rise in building materials and labor costs may shrink profit margins and affect developers' capital operations and investment plans.

(III) Corresponding Measures

The Company is actively and proactively dealing with market changes by adopting the following strategies:

1. Diversified Land Development: Expand investment in industrial land and commercial and office projects, and optimize our residential market layout through urban renewal and co-construction models.
2. Green Buildings and Smart Management: We deployed green building materials and smart engineering technologies to improve project quality and environmental benefits to meet market demand and governmental policies.
3. Flexible Adjustment Strategy: In response to regulatory adjustments and market uncertainties, we will prudently plan fund utilizations, enhance market competitiveness, and ensure steady growth.

In the face of market challenges, we remain confident and continue to strengthen

Kuo Yang's products, leading the market with diversified development and sustainable operations, and ushering in a new era of long-term growth.

I wish to thank you for your support and guidance.
I wish you health and prosperity

Tzu-Kuan Lin, Chairman

Chapter 2. Corporate Governance Report

I. Information on Directors, President, Vice Presidents, Assistant Vice Presidents, and heads of departments and subsidiaries

(I) Information on Directors(A) March 31, 2024

Title	Nationality or Place of registration	Name	Gender	Age	Date elected(appointed)	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience(education)	Current position in the Company or other companies	Spouse or relatives of second degree or closer acting as Directors or other department heads			Remarks
								Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Director	Republic of China	Chi Chan Industries Co., Ltd.			2023.06.13	Three years	2008.06.13	1,281,126	0.18%	698,880	0.18%	-	-	None	None	-	-	-	-	-	

Title	Nationality or place of registration	Name	Gender Age	Date elected(appointed)	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience(education)	Current position in the Company or other companies	Spouse or relatives of second degree or closer acting as Directors or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman Institutional shareholder representative	Republic of China	Tzu-Kuan Lin-Institutional shareholder representative of Chi Chan Industries	Male 61~70	2023.06.13	Three years	2008.06.13	0	0.00%	0	0.00%	0	0.00%	None	None	Legal representative of Grand Hi-Lai Hotel Management Consulting Co., Ltd. President, Top Plaza Hotel, Kaohsiung President, Spring City Resort, Taipei (Chinese Culture University)	President, Grand Hi-Lai Hotel Business Group Director, Hanshin Shopping Plaza Co., Ltd. Director, Hanshin Department Store Co., Ltd. Director, Kaohsiung Arena Development Corporation Chairman, Shang Yang International Asset Management Co., Ltd. Chairman, Shen Yang Construction Co., Ltd. Chairman, Che Yang Agricultural Technology Co., Ltd. Chairman, Chi Yang Construction Co., Ltd. Chairman, Pu Li Management Consulting Co., Ltd. Chairman,Star Era InternationalCo.,Ltd. Director, Sweet Me Hot Spring Resort Co., Ltd. Director, SE Security Corp. Chairman , Qiyang Construction Co., Ltd. Chairman , Shin Yang International Development Co., Ltd.	None	None	None	None

Director Institutional shareholder representative	Republic of China	Chia-Chi Hou- Institutional shareholder representative of Chi Chan Industries	Female 31-40	2023.06.13	Three years	2020.06.10	1,807,833	0.26%	986,209	0.26%	0	0.00%	None	None	<p>Chairman , Hanshin Asset Management Co., Ltd. Director, Kaohsiung Arena Development Corporation Chairman, Han Yang Global Co., Ltd. Chairman, HCW Investment Co., Ltd. Chairman, Ascent Development Co., Ltd. Chairman, Hanshin Shopping Plaza Co., Ltd. Chairman, Hanshin Department Store Co., Ltd. Vice Chairman and Director, Grand Hi-Lai Hotel Co., Ltd. Director, Han Shen Investment Co., Ltd. Director, Star Era International Co., Ltd. Chairman, Lien Chung International Asset Management Co., Ltd. Chairman, Chi Chia Industries Co., Ltd. Chairman, Cho Chia Co., Ltd. Chairman, Chung Shen Development Co., Ltd. Chairman, Chi Yang Construction Co., Ltd. Chairman, Hsueh Yung Co., Ltd. Director Shin Yang International Development Co., Ltd. Chairman, Chi Chia Industries Co., Ltd. Director, Verisik Inc. Chairman, Aquas Sports and Culture Co., Ltd. Independent Director of Gamania Digital Technology Co., Ltd.</p>	None	None	None	None
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Title	Nationality or place of registration	Name	Gender Age	Date elected(appointed)	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience(education)	Current position in the Company or other companies	Spouse or relatives of second degree or closer acting as Directors or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Director	Republic of China	Cheng Chi Co., Ltd.		2023.06.13	Three years	2000.04.24	42,389,920	6.09%	23,124,570	6.09%	-	-	None	None	-	-	-	-	-	
Director Institutional shareholder representative	Republic of China	Jer-Shyong Tsai Institutional shareholder representative of Cheng Chi	Male 71~80	2023.06.13	Three years	2014.10.29	0	0.00%	0	0.00%	0	0.00%	None	None	Chairman, The Bankers Association of the Republic of China Director, Central Bank Executive Director, General Chamber of Commerce of the Republic of China Director, Taiwan Stock Exchange Corporation Chairman, Taiwan Financial Holdings Chairman, Bank of Taiwan Chairman, Land Bank of Taiwan President, First Bank (Department of International Business, National Chengchi University)	Director, Hanshin Asset Management Co., Ltd. Chairman, Han Shen Investment Co., Ltd. Director, Hanshin Shopping Plaza Co., Ltd. Director, Hanshin Department Store Co., Ltd. Director, Huang Hsiang Construction Corporation	None	None	None	None
Director Institutional shareholder representative	Republic of China	Chien-Pung Ruan- Institutional shareholder representative of Cheng Chi	Male 71~80	2023.06.13	Three years	2014.06.23	0	0.00%	0	0.00%	21,820	0.01%	None	None	Chairman, Lending Committee, The Bankers Association of the Republic of China Vice President and Chief Auditor, Land Bank of Taiwan Director, Mega Bills Finance Director, Agricultural Credit Guarantee Fund (Department of Land Economics, National Chengchi University)	Chairman, Kaohsiung Arena Development Corporation Director, Hanshin Asset Management Co., Ltd. Director, Han Shen Investment Co., Ltd. Director, SE Security Corp.	None	None	None	None

Title	Nationality or place of registration	Name	Gender Age	Date elected(appointed)	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience(education)	Current position in the Company or other companies	Spouse or relatives of second degree or closer acting as Directors or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Director Institutional shareholder representative	Republic of China	Sannie Huang Institutional shareholder representative of Cheng Chi	Male 51~60	2023.06.20	Three years	2023.06.20	12,100	0.00%	0	0.00%	0	0.00%	None	None	Deloitte Touche Tohmatsu Limited Assistant manager (Department of Accounting, Tamkang University)	Director, Hanshin Asset Management Co., Ltd. Director, Han Shen Investment Co., Ltd. Chief financial officer, Hanshin Shopping Plaza Co., Ltd. Director, Verisik Inc. Chairman, Aquas Sports and Culture Co., Ltd.	None	None	None	None
Director	Republic of China	Pai Ti Development Co., Ltd.		2023.06.13	Three years	2008.06.13	8,071,097	1.16%	4,402,948	1.16%	-	-	None	None	-	-	-	-	-	-
Director Institutional shareholder representative	Republic of China	Pei-Kui Su Institutional shareholder representative of Pai Ti Development	Male 51~60	2023.06.13	Three years	2017.06.08	0	0.00%	0	0.00%	0	0.00%	None	None	Uni-President Enterprises Corp. (Department of Finance, National Sun Yat-sen University)	Hanshin Department Store Co., Ltd. Assistant Vice President, Business Management Department	None	None	None	None

Title	Nationality or place of registration	Name	Gender Age	Date elected(appointed)	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience(education)	Current position in the Company or other companies	Spouse or relatives of second degree or closer acting as Directors or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Republic of China	Li-Yen Yang	Male 71~80	2023.06.13	Three years	2020.06.10	0	0.00%	0	0.00%	0	0.00%	None	None	Manager, South Africa Branch, Bank of Taiwan Manager, Los Angeles Branch, Bank of Taiwan Manager, International Department, Bank of Taiwan Vice President, Bank of Taiwan Managing Director and President, Hua Nan Bank Director and President, Mega Financial Holdings Managing Director and President, Mega International Commercial Bank Chairman, R.O.C. Bills Finance Association Director, Taiwan Financial Services Roundtable Co., Ltd. Consultant, Mega International Commercial Bank (from the Department of Business Management, College of Law, National Taiwan University.)	-	None	None	None	None

Title	Nationality or place of registration	Name	Gender Age	Date elected(appointed)	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience(education)	Current position in the Company or other companies	Spouse or relatives of second degree or closer acting as Directors or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Republic of China	Wu-Po Kuo	Male 71~80	2023.06.13	Three years	2017.06.08	0	0.00%	0	0.00%	0	0.00%	None	None	Staff, Ministry of the Interior Deputy Captain, Measurement Team, Department of Land Administration, Taipei City Government Director, Taipei Jiancheng Land Office Captain, Measurement Team, Department of Land Administration, Taipei City Government Deputy Director, Northern Region Branch, National Property Administration Director, Northern Region Branch, National Property Administration Deputy Director General, National Property Administration Director General, National Property Administration Counselor, Ministry of Finance Managing Director, Land Bank of Taiwan (Bachelor's degree, Department of Land Resources, Chinese Culture University)	-	None	None	None	None

Title	Nationality or place of registration	Name	Gender Age	Date elected(appointed)	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience(education)	Current position in the Company or other companies	Spouse or relatives of second degree or closer acting as Directors or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Republic of China	Chiu-Mu Tseng	Male 71~80	2023.06.13	Three years	2017.06.08	0	0.00%	0	0.00%	0	0.00%	None	None	Instructor, Air Force Institute of Technology Lecturer, National Chiayi Institute of Agriculture Director, Taipei Guting Land Office Acting Director, Taipei Shilin Land Office Secretary General, Department of Land Administration, Taipei City Government Deputy Director General, Department of Land Administration, Taipei City Government Consultant, Land Administration Agent Guild of Taipei City Consultant, Association for the Promotion of Cadastral Rights of the Republic of China Team Member, Advisory Board, Taipei City Government (Graduated from the Institute of Land Economics, National Chengchi University)	Consultant, Land Administration Agent Guild of Taipei City Team Member, Advisory Board, Taipei City Government Consultant, Taipei City Land Administration Agent Volunteer Service Association Member, Arbitration Technology and Arbitration Business Promotion Committee, Chinese Real Estate Arbitration Association	None	None	None	None

Note: Elections of all Directors were held on June 13, 2023. As of the time of the election, the Company's paid-in capital was NT\$3,800,000,000 As of April 28, 2025 the Company's paid-in capital was NT\$3,800,000,000.

Notes:

Table 1: Major shareholders of institutional shareholders

March 31, 2025

Name of institutional Shareholder (Note 1)	Major shareholders of institutional shareholders (Note 2)	Shareholding ratio (%)
Cheng Chi Co., Ltd.	Kao Pin Co., Ltd.	97.50
	Hsi-Feng Hou	2.50
Pai Ti Development Co., Ltd.	Chi Chan Industries Co., Ltd.	10.00
	Han Kuang Co., Ltd.	90.00
Chi Chan Industries Co., Ltd.	Chi Hsuan Development Co., Ltd.	42.79
	Ku Pang Co., Ltd.	49.71
	Kao Pin Co., Ltd.	7.28
	Hsi-Feng Hou	0.22

Note 1: If Directors and Supervisors are the representatives of institutional shareholders, the names of the institutional shareholders shall be disclosed.

Note 2: Fill in the names of main shareholders of the institutional shareholder (the top ten shareholders in terms of shareholding ratio) and their shareholding ratio. If the major shareholder is a juristic person, his/her name should be filled in Table 2 below.

Note 3: Where an institutional shareholder is not organized as a company, the name of the shareholders and shareholding ratio that must be disclosed in accordance with the above shall be the name of the funder or donor and the funding or donation ratio.

Table 2: Major shareholders of major institutional shareholders listed in Table 1

March 31, 2025

Name of institution (Note 1)	Major shareholders of institutional shareholders (Note 2)	Shareholding ratio (%)
Kao Pin Co., Ltd.	Han Kuang Co., Ltd.	19.67
	Chuan Shang Co., Ltd.	19.67
	Chi Chia Industries Co., Ltd.	19.67
	Hsuan Ming Development Co., Ltd.	19.67
	Tsu Yan International Development Co., Ltd.	19.67
	Hsi-Feng Hou	1.64
Chi Chan Industries Co., Ltd.	Ku Pang Co., Ltd.	49.71
	Chi Hsuan Development Co., Ltd.	42.79
	Kao Pin Co., Ltd.	7.28
	Hsi-Feng Hou	0.22
Han Kuang Co., Ltd.	Kuo Pin Development Co., Ltd.	99.90
	Hsi-Feng Hou	0.10
Chi Hsuan Development Co., Ltd.	Kao Pin Co., Ltd.	64.94
	Chi Chan Industries Co., Ltd.	35.05
	Hsi-Feng Hou	0.01
Ku Pang Co., Ltd.	Kao Pin Co., Ltd.	99.15
	Hsi-Feng Hou	0.85

Note 1: If the major shareholders in Table 1 are institutional shareholders, the names of the institutional shareholders shall be disclosed.

Note 2: Fill in the names of main shareholders of the institution (the top ten shareholders in terms of shareholding ratio) and their shareholding ratio.

Note 3: Where an institutional shareholder is not organized as a company, the name of the shareholders and shareholding ratio that must be disclosed in accordance with the above shall be the name of the funder or donor and the funding or donation ratio.

Information on Directors (2)

I. Disclosure of information on the professional qualifications of Directors and independence of Independent Directors:

Name	Qualifications Professional Qualifications and Experience	Compliance of independence (Note)	Number of positions as an Independent Director in other public companies
Director			

<p>Chi Chan Industries Co., Ltd. Representative: Tzu-Kuan Lin</p>	<p>Graduated from the Chinese Culture University and currently serves as the Chairman of the Board of Directors of the Company. He has more than five years of necessary work experience in business, finance, and corporate affairs and has worked in the hotel industry and related fields for nearly 20 years. He has the professional leadership, marketing, operation management, strategic planning, and crisis management skills for leading the Company in becoming the industry leader and advance sustainable development.</p>	<p>Note: The Director meets any of the following criteria in the two years before being elected or during the term of office:</p> <ol style="list-style-type: none"> (1) Not employed by the Company or any of its affiliates. (2) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings. (3) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a manager as stated in (1) or any of the persons mentioned in (2) and (3). (4) Not a director, supervisor or employee of another company that has the same directors as the company or is controlled by the same person that has more than half of the voting power in the company (except where the person is simultaneously an independent director of the company or its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations). (5) Not a director, supervisor or employee of another company or institution that has the same chairman, president, or the equivalent or a spouse in one of the roles as the company (except where the person is simultaneously an independent director of the company and its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations). (6) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply to specific companies or institutions if they hold more than 20% but less than 50% of the outstanding shares of the Company or independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country). (7) Not a professional individual, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations. (8) Not a spouse or a relative within two degrees of kinship with any other director. (9) Does not meet any of the conditions stated in Article 30 of the Company Act. 	<p>0</p>
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<p>Chi Chan Industries Co., Ltd. Representative: Chia-Chi Hou</p>	<p>Graduated with from the Department of Applied Mathematics and Chemical Engineering, Johns Hopkins University, Master/PhD in Department of Bioengineering, Stanford University. She currently serves as the Director of the Company, representative and Chairman of Hanshin Shopping Plaza, and representative of corporate directors of multiple listed companies. She has more than five years of necessary work experience in business, finance, big data, and corporate affairs and has the strategic planning, business management, marketing, and professional leadership skills for leading the Company in sustainable development in the tech industry.</p>	<p>Note: The Director meets any of the following criteria in the two years before being elected or during the term of office, s:</p> <ol style="list-style-type: none"> (1) Not employed by the Company or any of its affiliates. (2) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings. (3) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a manager as stated in (1) or any of the persons mentioned in (2) and (3). (4) Not a director, supervisor, or employee of an institutional shareholder who directly holds more than 5% of the total issued shares of the company, or a top 5 shareholder, or a director or supervisor representative appointed by the company in accordance with Article 27, Paragraph 1 or 2 of the Company Act (excluding independent directors appointed by both the company and its parent company, subsidiary or subsidiaries under the same parent company pursuant to this regulation or the local regulations). (5) Not a director, supervisor or employee of another company that has the same directors as the company or is controlled by the same person that has more than half of the voting power in the company (except where the person is simultaneously an independent director of the company or its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations). (6) Not a director, supervisor or employee of another company or institution that has the same chairman, president, or the equivalent or a spouse in one of the roles as the company 	<p>1</p>
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<p>Cheng Chi Co., Ltd. Representative: Jer-Shyong Tsai</p>	<p>Graduated from the Department of International Business of National Chengchi University. He has more than five years of necessary work experience in business, finance, and corporate affairs and has worked in the finance industry and related fields for nearly 20 years. He has the professional leadership, marketing, operation management, strategic planning, and crisis management skills for leading the Company in becoming the industry leader and advance sustainable development.</p>	<p>(except where the person is simultaneously an independent director of the company and its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations).</p> <p>(7) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply to specific companies or institutions if they hold more than 20% but less than 50% of the outstanding shares of the Company or independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).</p> <p>(8) Not a professional individual, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>(9) Not a spouse or a relative within two degrees of kinship with any other director.</p> <p>(10) Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<p>0</p>
<p>Cheng Chi Co., Ltd. Representative: Chien-Pung Ruan</p>	<p>Graduated from the Department of Land Economics, National Chengchi University. He has more than five years of necessary work experience in business, finance, accounting and corporate affairs and has worked in the finance industry and related fields. He has the professional leadership, marketing, operation management, strategic planning, and crisis management skills for leading the Company in becoming the industry leader and advance sustainable development.</p>	<p>(except where the person is simultaneously an independent director of the company and its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations).</p> <p>(7) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply to specific companies or institutions if they hold more than 20% but less than 50% of the outstanding shares of the Company or independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).</p> <p>(8) Not a professional individual, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>(9) Not a spouse or a relative within two degrees of kinship with any other director.</p> <p>(10) Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	<p>0</p>

<p>Cheng Chi Co., Ltd. Representative: SANNIE HUANG</p>	<p>Graduated from the Department of Accounting, Tamkang University. He has more than five years of necessary work experience in business and corporate affairs. He has the professional leadership, marketing, operation management, strategic planning, and crisis management skills for leading the Company in becoming the industry leader and advance sustainable development.</p>		<p>0</p>
<p>Pai Ti Development Co., Ltd. Representative: Pei-Kui Su</p>	<p>Graduated from the Department of Finance, National Sun Yat-sen University. He has more than five years of necessary work experience in business, finance, accounting and corporate affairs. He has the professional leadership, marketing, operation management, strategic planning, and crisis management skills for leading the Company in becoming the industry leader and advance sustainable development.</p>		<p>0</p>

Independent Director

<p>Li-Yen Yang</p>	<p>Graduated from the Department of Business Management, College of Law, National Taiwan University. Qualified in the Senior Examination for Field Operations of Financial Personnel in 1978. He currently serves as the convener of the Company's Remuneration Committee and convener of the Audit Committee. He has more than five years of necessary work experience in legal affairs, business, finance, and corporate affairs and has worked in the finance industry and related fields for nearly 20 years, with experience in legal affairs, corporate finance, and accounting.</p>	<p>Note: The Director meets any of the following criteria in the two years before being elected or during the term of office,</p> <ol style="list-style-type: none"> (1) Not employed by the Company or any of its affiliates. (2) Not a director or supervisor of the company or its affiliates (this restriction does not apply to independent directors in the company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country). (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings. (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a manager as stated in (1) or any of the persons mentioned in (2) and (3). (5) Not a director, supervisor, or employee of an institutional shareholder who directly holds more than 5% of the total issued shares of the company, or a top 5 shareholder, or a director or supervisor representative appointed by the company in accordance with Article 27, Paragraph 1 or 2 of the Company Act (excluding independent directors appointed by both the company and its parent company, subsidiary or subsidiaries under the same parent company pursuant to this regulation or the local regulations). 	<p>0</p>
<p>Wu-Po Kuo</p>	<p>Graduated with a bachelor's degree, Department of Land Resources, Chinese Culture University and graduated from the Institute of Public Administration, National Chengchi University. Qualified in the Senior Examination for Land Administration in 1975. He currently serves as a member of the Company's Remuneration Committee and a member of the Audit Committee. He has more than five years of necessary work experience in business, finance, and corporate affairs and has worked in the Department of Land Administration of Taipei and National Property Administration of the Ministry of Finance for nearly 20 years, with experience in land administration and finance.</p>	<ol style="list-style-type: none"> (6) Not a director, supervisor or employee of another company that has the same directors as the company or is controlled by the same person that has more than half of the voting power in the company (except where the person is simultaneously an independent director of the company or its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations). (7) Not a director, supervisor or employee of another company or institution that has the same chairman, president, or the equivalent or a spouse in one of the roles as the company (except where the person is simultaneously an independent director of the company and its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations). (8) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply to specific companies or institutions if they hold more than 20% but less than 50% of the outstanding shares of the Company or independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country). (9) Not a professional individual, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the 	<p>0</p>

<p>Chiu-Mu Tseng</p>	<p>Graduated from the Institute of Land Economics, National Chengchi University. He currently serves as a member of the Company's Remuneration Committee and a member of the Audit Committee. He has more than five years of necessary work experience in business, finance, and corporate affairs and has worked in the Department of Land Administration of Taipei for nearly 30 years, with experience in land administration.</p>	<p>remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>(10) Not a spouse or a relative within two degrees of kinship with any other director. (11) Does not meet any of the conditions stated in Article 30 of the Company Act. (12) Not elected as a government or corporate representative, as described in Article 27 of the Company Act.</p>	<p>0</p>
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II. Diversity and independence of the Board of Directors

To strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, in line with Paragraph 3, Article 20 of the Company's "Corporate Governance Best Practice Principles", diversity shall be considered in the composition of Board members. Directors who are also managers in the Company may not take up more than one-third of all seats. In addition, appropriate diversity policies shall be stipulated reflective of the Company's operation status, operational pattern, and developmental needs, which shall include, without limitation, the following two major aspects:

1. Basic requirements and values: Gender, age, nationality, and culture and etc., in which the ratio of female Directors should reach one-third or more of all seats.
2. Professional knowledge and expertise: A professional background (e.g., law, accounting, industry, finance, marketing, or information technology), professional skills, and industry experience.

Board members shall be equipped with knowledge, skills, and attainments generally required for performing their tasks. In order to accomplish the preferred governance goals of the Company, the Board of Directors shall generally be equipped with the following capabilities:

1. Ability to make sound business judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to manage a business.
4. Ability to handle crisis management.
5. Industrial knowledge.
6. An international market perspective.
7. Leadership.
8. Decision-making ability.

The Company's Board of Directors consists of 9 Directors (including 3 Independent Directors and 6 non Independent Directors). Independent Directors account for 30% of all members.

The company attaches great importance to gender equality in the composition of the board of directors and has achieved the goal of including at least one female director who accounts for 11% of all members. In terms of the age distribution, 1 Director is aged 31 to 40, 2 Director is aged 51 to 60, 1 Directors are aged 61 to 70, and 5 Directors are aged 71 to 80. With regard to the terms of office of Independent Directors, two Independent Directors have served more than 3 years . No Independent Director has served more than 3 consecutive terms. All directors are experts from industry and academia. Their qualifications meet the regulations for Independent Directors in regulations and they are familiar with the operations of the Company. The progress is detailed in the table below:

Name	Job title	Nationality	Gender	Status as employee	Age			Independent Director office term	Core diversity skills									
					31-40 years old	51-60 years old	61-70 years old		71-80 years old	Less than 3 years	3 years or above	Business management	Legal affairs and real estate	Finance	Accounting and business	Marketing management	Information technology	Risk management
Tzu-Kuan Lin	Chairman	Republic of China	Male	-			V			V		V	V	V	V	V	V	V
Chia-Chi Hou	Director	Republic of China	Female	-	V					V		V	V	V	V	V	V	V
Jer-Shyong Tsai	Director	Republic of China	Male	-			V			V	V	V	V	V	V			V
Chien-Pung Ruan	Director	Republic of China	Male	-			V			V	V	V	V	V	V			V
Sannie Huang	Director	Republic of China	Male	-	V					V		V	V	V	V			V
Pei-Kui Su	Director	Republic of China	Male	-	V					V		V		V	V	V		V
Li-Yen Yang	Independent Director	Republic of China	Male	-			V		V	V	V	V						V
Wu-Po Kuo	Independent Director	Republic of China	Male	-			V		V		V	V						V
Chiu-Mu Tseng	Independent Director	Republic of China	Male	-			V		V		V							V

III. Specific management targets and implementation status of the policy on diversification of board members:

Management target	Implementation status
Directors who serve concurrently as managers should not exceed one third of the Board of Directors	Achieved
The Board of Directors has at least one female member	Achieved
No more than three consecutive terms for Independent Director	Achieved

(II) Information on the President, Vice Presidents, Assistant Vice Presidents, and heads of departments and subsidiaries

March 31, 2021

Title (Note 1)	Nationality	Name	Gender	Date elected(appoint ed)	Shareholding		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience(education) (Note 2)	Current position in other companies	Has a spouse or a relative within the second degree of kinship who is the Company's manager			Remarks (Note 3)
					Number of shares	Sharehol ding ratio	Number of shares	Shareholdi ng ratio	Numb er of shares	Sharehol ding ratio			Title	Name	Relati onshi p	
President	Republic of China	Shao-Ling Peng	Female	2008.06.18	218,340	0.06%	0	0.00%	None	None	Vice President, Yu Chieh Construction Co., Ltd. (Tungnan University)	Director, Hanshin Department Store Co., Ltd.; Director, Hanshin Shopping Plaza Co., Ltd.; Director, Grand Hi-Lai Hotel Co., Ltd.; Director, Hi-Lai Foods Co., Ltd.; Director, Shang Yang International Asset Management Co., Ltd.; Director, Shen Yang Construction Co., Ltd.; Director, Che Yang Agricultural Technology Co., Ltd.; Director, Chi Yang Construction Co., Ltd.; Director, Star Era International Co., Ltd. Director, Chi Yang Construction Co., Ltd.; Director, SE Security Corp. Director, Shin Yang International Development Co., Ltd.	None	None	None	None
President's Office Vice President	Republic of China	Cheng- Hsiung Hsieh	Male	2015.07.20	128	0.00%	11,589	0.00%	None	None	(Manager, Han Yang Construction)	Supervisor, Sweet Me Hot Spring Resort Co., Ltd.; Director, Chi Yang Construction Co., Ltd. Director,	None	None	None	None
Assistant Vice President, Planning Division	Republic of China	Yun-Ti Cheng	Male	2016.03.15	12,000	0.00%	0	0.00%	None	None	Assistant Vice President, Ting Ho Development Co., Ltd. (Master's degree, Department of Architecture, Tamkang University)	None	None	None	None	
Assistant Vice President, Planning Division	Republic of China	Lin-Wei Hsiao	Male	2015.06.09	5,727	0.00%	0	0.00%	None	None	(Master's degree, Department of Architecture, Tamkang University)	None	None	None	None	
Assistant Vice President, Engineering Division	Republic of China	Wen-Ho Hsu	Male	2015.06.09	4,364	0.00%	0	0.00%	None	None	Assistant Vice President, Lu Chiang Construction (Graduate Institute of Civil and Disaster Prevention Engineering, National Taipei University of Technology)	None	None	None	None	
Assistant Vice President of the Finance Division and Accounting Manager	Republic of China	Cheng-I Wang	Female	2015.07.20 2008.08.15	27,276	0.01%	0	0.00%	None	None	Accounting Manager, Crowell Development (China University of Technology)	Supervisor, Shang Yang International Asset Management Co., Ltd.; Supervisor, Shen Yang Construction Co., Ltd.; Supervisor, Che Yang Agricultural Technology Co., Ltd.; Supervisor, Hi-Lai Hotel Co., Ltd.; Supervisor, Silvershine Technology Inc.; Supervisor, Chi Yang Construction Co., Ltd. Supervisor, Shin Yang International Development Co., Ltd. · Supervisor, Qi Yang Construction Co., Ltd.	None	None	None	None

Title (Note 1)	Nationality	Name	Gender	Date elected (appointed)	Shareholding		Shares held by spouse and underage children		Shareholding by nominee arrangement		Main experience (education) (Note 2)	Current position in other companies	Has a spouse or a relative within the second degree of kinship who is the Company's manager			Remarks (Note 3)
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Assistant Vice President, Sales Division	Republic of China	Meng-Hui Lien	Female	2017.04.24	0	0.00%	0	0.00%	None	None	Secretary, Cinti Leghorn Co., Ltd. Sales and administration staff, Chang Hsuan Construction Co., Ltd. Sales and administration staff, Kuo Yang Construction Co., Ltd. Sales and administration staff, Ming Fu Development Co., Ltd. Assistant Vice President, Hiyes Corporation Ltd. (Yu Da University of Science and Technology, Comprehensive Business Studies Department)	None	None	None	None	None
Manager, Audit Office	Republic of China	Yue-Hua Li	Female	2008.08.15	0	0.00%	0	0.00%	None	None	Accounting Manager, Ching Yang Construction Co., Ltd. (Yu Da University of Science and Technology Department of Finance/Accounting)	None	None	None	None	None

PS: Note 1: Information regarding the President, Vice Presidents, Assistant Vice Presidents, heads of departments and branches should be included and information regarding positions equivalent to President, Vice Presidents, Assistant Vice Presidents shall be disclosed regardless of job title.

Note 2: Experience related to the current position. If the individual had served in the certifying CPA firm or an affiliated enterprise in the aforementioned period, the position and job functions shall be described.

Note 3: Where the Chairman, President, or individual with equivalent roles are the same individual, spouses, or relatives within the first degree of kinship, the Company shall disclose related information regarding the reason, reasonableness, necessity, and response measures (e.g., appointment of additional Independent Directors and requiring the appointment of more than half of the Directors from individuals who are not employees or managers).

II. Remunerations to Directors, President, and Vice Presidents in recent years

Remuneration paid to Directors and Independent Directors (disclosure of the name and remuneration of each individual) Unit: NTD

Title	Name	Remuneration for Directors								Total remuneration (A+B+C+D) as a percentage of net income after tax (Note 10)		Remuneration received as the Company's employee						Ratio of total compensation (A+B+C+D+E+F+G) to after-tax income (Note 10)		Remuneration received from investees other than subsidiaries (Note 11)		
		Remuneration (A) (Note 2)		Severance pay and pension (B)		Remuneration for Directors (C) (Note 3) (Proposed amount)		Project implementation expenses (D) (Note 4)				Salary, bonuses, and allowances (E) (Note 5)		Employee remuneration (G) (Note 6)								
		The Company	All companies included in the Financial Report (Note 7)	The Company	All companies included in the Financial Report (Note 7)	The Company	All companies included in the Financial Report (Note 7)	The Company	All companies included in the Financial Report (Note 7)	The Company	All companies included in the Financial Report (Note 7)	The Company	All companies included in the Financial Report (Note 7)	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies included in the Financial Report (Note 7)			
Chairman	Chi Chan Industries Co., Ltd. Representative: Tzu-Kuan Lin	120,000	120,000	0	0	709,557	709,557	0	0	0.4198%	0.4198%	0	0	0	0	0	0	0	0	0.4198%	0.4198%	None
Director	Cheng Chi Co., Ltd. Representative: Jer-Shyong Tsai	100,000	100,000	0	0	709,556	709,556	0	0	0.4097%	0.4097%	0	0	0	0	0	0	0	0	0.4097%	0.4097%	None
Director	Cheng Chi Co., Ltd. Representative: Chien-Pung Ruan	110,000	110,000	0	0	709,556	709,556	0	0	0.4147%	0.4147%	0	0	0	0	0	0	0	0	0.4147%	0.4147%	None
Director	Chi Chan Industries Co., Ltd. Representative: Chia-Chi Hou	120,000	120,000	0	0	709,556	709,556	0	0	0.4198%	0.4198%	0	0	0	0	0	0	0	0	0.4198%	0.4198%	None
Director	Cheng Chi Co., Ltd. Representative: Sannie Huang	120,000	120,000	0	0	709,556	709,556	0	0	0.4198%	0.4198%	0	0	0	0	0	0	0	0	0.4198%	0.4198%	None
Director	Pai Ti Development Co., Ltd. Representative: Pei-Kui Su	110,000	110,000	0	0	709,556	709,556	0	0	0.4147%	0.4147%	0	0	0	0	0	0	0	0	0.4147%	0.4147%	None
Independent Director	Li-Yen Yang	830,000	830,000	0	0	0	0	0	0	0.4200%	0.4200%	0	0	0	0	0	0	0	0	0.4200%	0.4200%	None
Independent Director	Wu-Po Kuo	830,000	830,000	0	0	0	0	0	0	0.4200%	0.4200%	0	0	0	0	0	0	0	0	0.4200%	0.4200%	None

Independent Director	Chiu-Mu Tseng	830,000	830,000	0	0			0	0	0.4200%	0.4200%	0	0	0	0	0	0	0	0	0.4200%	0.4200%	None
<p>1. Please describe the policy, system, standards and structure of the remuneration packages of the Independent Directors and explain the relevance of the amount of remuneration paid to them based on factors such as responsibility, risk and time commitment: According to the Company's "Remuneration Committee Charter", the Committee shall regularly review the Company's policies, systems, standards, and structure for the performance evaluation, salary, and remuneration of the Directors, Independent Directors, and managers. (1) Transportation expenses: Payment for attendance in meetings of the Board of Directors. The attendance fee is NT\$10,000 per person. (2) Fixed remuneration: Fixed remuneration of NT\$50,000 per month.(3) Non-fixed remuneration: No such remuneration for Directors.</p> <p>2. Except as disclosed above, remuneration received by Directors in the latest year for on-balance sheet services (e.g., consulting service for the parent company/all companies included in the financial statements/non-employee in investee etc.) rendered to the Company: None</p>																						
Note : None																						

Range of remuneration chart

Range of remuneration paid to the Directors of the Company	Name of Director			
	Total amount of the 4 preceding remunerations (A+B+C+D)		Total amount of the 7 preceding remunerations (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies included in the Financial Report (Note 9) H	The Company (Note 8)	All companies included in the Financial Report (Note 9) I
Less than NT\$1,000,000	Li-Yan Yang, Wu-Po Kuo, Chiu-Mu Tseng	Li-Yan Yang, Wu-Po Kuo, Chiu-Mu Tseng	Li-Yan Yang, Wu-Po Kuo, Chiu-Mu Tseng	Li-Yan Yang, Wu-Po Kuo, Chiu-Mu Tseng
NT\$1,000,000(inclusive)to NT\$2,000,000(exclusive)	Tzu-Kuan Lin, Jer-Shyong Tsai, Chien-Pung Ruan, Chia-Chi Hou, Tung-Ming Su,Pei-Kui Su,	Tzu-Kuan Lin, Jer-Shyong Tsai, Chien-Pung Ruan, Chia-Chi Hou,, Tung-Ming Su,Pei-Kui Su,	Tzu-Kuan Lin, Jer-Shyong Tsai, Chien-Pung Ruan, Chia-Chi Hou, Tung-Ming Su, Pei-Kui Su,	Tzu-Kuan Lin, Jer-Shyong Tsai, Chien-Pung Ruan, Chia-Chi Hou, Tung-Ming Su, Pei-Kui Su,
NT\$2,000,000(inclusive)to NT\$3,500,000(exclusive)				
NT\$3,500,000(inclusive)to NT\$5,000,000(exclusive)				
NT\$5,000,000(inclusive)to NT\$10,000,000(exclusive)				
NT\$10,000,000(inclusive)to NT\$15,000,000(exclusive)				
NT\$15,000,000(inclusive)to NT\$30,000,000(exclusive)				
NT\$30,000,000(inclusive)to NT\$50,000,000(exclusive)				
NT\$50,000,000(inclusive)to NT\$100,000,000(exclusive)				
Higher than NT\$100,000,000				
Total	9 persons	9 persons	9persons	9 persons

Note 1: The names of the Directors must be separately listed (for institutional shareholders, the names of institutional shareholders and representatives should be listed respectively) and the payment amounts shall be disclosed using the summary disclosure method. If a Director concurrently serves as the President or Vice President, fill out this Table and Table (3-1) or (3-2) below.

Note 2: Remuneration to Directors in the most recent year (include the Directors' salary, additional duty payments, severance pay, various bonuses, or incentive payments).

Note 3: The amount is the proposed remuneration to directors approved by the Board of Directors for the most recent fiscal year.

Note 4: This refers to the project implementation expenses of Directors in the past year (including transportation expenses, special allowance, stipends, dormitory, and car). If housing, cars, and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel cost calculated based on the actual amount or fair market value, and other payments shall be disclosed. Where a driver is also provided, the compensation paid by the Company to the driver shall be specified in the notes but the amount shall not be included in the remuneration.

- Note 5: All payments to Directors who are also employees of the Company (including the President, Vice Presidents, other managers, and employees), including salary, additional duty payment, severance pay, various bonuses, incentive payments, transportation expenses, special allowance, stipends, dormitory, and car. If housing, cars, and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel cost calculated based on the actual amount or fair market value, and other payments shall be disclosed. Where a driver is also provided, the compensation paid by the Company to the driver shall be specified in the notes but the amount shall not be included in the remuneration. Furthermore, any compensation recognized in the IFRS 2-"Share-Based Payment" section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, shall be included in the calculation of remuneration.
- Note 6: For Directors concurrently serving as employees (including the President, Vice Presidents, other managers and employees) who receive employee remuneration (including shares and cash), the amount of employee remuneration that have been approved by the Board of Directors and distributed to them in the most recent fiscal year shall be disclosed. If the amount of remuneration cannot be estimated, the amount of remuneration in the current fiscal year shall be calculated based on the ratio of the amount of remuneration distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3.
- Note 7: Total pay to Directors from all companies in the consolidated statements (including the Company) shall be disclosed.
- Note 8: The name of each Director shall be disclosed in the range of remuneration corresponding to the amount of all the remuneration paid to the Director by the Company.
- Note 9: The total amount of all the remuneration paid to each Director of the Company by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed. The name of each Director shall be disclosed in the range of remuneration.
- Note 10: The after-tax net profit refers to the after-tax net profit in the most recent fiscal year. For companies that have adopted IFRSs, the after-tax net profit refers to the after-tax net profit in the parent company only or individual financial report in the most recent year.
- Note 11: a. The amount of remuneration received from subsidiaries other than investee companies by the Company's Directors shall be stated clearly in this column.
b. If a Director of the Company receives remuneration from investee companies other than subsidiaries, the amount of remuneration received by the director from investee companies other than subsidiaries shall be combined into Column I of the range of remuneration chart, and the name of this column shall be changed to "All Investee Companies".
c. Remuneration refers to pay, compensation (including compensation of employees, directors and supervisors) and remuneration for conducting business received by a director of the Company serving as a director, supervisor or manager of an investee of the Company other than subsidiaries.

Remunerations for Supervisors (range of remuneration with name disclosure): The Company has established an Audit Committee.

Remuneration for the President and Vice Presidents (disclosure of the name and remuneration of each individual)

Unit: NT\$1,000

Title	Name	Salary (A) (Note 2)		Severance pay and pension (B)		Bonuses and allowances, etc. (C) (Note 3)		Employee remuneration (D) (Note 4) (Proposed amount)				Total remuneration (A+B+C+D) as a percentage of net income after tax (Note 8)		Remuneration from investee companies other than subsidiaries or the parent company (Note 9)
		The Company	All companies included in the Financial Report (Note 5)	The Company	All companies included in the Financial Report (Note 5)	The Company	All companies included in the Financial Report (Note 5)	The Company		All companies included in the Financial Report (Note 5)		The Company	All companies included in the Financial Report (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Shao-Ling Peng	9,906	9,906	0	0	0	0	49	0	49	0	5.0377%	5.0377%	None
President's Office Vice President	Cheng-Hsiung Hsieh	2,706	2,706	0	0	0	0	18	0	18	0	1.3784%	1.3784%	None

Range of remuneration paid to Presidents and Vice Presidents	Name of President and Vice Presidents	
	The Company (Note 7)	All companies included in the Financial Report (Note 8) <u>E</u>
Less than NT\$1,000,000		
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)		
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	Cheng-Hsiung Hsieh	Cheng-Hsiung Hsieh
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)		
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	Shao-Ling Peng	Shao-Ling Peng
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)		
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)		
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)		
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)		
Higher than NT\$100,000,000		
Total	2 persons	2 persons

Note 1: The names of President and Vice Presidents shall be listed separately and the amounts paid shall be disclosed in a summary. If a Director concurrently serves as the President or Vice President, fill out this Table and Table (1-1) or (1-2) above.

Note 2: Salary, additional duty payments, and severance pay received by the President and Vice Presidents in the past year.

Note 3: Bonus, incentive payments, transportation expenses, special allowance, stipends, dormitory, car, and other payments received by the President or Vice President in the past year. If housing, cars, and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel cost calculated based on the actual amount or fair market value, and other payments shall be disclosed. Where a driver is also provided, the compensation paid by the Company to the driver shall be specified in the notes but the amount shall not be included in the remuneration. Furthermore, any compensation recognized in the IFRS 2-"Share-Based Payment" section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, shall be included in the calculation of remuneration.

Note 4: The amount of employee remuneration (including shares and cash) that have been approved by the Board of Directors and distributed to the President and Vice Presidents in the most recent fiscal year. If the amount of remuneration cannot be estimated, the amount of remuneration in the current fiscal year shall be calculated based on the ratio of the amount of remuneration distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3. The after-tax net profit refers to the after-tax net profit in the most recent fiscal year. For companies that have adopted IFRSs, the after-tax net profit refers to the after-tax net profit in the parent company only or individual financial report in the most recent year.

Note 5: The total pay to the President or Vice President from all companies in the consolidated statements (including the Company) shall be disclosed.

Note 6: The names and remuneration of President and Vice Presidents paid by the Company shall be disclosed in their respective remuneration range.

Note 7: The names of the President and Vice Presidents paid by all companies in the consolidated statements (including the Company) shall be disclosed in their respective remuneration range.

Note 8: The after-tax net profit refers to the after-tax net profit in the most recent fiscal year. For companies that have adopted IFRSs, the after-tax net profit refers to the after-tax net profit in the parent company only or individual financial report in the most recent year.

Note 9: a. This field shows the amount of remuneration the President and Vice Presidents of the Company

- receive from investees other than subsidiaries of the Company.
- b. If the President and Vice President of the Company receive remuneration from investees other than subsidiaries of the Company, the remuneration received by the President and Vice Presidents of the Company from investees other than subsidiaries of the Company shall be included in column E of the range of remuneration chart and the name of this column shall be changed to "All Investee Companies".
 - c. Remuneration refers to pay, compensation (including compensation of employees, directors and supervisors) and remuneration for conducting business received by the President and Vice Presidents of the Company serving as a director, supervisor or manager of an investee of the Company other than subsidiaries.
- * The remuneration disclosed in the table is different from income as defined in the Income Tax Act. This table is therefore provided for disclosure only and is not used for taxation purposes.

Remuneration paid to the top five highest paid managers (disclosure of the name and remuneration of each individual) (Note 1)

Unit: NT\$1,000

Title	Name	Salary (A) (Note 2)		Severance pay and pension (B)		Bonuses and allowances, etc. (C) (Note 3)		Employee remuneration (D) (Note 4) (Proposed amount)				Total remuneration(A+B+C+D) as a percentage of net income after tax (Note 6)		Remuneration from investee companies other than subsidiaries or the parent company (Note 7)
		The Company	All companies included in the Financial Report (Note 5)	The Company	All companies included in the Financial Report (Note 5)	The Company	All companies included in the Financial Report (Note 5)	The Company		All companies included in the Financial Report (Note 5)		The Company	All companies included in the Financial Report	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Shao-Ling Peng	9,906	9,906	0	0	0	0	49	0	49	0	5.0377%	5.0377%	None
Assistant Vice President	Yun-Ti Cheng	4,208	4,208	0	0	0	0	25	0	25	0	2.1421%	2.1421%	None
Assistant Vice President	Wen-Ho Hsu	4,033	4,033	0	0	0	0	21	0	21	0	2.0515%	2.0515%	None
Assistant Vice President	Cheng-I Wang	3,447	3,447	0	0	0	0	19	0	19	0	1.7540%	1.7540%	None
Assistant Vice President	Meng-Hui Lien	3,344	3,344	0	0	0	0	21	0	21	0	1.7028%	1.7028%	None

Note 1: The "top five highest paid managers" refer the Company's manager. The definitions of managers shall be based on the applicable scope for "managers" specified in the Tai-Cai-Zheng-3 No. 0920001301 Order issued by the Securities and Futures Administration Commission on March 27, 2003. The principles for the calculation and determination of the "top five highest paid managers" shall be based on the sum of the salary, severance pay and pension, bonuses, allowances, etc. received by the manager from all companies in the consolidated financial statements, and the employee remuneration (i.e., sum of A+B+C+D), and the individuals with the top five highest remuneration shall be included. If a Director concurrently serves as one of the aforementioned managers, fill out this Table and Table (1-1) above.

Note 2: Salary, additional duty payments, and severance pay received by the top five highest paid managers in the past year.

Note 3: Bonus, incentive payments, transportation expenses, special allowance, stipends, dormitory, car, and other payments received by the top five highest paid managers in the past year. If housing, cars, and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel cost calculated based on the actual amount or fair market value, and other payments shall be disclosed. Where a driver is also provided, the compensation paid by the Company to the driver shall be specified in the notes but the amount

shall not be included in the remuneration. Furthermore, any compensation recognized in the IFRS 2-"Share-Based Payment"section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, shall be included in the calculation of remuneration.

- Note 4: The amount of employee remuneration (including shares and cash) that have been approved by the Board of Directors and distributed to the top five highest paid managers in the most recent fiscal year. If the amount of remuneration cannot be estimated, the amount of remuneration in the current fiscal year shall be calculated based on the ratio of the amount of remuneration distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3.
- Note 5: Total remuneration to the top five highest paid managers from all companies in the consolidated statements (including the Company) shall be disclosed.
- Note 6: The after-tax net profit refers to the after-tax net profit in the parent company only or individual financial report in the most recent year.
- Note 7: a. The amount of remuneration received from subsidiaries other than investee companies or the parent company by the Company's top five highest paid managers shall be stated clearly in this column(please specify "none" if there is no remuneration).
b. Remuneration refers to pay, compensation (including compensation of employees, directors and supervisors) and remuneration for conducting business received by top five highest paid managers of the Company serving as a director, supervisor or manager of an investee of the Company other than subsidiaries or the parent company.
- * The remuneration disclosed in the table is different from income as defined in the Income Tax Act. This table is therefore provided for disclosure only and is not used for taxation purposes.

Manager's name and the distribution of employee remuneration:

March 31, 2025 Unit: NT\$1,000

	Title (Note 1)	Name (Note 1)	Stock amount	Cash amount (Proposed amount)	Total	Total remuneration as a percentage of net profit after tax
Manager	President	Shao-Ling Peng	0	170	170	0.086%
	Vice Presidents, President's Office	Cheng-Hsiung Hsieh				
	Assistant Vice President of the Finance Division and Accounting Manager	Cheng-I Wang				
	Assistant Vice President, Planning Division	Yun-Ti Cheng				
	Assistant Vice President, Planning Division	Lin-Wei Hsiao				
	Assistant Vice President, Engineering Division	Wen-Ho Hsu				
	Assistant Vice President, Sales Division	Meng-Hui Lien				

Note 1: The names and titles of the individuals must be disclosed, but the disclosure may be shown in aggregate profit distribution.

Note 2: Fill the amount of employee rewards (including shares and cash) that have been approved by the Board of Directors and are distributed to the managers in the most recent fiscal year. If this amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year. The after-tax net profit refers to the after-tax net profit in the most recent fiscal year. For companies that have adopted IFRSs, the after-tax net profit refers to the after-tax net profit in the parent company only or individual financial report in the most recent year.

Note 3: The scope of application for the term "managerial officer" shall be pursuant to the FSC's Tai-Cai-Zheng-3 No. 0920001301 Order dated March 27, 2003. Its scope of application shall be as follows:

- (1) The President and those with equivalent powers
- (2) Vice Presidents and those with equivalent powers
- (3) Assistant Vice Presidents and those with equivalent powers
- (4) Head of Finance Department
- (5) Head of Accounting Department
- (6) Other individuals with the authority for managing company affairs and signatory rights

Note 4: Directors, Presidents, and Vice Presidents who receive employee rewards (including shares and cash) must be listed in Table 1-2 and this table.

- (4) Comparison and analysis of remunerations to Directors, Supervisors, President, and Vice Presidents of the Company by the Company and all companies in the consolidated financial statements as a percentage of net profit after tax in the parent company only or individual financial reports in the last two years, and description of the policy, standards, and packages of remunerations, procedure for making such decision and relation to business performance and future risks:

A. Analysis of total remuneration paid to the Company's Directors, Supervisors, President, and Vice Presidents in the last two years as a percentage of the net profit after tax in the parent company only or individual financial report

Title	2023		2024	
	Total remuneration as a percentage of net loss after tax		Total remuneration as a percentage of net profit after tax	
	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements
Director	3.2047%	3.2047%	3.7586%	3.7586%
Supervisor	-	-		
President and Vice Presidents	4.0155%	4.0155%	6.4161%	6.4161%

B. Remuneration policies, standards and packages, procedures for determining remuneration, and correlation of remuneration with business performance and future risks:

(a) The percentage allocated for the total remuneration of the Company's directors, president, and vice presidents in 2023 increased compared with 2022, which was due to the increase in net profit after tax in 2023.

(b) Director:

Transportation expenses: Directors receive an attendance fee of NT\$10,000 for each meeting.

Remuneration: According to the Company's Articles of Incorporation, if there is a profit in the current year, no more than 5% of the pre-tax profit may be allocated as directors' remuneration (currently 2% is allocated). However, if the Company still has accumulated losses, a proportion of profit shall be reserved in advance to make up for losses.

The Company's remuneration to directors takes into consideration their participation in the Company's operations and performance evaluation, which mainly evaluates directors' familiarity with the goals and missions of the Company, knowledge of directors' duties, participation in the Company's operations, management of internal relations and communication, professional and continuous education of directors, and internal control.

(c) President and Vice Presidents

According to the Company's Articles of Incorporation, 0.5% to 5% of the pre-tax profit (excluding directors' remuneration and employee bonuses) shall be allocated as employee bonuses for the president and vice presidents (currently 2% is allocated). However, if the Company still has accumulated losses, a proportion of profit shall be reserved in advance to make up for losses.

The remuneration policy for the president and vice presidents is to provide reasonable remuneration (including base salary, meal allowance, and additional pay for supervisors) based on the "Rank and Salary Range Table" approved by the board of directors, which takes into consideration experience, seniority, business performance, responsibilities and contributions, and industry standards.

(D) The Company's policies, systems, standards, and structure for the performance evaluation and remuneration of directors and managers are regularly reviewed in accordance with the Company's "Remuneration Committee Charter," and submitted to the board of directors for approval after being reviewed by the Remuneration Committee.

(E) Connection with business performance and future risk: Review of payment standards and system of the Company's remuneration policy mainly considers the Company's overall business situation, and payments are made based on performance and contribution. We also reference the industry's remuneration standards to ensure that remuneration to managers is competitive in the industry, in order to retain outstanding managerial talent. Risk factors are all taken into consideration by the Company's management when making important decision. The performance of related decisions reflects on the Company's profitability, and is further connected to the remuneration and risk management performance of managers.

III. Implementation of corporate governance

(I) Operations of the Board of Directors

Information on operations of the Board of Directors

The Board of Directors convened 9 meetings(A)in 2024. The attendance of Directors and Supervisors was as follows:

Title	Name	Attendance in person B	Attendances by proxy	Attendance in person rate (%) (B/A) (Note 2)	Remarks
Chairman (Note 1)	Tzu-Kuan Lin	9	0	100%	
Director (Note 2)	Jer-Shyong Tsai	8	1	88.89%	
Director (Note 2)	Chien-Pung Ruan	9	0	100%	
Director (Note 1)	Chia-Chi Hou	9	0	100%	
Director (Note 2)	Sannie Huang	9	0	100%	
Director (Note 3)	Pei-Kui Su	8	0	88.89%	
Independent Director	Li-Yen Yang	9	0	100%	
Independent Director	Wu-Po Kuo	9	0	100%	
Independent Director	Chiu-Mu Tseng	9	0	100%	

Other disclosures:

I. The date of the Board meeting, the term, contents of the proposals, opinions of all Independent Directors, and the Company's handling of opinions of Independent Directors shall be recorded under the following circumstances in the operations of the Board of Directors meeting:

(I) Items specified in Article 14-3 of the Securities and Exchange Act:

1. The adoption or amendment, pursuant to Article 36-1, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.

None.

2. Matters in which a director or supervisor is an interested party: None

3. Loans of funds, endorsements, or provision of guarantees of a material nature: The following information is provided in Item 8 in the "Implementation of corporate governance":

(1) Important resolution 2, passed in the 2th meeting of the Board of Directors on February 20, 2024.

(2) Important resolutions 2 passed in the 6th meeting of the Board of Directors on August 5, 2024.

(3) Important resolutions 3 passed in the 7th meeting of the Board of Directors on September 23, 2024.

(4) Important resolutions 2 passed in the 8th meeting of the Board of Directors on November 11, 2024

The aforementioned motions were passed unanimously by all Independent Directors in attendance.

4. The hiring or dismissal of a certified public accountant, or their compensation: None

(II) With the exception of the aforementioned items, resolutions adopted by the Board of Directors, to which an Independent Director has a dissenting or qualified opinion that is on record or stated in a written statement: None

II. Directors abstaining in certain proposals for being a stakeholder (the name of the Director(s), the content of the proposal, reasons for abstentions and the results of voting counts shall be stated):

(I) March 13, 2024:

With regard to the Company's joint investment and development of land in the Longzhong Section, Gushan District, Kaohsiung City with six companies including Wei Li International Development Co., Ltd., the Company intended to apply to Chang Hwa Bank for a change in the original borrower as well as matters related to construction financing limit. ◦ The Directors Tzu-Kuan Lin, Chia-Chi Hou, Jer-Shyong Tsai, Chien-Pung Ruan,, and Sannie Huang recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance

(II) August 5, 2024:

1. The Company plans to apply for another performance bond credit line for green building and related matters to Dazhi Branch of Chang Hwa Bank for joint investment with five companies including Wei Li International Development Co., Ltd. in the development of Kuo Yang Intercontinental project at Neihu District, Taipei City.

The Directors Chia-Chi Hou, Jer-Shyong Tsai, Chien-Pung Ruan,, and Sannie Huang recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance

2. With regard to the Company's joint investment and development of land in the Jiangbei Section, Xizhi District, New Taipei City with four companies including Wei Li International Development Co., Ltd., the Company intends to apply to Dazhi Branch of Chang Hwa Bank for a change in the original borrower as well as matters related to construction financing limit. ◦

The Directors Chia-Chi Hou, Jer-Shyong Tsai, and Chien-Pung Ruan, recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance ◦

(III) September 23, 2024:

1. The Company's donation to related parties. The Directors Chia-Chi Hou and Sannie Huang recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance

2. The Company's existing lease for an office in the "United Daily News Building" will expire on December 23, 2024, and the Company plans to relocate to a new office in the "TFC Taifer C2 Office Complex" The Directors Chia-Chi Hou, Jer-Shyong Tsai, Chien-Pung Ruan,, and Sannie Huang recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance ◦

(IV) December 16, 2024

The Company's proposed investment in Grand Hi-Lai Hotel Co., Ltd.

The Directors Chia-Chi Hou recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance ◦

III. The company listed on TWSE/TPEX shall disclose the evaluation cycle and duration, scope of evaluation, methodology, and evaluation contents of the evaluation of the Board of Directors. Refer to the Board of Directors evaluation status in the table.

IV. Programs in the current and most recent year adopted to strengthen the functionality of the Board (for example, establishment of an Audit Committee, improvement of information transparency, etc.) and execution evaluation: The Company established the Audit Committee on June 8, 2017.

(I) Strengthening the functionality of the Board

1.No Director of the Company is a spouse or a relative within two degrees of kinship with any other Director.

2.All operations of the Company's Board of Directors are processed in accordance with applicable laws and regulations.

3.Members of the Company's Board of Directors attend continuing education courses on corporate governance organized by institutions specified in the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.

(II) Improvement of information transparency, etc.

The Company's financial statements are regularly audited and certified by

PricewaterhouseCoopers, Taiwan. All information disclosures required by laws and regulations are correctly and promptly completed, and we assign designated personnel to take charge of the collection and disclosure of the Company's information. We also established a spokesperson system to ensure the prompt and adequate disclosure of material information.

Note 1: Representative of Chi Chan Industries Co., Ltd.

Note 2: Representative of Cheng Chi Co., Ltd.

Note 3: Representative of Pai Ti Development Co., Ltd.

- (1) If a Director or Supervisor has resigned before the end of the year, the resignation date must be specified in the remarks section. The attendance rate (%) shall be calculated by dividing the number of the Board of Directors meetings held during the period by the number of the meetings that the Director or Supervisor has actually attended.
- (2) If a Director or Supervisor has been reelected before the end of the year, the names of the new and old Director and Supervisors must be filled in and the resignation, new appointment, second term appointment, or reelection dates shall be specified in the remarks section. The attendance rate (%) shall be calculated by dividing the number of the Board meetings held during the period by the number of the meetings that the Director or Supervisor has actually attended.

(II) Board of Directors evaluation status:

To fulfill corporate governance and enhance the functions of the Board of Directors, and to formulate performance targets in order to strengthen the operational efficiency of the Board, the Company's Board of Directors has formulated the "Rules for Performance Evaluation of Board of Directors" in a Board meeting convened on November 9, 2020. The Rules specified that the Board of Directors shall execute at least one performance evaluation targeting the Board of Directors, the individual Directors, and the functional committees (Including Audit Committee and Remuneration Committee) in each year, and the internal evaluation should be executed in line with the Rules at the end of each year.

The evaluation is carried out by the secretariat of the Company's board of directors using an internal questionnaire. The questionnaires are collected and analyzed before the end of each year, and the results are reported to the board of directors. Measures for improvement are proposed in response to directors' suggestions. Aspects evaluated are as follows :

Board of Directors evaluation status

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation contents
At least once every year	2024 Evaluation period (2024/1/1~2024/12/31)	Board of Directors	Self-evaluation of individual Directors	<ol style="list-style-type: none"> 1. Participation in the operation of the company 2. Quality of the board of directors' decision making 3. Composition and structure of the board of directors 4. Election and continuing education of the directors 5. Internal control
		Individual Directors		<ol style="list-style-type: none"> 1. Familiarity with the goals and missions of the company 2. Awareness of the duties of a director 3. Participation in the operation of the company 4. Management of internal relationship and communication 5. The director's professionalism and continuing education 6. Internal control
		Functional committees (Audit Committee)		<ol style="list-style-type: none"> 1. Participation in the operation of the company 2. Knowledge of the duties of the functional committee 3. Quality of functional committee's decisions 4. Functional committee composition and election of members 5. Internal control
		Functional committees (Remuneration Committee)		<ol style="list-style-type: none"> 1. Participation in the operation of the company 2. Knowledge of the duties of the functional committee 3. Quality of functional

				committee's decisions 4. Functional committee composition and election of members
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Implementation status: The Company's 2024 performance evaluation was submitted to the Board of Directors on January 6, 2025. The evaluation results have been submitted, and the evaluation scores : The board of directors scored between 4.59 and 4.78 points; the board members scored between 4.6 and 4.96 points; the audit committee scored between 4.25 and 4.81 points; the remuneration committee scored between 4.25 and 4.81 points (full score is 5 points) , were good.

Evaluation reprot:

- I. The Company's Board of Directors operated in accordance with the corporate governance principles and interacted well with the management team. Relevant departments provided detailed reports and proper information during meetings, and the responsible performance of the meeting participants was highly recognized. °
- II. All Board members come from professional backgrounds, are familiar with the Company's industry characteristics and risks, have clearly defined their own responsibilities, actively supervised the Company to comply with relevant laws and regulations, and provided appropriate advice on operations and risk management. They achieved good attendance at Board meetings and shareholders' meetings, thereby demonstrating a high sense of responsibility and professionalism. °
- III. Functional committees exercised their powers in accordance with relevant laws and regulations. Members actively attended and discussed various proposals, and jointly paid close attention to the Company's operations and development. °

(II) Operations of the Audit Committee:

Information on the operations of the Audit Committee

The Audit Committee convened a total of 9 meetings (A) in the most recent year (2024). The attendance of Independent Directors was as follows:

Title	Name	Attendance in person(B)	Attendances by proxy	Attendance in person rate (%) (B/A) (Note)	Remarks Election of all Directors on June 10, 2020
Independent Director	Li-Yen Yang	9	0	100%	
Independent Director	Wu-Po Kuo	9	0	100%	
Independent Director	Chiu-Mu Tseng	9	0	100%	

Other disclosures:

- I. The date of the Board meeting, the term, contents of the proposals, resolutions of the Audit Committee, and the Company's handling of the resolutions of the Audit Committee shall be recorded under the following circumstances in the operations of the Audit Committee meeting:
- II. (I) Items specified in Article 14-5 of the Securities and Exchange Act: Submitted to the Board of Directors after the approval of the Audit Committee.
1. Passed with no dissenting opinions in the 4th meeting of the 3rd Audit Committee on January 8, 2024
 - (1) The Company's wholly-owned subsidiary Shen Yang Construction Co., Ltd. and Mr. Kuo Chun-Chieh jointly acquired land on Plot 40-1, Subsection 2, Yuanzhong Section, Nanzi District, Kaohsiung City.
 - (2) The Company plans to apply for a credit limit from Mega International Commercial Bank for joint investment with four companies including Wei Li International Development Co., Ltd. in the land development project on Zhongyi Section, Tucheng District, New Taipei City.
 2. Passed with no dissenting opinions in the 5th meeting of the 3rd Audit Committee on February 20 2024:
 - (1) The Company intends to participate in the tender for the "Open Selection of Implementer for the THSR Zuoying Heart of Technology Type 3 Business District Land A and B Urban Renewal Project."
 - (2) The Company intends to apply for a performance bond guarantee and credit limit from the Overseas Business Management Department of Mega International Commercial Bank for the "Open Selection of Implementer for the THSR Zuoying Heart of Technology Type 3 Business District Land A and B Urban Renewal Project."
 3. Passed with no dissenting opinions in the 6th meeting of the 3rd Audit Committee on March 13, 2024:
 - (1) The Company's 2023 individual and consolidated financial statements.
 - (2) The Company's 2023 business report.
 - (3) The Company's 2023 earnings distribution.
 - (4) The independence evaluation of the certifying CPAs for 2024.
 - (5) The Company's 2024 CPA appointment.
 - (6) The Company proposes to pre-authorize CPA, the accounting firm, and its related enterprises to provide non-assurance services for the Company and its subsidiaries.
 - (7) With regard to the Company's joint investment and development of land in the Longzhong Section, Gushan District, Kaohsiung City with six companies including Wei Li International Development Co., Ltd., the Company intended to apply to Chang Hwa Bank for a change in the original borrower as well as matters related to construction financing limit.

- (8) Proposal for the extension of the Company's expired credit limit from IBFC . .
 - (9) The Company's wholly-owned subsidiary Shen Yang Construction Co., Ltd. acquired land on Plot 40-1, Subsection 2, Yuanzhong Section, Nanzi District, Kaohsiung City through a joint tender in collaboration with Mr. Kuo Chun-Chieh. They jointly applied for a building land financing limit from the Agricultural Bank of Taiwan, which has been approved. They sent a letter to the parent company for approval .
 - (10) Star Epoch International Co., Ltd., a subsidiary in which the Company holds 80% shares, participated in the construction and development of the "Kaohsiung Multifunctional Park Special Trade Zone 3 Urban Renewal Project (Southern Site - North Side)," and applied for a syndicated loan of NT\$13,000,000,000 from the syndicate of banks with Taiwan Cooperative Bank as the lead arranger. It has sent a letter to the parent company for approval .
 - (11) Star Epoch International Co., Ltd., a subsidiary in which the Company holds 80% shares, participated in the "Kaohsiung Multifunctional Park Special Trade Zone 3 Urban Renewal Project (Southern Site - North Side)," and plans to apply to Taiwan Cooperative Bank Zihciang Branch for an extension of the credit limit for the performance bond. It has sent a letter to the parent company for approval .
 - (12) . Amendment to articles of the Company's "Rules of Procedure for Shareholders' Meetings." .
 - (13) The Company's 2023"Statement on Internal Control"was based on evaluation results of the effectiveness of the overall internal control system which stated that"the internal control system was effective in terms of design and execution, and complies with all laws and regulations" .
4. Passed with no dissenting opinions in the 7th meeting of the 3rd Audit Committee on MAY 6 2024:
- (1) The Company's 2024 Q1 consolidated financial statements. .
 - (2) Proposal for the extension of the Company's expiring loan facility with Taipei Fubon Commercial Bank .
 - (3) Regarding the [Kaohsiung HSR Technology Hub Project], the Company was selected as the best applicant and plans to set up a project company and sign an entrusted execution contract with the Kaohsiung City Government.
5. Passed with no dissenting opinions in the 8th meeting of the 3rd Audit Committee on June 3 2024:
- (1) The Company was selected as the best applicant for the [Kaohsiung HSR Technology Hub Public Urban Renewal Project]. We are setting up a project company with a capital of NT\$1,000,000 thousand and intend to apply for a financing line and credit-related matters from the Dazhi Branch of Chang Hwa Bank.
 - (2) The Company intends to participate in the bidding of [Open selection of implementers for the urban renewal project of 4 plots of land including Lot No. 82-2 in Gangshan Section, Gangshan District and Lot No. 409 in Yangming Section, Kaohsiung City]
6. Passed with no dissenting opinions in the 9th meeting of the 3rd Audit Committee on August 5 2024:
- (1) The Company's 2024 Q2 consolidated financial statements. .
 - (2) Shin Yang International Development Co., Ltd., a subsidiary in which the Company owns 100% shares, participated in the "Kaohsiung HSR Technology Hub" public urban renewal project and intends to apply for a performance bond credit line from the Overseas Department of Mega International Commercial Bank. It has sent a letter to the Company for approval.
 - (3) The Company intends to apply to Ziqiang Branch of Taiwan Cooperative Bank for short-term loan and credit-related matters. .
 - (4) The Company plans to apply for another performance bond credit line for green building and related matters to Dazhi Branch of Chang Hwa Bank for joint investment with five companies including Wei Li International Development Co., Ltd. in the development of Kuo Yang Intercontinental project at Neihu District, Taipei City.
 - (5) With regard to the Company's joint investment and development of land in the Jiangbei Section, Xizhi District, New Taipei City with four companies including Wei Li International

Development Co., Ltd., the Company intends to apply to Dazhi Branch of Chang Hwa Bank for a change in the original borrower as well as matters related to construction financing limit.

7. Passed with no dissenting opinions in the 10th meeting of the 3rd Audit Committee on September 23 2024:
 - (1) The Company's donation to related parties.
 - (2) The Company's existing lease for an office in the "United Daily News Building" will expire on December 23, 2024, and the Company plans to relocate to a new office in the "TFC Taifer C2 Office Comp."
 - (3) The Company's wholly-owned subsidiary Shen Yang Construction Co., Ltd. acquired land on Plot 9, Shengli Section, Fengshan District, Kaohsiung City through a joint investment and development in collaboration with Tsang Hsin Construction Co., Ltd. Their joint application for a building financing limit to Agricultural Bank of Taiwan was responded with a request for Shen Yang Construction Co., Ltd. to continually provide joint guarantee. Thus, they issued a letter to request permission from the parent company.
8. Passed with no dissenting opinions in the 11th meeting of the 3rd Audit Committee on November 11 2024:
 - (1) The Company's 2024 Q3 consolidated financial statements
 - (2) The Company's plan to apply for the extension of the loan facility and joint endorsements and guarantees with East Keelung Branch of Taiwan Cooperative Bank for the "Good morning, Kuo Yang Phase II" joint investment and development project in Keelung, and related matters.
 - (3) Shen Yang Construction Co., Ltd., a subsidiary in which the Company owns 100% shares, intends to transfer part of the property rights of the "Minsheng Village, Qianjin District" building and the land on which it is located in Kaohsiung City.
9. Passed with no dissenting opinions in the 12th meeting of the 3rd Audit Committee on December 16 2024:
 - (1) The Company's 2025 budget.
 - (2) The Company's proposed investment in Grand Hi-Lai Hotel Co., Ltd
 - (3) The Company's plan to liquidate and dissolve the overseas companies Shadwell Limited and Winning Team Limited.
 - (4) Preparation of the Company's 2023 audit plan.

(II) With the exception of the aforementioned items, any issues that are not agreed by the Audit Committee but passed by more than two-thirds of all Directors: None.

II. Independent Directors abstaining in certain proposals for being a stakeholder(the name of the Independent Director(s), the content of the proposal, reasons for abstentions and the results of voting counts shall be stated): None

III. Independent Directors' communication with chief internal auditor and CPAs (including material items, methods, and results of communication over the Company's financial and business status etc.).

(I) Policy for communication between Independent Directors and the Chief Internal Auditor: The Company's Chief Auditor communicates the contents of the audit report and follow-up implementations to the Independent Directors at least four times each year, and prepares internal audit reports during the quarterly meetings of the Audit Committee.

In the event of a material discrepancy, the report shall also be immediately submitted to the Independent Directors. No major discrepancies were found in 2024 and the communication between Independent Directors and the Company's Chief Internal Auditor was good.

● **Summary on past communications between Independent Directors and Chief Internal Auditor:**

Date	Matters communicated	Suggestions and handling results
2024/3/13	1. Audit Report for Q4 2023 2. The implementation status of the 2023	No objection

	internal control system self-evaluation 3. Consultation and communications regarding the design and executions of the internal control system	
2024/05/06	1. Audit Report for Q1 2024 2. Consultation and communications regarding the design and executions of the internal control system	No objection
202411/11	1. Audit Report for Q2~Q3 2024 2. Inquired for opinions regarding items to be included in the audit plan for the following year	No objection

(II) Policy for communication between Independent Directors and CPAs:

The Company's accountants attended the meetings of the Audit Committee and the board of directors and communicated with members and independent directors regarding the review results of the Q1, Q2, and Q3 financial statements and annual report, the recommendations of the corporate governance unit, and related regulatory requirements, achieving good two-way communication and consultation with members and independent directors

The accountants hold a separate meeting with the independent directors every year (at least once) to communicate and clarify the audit of the Company's financial statements and issues raised by the independent directors. The communication situation in 2024 is as follows

● **Summary of past communications between Independent Directors and CPAs**

Date	Matters communicated	Suggestions and handling results
2024/5/6	Company financial information and project development progress	No objection

Note:

- * If an Independent Director has resigned before the end of the year, the resignation date must be specified in the remarks section. The attendance rate(%) shall be calculated by dividing the number of the Audit Committee meetings held during the period by the number of the meetings that the Independent Director has actually attended.
- * If Independent Directors are re-elected before the end of the fiscal year, incoming and outgoing Independent Directors should be listed accordingly, and the "remark" column should indicate whether the status of an Independent Director is "outgoing" , "incoming" or "re-elected", and the date of the election. The actual attendance rate(%) is calculated based on the number of meetings held by the Audit Committee and the actual number of meetings attended during his/her term of office.

Supervisors' Participation in Board Meetings

The Company held an election of all Directors on June 8, 2017 and established the Audit Committee to replace supervisors in accordance with laws.

(III) Corporate governance implementation status, deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and reasons

Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
I. Has the Company established and disclosed its code of practice on corporate governance based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	V		The Board of Directors has formulated a Corporate Governance Code of Practice on April 24, 2017 in line with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the Code has been disclosed on the Market Observation Post System and the corporate website.	No material deviation
II. Shareholding structure and shareholders' equity				
(I) Has the Company established internal procedures for addressing shareholder suggestions, doubts, disputes, and litigation matters and implemented the procedures accordingly?	V		(I) The Company has established the "Rules of Procedure for Shareholders' Meetings" appointed spokesperson, deputy spokesperson, and shareholder service unit to process shareholders' suggestions and disputes. The Company also set up the Legal Affairs Department to process the Company's legal affairs and hired professional lawyers for consulting service.	No material deviation
(II) Does the Company have a list of major shareholders of companies over which the Company has actual control and the list of ultimate owners of those major shareholders?	V		(II) The Company is able to reasonably access the list of major shareholders and ultimate controllers of major shareholders through the register of shareholders provided by the shareholder services agency.	

Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
(III) Did the company establish and execute risk control mechanism for affiliates, and firewall methods?	V		(III) The Company has formulated "internal control system", "internal audit system", and "Regulations on the Management of Subsidiaries" in line with relevant laws and regulations to execute risk control measures over affiliates. (IV) The Company's Board of Directors has approved the formulation of "Procedures for Handling Material Inside Information and Preventing Insider Trading" to prohibit insiders from trading when they become aware of material inside information.	
(IV) Does the Company have internal regulations in place to prevent its internal staff from trading securities based on information yet to be public on the market?	V			
III. Composition and duties of the Board of Directors				No material deviation
(I) Has the Board of Directors developed and implemented a diversity policy for the composition of its members and specific management targets?	V		(I) The Company stipulated in the "Corporate Governance Best Practice Principles" that the diversity policy must be considered for the composition of the board of directors. Please refer to section of the annual report on board diversity and independence for specific management goals and implementation status	
(II) Has the Company voluntarily established other functional committees in addition to Remuneration Committee and Audit Committee?	V		(II) In addition to setting up the Remuneration Committee and Audit Committee in line with relevant laws, the Company will formulate other types of functional committees based on actual needs in the future.	
(III) Has the Company established and implemented methods for assessing the performance of the Board of Directors and	V		(III) The Company's Board of Directors has formulated the "Rules for Performance Evaluation of Board of Directors", which adopts the evaluation method of	

Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
<p>conducted performance evaluation at regular intervals each year?</p> <p>(IV) Does the Company periodically evaluate the level of independence of the CPA?</p>	V		<p>internal questionnaire survey. Performance evaluation is regularly conducted once a year. The overall board performance evaluation results are used as a reference for the remuneration of individual directors.</p> <p>(IV) The results of the 2024 performance evaluation were reported to the Board of Directors on January 6, 2025. The Company's policies, systems, standards, and structure for the performance evaluation, salary, and remuneration of the Directors and managers are regularly reviewed in accordance with the Company's "Remuneration Committee Charter". and serve as reference for directors' and nomination</p> <p>(V) The Company evaluates the independence and competence of its accountants every year. Besides requiring the accountants to issue a statement of independence, the Company verified that the accountants do not have any other financial interests in the Company except for certification and tax cases. The accountants are also able to provide high quality audit services in a timely manner. The company's most recent change accountants was based on Audit Quality Indicators (AQIs) were discussed and approved by the Audit Committee on March 12, 2025, and submitted to and approved by the Board of Directors' meeting on March 12, 2025.</p>	

Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons																																				
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Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
			of the Republic of China Bulletin regarding independence?	
IV. Does the Company have suitable persons in an appropriate number and designated supervisors for corporate governance to take charge of related matters (including but not limited to providing directors and supervisors with materials required for them to carry out their tasks, helping directors and supervisors comply with the law, taking care of board of directors' meetings and shareholders' meetings as required by law, and preparing minutes of board of directors' meetings and shareholders' meetings)?	V		<p>The Company's Board of Directors adopted the resolution on May 10, 2021 to appoint Vice President Cheng-Hsiung Hsieh as the corporate governance officer. His qualifications meet requirements set forth in the Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers. The secretariat of the Board of Directors assists in handling corporate governance related affairs..</p> <p>The scope of responsibilities and obligations of the Corporate Governance Officer include the following:</p> <ol style="list-style-type: none"> 1. Handling matters relating to Board meetings and Shareholders' Meetings according to laws. 2. Producing minutes of Board meetings and Shareholders' Meetings. 3. Assisting in onboarding and continuous development of Directors. 4. Furnishing information required for business execution by Directors. 5. Assisting Directors with legal compliance. 6. Other matters set out in the Articles of Incorporation or contracts. 	No material deviation

		<p>Key Implementations in 2024:</p> <ol style="list-style-type: none"> 1. Reviewed relevant procedures: <ul style="list-style-type: none"> ■ Established the Company's " Rules of Procedure for Shareholders' Meetings " ■ Amendment of certain articles of Company's "Rules of Procedure for the Board of Directors' Meetings" and the revision of its name 2. Handled matters relating to Board meetings and Shareholders' Meetings according to laws. 3. Furnished information required for business execution by Directors. ◦ Arranged for continuing education courses for Directors.and Filed liability insurance for Directors. 4. The planned greenhouse inventories and verification schedules were tracked on a quarterly basis and reported to the Board ◦ 5. Communications with stakeholders were also regularly reported to the Board of Directors in every year ◦ 6. Performance evaluation of Directors and functional committees is regularly carried out in each year and submit reports to the Board of Directors., 7. The implementation status of ethical business management and ICT security implementation is submitted to the Board of Directors in each year. 8. The Sustainability Report has been included in the agenda for discussion by the Board of Directors ◦ <p>Continuing education courses and hours of the Corporate Governance Officer in 2024</p> <table border="1" data-bbox="1057 981 1832 1385"> <thead> <tr> <th data-bbox="1057 981 1131 1109">Number of hours</th> <th data-bbox="1131 981 1366 1109">Continuing education institution</th> <th data-bbox="1366 981 1646 1109">Name of the course</th> <th data-bbox="1646 981 1832 1109">Period of continuing education</th> </tr> </thead> <tbody> <tr> <td data-bbox="1057 1109 1131 1204">3</td> <td data-bbox="1131 1109 1366 1204">Corporate Operating and Sustainable Development Association</td> <td data-bbox="1366 1109 1646 1204">Net Zero Emissions, Carbon Neutrality and Corporate Compliance</td> <td data-bbox="1646 1109 1832 1204">2024/08/05</td> </tr> <tr> <td data-bbox="1057 1204 1131 1300">3</td> <td data-bbox="1131 1204 1366 1300">Corporate Operating and Sustainable Development Association</td> <td data-bbox="1366 1204 1646 1300">Promoting Sustainable Development through Risk Management</td> <td data-bbox="1646 1204 1832 1300">2024/09/26</td> </tr> <tr> <td data-bbox="1057 1300 1131 1385">3</td> <td data-bbox="1131 1300 1366 1385">Corporate Operating and Sustainable</td> <td data-bbox="1366 1300 1646 1385">Analysis of disputes in board practice</td> <td data-bbox="1646 1300 1832 1385">2024/11/27</td> </tr> </tbody> </table>	Number of hours	Continuing education institution	Name of the course	Period of continuing education	3	Corporate Operating and Sustainable Development Association	Net Zero Emissions, Carbon Neutrality and Corporate Compliance	2024/08/05	3	Corporate Operating and Sustainable Development Association	Promoting Sustainable Development through Risk Management	2024/09/26	3	Corporate Operating and Sustainable	Analysis of disputes in board practice	2024/11/27	
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Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons								
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	Development Association											
3	Corporate Operating and Sustainable Development Association	How can enterprises make good use of the capital market from the perspective of the global political and economic situation?	2024/12/16									
V. Has the Company set up channels of communication for stakeholders, (including but not limited to shareholders, employees, customers and suppliers) dedicated a section of the Company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?	V		The Company has set up a Stakeholders Section on the website to provide communication channels for land development, suppliers section, after-sales service, consumer service, shareholders' rights and interests, complaint box, and progress inquiry. We also assigned dedicated personnel to adequately respond to the concerns of stakeholders.	No material deviation								
VI. Has the Company appointed a professional shareholder service agency to process affairs related to shareholders' meetings?	V		The Company has appointed Grand Fortune Securities Co., Ltd. to process affairs related to shareholders' meetings.	No material deviation								
VII. Information disclosure (I) Has the Company established a corporate website to disclose information regarding the Company's financial, business and corporate governance status? (II) Did the Company adopt other information disclosure methods(such as establishing English websites, assign dedicated personnel to collect and disclose company data, implement the spokesperson system,	V V		(I) The Company's website has "Annual Report," "Corporate Governance," "Shareholder Services," and "Financial Information" sections to disclose the Company's financial position, business performance, and corporate governance information:: (II) The Company has appointed dedicated personnel to collect Company information and to disclose the contents of the investor conference on the corporate website and implement the spokesperson system.	No material deviation								

Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
upload the investor conference processes to the Company's website, etc.)? (III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating status for each month ahead of schedule before the specified deadline?	V		(III) Public announcement and disclosure is conducted before the specified reporting deadline.	
VIII. Does the Company have other information that is helpful for understanding its status of corporate governance(including but not limited to employee rights and interests, employee well-being, investor relations, supplier relations, rights of interested parties, further education sought by Directors and Supervisors, implementation of risk management policies and risk evaluation standards, implementation of customer policies, the taking out of liability insurance for Directors and Supervisors)?	V		<ol style="list-style-type: none"> 1. Corporate Social Responsibility section has been set up on the Company's website to assist stakeholders to obtain information related to the operations of corporate governance, including the Company's sustainable management vision, stable building quality, efforts to co-create environmentally friendly buildings, employee care, and the Company's efforts to give back to the society. 2. A Stakeholder section has been established on the Company's website, in which relevant mailboxes are managed by dedicated personnel, who properly address and respond to topics of stakeholders' concern. 3. The Company has arranged for continuing studies for Directors in line with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies. All Directors have completed the number of hours of continuing education as required by the competent authority, and the relevant implementations 	No material deviation

Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
			<p>have been disclosed on the Company's website/Investor Relations/Corporate Governance/Board of Directors.</p> <p>4. The Company purchases liability insurance for Directors each year.</p> <p>5. The Company has established the After-Sales Service Department to provide customers with related services.</p> <p>6. The Company has appointed dedicated personnel for supplier management, and we are committed to jointly fulfilling corporate social responsibility. In addition,</p> <p>7. The Company has clearly specified the ratio of employee compensations in our Articles of Incorporation. Besides the statutory required benefits for employees, we also purchase group insurance for employees, regularly arrange for employees' health examination, organize internal employee training courses, and the Company's Employee Welfare Committee also regularly organize domestic and overseas employee travels as well as various gatherings.</p> <p>8. The Company provides allowances for employees' children aged 0-6 years old, as well as provide education grants and scholarships for children aged 6-18 years old.</p> <p>9. The Company is committed to promoting workplace diversity and gender equality policies.</p>	
<p>IX. Please describe the improvement status and provide the items and measures that shall be prioritized for improvement with regard to the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year.</p> <p>(I) Improvement actions taken:</p>				

Assessment item	Implementation status(Note 1)			Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary	
<p>1. The directors perform their duties diligently with outstanding performance, interact well with the management team, learn from each other, and are able to effectively communicate and coordinate.</p> <p>2. The Company's meeting related personnel deserve recognition for fulfilling their duties related to the preparation and convening of meetings, the preparation of meeting minutes, and the implementation status (or tracking) of the last meeting.</p> <p>3. The execution and reporting of various audit tasks by the Audit Office enable board members to understand the Company's internal control situation, which helps the Company to lay a solid foundation for sustainable development and progress. This provides valuable contribution to the Company .</p> <p>(II) Not yet improved but prioritized items and measures: In the future, the Company's planning will be gradually refined towards sustainable development of corporate governance.</p>				

(IV) Composition and operations of the Remuneration Committee:

The Company's Remuneration Committee was established with the approval of the Board of Directors on December 26, 2011 in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter" established by the FSC.

The Company's Remuneration Committee was created to assist the Board of Directors the evaluation and supervision of the Company's overall salary and remuneration policy, and the establishment and regular reviews of the level of remuneration for Directors and managers.

(1) Information on members of the Remuneration Committee

Qualificatio Name Identity	Professional Qualifications and Experience	Fulfillment of Independence Criteria (Note 2)	Number of other public companies in which the member also serves as a member of their remuneration committee
Li-Yen Yang	Graduated from the Department of Business Management, College of Law, National Taiwan University. Qualified in the Senior Examination for Field Operations of Financial Personnel in 1978. He currently serves as the convener of the Company's Remuneration Committee and convener of the Audit Committee. He has more than five years of necessary work experience in legal affairs, business, finance, and corporate affairs and has worked in the finance industry and related fields for nearly 20 years, with experience in legal affairs, corporate finance, and accounting.	Note: The Director meets any of the following criteria in the two years before being elected or during the term of office, (1) Not employed by the Company or any of its affiliates. (2) Not a director or supervisor of the company or its affiliates (this restriction does not apply to independent directors in the company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country). (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings. (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a manager as stated in (1) or any of the persons mentioned in (2) and (3). (5) Not a director, supervisor, or employee of an institutional shareholder who directly holds more than 5% of the total issued shares of the company, or a top 5 shareholder, or a director or	0

	Wu-Po Kuo	<p>Graduated with a bachelor's degree, Department of Land Resources, Chinese Culture University and graduated from the Institute of Public Administration, National Chengchi University. Qualified in the Senior Examination for Land Administration in 1975. He currently serves as a member of the Company's Remuneration Committee and a member of the Audit Committee. He has more than five years of necessary work experience in business, finance, and corporate affairs and has worked in the Department of Land Administration of Taipei and National Property Administration of the Ministry of Finance for nearly 20 years, with experience in land administration and finance.</p>	<p>supervisor representative appointed by the company in accordance with Article 27, Paragraph 1 or 2 of the Company Act(excluding independent directors appointed by both the company and its parent company, subsidiary or subsidiaries under the same parent company pursuant to this regulation or the local regulations).</p> <p>(6) Not a director, supervisor or employee of another company that has the same directors as the company or is controlled by the same person that has more than half of the voting power in the company(except where the person is simultaneously an independent director of the company or its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations).</p> <p>(7) Not a director, supervisor or employee of another company or institution that has the same chairman, president, or the equivalent or a spouse in one of the roles as the company(except where the person is simultaneously an independent director of the company and its parent company, a subsidiary or another subsidiary of the same parent company appointed pursuant to the Securities and Exchange Act or local regulations).</p> <p>(8) Not a director, supervisor, manager, or shareholder holding 5%or more of the shares of a specified company or institution that has a financial or business relationship with the company(this restriction does not apply to specific companies or institutions if they hold more than 20%but less than 50%of the outstanding shares of the Company or independent directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).</p>	0
	Chiu-Mu Tseng	<p>Graduated from the Institute of Land Economics, National Chengchi University. He currently serves as a member of the Company's Remuneration Committee and a member of the Audit Committee. He has more than five years of necessary work experience in business, finance, and corporate affairs and has worked in the Department of Land Administration of Taipei for nearly 30 years, with experience in land administration.</p>	<p>(9) Not a professional individual, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>(10) Does not meet any of the conditions stated in Article 30 of the Company Act.</p>	0

(2) Operation of Remuneration Committee

I. The Company's Remuneration Committee all independent directors consists of 3 members.

II. Current term for the members:(5th term)

The term of these members is from June 13, 2023 to June 12 , 2026

The Remuneration Committee convened a total of 2 meetings(A)in 2024 and the qualifications and attendance information of the members were as follows:

Title	Name	Attendance in person (B)	Attendances by proxy	Attendance in person rate(%) (B/A) (Note 1)	Remarks 2020.8.3 (newly appointed for the 4th term)
Convener	Li-Yen Yang	2	2	100%	
Committee Member	Wu-Po Kuo	2	0	100%	
Committee Member	Chiu-Mu Tseng	2	0	100%	

- 一、 If the Board of Directors did not adopt or revised the recommendations of the Remuneration Committee, it should describe the date of board meeting, term of the board, agenda item, resolutions adopted by the Board of Directors, and actions taken by the Company in response to the opinion of the Remuneration Committee: None.
- 二、 If there are objections or reservations by the members that have been recorded in writing during the Remuneration Committee resolution, the Remuneration Committee meeting's date, period, motion content, the opinions of all members, and handling of the member's opinions must be disclosed in detail: None.

Date	Content of motion	Resolution result	The company's handling of the opinions Remuneration Committee
1th meeting of 5rd Remuneration Committee January08, 2024	<p>(1) Review of the Company's "Rank and Salary Range Table." Increase the salary range for each job level by 5% to match the market trend</p> <p>(2) Review of the salary and remuneration structure of the Company's Directors, and managers. It is planned to continue to be used in 2014</p> <p>(3) The Company's 2021.2022 and 2023 remuneration distribution proposal for</p>	Passed unanimously by all Committee Members	Proposed to the board of directors and approved by all directors present

		board members and employees		
	2th meeting of 5rd Remuneration Committee March 13, 2024	(1) The Company's 2023 remuneration distribution proposal for board members and employees	Passed unanimously by all Committee Members	Proposed to the board of directors and approved by all directors present

Note:

- (1) Where a member of the Remuneration Committee resigns before the end of the fiscal year, the "Remarks" column shall state the member's resignation date, whereas his/her rate of attendance in person(%) shall be calculated based on the number of meetings held by the Remuneration Committee and the actual number of meetings attended during his/her term of office.
- (2) If members of the Remuneration Committee are re-elected before the end of the fiscal year, incoming and outgoing members shall be listed accordingly, and the "Remarks" column shall indicate whether the status of a member is "Outgoing", "Incoming" or "Re-elected", and the date of the election. The actual attendance rate(%) is calculated based on the number of meetings held by the Remuneration Committee and the actual number of meetings attended during his/her term of office.

(3) Information on the members of the Nomination Committee and its operations: This committee has not been developed.

(V) Implementation status of sustainable development, deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and reasons thereof

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
I. Has the company established a governance structure for sustainable development, established an exclusively (or concurrently) dedicated unit to implement sustainable development, and have senior executives appointed by the Board of Directors to be in charge of corporate social responsibility and to report the implementation status to the Board of Directors?		V	The Company has yet to establish a relevant unit.	We are planning to establish a unit related to sustainability.
II. Did the Company establish full-time(part-time)corporate social responsibility promotional units, and did the Board of Directors authorize the senior management to handle such units and report to the Board regarding the handling status?	V		In line with the guidance of GRI Standards 2021, the Company evaluates the level of impact from various material issues on Kuo Yang Construction and on our "economy, environment and social" (ESG) aspects through stakeholder engagements . In each year, the Operation and Finance Management Section of the Company's President's Office calls on all departments to join risk management meetings and identify all external risks of various aspects. proposes management policies, response measures, and targeting the risks.	Draft risk management policy.
III. Environmental issues (I) Has the Company established an appropriate environmental management system based on the characteristics of the industry?	V		(I) The construction contractor appoints field directors for each of the Company's construction projects and they establish appropriate environmental management systems in accordance with related regulations to implement rigorous quality management and standardized procedures, while paying attention to	No material deviation

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
(II) Is the Company committed to improving the efficiency of the various resources and using recycled materials which have a low impact on the environment?	V		<p>every detail of the construction process. Pre-construction survey is carried out for each project, and the scope of the survey includes geology, water environment, hillside geography, identification of neighboring properties, existing pipeline investigation, etc. Moreover, project planning is based on the survey results to avoid environmental damage and damage of neighboring properties during the construction process.</p> <p>(II) The Company adheres to the principle of achieving the four aspects of energy conservation, waste reduction, health and safety, and ecology and environment from property development to handover. Practices include the pursuit of circular reuse of building materials and ecological resources, protection of ecological green spaces and native environments, reduction of energy consumption, reduction of negative impacts of waste on the environment, and compliance with environmental protection indicators. We value environmental protection trends and corporate social responsibility, and are committed to enhancing the utilization efficiency of various resources: :</p> <ol style="list-style-type: none"> 1. On top of commercial interests, the Company also uses technologies including ecological engineering, afforestation, rainwater recycling, etc. to respond to the concept of sustainable management and introduced green and smart buildings ◦ 2. We comply with relevant environmental protection laws and select qualified construction waste clearance companies to transport the waste to qualified treatment plants for subsequent sorting and treatment. reducing hazardous impact on the environment. 3. Elements such as water-saving devices, smart electricity meters, smart energy management systems, energy-saving 	

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
(III) Does the Company evaluate potential risks and opportunities brought on by climate change with regard to the present and future of its business, and take appropriate measures to counter climate change issues?	V		<p>equipment, and green building materials are used in construction projects to implement our commitment to environmental sustainability and quality. ° .</p> <p>4. Digitized internal operating procedures to reduce the carbon emissions from paper making; promote recycling and reuse of photocopied papers; and being committed to sorting and recycling garbage.</p> <p>(III) Since 2022, the Company has been taking into account our industry characteristics and international trends in line with the types of climate-related risks and opportunities from the TCFD in order to identify risks and opportunities brought by climate change on Kuo Yang. We summarized the potential financial impacts on operations and formulated management and response actions accordingly:</p> <ol style="list-style-type: none"> 1. Considering that typhoons and extreme rainfall are more likely to occur in summer, we requested construction sites to be set up with complete drainage and safety protections 2. The drainage design of buildings is carried out in accordance with the discharge containment design of each county and city to reduce the bearing pressure of public drainage ditches. ° 3. Soil liquefaction, debris flow, landslide and seismic belts are included in assessments. ° 4. Buildings incorporate rainwater circulation designs, and energy consumption of projects is reduced through planning and design and the use of green building materials. ° 5. Evaluated the deployment of domestic and foreign 	

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons						
	Yes	No	Summary(Note 2)							
(IV) Does the Company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon reduction, greenhouse gas reduction, water reduction, or waste management?	V		<p>technologies related to zero-emissions and healthy buildings into the planning and design of new construction projects</p> <p>(IV) The Company actively implements various energy conservation and carbon reduction measures :</p> <ol style="list-style-type: none"> The Company has introduced the ISO 14064-1:2018 standard into our greenhouse gas inventory since 2023, and prepared a Greenhouse Gas Report. The total greenhouse gas emissions (Categories 1 through 6) in 2023 reached 146.588 metric tons. Water consumption covers the taipei Company's head office and Kaohsiung Office : <table border="1" data-bbox="1077 823 1644 932"> <thead> <tr> <th>Year</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Water consumption</td> <td>1077.81 degrees</td> <td>1177.72 degrees</td> </tr> </tbody> </table> Total weight of waste and management policy : The Company's construction site waste is divided into two categories. The first type is construction waste, which is reported and disposed by the waste clearance company. The second type is general domestic waste. After the resources are sorted in advance at the construction site, it is periodically cleared by garbage trucks. The Company dispatches personnel to sort waste and maintain a clean route at each construction site every day to ensure that the construction does not affect the quality of life of 	Year	2023	2024	Water consumption	1077.81 degrees	1177.72 degrees	
Year	2023	2024								
Water consumption	1077.81 degrees	1177.72 degrees								

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons									
	Yes	No	Summary(Note 2)										
			<p>surrounding residents, and improve the efficiency of resource use each year. The Company commenced the construction of the Intercontinental Corporate Head Office in 2022, and the foundation was excavated at that time. However, other projects were still in the planning stage, so there was less construction waste and general domestic waste last year.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Construction waste</td> <td>249.25 tons</td> <td>3,331.9 tons</td> </tr> <tr> <td>General domestic waste</td> <td>150.55 tons</td> <td>373.54 tons</td> </tr> </tbody> </table> <p>4. Energy conservation and carbon reduction: The Company digitized internal operating procedures to reduce the carbon emissions from paper making, recycling and reuse of photocopied papers, and sorting and recycling of waste.</p> <p>5. Energy and resource management: The construction project incorporates management design such as scenery, water and green design, rainwater circulation design, use of green building materials, water saving, power saving, and high-efficiency air conditioning equipment.</p>	Year	2023	2024	Construction waste	249.25 tons	3,331.9 tons	General domestic waste	150.55 tons	373.54 tons	
Year	2023	2024											
Construction waste	249.25 tons	3,331.9 tons											
General domestic waste	150.55 tons	373.54 tons											
IV. Social issues (I) Does the Company formulate appropriate	V		(I) The Company established the "Human Rights Policy"	No material deviation									

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
<p>management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p> <p>(II) Does the company establish and implement reasonable employee benefits(including remuneration, leave, and other benefits), and ensure business performance or results are reflected adequately in employee compensation?</p>	V		<p>after referencing to the principles of international human rights standards, such as the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and United Nations Global Compact, which was approved by the Board of Directors on November 6, 2023. ◦</p> <p>The Company's human resources policy respects the principles of basic human rights protection, established the "Child Labor and Female Worker Protection Regulations," "Regulations for the Prevention, Complaint, and Punishment of Workplace Sexual Harassment," and "Employee Education and Training Regulations," and periodically organizes training for all employees to respect human rights issues ◦</p> <p>(II) Employees are the most important assets to an enterprise, To create stable talent retention, the Company has established reasonable employee welfare measures and regularly reviews the salary structure and benefits every year. The average salary increase in 2022 was 8%, the minimum monthly wage in 2023 was increased by approximately 5%, and business performance is appropriately reflected on employee remuneration.</p> <p>Leave is in compliance with the "Employee Leave Rules" and "Management Regulations for Employees' Overtime Work" to protect the rights and interests of employees.</p> <p>In terms of other benefits, the Company established</p>	

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
(III) Does the Company provide a safe and healthy working environment and provide employees with regular safety and health training?	V		<p>"Procedures for Employees' Leave Without Pay" and "Management Regulations for Subsidies for Wedding and Funerals," and established an Employee Welfare Committee to pay attention to various employee benefits, including health examinations, group insurance, marriage, birthday gifts, cash gifts during the three holidays, training, domestic and overseas company trips, and employee social events. The Company helps employees achieve healthy physical and mental development at work, and provides a friendlier environment for employees' happiness and sense of belonging ° .</p> <p>(III) The Company complies with labor and occupational safety policies and provides a safe and decent workplace environment.</p> <ol style="list-style-type: none"> 1. The Company provides regular subsidies for employees' health examinations and continue to focus on employees' health. 2. Our offices are equipped with automated external defibrillators (AED), blood pressure monitor, etc ° . 3. The Company has relocated its office to the "TFC Taifer C2 Office Complex" at the end of October 2024. It is a landmark green building in Nangang and provides employees with a high-quality office environment ° 4. Project quality and construction safety are the primary considerations for the Company when constructing buildings. We select high-quality construction companies through a rigorous review mechanism and follow standard operating procedures (SOPs) to ensure that the projects comply with safety-related regulations ° 	

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
(IV) Has the Company established an effective career development training program for employees?	V		<p>5. Every construction site conducts daily safety and health communication and hazard notification before entering the site, holds monthly safety and health organization meetings, and sets up rest areas for employees at the construction site .</p> <p>6. On-site construction workers are required to show health examination reports to ensure all personnel entering the site are safe and are assigned with bearable workload.</p> <p>7. Employees working on construction sites are required to have a 6-hour labor "general safety and health training permit" before access will be granted.</p> <p>8. Fire prevention manager training preliminary course was organized in 2022.</p> <p>(IV) The company regularly organizes internal and external professional education and training, visits peer projects from time to time, and invites professional consultants to conduct special lectures to cultivate employees' soft and hard skills and enrich their industry experience. ,In addition, we have also formulated effective internal promotional mechanism to develop candidates for succession in the future. Organized "CFO Training Course"</p>	
(V) Does the Company comply with relevant laws and international standards in relation to customer health and safety, customer privacy, marketing, and labeling of products and services, and does it establish relevant consumer protection policies	V		<p>(V) The Company complies with all relevant consumer protection laws and regulations and Expressly stated in the contract, cares about the rights and interests of home buyers. We strictly comply with client confidentiality to make sure that customers are not only satisfied with</p>	

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
and grievance procedures?			the quality of our buildings, but their privacy is also protected. Moreover, we also provide after-sale warranty service, which covers 15 years of structural warranty, 3 years of water-leak warranty, and 1 year of building material and equipment warranty. In addition, we also provide customer handover manual and Home Go smartphone app, which includes descriptions of home equipment, transportation, hospitals, and special scenic spots surrounding the community, as well as maintenance and fixture and other home services information, thereby ensuring the comfort of customers. The Company has designated customer service personnel on its website and uses the 0800 service hotline, email, and face-to-face meetings to fully understand customer requirements, formulate improvement measures, and quickly respond to customers in order to provide the fastest service based on home buyers' opinions. The Company's website has a stakeholder section to fully protect the rights and interests of customers, properly manage the opinions or complaints of home buyers, and protect customer privacy and data. In 2023, no complaints and fines related to marketing violations were received or occurred. ◦	
(VI) Does the Company establish supplier management policies, which require suppliers to observe relevant regulations on environmental protection, occupational safety and hygiene, or labor and human rights? If so, describe the implementation	V		(VI) The Company has also established the "Construction Procurement Management Regulations" and strictly implements the supplier management and auditing system. All projects are evaluated after completion. We implement overall evaluations based on progress	

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
results.			control, project quality, safety, health, environmental protection, project management, coordination, and cooperation. To enhance the construction quality from suppliers, the Company has set up selection process and supplier evaluation, as well as supplier database. Additionally, To enhance the construction quality from suppliers, the Company has set up selection process and supplier evaluation, as well as supplier database. Additionally, the Company's "Supplier Contract" requires suppliers to comply with the ethical corporate management policy, and contains a clause to terminate the contract at any time when the counterpart is involved in unethical conduct.	
V. Does the Company prepare corporate social responsibility reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Does the Company obtain third-party assurance or qualified opinion for the reports above?	V		The Company's Sustainability Report is prepared in accordance with the GRI Standards published by the Global Reporting Initiative (GRI). The financial data used in the Report are based on public information audited by the CPA. Nevertheless, the Company's report has yet to receive third-party verification.	No material deviation
VI. If the Company has established Sustainable Development guidelines by following the Sustainable Development- Best Practice Principles for TWSE/TPEX Listed Companies, please describe the practice and any discrepancies with regard to the Best Practice Principles: None				
VII. Other important information that facilitates the understanding of the implementation of Sustainable Development:				
<ol style="list-style-type: none"> 1. The Company upholds the CSR values of "responsibility" and "warmth", and utilizes our core competencies to fulfill corporate ESG. Externally, we contribute toward environmental and social sustainability by constructing buildings with high environmental quality using rigorous standards; alternatively, internally, we are committed to the sustainable operations of our business by strengthening corporate governance and implementing well-rounded employee care. 2. We create innovative products based on their unique environmental conditions using the four environmental factors of wind, light, water, and greenery. In residential buildings, we focus on health and environmentally friendliness; in plants and offices, we actively deploy smart, energy-saving "5A" 				

Implementation item	Implementation status(Note 1)			Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-listed companies and reasons
	Yes	No	Summary(Note 2)	
design and planning. Our construction process is transparent and we implement lifetime annual property inspections and provide smartphone app to enhance the community and provide building management services.				
3. The Company adheres to a principle of nondiscrimination, equality, and respect. Besides ensuring competitive compensations and benefits, we also treat employees with friendliness, respect gender equality, care for employees' physical and mental health, and for the workplace environment to build a happy workplace.				
4. We are committed to occupational safety and health management and have established a construction standard with zero compromise. We actively execute management procedures, reinforce construction site management, promote safety awareness to workers, and reduce work-related injury rate to maintain the safety of our employees and partners and build a hazard-free, incident-free workplace environment, thereby fulfilling our promise for safety to employees.				
5. The Company identifies topics of concern to main stakeholders and periodically reports them to the board of directors .				

Note 1: If "Yes" is selected in the operating status, please explain the important policies, strategies, and measures adopted, and the implementation status; if "No" is selected in the operating status, please specify the reason and explain related future policies and plans for strategies and measures.

Note 2: If the Company has produced the Corporate Social Responsibility Report, the Company may reference the Corporate Social Responsibility Report or indicate the page number in the operating status.

Note 3: The materiality principle refers to related environmental, social, and governance issues that may cause material impact on the Company's investors and other stakeholders.

(VI) Implementation of ethical corporate management, deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and reasons

Implementation of ethical corporate management

Assessment item	Implementation status(Note 1)			Deviation from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" and reasons
	Yes	No	Summary	
<p>I. Establishment of ethical management policies and solutions</p> <p>(I) Has the Company implemented an Ethical Corporate Management Policy approved by the Board of Directors and stated its ethical corporate management policy and practices as well as the active commitment of the Board of Directors and management towards enforcement of such policy in its regulations and external correspondence?</p> <p>(II) Does the Company have mechanisms in place to assess the risk of unethical conduct and perform regular analysis and assessment of business activities with a higher risk of unethical conduct within the scope of business? Does the Company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p>	V		<p>(I) The Company's Board of Directors approved the Ethical Corporate Management Best Practice Principles on November 9, 2015 and approved an amendment to articles on November 6, 2023. The principles are disclosed on our website and aim to implement corporate governance and risk control mechanisms. The Company also promotes ethical corporate management training internally to employees, and the training results are reported to the Board to establish standards for the Company to adhere to .</p> <p>(II) The Company established the "Code of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," "Whistleblowing and Complaint Management Regulations," and "Procedures for Handling Material Inside Information and Preventing Insider Trading" to prevent, file complaints, investigate and deal with unethical conduct. The abovementioned regulations cover the preventive measures set forth in subparagraphs of Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed</p>	No material deviation

Assessment item	Implementation status(Note 1)			Deviation from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" and reasons
	Yes	No	Summary	
(III) Does the Company clearly provide its operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the Company enforce the programs above effectively and perform regular reviews and amendments?	V		Companies." ° (III) The Company's "Ethical Corporate Management Best Practice Principles" clearly provide its operating procedures, code of conduct, disciplinary and appeal procedures, which are implemented and periodically reviewed °	
II. Implementation of ethical management (I) Does the Company evaluate the integrity of all transaction counterparties and stipulate integrity clauses in the agreements it signs with transaction counterparties?	V		(I) The Company's "Construction Procurement Management Regulations" clearly stipulate that the Company must evaluate the reputation and image of suppliers. Additionally, the Company's "Supplier Contract" requires suppliers to comply with the ethical corporate management policy, and contains a clause to terminate the contract at any time when the counterpart is involved in unethical conduct. °	No material deviation
(II) Does the Company have a unit responsible for ethical corporate management on a full-time(part-time)basis under the Board of Directors which reports to the Board of Directors the Ethical Corporate Management	V		(II) In accordance with the Company's "Ethical Corporate Management Best Practice Principles," the board's secretariat (part-time) is responsible for the formulation and supervision of the Company's ethical corporate management	

Assessment item	Implementation status(Note 1)			Deviation from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" and reasons
	Yes	No	Summary	
Policy and programs against unethical conduct regularly(at least once a year)?			<p>policy and prevention plans, and reports the implementation status to the board of directors regularly (once a year). In 2023, it reported the implementation status of ethical corporate management to the board of directors on November 6. Duties are as follows</p> <ol style="list-style-type: none"> 1. Assist in incorporating the values of integrity and ethics into the Company's business strategies, and establish anti-corruption measures to ensure ethical corporate management in coordination with laws and systems . 2. Periodically analyze and assess the risk of unethical conduct within the scope of business, and establish plans for preventing unethical conduct. Establish SOPs and Code of Conduct in each plan for related tasks. . 3. Plan the internal organization and responsibilities, and establish supervision and balance mechanisms for operating activities in the scope of business with relatively high risk of unethical conduct . 4. Implement and coordinate promotion and training related to the policy of integrity. . 5. Plan the whistleblower system to ensure the effectiveness of implementation. . 	

Assessment item	Implementation status(Note 1)			Deviation from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" and reasons
	Yes	No	Summary	
(III) Has the Company established policies to prevent conflict of interests, provided appropriate channels for filing related complaints and implemented the policies accordingly?	V		<p>6. Assist the Board of Directors and managers in inspecting and evaluating whether or not preventive measures are effectively implemented for ethical corporate management, periodically evaluate the compliance of related business processes, and prepare reports. °</p> <p>(III) The Company's board of directors established the "Code of Ethical Conduct" on March 23, 2015 and amended the code on November 6, 2023, stipulating that applicable targets should prevent their personal interests from intervening with or potentially intervening with the Company's overall interests. The Company amended the "Procedures for Handling Material Inside Information and Preventing Insider Trading" on November 6, 2023, and stipulated stock trading control measures for the Company's insiders from the date they learn about the company's financial statements or related performance, including (but not limited to) directors are not allowed to trade the Company's stocks during the lock-up period of 30 days before the announcement of annual financial statements</p>	

Assessment item	Implementation status(Note 1)			Deviation from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" and reasons
	Yes	No	Summary	
(IV) Does the Company have effective accounting and internal control systems in place to uphold business integrity? Does the internal audit unit follow the results of risk assessments for unethical behavior and devise plans to audit the systems accordingly to prevent unethical conduct, or hire accountants to conduct the audits?	V		and 15 days before the announcement of quarterly financial statements, in order to prevent directors and insiders from accidentally violating relevant regulations. Related regulations were announced again during board meetings. The Company offered a digital training course in 2023 (theme: Your distance from insider trading) with an employee participation rate of 96%. (IV) The part-time ethical corporate management unit is responsible for the promotion and supervision of ethical corporate management plans. The main work contents are as follows :	
(V) Does the Company periodically provide internal and external training programs on ethical management?	V		(V) The company regularly organizes digital courses on integrity management education and training. In 2024, a promotional course was held from September 26 to October 20, and employees are encouraged to participate in various external training courses. . .	
III. Operations of the Company's whistleblowing system (I) Has the Company established a specific whistleblowing and reward system, set up convenient whistleblowing channels and designated appropriate	V		(I) The Company established the "Whistleblowing and Complaint Management Regulations" on November 6, 2023, and provides important	No material deviation

Assessment item	Implementation status(Note 1)			Deviation from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" and reasons
	Yes	No	Summary	
<p>personnel to handle investigations against wrongdoers?</p> <p>(II) Has the Company established standard operating procedures for investigating and processing reports, as well as follow-up actions and relevant post-investigation confidentiality measures?</p> <p>(III) Has the Company set up protection for whistleblowers to protect them from inappropriate measures as a result of reporting such incidents?</p>	V		<p>company regulations on the official website. The Audit Office acceptances complaints, and reporting channels include a website, a toll-free hotline, and a mailbox .</p> <p>(II) The abovementioned "Whistleblowing and Complaint Management Regulations" set forth reporting procedures, detailed handling process of whistleblowing cases, and also include confidentiality mechanisms and protection measures .</p> <p>(III) Article 6 of the abovementioned "Whistleblowing and Complaint Management Regulations" clearly stipulates that the whistleblower will not be improperly dealt with due to the report. However, reports will not be accepted if they are not factual or are purely fabricated .</p>	
<p>IV. Enhancing information disclosure</p> <p>(I) Has the Company disclosed its integrity principles and progress onto its website and Market Observation Post System?</p>	V		<p>The Company set up an ethical corporate management section on the company website to disclose the status of specific operations and implementation results. The Ethical Corporate Management Best Practice Principles are also disclosed on the Market Observation Post System.</p>	No material deviation
<p>V. If the Company has implemented its own Ethical Corporate Management Principles by following the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies, please describe the practice and any discrepancies with regard to the Best Practice Principles: No deviation</p>				
<p>VI. Other important information to facilitate a better understanding of the Company's implementation of ethical corporate management:(e.g., review and amendment of the Company's Ethical Corporate Management Principles)</p> <p>(I) The Company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, TWSE/TPEX listing rules, or other laws</p>				

Assessment item	Implementation status(Note 1)			Deviation from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" and reasons
	Yes	No	Summary	
			or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.	
(II)			The Company established the "Rules of Procedure for Shareholders' Meetings," "Rules of Procedure for Board of Directors' Meetings," "Standard Operating Procedures for Handling Requests from Directors," "Rules for Performance Evaluation of Board of Directors," "Audit Committee Charter," "Remuneration Committee Charter," "Corporate Governance Best Practice Principles," "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Whistleblowing and Complaint Management Regulations," and "Procedures for Handling Material Inside Information and Preventing Insider Trading" as the basis for implementing corporate governance, and provides the regulations on the Company's website ◦ .	
(III)			The Company amended the "Procedures for Handling Material Inside Information and Preventing Insider Trading" on November 6, 2023, and stipulated stock trading control measures for the Company's insiders from the date they learn about the company's financial statements or related performance, including (but not limited to) directors are not allowed to trade the Company's stocks during the lock-up period of 30 days before the announcement of annual financial statements and 15 days before the announcement of quarterly financial statements ◦ .	
(IV)			<ol style="list-style-type: none"> 1. The Company requires employees to perform fiduciary duties when engaging in business activities and prohibits them from direct or indirect acceptance any forms of illegitimate benefits. The Company emphasizes the importance of ethical conduct in the training for new employees. 2. The Company strengthens controls over activities with higher risks business through the division of functions and the design and implementation of internal control systems to prevent the occurrence of unethical conduct. 3. Where there is a conflict of interest in any decision or transaction that may conflict with the interests of the Directors and managers, such individuals shall recuse themselves from the decision or vote 	
(V)			The Company upholds ethical corporate management and all transactions with related parties are announced on the Market Observation Post System in accordance with laws and regulations ◦	

(VII) Disclosure of the Company's corporate governance principles and related guidelines if they have been established: Detailed on the Company's website(<https://www.kycc.com.tw>) ◦

(VIII) Other significant information which may improve the understanding of the implementation of corporate governance: The company regularly updates information on the company website\investor relations\corporate governance area ◦

(IX) Status of implementation of internal control system

1. Statement on Internal Control

Kuo Yang Development Co., Ltd.

Statement on Internal Control

Date: March 12, 2025

This Statement on Internal Control is issued based on the self-assessment results of the Company for 2023:

- I. The Company recognizes that the establishment, execution, and maintenance of its internal control policies are the responsibilities of the Company's Board of Directors and managerial officers; such policies have been implemented throughout the Company. The purpose is to provide reasonable assurance to the effectiveness and efficiency of business operations(including profitability, performance and security of assets), reliability, timeliness, and information transparency of reports and compliance with relevant regulatory requirements.
- II. There are inherent limitations to even the most well-designed internal control system. As such, an effective internal control system can only reasonably ensure the achievement of the aforementioned goals. Moreover, the effectiveness of the internal control system may vary due to changes in the environment and circumstances. However, self-supervision measures were implemented within the Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.
- III. The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The criteria introduced by the "Regulations" cover the process of management control and consist of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk assessment, 3. Control operations, 4. Information and communication, and 5. Monitoring operations. Each component also comprised several items. For more information on the aforementioned items, please refer to the "Regulations".
- IV. The Company has adopted the aforementioned internal control system judgment items to assess the effectiveness of the internal control system design and implementation.
- V. Based on the aforementioned evaluation results, the Company holds that it has reasonably assured the achievement of the aforementioned with the internal control system as of December 31, 2023(including the monitoring over the subsidiaries), including understanding the effectiveness and efficiency in operation, reliability and transparency in timely reporting, and compliance with relevant regulatory requirements, and that the design and enforcement of internal control are effective.
- VI. This declaration constitutes part of the Company's annual report and prospectus, and shall be disclosed to the public. Any illegal misrepresentation or omission relating to the public statement above is subject to the legal consequences under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. This Statement has been passed by the meeting of the Company's Board of Directors held on March 12, 2025 where 0 of the 9 attending Directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Kuo Yang Development Co., Ltd.

Chairman: Tzu-Kuan Lin

President: Shao-Ling Peng

2. If the Company engages an accountant to examine its internal control system, disclose the CPA audit report: None.

(X) Penalties imposed upon the Company or internal personnel by laws, or punishment imposed by the Company on internal personnel for violation of the Company's internal control system regulations if such violation may have significant impact on the shareholders' equity or securities prices, major defects and corrective action thereof in the most recent fiscal year and as of the date of the Annual Report: None

(XI) Important resolutions adopted in shareholders' meeting and Board of Directors' meeting in the past year and up to the date of Annual Report

Shareholders' Meetings	Important resolutions	Implementation status
2024/06/07	<ol style="list-style-type: none"> 1. Ratification of the 2023 Business Report and Financial Statements. 2. Ratification of 2023 earnings distribution proposal. 3. Discussion for the amendment of the "Rules of Procedure for Shareholders' Meetings" . 	<ol style="list-style-type: none"> 1. Resolutions were announced in accordance with Article 230 of the Company Act. 2. 2023 earnings distribution · Shareholder dividends – cash (\$0.4/share) · It was issued on September 30, 2024. 3. passed unanimously .

Item No.	Date of board meeting	Important resolutions
1st meeting in 2024	2024/01/08	<ol style="list-style-type: none"> 1. Review the Company's "Rank and Salary Range Table" and increase the range of each grade by 5% to be in line with market conditions 2. Review the remuneration structure of the Company's directors and managers and proposal to continue using the structure in 2024 3. The Company's 2020, 2021, and 2022 directors' remuneration and employee bonus distribution proposal 4. The Company's wholly-owned subsidiary Shen Yang Construction Co., Ltd. and Mr. Kuo Chun-Chieh jointly acquired land on Plot 40-1, Subsection 2, Yuanzhong Section, Nanzi District, Kaohsiung City 5. The Company plans to apply for a credit limit from Mega International Commercial Bank for joint investment with four companies including Wei Li International Development Co., Ltd. in the land development project on Zhongyi Section, Tucheng District, New Taipei City. 6. The terms of the directors and supervisors of three companies including the Company's wholly-owned subsidiaries Shen Yang Construction Co., Ltd. and Shang Yang International Asset Management Co., Ltd., and Shen Yang Construction Co., Ltd.'s wholly-owned subsidiary Che Yang Agricultural Technology Co., Ltd. are about to expire and a proposal was filed to request the assignment of directors and supervisors <p>Note: The aforementioned important resolutions were passed unanimously by all Directors in attendance following an inquiry by the chair.</p>

Item No.	Date of board meeting	Important resolutions
2nd meeting in 2024	2024/02/20	<p>1. The Company intends to participate in the tender for the "Open Selection of Implementer for the THSR Zuoying Heart of Technology Type 3 Business District Land A and B Urban Renewal Project."</p> <p>2. The Company intends to apply for a performance bond guarantee and credit limit from the Overseas Business Management Department of Mega International Commercial Bank for the "Open Selection of Implementer for the THSR Zuoying Heart of Technology Type 3 Business District Land A and B Urban Renewal Project."</p> <p>Note: The aforementioned important resolutions were passed unanimously by all Directors in attendance following an inquiry by the chair..</p>
3rd meeting in 2024	2024/03/13	<ol style="list-style-type: none"> 1. The Company's 2023 individual and consolidated financial statements ◦ 2. The Company's 2023 business report. ◦ 3. The Company's 2023 earnings distribution. ◦ 4. Proposed remuneration for directors and employees in 2023. ◦ 5. The independence evaluation of the certifying CPAs for 2024 6. The Company's 2024 CPA appointment. ◦ 7. The Company proposes to pre-authorize CPA, the accounting firm, and its related enterprises to provide non-assurance services for the Company and its subsidiaries. ◦ 8. With regard to the Company's joint investment and development of land in the Longzhong Section, Gushan District, Kaohsiung City with six companies including Wei Li International Development Co., Ltd., the Company intended to apply to Chang Hwa Bank for a change in the original borrower as well as matters related to construction financing limit. ◦ 9. Proposal for the extension of the Company's expired credit limit from IBFC. ◦ 10. The Company's wholly-owned subsidiary Shen Yang Construction Co., Ltd. acquired land on Plot 40-1, Subsection 2, Yuanzhong Section, Nanzi District, Kaohsiung City through a joint tender in collaboration with Mr. Kuo Chun-Chieh. They jointly applied for a building land financing limit from the Agricultural Bank of Taiwan, which has been approved. They sent a letter to the parent company for approval. ◦ 11. Star Epoch International Co., Ltd., a subsidiary in which the Company holds 80% shares, participated in the construction and development of the

Item No.	Date of board meeting	Important resolutions
		<p>"Kaohsiung Multifunctional Park Special Trade Zone 3 Urban Renewal Project (Southern Site - North Side)," and applied for a syndicated loan of NT\$13,000,000,000 from the syndicate of banks with Taiwan Cooperative Bank as the lead arranger. It has sent a letter to the parent company for approval .</p> <p>12. Star Epoch International Co., Ltd., a subsidiary in which the Company holds 80% shares, participated in the "Kaohsiung Multifunctional Park Special Trade Zone 3 Urban Renewal Project (Southern Site - North Side)," and plans to apply to Taiwan Cooperative Bank Zihciang Branch for an extension of the credit limit for the performance bond. It has sent a letter to the parent company for approval .</p> <p>13. Amendment to articles of the Company's "Rules of Procedure for Shareholders' Meetings." .</p> <p>14. The Company's 2023"Statement on Internal Control"was based on evaluation results of the effectiveness of the overall internal control system which stated that"the internal control system was effective in terms of design and execution, and complies with all laws and regulations" .</p> <p>15. Proposal for the Company's 2024 general shareholders' meeting and related matters .</p> <p>16. Appointment of the directors of three companies including the Company's wholly-owned subsidiary Shen Yang Construction Co., Ltd., Shang Yang International Asset Management Co., Ltd., and Shen Yang Construction Co., Ltd.'s wholly-owned subsidiary Che Yang Agricultural Technology Co., Ltd. .</p> <p>Note: The aforementioned important resolutions were passed unanimously by all Directors in attendance following an inquiry by the chair.</p>
4nd meeting in 2024	2024/05/06	<p>1. The Company's 2024 Q1 consolidated financial statements. .</p> <p>2. Proposal for the extension of the Company's expiring loan facility with Taipei Fubon Bank. .</p> <p>3. Regarding the [Kaohsiung HSR Technology Hub Project], the Company was selected as the best applicant and plans to set up a project company and sign an entrusted execution contract with the Kaohsiung City Government .</p> <p>Note: The aforementioned important resolutions were passed unanimously by all Directors in attendance following an inquiry by the chair .</p>
5nd meeting in 2024	2024/06/03	<p>1. The Company was selected as the best applicant for the [Kaohsiung HSR Technology Hub Public Urban Renewal Project]. We are setting up a project company with a capital of NT\$1,000,000 thousand and</p>

Item No.	Date of board meeting	Important resolutions
		<p>intend to apply for a financing line and credit-related matters from the Dazhi Branch of Chang Hwa Bank. ◦</p> <p>2. The Company intends to participate in the bidding of [Open selection of implementers for the urban renewal project of 4 plots of land including Lot No. 82-2 in Gangshan Section, Gangshan District and Lot No. 409 in Yangming Section, Kaohsiung City]</p> <p>Note: The aforementioned important resolutions were passed unanimously by all Directors in attendance following an inquiry by the chair ◦</p>
6nd meeting in 2024	2024/08/05	<p>1. The Company's 2024 Q2 consolidated financial statements.</p> <p>2. Shin Yang International Development Co., Ltd., a subsidiary in which the Company owns 100% shares, participated in the "Kaohsiung HSR Technology Hub" public urban renewal project and intends to apply for a performance bond credit line from the Overseas Department of Mega International Commercial Bank. It has sent a letter to the Company for approval ◦</p> <p>3. The Company intends to apply to Ziqiang Branch of Taiwan Cooperative Bank for short-term loan and credit-related matters ◦</p> <p>4. The Company plans to apply for another performance bond credit line for green building and related matters to Dazhi Branch of Chang Hwa Bank for joint investment with five companies including Wei Li International Development Co., Ltd. in the development of Kuo Yang Intercontinental project at Neihu District, Taipei City ◦</p> <p>5. With regard to the Company's joint investment and development of land in the Jiangbei Section, Xizhi District, New Taipei City with four companies including Wei Li International Development Co., Ltd., the Company intends to apply to Dazhi Branch of Chang Hwa Bank for a change in the original borrower as well as matters related to construction financing limit ◦</p> <p>6. The Company's 2023 Sustainability Report ◦</p> <p>Note 1: Except for the resolution in Item 4: The Directors Chia-Chi Hou, Jer-Shyong Tsai, Chien-Pung Ruan, and Sannie Huang recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance ◦</p> <p>Note 2: Except for the resolution in Item 5: The Directors Tzu-Kuan Lin, Jer-Shyong Tsai, and Chia-Chi Hou recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance</p> <p>Note 3: Other important resolutions: The proposal was passed unanimously by all Directors in attendance following an inquiry by the chair.</p>
7nd meeting in 2024	2024/09/23	<p>1. The Company's donation to related parties ◦</p> <p>2. The Company's existing lease for an office in the "United Daily News Building" will expire on December 23, 2024, and the Company plans to relocate to a new office in the "TFC Taifer C2 Office Complex"</p> <p>3. The Company's wholly-owned subsidiary Shen Yang Construction Co., Ltd. acquired land on Plot 9, Shengli Section, Fengshan District, Kaohsiung City through a joint investment</p>

Item No.	Date of board meeting	Important resolutions
		<p>and development in collaboration with Tsang Hsin Construction Co., Ltd. Their joint application for a building financing limit to Agricultural Bank of Taiwan was responded with a request for Shen Yang Construction Co., Ltd. to continually provide joint guarantee. Thus, they issued a letter to request permission from the parent company. °</p> <p>Note 1: Except for the resolution in Item 1: The Directors Chia-Chi Hou and Sannie Huang recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance °</p> <p>Note 2: Except for the resolution in Item 2: The Directors Chia-Chi Hou Jer-Shyong Tsai, Chien-Pung Ruan, and Sannie Huang recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance °</p> <p>Note 3: Other important resolutions: The proposal was passed unanimously by all Directors in attendance following an inquiry by the chair.</p>
8nd meeting in 2024	2024/11/11	<ol style="list-style-type: none"> 1. The Company's 2024 Q3 consolidated financial statements. ° 2. The Company's plan to apply for the extension of the loan facility and joint endorsements and guarantees with East Keelung Branch of Taiwan Cooperative Bank for the "Good morning, Kuo Yang Phase II" joint investment and development project in Keelung, and related matters. ° 3. Amendment of certain articles of Company's "Rules of Procedure for the Board of Directors' Meetings" and the revision of its name ° 4. Shen Yang Construction Co., Ltd., a subsidiary in which the Company owns 100% shares, intends to transfer part of the property rights of the "Minsheng Village, Qianjin District" building and the land on which it is located in Kaohsiung City. <p>Note: The aforementioned important resolutions were passed unanimously by all Directors in attendance following an inquiry by the chair °</p>
9nd meeting in 2024	2024/12/16	<ol style="list-style-type: none"> 1. The Company's 2025 budget ° 2. The Company's proposed investment in Grand Hi-Lai Hotel Co., Ltd. ° 3. The Company's plan to liquidate and dissolve the overseas companies Shadwell Limited and Winning Team Limited ° 4. Preparation of the Company's 2024 audit plan ° <p>Note 1: Except for the resolution in Item 2: The Directors Chia-Chi Hou recused themselves in accordance with Article 206 of the Company Act, and the proposal was passed unanimously by all other Directors in attendance</p> <p>Note2: The aforementioned important resolutions were passed unanimously by all Directors in attendance following an inquiry by the chair °</p>
1nd meeting in 2025	2025/01/06	<ol style="list-style-type: none"> 1. The company plans to "Rank and Salary Range Table" and increase the range of each grade by 5% to be in line with market conditions 2. Review the remuneration structure of the Company's directors and managers and proposal to continue using the structure in 2024. 3. The Company's 2021, 2022, and 2023 directors' remuneration and employee bonus distribution proposal <p>Note: The aforementioned important resolutions were passed</p>

Item No.	Date of board meeting	Important resolutions
		unanimously by all Directors in attendance following an inquiry by the chair ◦
2nd meeting in 2025	2025/03/12	<ol style="list-style-type: none"> 1. The Company's 2024 individual and consolidated financial statements ◦ ◦ 2. The Company's 2024 business report ◦ 3. The Company's 2024 earnings distribution ◦ 4. Proposed remuneration for directors and employees in 2024 5. Change of the Company's certified public accountants (CPAs) and evaluation of the independence and competence of the CPAs for 2025 6. The Company's 2025 earnings distribution ◦ 7. Amendment of the Articles of Incorporation ◦ 8. The term of office of the first term of the Board members and supervisors of Star Epoch International Co., Ltd., a subsidiary invested by the Company, will end on April 5, 2025. The full re-election will be held on April 2, 2025. The Company intends to propose a list of candidates for directors and supervisors. 9. Due to working capital needs, the Company's subsidiary Star Epoch International Co., Ltd. intends to increase its capital by NT\$200,000 thousand in cash. The Company intends to invest NT\$160,000 thousand in proportion to its shareholding ◦ 10. The Company's subsidiary Shen Yang Construction Co., Ltd. sought for approval from parent company and to continually provide joint endorsement/guarantee for its intention to reapply for financing credit line from Longjiang Branch of Hwa Nan Bank, which was for the acquisition land on Mingsheng Section, Qianjin District, Kaohsiung City, but its reconstruction as an urban old and unsafe building has been turned into an urban renewal project 11. The Company's 2024 "Statement on Internal Control" was based on evaluation results of the effectiveness of the overall internal control system which stated that "the internal control system was effective in terms of design and execution, and complies with all laws and regulations" ◦ 12. Proposal for the Company's 2025 general shareholders' meeting and related matters ◦ <p>Note: The aforementioned important resolutions were passed unanimously by all Directors in attendance following an inquiry by the chair ◦</p>

(XII) Dissenting or qualified opinion of Directors or Supervisors against an important resolution passed by the Board of Directors that is on record or stated in a written statement in the past year and up to the date of the Annual Report: None

(XIII) Resignation and dismissal of professional managerial officers related to the financial report including Chairman, President, Chief Accounting Officer, Chief Financial Officer, Chief R&D Officer, Chief Internal Auditor, and Corporate Governance Officer, in the past year and up to the date of the Annual Report: None

IV. Information on CPA Professional Fees

Information on CPA Professional Fees

Table on the range of CPA professional fees

Unit: NT\$1,000

Name of the CPA Firm	CPA Name	CPA audit period	Audit fee	Non-audit fees	Remarks
Pricewaterhouse Coopers Taiwan	Chun-Yuan Hsiao Fang-Yu Wang	2024.01~2024.12	NT\$2,970	NT\$530	The non-audit fee was NT\$500 thousand for the tax certification and NT\$30 thousand for the review of salaries for full-time non-executive employees.

- (I) If the Company changes the CPA firm and the amount of audit fee paid in the year of change is less than that in the previous year, information shall be disclosed: None.
- (II) If the audit fee is more than 10% less than that paid in the previous year, information shall be disclosed: None.

V. Information on Replacement of CPA: If the Company has replaced the CPA in the most recent two years, the following information shall be disclosed:

(I) Regarding previous CPA

Date of change	2025. 03. 12		
Reason for replacement and explanation	Due to CPA's internal operations and personnel adjustments , Changed from Chun-Yuan Hsiao ,Fang-Yu Wang to Liang Yi Chang, Fang-Yu Wang °		
Statement on whether the client or the CPA terminates or rejects the appointment	Party	CPA	Client
	Circumstances		
	Termination initiated by client	None	None
	CPA declined to accept (continue) the appointment	None	None
Opinion and reason for the issuance of audit reports containing opinions other than unqualified opinions in the most recent two years	None		
Different opinions from the issuer	yes		Accounting principles or practices
			Disclosure of financial statements
			Audit scope or procedures
			other
	None	y	
	Description		
Other disclosures (Matters that should be disclosed in accordance with Item 1-4 to 1-7, Subparagraph 6, Article 10 of the Regulations)	None		

(II) Regarding succeeding CPA:

CPA firm name	PricewaterhouseCoopers Taiwan
CPA Name	Liang Yi Chang, Fang-Yu Wang
Date of appointment	2025. 03. 12
Subjects and outcomes of consultation on the accounting treatment of or application of accounting principles to specific transactions, or opinions that may be included on financial statements before the appointment of new CPAs	None
Written opinions from succeeding CPAs with regards to matters with which former CPAs disagreed	None

(III) The former CPA's response for items specified in Article 10, Subparagraph 6, Item 1 and Item 2-3 of the Accounting Standards: None

o

VI. Company's Chairman, President, Financial or Accounting Affairs Manager who has served in the certifying CPA firm or its affiliates in the most recent year: None

VII. Transfer of equity interests and/or pledge of or change in equity interests by Directors, Supervisors, managers, and major shareholders holding more than 10% of the shares in the previous year and up to the publication date of the Annual Report

Change in the shares held by the Directors, Supervisors, managerial officers, and major shareholders

Title	Name	2024		2025 as of March 31		
		Increase(decrease)in shares held	Increase(decrease)in pledged shares	Increase(decrease)in shares held	Increase(decrease)in pledged shares	
Director	Chi Chan Industries Co., Ltd. Representative-Tzu-Kuan Lin	0	0	0	0	
	Representative-Chia-Chi Hou	0	0	0	0	
	Cheng Chi Co., Ltd. Representative-Chien-Pung Ruan	0	0	0	0	
	Representative-Jer-Shyong Tsai	0	0	0	0	
	Representative-SANNIE HUANG	0	0	0	0	
	Pai Ti Development Co., Ltd. Representative-Pei-Kui Su	0	0	0	0	
	Independent Director	Li-Yen Yang	0	0	0	0
		Wu-Po Kuo	0	0	0	0
		Chiu-Mu Tseng	0	0	0	0
	President	Shao-Ling Peng	0	0	0	0
	Vice President	Cheng-Hsiung Hsieh	0	0	0	0
	Accounting Manager	Cheng-I Wang	0	0	0	0
Assistant Vice President, Planning Division	Yun-Ti Cheng	6,000	2,000	0	0	
	Lin-Wei Hsiao	0	0	0	0	
Assistant Vice President, Engineering Division	Wen-Ho Hsu	0	0	0	0	
Assistant Vice President, Sales Division	Meng-Hui Lien	0	0	0	0	
Major shareholder	None	0	0	0	0	

Notes: Note 1: Shareholders with over 10% of the Company's total share shall be classified as major shareholders and listed separately.

Note 2: Information regarding the transfer of shares or shares pledged to the counterparty being the related party shall be filled in the following Table.

Note 3: The decrease in changes in 2020 was mainly due to the decrease in capital and the

issuance of new shares in the capital reduction.

Information on transfer of shares: None

Name (Note 1)	Reason for transfer of shares (Note 2)	Transaction date	Transaction counterparty	Relationship between the counterparty and the Company, its Directors, Supervisors and shareholders with shareholding percentage of over 10%	Number of shares	Transaction price

Information on pledged shares: None

Name (Note 1)	Reason for changes in pledged shares (Note 2)	Date of change	Transaction counterparty	Relationship between the counterparty and the Company, its Directors, Supervisors and shareholders with shareholding percentage of over 10%	Number of shares	Shareh olding ratio	Pledge ratio	Pledge(r edempti on)amou nt

VIII. Information on the relationship between any of the top ten shareholders (related party, spouse, or kinship within the second degree)

Information on the relationship between any of the top ten shareholders

Name (Note 1)	Personal shareholding		Shares held by spouse and underage children		Total shareholding by nominee arrangement		Shareholders with the top 10 shareholding ratios who are related, or their spouses and second-degree relatives' names and their respective relationships. (Note 3)		Remarks
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relationship	
Han Shen Investment Co., Ltd.	37,094,223	9.76%	0	0	0	0	None	None	
Representative: Jer-Shyong Tsai	0	0	0	0	0	0	None	None	
Cheng Chi Co., Ltd.	23,124,570	6.09%	0	0	0	0	None	None	
Representative: Chun-Yu Hou	1,055,846	0.27%	0	0	0	0	None	None	
Ku Pang Co., Ltd.	18,351,934	4.83%	0	0	0	0	None	None	
Representative: Wen-Hsien Li	0	0	0	0	0	0	Morta Enterprise Co., Ltd.	Representative	
Morta Enterprise Co., Ltd.	17,995,785	4.74%	0	0	0	0	0	None	
Representative: Wen-Hsien Li	0	0	0	0	0	0	Ku Pang Co., Ltd.	Representative	
Chung Shen Development Co., Ltd.	17,690,527	4.66%	0	0	0	0	None	None	
Representative: Chia-Chi Hou	1,010,209	0.26%	20,000	0.01%	0	0	None	Lien Chung International Asset Management Co., Ltd. Hanshin Department Store Co., Ltd.	
Han Chung Global Investment Co., Ltd.	17,466,488	4.60%	0	0	0	0	None	None	
Representative: Pei-Hsun Tu	24,000	0.01%	0	0	0	0	Chi Hsuan Development Co., Ltd. and Youshin Development Co., Ltd.	Representative	
Hanshin Department Store Co., Ltd.	15,927,628	4.19%	0	0	0	0	None	None	
Representative: Chia-Chi Hou	1,010,209	0.26%	20,000	0.01%	0	0	Chung Shen Development Co., Ltd. Lien Chung International Asset Management Co., Ltd.	Representative	
Lien Chung International Asset Management Co., Ltd.	15,773,402	4.15%	0	0	0	0	None	None	
Representative: Chia-Chi Hou	1,010,209	0.26%	20,000	0.01%	0	0	Chung Shen Development Co., Ltd. and Hanshin Department Store Co., Ltd.	Representative	
Chi Hsuan Development Co., Ltd.	15,365,406	4.04%	0	0	0	0	None	None	
Representative: Pei-Hsun Tu	24,000	0.01%	0	0	0	0	Youshin Development	Representative	

							Co., Ltd. And Han Chung Global Investment Co., Ltd.		
Youshin Development Co., Ltd.	11,685,390	3.08%	0	0	0	0	None	None	
Representative: Pei-Hsun Tu	24,000	0.01%	0	0	0	0	Chi Hsuan Development Co., Ltd. And Han Chung Global Investment Co., Ltd.	Representative	

Note 1: All top ten shareholders must be listed. For institutional shareholders, their names and the name of their representatives must be listed separately.

Note 2: The shareholding percentage is calculated separately based on the number of shares held in the name of the person, his/her spouse and minors, and others.

Note 3: Relationships between the aforementioned shareholders, including institutional and natural-person shareholders must be disclosed based on the financial reporting standards used by the issuer.

Note 4: The aforementioned number of shares held are based on the number of shares registered as of the ex-dividend date on April 28, 2025.

IX. The shareholding of the Company, Director, Supervisor, manager, and an enterprise that is directly or indirectly controlled by the Company in the investee company and the calculation of the consolidated shareholding percentage.

December 31, 2024 Unit: shares

Investee company (Note)	Investment by the Company		Investments by Directors, Supervisors, managers and directly or indirectly controlled enterprises		Combined investment	
	Number of shares	Shareho lding ratio	Number of shares	Shareholdi ng ratio	Number of shares	Shareholdi ng ratio
Shadwell Limited	200,000	100%			200,000	100%
Shang Yang International Asset Management Co., Ltd.	61,800,000	100%			61,800,000	100%
Shen Yang Construction Co., Ltd.	160,000,000	100%			160,000,000	100%
Shin Yang International Development Co., Ltd.	100,000,000	100%			100,000,000	100%
Star Epoch International Co., Ltd.	24,000,000	80%			24,000,000	80%
Sweet Me Hot Spring Resort Co., Ltd.	2,200,000	20%			2,200,000	20%
Chairman, Hanshin Shopping Plaza Co., Ltd.	10,005,000	20%			10,005,000	20%
Che Yang Agricultural Technology Co., Ltd.			250,000	100%	250,000	100%
Chi Yang Construction Co., Ltd.			21,600,000	80%	21,600,000	80%
Chi Yang Construction Co., Ltd.			3,150,000	45%	3,150,000	45%
寶悅景觀股份有限公司			102,000	51%	102,000	51%
Century Rainbow Limited			1,020,100	100%	1,020,100	100%
Celestial Talent Limited			20,100	100%	20,100	100%
Charm Merit Limited			1,000,000	100%	1,000,000	100%
Good Fame Limited			1,000,000	40%	1,000,000	40%

Note: Long-term investment calculated by equity method.

Chapter 3. Funding Status

I. Capital and shares:

(I) Sources of capital

As of April 28, 2025 Unit: 1,000 shares/NT\$1,000

Year and month	Issuing price	Authorized capital		Paid-in capital		Remarks		
		Number of shares (1,000 shares)	Amount (NT\$1,000)	Number of shares (1,000 shares)	Amount (NT\$1,000)	Sources of capital	Subscriptions paid with property other than cash	Other
1972.6	10	120	1,200	120	1,200	Founded with cash	-	
1974.3	10	1,600	16,000	1,600	16,000	Cash capital increase	-	
1976.9	10	4,000	40,000	4,000	40,000	Cash capital increase	-	
1978.4	10	8,000	80,000	8,000	80,000	Cash capital increase	-	
1978.8	10	16,000	160,000	16,000	160,000	Cash capital increase	-	
1979.1	10	30,000	300,000	30,000	300,000	Cash capital increase	-	
1983.5	10	30,900	309,000	30,900	309,000	Capital surplus	-	
1989.1	10	61,800	618,000	61,800	618,000	Cash capital increase	-	
1990.1	20	112,500	1,125,000	112,500	1,125,000	Cash capital increase	-	
1991.12	10	208,125	2,081,250	208,125	2,081,250	Cash capital increase Capital surplus	-	
1993.4	10	358,125	3,581,250	358,125	3,581,250	Cash capital increase	-	
1996.7	19.5	600,000	6,000,000	460,000	4,600,000	Cash capital increase	-	
1997.6	10	1,000,000	10,000,000	562,040	5,620,400	Retained earnings Capital surplus Employee bonus	-	Note 1
1997.7	55.5	1,000,000	10,000,000	700,000	7,000,000	Cash capital increase	-	Note 2
1998.3	10	1,400,000	14,000,000	703,307	7,033,072	Convertible corporate bonds	-	
1998.5	10	1,400,000	14,000,000	1,079,167	10,791,672	Retained earnings Capital surplus Employee bonus Convertible corporate bonds	-	Note 3
1998.8	10	1,400,000	14,000,000	1,080,275	10,802,754	Convertible corporate bonds	-	
1999.10	10	1,400,000	14,000,000	583,348.739	5,833,487.39	Capital reduction	-	Note 4
2002.6	10	1,000,000	10,000,000	300,000	3,000,000	Capital reduction	-	Note 5
2003.6	<u>2.8</u>	700,000	7,000,000	360,000	3,600,000	<u>Cash capital increase through private</u>	Debt converted to shares	Self-reported

Year and month	Issuing price	Authorized capital		Paid-in capital		Remarks		
		Number of shares (1,000 shares)	Amount (NT\$1,000)	Number of shares (1,000 shares)	Amount (NT\$1,000)	Sources of capital	Subscriptions paid with property other than cash	Other
						<i>placement</i>		
2003.11	<u>4</u>	700,000	7,000,000	410,000	4,100,000	<i>Cash capital increase through private placement</i>	-	Self-reported
2003.12	<u>4</u>	700,000	7,000,000	510,000	5,100,000	<i>Cash capital increase through private placement</i>	-	Self-reported
2004.2	<u>4.5</u>	700,000	7,000,000	555,000	5,550,000	<i>Cash capital increase through private placement</i>	-	Self-reported
2004.4	<u>6.7</u>	700,000	7,000,000	571,000	5,710,000	<i>Cash capital increase through private placement</i>	-	Self-reported
2004.10	10	700,000	7,000,000	304,600	3,046,000	Capital reduction	-	Note 6
2006.4	<u>8</u>	700,000	7,000,000	364,600	3,646,000	<i>Cash capital increase through private placement</i>	-	Self-reported
2006.6	<u>10.5</u>	700,000	7,000,000	404,600	4,046,000	<i>Cash capital increase through private placement</i>	-	Self-reported
2006.12	<u>20</u>	700,000	7,000,000	442,600	4,426,000	<i>Cash capital increase through private placement</i>	-	Self-reported
2012.9	10	700,000	7,000,000	445,185	4,451,850	Convertible corporate bonds	-	Note 7
2013.1	10	700,000	7,000,000	446,285	4,462,851	Convertible corporate bonds	-	Note 7
2013.3	10	700,000	7,000,000	449,979	4,499,792	Convertible corporate bonds	-	Note 7
2013.6	10	700,000	7,000,000	455,614	4,556,142	Convertible corporate bonds	-	Note 7
2013.9	10	700,000	7,000,000	502,910	5,029,109	Convertible corporate bonds Conversion of earnings to capital increase	-	Note 7 Note 8
2014.1	10	700,000	7,000,000	503,313	5,033,136	Convertible corporate bonds	-	Note 7
2014.4	10	700,000	7,000,000	503,559	5,035,592	Convertible corporate bonds	-	Note 7
2015.5	10	700,000	7,000,000	576,582	5,765,824	Convertible corporate bonds	-	Note 7
2018.7	11	700,000	7,000,000	696,582	6,965,824	<i>Cash capital increase</i>	-	Note 9
2020.10	10	700,000	7,000,000	380,000	3,800,000	<i>Cash capital</i>		Note 10

Year and month	Issuing price	Authorized capital		Paid-in capital		Remarks		
		Number of shares (1,000 shares)	Amount (NT\$1,000)	Number of shares (1,000 shares)	Amount (NT\$1,000)	Sources of capital	Subscriptions paid with property other than cash	Other
						<i>reduction</i>		

Note 1: Capital reduction approval document number:(86)Tai-Cai-Zheng(1)No. 33381 dated May 2, 1997.

Note 2: Capital reduction approval document number:(86)Tai-Cai-Zheng(1)No. 48083 dated June 30, 1997.

Note 3: Capital reduction approval document number:(87)Tai-Cai-Zheng(1)No. 27283 dated April 14, 1998.

Note 4: Capital reduction approval document number:(88)Tai-Cai-Zheng(1)No. 80122 dated September 23, 1999.

Note 5: Capital reduction approval document number:(91)Tai-Cai-Zheng(1)No. 101440 dated January 14, 2002.

Note 6: Capital reduction approval document number: Tai-Cai-Zheng(1)No. 0930122306 dated June 30, 2004.

Note 7: Capital increase approval document number: Jin-Guan-Zheng-Fa-Zi No. 10100123831 dated April 16, 2012.

Note 8: Capital increase approval document number: Jin-Guan-Zheng-Fa-Zi No. 1020038627 dated September 18, 2013.

Note 9: Capital increase approval document number: Jin-Guan-Zheng-Fa-Zi No. 1070325525 dated July 23, 2018.

Note 10: Capital reduction approval document number: Jin-Guan-Zheng-Fa-Zi No. 1090371099 dated October 27, 2020.

As of April 28, 2025 Unit: shares

Type of shares	Authorized capital			Remarks
	Shares issued and outstanding	Unissued shares	Total	
Ordinary shares	380,000,000	320,000,000	700,000,000	Listed stocks

Information on shelf registration None

Types of securities	Amount of scheduled issuance		Amount issued		The purpose and expected benefits of the issued shares	Unissued shares and scheduled time of issuance	Remarks
	Total number of shares	Approved amount	Number of shares	Price			

(II) Shareholders

(Shareholders with more than 5% of shares or the top ten shareholders in terms of shareholding ratio)

Shareholder's name	Shares	Number of shares held	Shareholding ratio(%)
Han Shen Investment Co., Ltd.		37,094,223	9.75
Cheng Chi Co., Ltd.		23,124,570	6.09
Ku Pang Co., Ltd.		18,351,934	4.83
Morta Enterprise Co., Ltd.		17,995,785	4.74
Chung Shen Development Co., Ltd.		17,690,527	4.66
Han Chung Global Investment Co., Ltd.		17,466,488	4.60
Hanshin Department Store Co., Ltd.		15,927,628	4.19
Lien Chung International Asset Management Co., Ltd.		15,773,402	4.15
Chi Hsuan Development Co., Ltd.		15,365,406	4.04
Youshin Development Co., Ltd.		11,685,390	3.08

Note: The aforementioned number of shares held are based on the number of shares registered as of the ex-dividend date on April 28 2025

Changes in major shareholders holding more than 10% of the shares: None

(III) Dividend policy and implementation status:

The Company added clauses and established the following dividends policy in accordance with (89)Tai-Cai-Zheng(1)No. 100116 Letter of the Securities and Futures Administration Commission, Ministry of Finance and President Order Hua-Zong-1-Yi No. 10400058161 Order dated May 20, 2015:

1. In the event of surplus earnings after closing of annual accounts, the Company shall pay due taxes in accordance with the law, and losses incurred in previous years shall be compensated. Upon completion of the preceding actions, 10% of the remainder surplus shall be allocated as legal reserve. However, in the event that the accumulated legal reserve is equivalent to or exceeds the Company's total paid-in capital, such allocation may be exempted. In addition, the Board of Directors may, after allocating or reversing special reserve pursuant to the laws or regulations of the competent authority, retain parts of the earnings and prepare an earnings distribution proposal along with undistributed earnings at the beginning of the period. Where the Company intends to distribute earnings by issuing new shares, it shall file a proposal to the shareholders' meeting and obtain approval in a resolution before the distribution. Where dividends are distributed in cash, the Board of Directors shall be authorized to determine such distribution by a resolution adopted by a majority vote at a meeting attended by over two thirds of the Directors and it shall be reported at the shareholders' meeting.
2. The Company's industry is a stable and mature industry. The dividend policy should account for the financial structure, earnings, and long-term business plans to meet the development and transformation needs. The ratio of stock dividends to cash dividends shall be determined each year based on the requirements for working capital, provided that the cash dividends shall not be less than 20%. When the paid-in capital has reached NT\$10 billion, the cash dividends shall not be less than 50%.
3. Pursuant to the resolution from the General Shareholders' Meeting held on June 17, 2022 to amend the Company's Articles of Incorporation, the Company may proceed with the distribution of earnings of making up for losses at the end of each quarter in accordance with the Company Act.

4. The 2024 earnings distribution proposal was approved by the Board of Directors on March 12, 2025, but has not yet been approved by the shareholders' meeting.

Kuo Yang Development Co., Ltd.
Earnings Distribution Statement

2024

Unit: NT\$

Item	Amount
Opening undistributed earnings	4, 296, 737, 675
Plus: After-tax net profit of the 2024	197, 609, 898
Remeasurement numbers for defined benefit plans	(450, 321)
Disposal of equity instruments in other comprehensive income measured at fair value through profit and loss	80, 374, 913
Minus: 10% legal reserve	(27, 753, 449)
Distributable earnings	4, 546, 518, 716
Distribution items:	
Shareholder dividends – cash	0
Shareholder dividends - stocks	0
Closing undistributed earnings	4, 546, 518, 716

- (IV) Effect of free-gratis dividend proposed in the current shareholders' meeting on Company's business performance and earnings per share:
The Company did not distribute stock dividends this year and this item is therefore not applicable.

(V) Remuneration of employees and Directors

1. Percentages or ranges of remuneration of employees and Directors under the Articles of Incorporation

According to the Company's Articles of Incorporation, in the event of profit in the year, the Company shall appropriate 0.5% to 5% of the pre-tax earnings (excluding remuneration for Directors and employees) as remuneration for employees and no more than 5% as remuneration for Directors. However, in the event the Company has sustained cumulative losses, a proportion of profit shall be reserved in advance to make up for losses.

. The remuneration for employees in the preceding paragraph may be paid in stock or cash based on a resolution of the Board of Directors, and may be paid to employees of subsidiaries who meet the certain requirements.

The distribution of remuneration for employees and Directors shall be resolved by a majority vote at a board meeting attended by more than two thirds of the Directors and it shall be reported at the shareholders' meeting.

2. Basis for estimating the amount of remuneration of employees and directors, basis for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount, for the current period:

Based on the Company's estimates, the 2024 remuneration for employees and Directors amounted to NT\$4,257,737 and NT\$4,257,737, respectively. According to the Articles of Incorporation, they shall be allocated based on 2% of the earnings before tax. If the actual distribution is different from the estimate, the difference will be accounted for as changes in accounting estimates and adjusted in the year of the distribution.

3. Remuneration proposals passed by the board of directors:

(1) Remuneration of employees and Directors shall be paid in cash or stock. In case of any discrepancy between the amounts and the amortized estimates for the year, the differences, reasons, and responses shall be disclosed:

The Company's distribution of 2024 remuneration for employees and Directors has been passed by the Board of Directors on Mar 12, 2025, and the Board of Directors has resolved to distribute NT\$4,257,737 as employee remuneration and NT\$4,257,737 as Director remuneration. The amounts are the same as the estimated amount in 2023.

(2) Amount of employee remuneration distributed in the form of stocks, as a percentage of the net income after taxes provided in the standalone or consolidated financial statements of the current period, and as a percentage of total employee remuneration:

The Company did not issue employee stock bonus in 2024

4. Discrepancies, if any, between actual distribution of employee and Director remuneration (including the number of shares distributed, amount and stock price) and the

recognized remuneration of employees and Directors and disclosure of the differences, reasons and responses:

The Company's distribution of 2023 remuneration for employees and Directors has been passed by the Board of Directors on Mar 13, 2024, and the Board of Directors has resolved to distribute NT\$6, 808, 630 as employee remuneration and NT\$6, 808, 630 as Director remuneration. All remuneration shall be distributed in cash and the amounts are the same as the estimated amount in 2022

- (VI) Buyback of treasury stock: None

- II. Issuance of corporate bonds: None

- III. Issuance of preferred stocks: None

- IV. Issuance of global depository receipts(GDR): None

- V. Exercise of employee stock option plan(ESOP): None

- VI. Employees' restricted stocks: None

- VII. Mergers, acquisitions or issuance of new shares for acquisition of shares of other companies: None

- VIII. Implementation of capital allocation plan: None

Chapter 4. Business Overview

I. Business activities

(I) Business scope:

1 Main contents

- (1) Commissioned construction of residential buildings, commercial buildings, and plants and offices for lease or sale, appointment by the government's competent authority of industries for the development, lease, and sales of industrial zones.(except for the construction business)
 - (2) Trading, manufacturing, and agency services for of construction materials.
 - (3) Garden landscaping and interior design and construction.(except for the construction business)(except for architect business)
 - (4) Industrial factory buildings lease construction and development.
 - (5) Office building leasing.
2. Revenue breakdown: The Company invests in the construction of residential buildings and the lease and sales of office and commercial buildings, and industrial buildings in Taiwan. The revenue from these businesses account for 100%of the Company's revenue.
 3. The Company's current products: Residences, villas, stores, and plants and offices.
 4. Plans for new product development: The Company will continue to focus on aesthetic residential buildings in prime locations, cooperate with government policies in promoting residential projects for urban renewal, as well as promote smart factories and offices that meet the needs of enterprises..

(II) Industry overview:

1. Current state and development of the industry:

(1) Overall political and economic environment:

The US tariff policy has triggered a global trade war, and the global economic and geopolitical situation is currently faced with major challenges

According to data from the International Monetary Fund (IMF), the global economic growth rate in 2024 reached 4.03%, the highest in recent years. The key growth factors included slowing inflation, easing labor market pressure, interest rate cuts by central banks, increased geopolitical risks, and strong demand for artificial intelligence (AI) products. The economic growth rate in 2025 is projected to be than that of 2024. According to the latest forecast, the GDP growth rate in 2025 will be 3.15%, down 0.88 percentage points (pp) from 4.03% in 2024, and economic growth will continue to be sluggish.

Looking ahead to Taiwan's economy in 2025, the annual economic growth rate is expected to reach approximately 3%, or 1 pp lower than 2024. Nevertheless, as the global economy remains resilient and the United States and Europe are

entering a cycle of interest rate cuts, consumption and investment are expected to rise. However, as U.S. President Trump's "tariff storm" triggered a global trade war in April, global stock markets have since plummeted. Under the tariff trade war, economic growth may be revised down by more than 1%. Although the application of emerging technologies such as AI has grown domestically, driving exports values up, the international economic trend continues to be chaotic, and Taiwan's overall economy in 2025 will be full of challenges.

(2) Number of units transferred in sales:

The number of property transfers in Taiwan reached 358,000 units in 2024, setting an 11-year record; but Central Bank's anti-speculation policies in September cooled off the market

Benefiting from the strong support from the "New Preferential Housing Loans for the Youth" program, Taiwan's housing market rebounded strongly in 2024. Real estate prices soared from January to September both in terms of units transferred and sale prices. However, the Central Bank launched the seventh round of credit controls in late September, and real estate took a sharp turn for the worse. The number of units transferred in sales throughout the year was 358,000 units. The effects of the latest round of the Central Bank's effort to curb speculation in the housing market will be fully revealed in 2025, and the property industry is expected to suffer for quite some time. In 2024, the annual housing transaction volume in Taiwan was around 350,525 units, a growth of 16.3% compared to 307,000 units in 2023. The transaction volume also hit a nearly 11-year high. Property prices remained high and public grievances rose, triggering the Central Bank to take major actions to curb speculation in the housing market. Looking forward to the housing market in 2025, the Year of the Snake, 'sale volume reduction and price decline' seems to have become a market consensus. The biggest variable in the housing market in the Year of the Snake is the Central Bank's selective credit controls. If the Central Bank's credit controls are not lifted, or worse, if it chooses to implement even more restrictive policies to curb speculation in the housing market, the annual housing transaction volume will be revised down to around 300,000 units, a drop of about 15%.

Number of units transferred in sales

Year	Number of units	Annual growth rate
2017	266 thousand	8.5%

2018	278 thousand	4.5%
2019	300.2 thousand	8%
2020	326 thousand	8.6%
2021	348 thousand	6.8%
2022	317 thousand	-8.9%
2023	30.6 thousand	-3.5%
2024	35.05 thousand	16.3%

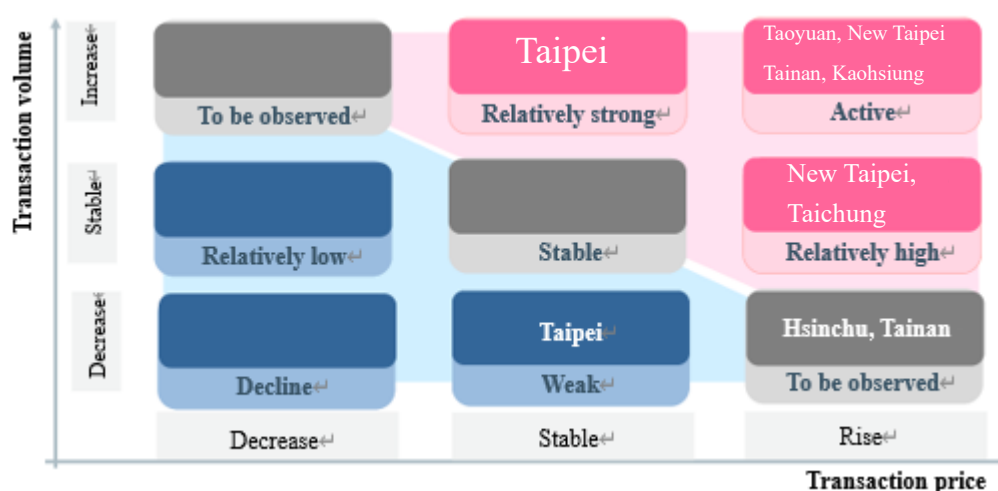
Source: Construction and Planning Agency, Ministry of the Interior

2. Project scale and categories

(1) Both price and volume increased across Taiwan in 2024, and prices expected to remain stable while volume will shrink in short-term

Looking back at the whole year, in the first half of 2024, demand perked up in the housing market and both prices and volumes rose, driven by Taiwan's stock market hitting new highs, the continued boom in tech sector driving investment, the "New Preferential Housing Loans for the Youth" program, and inflation expectations. In the second half of the year, the Central Bank tightened credit controls, applications for preferential housing loans were strictly reviewed, and coupled with the high increase in housing prices, the sales ratio in Q4 dropped significantly, demand plummeted, and transaction volume decreased. However, in 2024, the average housing market price and volume both increased throughout Taiwan, and the market was very active.

Transaction prices grew and transaction volume increased; the overall housing market performed very well



Source: Cathay Real Estate Indicator 2024 Q4 Quarterly Report

Nationwide [↵]		2024					2023	Annual change rate [↵]
		Q1	Q2	Q3	Q4	Annual [↵]	Annual [↵]	
Possible transaction price (ten thousand/ping) [↵]		49.70	53.03	56.81	57.46	54.32	48.78	11.34%(+++)
Price negotiation ratio		6.52	6.83	6.87	7.04	6.83	7.82	-0.99(Δ)
Asking price (ten thousand/ping) [↵]		53.17	56.92	61.01	61.81	58.30	52.92	10.16%(+++)
Number of projects launched [↵]	Amount (in NTS100 million) [↵]	2,739	5,575	5,682	4,698	18,694	14,260	31.10%(++)
	Number of units (units) [↵]	14,917	27,645	25,068	21,996	89,626	78,564	14.08%(Δ)
30-day sales rate (%) [↵]		16.90	22.12	18.86	11.07	17.63	11.46	6.17(+++)
Number of projects launched [↵]	Amount [↵]	98.46	262.25	227.88	110.64	174.81	87.37	100.07%(+++)
	Number of units [↵]	87.75	212.82	164.52	84.76	137.46	78.12	75.95%(++)
Price and Volume Trends [↵]		Price increase volume	Value and volume both	Price increase volume	Price stable volume	Value and volume both grew [↵]		

Source: Cathay Real Estate Indicator 2024 Q4 Quarterly Report

(2) Market performance in different regions

A. Residential buildings

1. Taipei City - Stable prices and shrinking volume

In 2024, the prices of new projects on the market in Taipei was stable while the transaction volume increased, and demand was relatively strong. As the launch locations mostly brought peak sales for the quarter, sales performance was good, and small residential products in prime locations were highly sought-after. However, there were signs indicating a reverse in demand starting in Q4, with the sales rate remaining at only 10.54%, down 5.58 pp compared to the average sales rate of 16.12% in the first three quarters..

Taipei City		2024					2023	Annual change rate [↵]
		Q1	Q2	Q3	Q4	Annual [↵]	Annual [↵]	
Possible transaction price (ten thousand/ping) [↵]		109.19	112.58	121.02	124.70	118.01	115.20	2.44%(Δ)
Price negotiation ratio		5.57	6.31	5.26	6.08	5.73	5.63	0.11(Δ)
Asking price (ten thousand/ping) [↵]		115.63	120.17	127.74	132.77	125.19	122.07	2.56%(Δ)
Number of projects launched [↵]	Amount (in NTS100 million) [↵]	229	982	1,661	786	3,658	1,868	95.88%(+++)
	Number of units (units) [↵]	606	2,309	3,769	1,765	8,449	3,999	111.28%(+++)
30-day sales rate (%) [↵]		18.27	16.33	15.73	10.54	14.96	8.89	6.06(++)
Number of projects launched [↵]	Amount [↵]	42.53	163.40	266.27	84.37	139.14	42.28	229.11%(+++)
	Number of units [↵]	53.99	183.84	289.18	90.71	154.43	43.35	256.20%(+++)
Price and Volume Trends [↵]		Price drop stable quantity	Value and volume both	Value and volume both	Price increase volume reduction [↵]	Price stable volume increase [↵]		

2. New Taipei City-rising prices and stable transaction volume

In 2024, the prices of new projects on the market in New Taipei City

increased while the transaction volume was stable, and demand was relatively high. The transaction price increased significantly throughout the year, with some benchmark projects setting regional highs. Due to brand awareness and product advantages, sales performance in the first three quarters was still good. However, there were signs indicating a reverse in demand starting in Q4, with the sales rate remaining at only 7.6%, a significant drop of 8.3 pp compared to the average sales rate of 15.9% in the first three quarters.

New Taipei City		2024				2023	Annual change rate	
		Q1	Q2	Q3	Q4	Annual		
Possible transaction price (ten thousand/ping)		61.73	61.51	68.68	69.91	64.98	57.63	12.76%(+++)
Price negotiation ratio		5.53	6.05	4.85	5.27	5.43	6.89	-1.46(-)
Asking price (ten thousand/ping)		65.34	65.48	72.19	73.79	68.71	61.89	11.02%(++)
Number of projects launched	Amount (in NT\$100 million)	743	1,256	939	1,027	3,964	3,140	26.23%(Δ)
	Number of units (units)	3,288	5,867	4,397	5,723	19,275	17,988	7.15%(Δ)
30-day sales rate (%)		18.32	14.10	16.51	7.60	13.44	11.41	2.03(Δ)
Number of projects launched	Amount	129.80	168.80	147.82	74.43	130.21	85.79	51.79%(+)
	Number of units	104.91	144.04	126.45	75.75	112.79	89.37	26.20%(Δ)
Price and Volume Trends		Price stable volume reduction	Price stable volume increase	Price increase volume reduction	Price stable volume increase	Price increase volume stable		

3. Tainan City - Value and volume both grew

In 2024, the prices of new projects and transaction volume in Tainan City both soared; the housing market was very active. TSMC's 3nm production in Southern Taiwan Science Park (STSP) has attracted international suppliers to move into the area. The area surrounding STSP and the Northern Outer Ring Expressway became very popular in the real estate market. The technology hub and rising stock market both shifted funding and capital toward the real estate market, leading to an enormous increase in demand and transaction volume. However, there were signs indicating a reverse in demand starting in Q4, with the sales rate remaining at only 18.69%, a significant drop of 7.01 pp compared to the average sales rate of 25.71% in the first three quarters.

Tainan City		2024				2023	Annual change rate	
		Q1	Q2	Q3	Q4	Annual		
Possible transaction price (ten thousand/ping)		34.04	36.42	36.10	35.98	35.97	33.64	6.95%(++)
Price negotiation ratio		5.31	7.00	7.32	6.09	6.50	6.96	-0.46(Δ)
Asking price (ten thousand/ping)		35.95	39.16	38.95	38.32	38.47	36.15	6.43%(++)
Number of projects launched	Amount (in NT\$100 million)	276	476	268	334	1,355	1,043	29.86%(+)
	Number of units (units)	1,922	3,421	1,867	2,386	9,596	7,547	27.15%(++)
30-day sales rate (%)		15.47	34.00	21.05	18.69	23.96	15.74	8.22(+++)
Number of projects launched	Amount	176.40	667.84	232.58	257.89	333.68	168.69	97.80%(+++)
	Number of units	139.87	547.15	184.90	209.82	270.43	139.70	93.58%(+++)
Price and Volume Trends		Value and volume both grew	Value and volume both grew	Price stable volume reduction	Value and volume both stable	Value and volume both grew		

Source: Cathay Real Estate Indicator 2024 Q4 Quarterly Report

4. Kaohsiung City - Value and volume both grew

In 2024, the prices of new projects and transaction volume in Kaohsiung City both soared; the market was very active. Benefiting from the AI industry boom and the construction of the "Southern Semiconductor S Corridor", which has brought a demographic dividend to the technology industry, Kaohsiung's housing market has continued to thrive and demand showed significant growth. Its sales rate was the highest among the seven major cities throughout Taiwan. However, there were signs indicating a reverse in demand starting in Q4, with the sales rate remaining at only 13.68%, a significant drop of 17.08 pp compared to the average sales rate of 30.76% in the first three quarters.

Kaohsiung City		2024					2023	Annual change rate
		Q1	Q2	Q3	Q4	Annual	Annual	
Possible transaction price (ten thousand/ping)		33.33	33.60	35.16	34.96	34.30	32.17	6.63%(+)
Price negotiation ratio		8.83	9.30	10.49	11.17	10.14	11.50	-1.36(-)
Asking price (ten thousand/ping)		36.56	37.05	39.29	39.35	38.17	36.35	5.02%(Δ)
Number of projects launched	Amount (in NTS100 million)	278	634	850	599	2,360	2,141	10.26%(Δ)
	Number of units	1,739	3,825	4,541	3,751	13,856	15,424	-10.17%(-)
30-day sales rate (%)		29.97	34.51	27.90	13.68	26.13	10.85	15.28(+++)
Number of projects launched	Amount	154.13	404.61	438.29	151.37	287.10	109.41	162.41%(+++)
	Number of units	124.36	314.93	302.27	122.39	215.99	99.86	116.30%(+++)
Price and Volume Trends		Price stable volume reduction	Price stable volume increase	Price increase volume stable	Price stable volume increase	Value and volume both grew		

Source: Cathay Real Estate Indicator 2024 Q4 Quarterly Report

As for the land market, we still need to continue to pay attention to the transaction performance of the residential market under the policy of curb speculation in the housing market. It is expected that in the first half of 2025, developers will be more conservative in their attitude towards purchasing empty land, while developers with strong financial strength will turn their funds to old commercial buildings and storefronts in townhouses in prime locations that are suitable for reconstruction.

B.Plants and offices

Overview of commercial real estate transactions: **Industrial property transaction volume hits a record high as self-use demand from the industry soars**

Looking back at the performance of commercial real estate

transactions in 2024, benefiting from industrial growth, which has driven the demand for commercial offices, factory offices, industrial land, factories, logistics warehousing and other products, the commercial market transactions were active throughout the year, even setting a number of historical records. The transaction amount of office products was NT\$32.1 billion, accounting for 63%; The transaction amount of industrial real estate was NT\$10.4 billion, accounting for 20%; The transaction amount of hotels and stores was NT\$8.4 billion, accounting for 17%.

In terms of industrial real estate transaction performance, cumulative investment for the year reached NT\$108.7 billion, up 212% year-on-year. The transaction volume exceeded NT\$100 billion, setting a new record since relevant statistical data were kept, indicating a thriving industrial real estate market.

Average office price/gross rental capitalization rate in Taipei



Average selling price/gross rental capitalization rate of offices at all grades in Taipei City.

Transaction market	Average sales price (NT\$10 thousand/ping)			Gross rental capitalization rate (%)		
	Trend	2024 Q4	2024 Q3	Trend	2024 Q4	2024 Q3
Average value	▲	94.9	94.2	■	2.47%	2.45%
A+ grade	■	155.8	155.8	■	2.28%	2.26%
Grade A	■	100.3	100.0	■	2.50%	2.49%
Grade B	▲	82.5	81.4	▲	2.49%	2.46%

Source: Survey from Sinyi Global Asset Management Inc.

Description of data

Building grade: Building grade is classified based on five major factors: location, building conditions, equipment quality, management and maintenance, and tenant composition. The rent standard of the building is also used as a basis for determination. The grades are A+, Grade A, and Grade B, among which Grade A+ office buildings accounted for 37% of the survey sample, while Grade A offices accounted for 34%, and Grade B office buildings accounted for 29%.

Source: Sinyi Global Asset Management Inc

(C) Urban renewal policy

In 2024, Taiwan's urban renewal policy saw significant progress and strong growth driver in the reconstruction of old buildings and improvement of the cityscape.

I. Amendment to the Urban Renewal Act has expanded the scope of its application

On October 25, 2024, the Legislative Yuan passed the third reading of the amendment to Article 65 of the Urban Renewal Act, expanding the scope of application of the building bulk control to include

legal buildings that have registered and applied for construction permits before the implementation of building bulk control. It is estimated that 8,216 buildings and approximately 270,000 households across Taiwan will benefit from this move, which will significantly increase the willingness of building owners to participate in urban renewal and accelerate the reconstruction of old buildings.

II. Taipei City is actively promoting urban renewal policy

The Taipei City Government continued to promote its "Eight Arrows of Urban Renewal" policy in 2024, adding measures such as the "Disaster-Resilience Urban Renewal Project Plan" to provide a building bulk incentive of up to 30% for buildings with a land area of more than 1,000 square meters and a building seismic performance assessment value of less than 0.35, or buildings that obtained construction permits before February 15, 1974. In addition, the acceptance threshold for public urban renewal has been lowered, the review process has been accelerated, and building bulk incentives have been increased to encourage private participation in urban renewal.

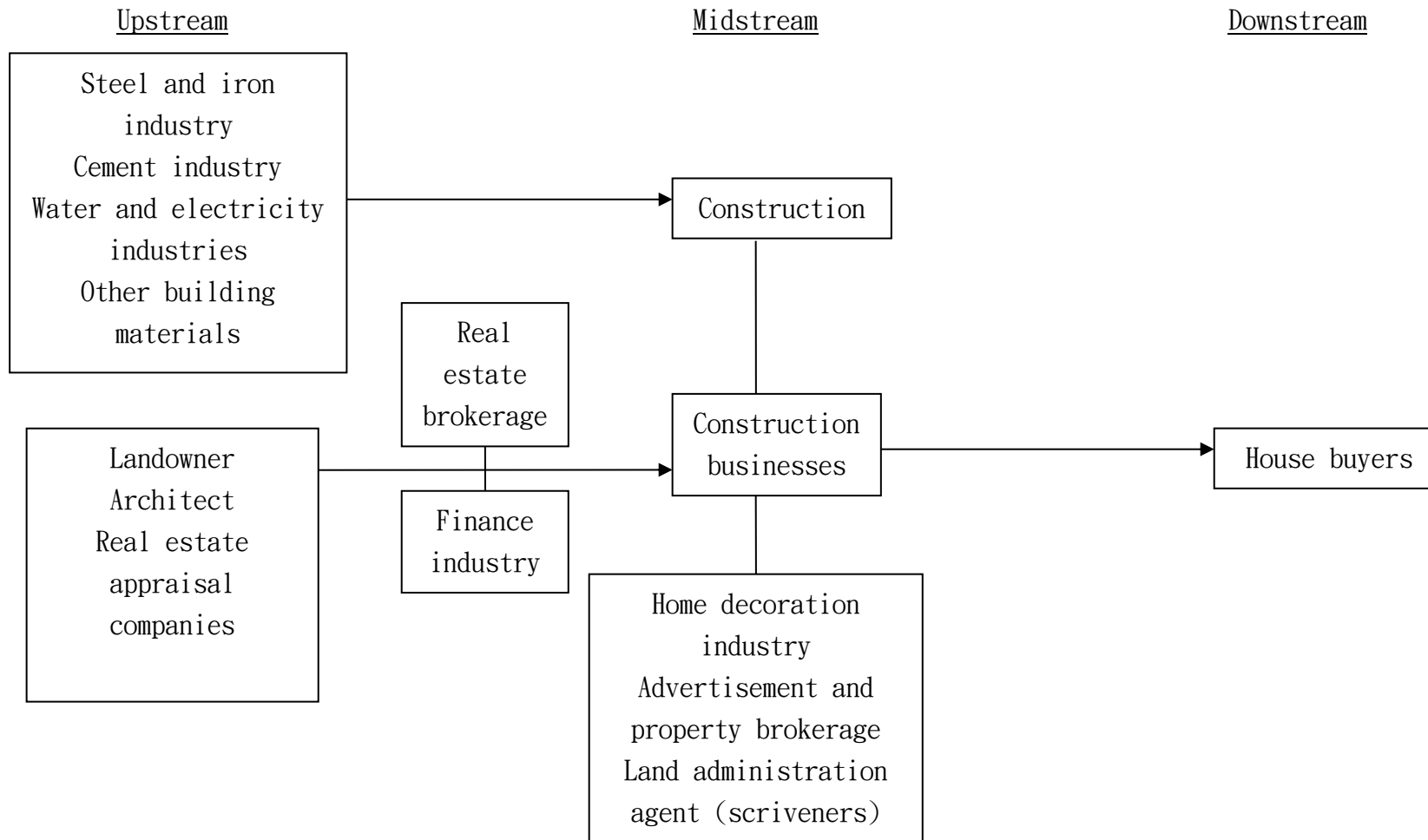
In November 2024, the Taipei City Government launched a comprehensive review of the city's areas requiring urban renewal. The existing 85 renewal areas covering 655 hectares has been increased by more than 400 hectares. Not only has the bar for urban renewal approval been lowered for the the preceding designated renewal areas, but renewal projects at these areas can also receive a 10% time-schedule building bulk incentive. In addition, if an area is also eligible for disaster resilience renewal, there will be even greater benefits for reconstructing old houses.

III. New Taipei City's diversified urban renewal has achieved remarkable results

The New Taipei City Government has been promoting its "Three Arrows of Urban Renewal Policy" by providing diversified urban renewal solutions for old buildings. Cumulatively, more than 1,000 projects have been approved by the end of August 2024. In the future, the city government will continue to accelerate its review process and expand the capacity of urban renewal.

To better utilize the preceding policy benefits, the Company actively pays attention to and studies relevant regulatory changes and evaluates the feasibility of participating in urban renewal projects. We will continue to track legislative updates and seek opportunities to cooperate with the government and relevant agencies, hoping to create a safer and more comfortable living environment for citizens and improve the overall appearance of the city in midst of the trend and necessity for urban renewal.·

2. Relationships with suppliers in the industry's supply chain



3. Competition

When evaluating new construction projects, the Company first conducts market research and evaluation to understand market demand as a reference for land purchase and future planning and project promotion. We put ourselves in the user's shoes and truly feel their needs starting from the planning phase, coming up with thoughtful design and continuous innovation. We strive to create more sophisticated and more refined size ratios and spatial proportions and utilizations. The Company's response to market competition is divided into:

(1) Product planning

A. Residential products:

As consumption patterns change, the Company launches projects that are in line with market demand and are oriented towards medium and small residential homes. Each project is equipped with preferential payment plans for customers to make purchases with ease.

B. Plants and offices products:

The return of overseas Taiwanese businesses post-epidemic have led to a growth in the demand for factories and offices. In response to a number of favorable factors such as government policies to develop industries, and the outstanding sales performance of the Company's factory and office projects, Kuo Yang will continue to focus on developing factory and offices.

(2) Customer service

A. Introducing digital transformation and intelligent services

The "Home Go" community management smartphone app is introduced during the pre-sale stage to handle residents' needs instantly and provide immediate services. After the handover procedure is completed, community management and security surveillance will be implemented, and after-sales service is fully transparent

B. Overall community building

Diverse community activities are organized for all ages to help residents understand, use, and maintain facilities properly, build consensus among residents, and create a quality and warm community

c. Lifetime housing health check

A professional management team has been set up to provide lifelong housing health check services, and ensure the comfort of residents. And subsequent engineering plan can be adjusted immediately based on the feedback from residents in our buildings, thus effectively improving the quality of our projects..

(III) Overview of technology and R&D:

In addition to continuously updating our knowledge of the latest laws and legal requirements, especially those related to urban renewal, aging, and TOD, the Company has also actively invited external lecturers and manufacturers to exchange information on building materials with us to improve residential, factory, and office products. This ensures that our products meet market demand, help us to achieve more precise product positioning, improve construction technology and engineering quality, and that we are catering to the provide diversified product needs for residential, factory and office, and commercial buildings..

(IV) Long-term and short-term business development plans:

1. Short-term development plans:

(1) Sales plans

The sales strategies of pre-sale projects will be adjusted on a rolling basis according to market changes

(2) Recent proposals

A. The Green Place Phase D - The Green World (residential building)

Located in close proximity to National Museum of Taiwan History, this project overlooks the Tainan Asia-Pacific International Baseball Stadiums and has front row seats to the residential neighborhood in the area. The surrounding public infrastructure include planned elementary school and junior high school, and is 20 meters to the Huanbei North Road to the north, 40 meters to Huanguan Road to the south, 20 meters to Huanguan 3rd Road in the west, and 20 meters to Huanguan 2nd Road to the east. Besides Huanguan Road and Changhe Road, it is also adjacent to the major national transportation project - Tainan Metropolitan Expressway as well as Yongkang Expressway.

The highlight of this product are unit types A and B, which are 6 meters and 7 meters wide and approximately 70 to 84 pings in size, respectively. Dual parking space, two conference rooms, and a villa-type residence with elevators and lots of greenery.

B. Kuo Yang The River Avenue (residential building)

This project is located in Baoyuan Section, Xindian District, New Taipei City, close to Baogao Science and Intellectual Park - The smart technology development hub. It prioritizes maximizing benefits from being close to the

waterfront and creating waterscape resources, and creates a unique waterfront platform for recreation and leisure. The products are planned with an area of 22-47 ping, which meet the rigid market demand for small and medium-sized products with low total price in recent years. This project not only has the advantages of a large base of 1,000 ping, a large park with green environment, comfortable riverbanks, and distance with the park, it is also a key area for New Taipei City to realize a smart city.

C. Kuo Yang Advanced Technology Building (factory/office)

The project is located in the Jiangbei section of Xizhi District, New Taipei City, overlapping the Baochangkeng Industrial Park. It is near the Xike Science Park Station on the MRT Xidong Line currently being planned and intersects with the Taiwan Railway. Its location also leads to easy access to Neihu, Nangang, and the Greater Taipei business district via the provincial highways 1 and 2. Our product plans range from 250 pings for a single household to 1,600 pings for an entire floor, with a standard building height of 5 meters, ideal for the deployment of smart technology and large industrial machinery. It is located in a rare flagship headquarters surrounded by greenery, mountain views, and is only 125 meters away from waterfront facing the Keelung River.

D. Kuo Yang Intercontinental Corporate Head Office (Plants and office)

The Project is located on Juzong Section, Neihu Technology Park, Taipei City. It is connected to central Taipei to the west and Nangang and Xizhi to the east. It will also be connected by the MRT Circular Line East Section and Minsheng Xizhi Line. The area already has comprehensive functions and the products are planned as units with 80 pings per household to 1,200 pings for the entire floor

2. Long-term development plans::

(1) **Land development strategies: Focus on the core municipalities of Taipei, New Taipei and Kaohsiung**

Looking back at 2024, the Company continued to prioritize the strategic layout of land development in the three municipal areas of Taipei City, New Taipei City, and Kaohsiung in line with our project launch plans. As for Tainan, we flexibly responded to demand based on individual project conditions. As empty land in prime areas continues to be scarce and expensive, it has become significantly more difficult to acquire land through traditional sales methods. Therefore, the

Company has opted for diverse methods such as joint construction, commissioned construction, urban renewal and public urban renewal participation, in which we actively cooperated with central and local governments' urban renewal policies to seize land and development rights.

In particular, with the support from the "Eight Arrows of Urban Renewal" and "Urban Renewal 168 Project" from Taipei City Government, the Company has identified a number of potential construction sites, and is actively negotiating collaborative opportunities in areas with policy incentives and urgency for reconstruction in order to establish long-term development resources..

(2) Product planning: Implement region-specific strategies to achieve accurate positioning

The Company's future product planning will propose differentiated construction strategies based on the characteristics of different regions and the needs of home buyers:

• **Taipei and New Taipei City:**

1. Focusing on the first-time home buyer and buy-and-sell markets, we are launching residential products with hybrid functions such as green architecture, seismic-resistant design, and smart building materials.
2. In response to the needs of Taiwan's industrial chain, we accurately purchased industrial land in prime locations and launched industrial factories and offices that comply with green building, smart building, and sustainable building designs to ensure the Company's stable income.

- **Kaohsiung:** In conjunction with the development of the Kaohsiung Science Park (KSP) and the MRT lines, we have deployed planning and concepts such as green buildings and smart buildings, provided high-end commercial and office products and livable residential products to address the demand for commercial and quality residential properties from companies that set up factories in the region.

To enhance the project's market competitiveness and regional influence, each project will have clearly defined product value and target customer groups based on its respective location and scale.

(3) Resource integration: Reinforcing digital governance and process efficiency

The Company continues to strengthen information integration and has completed the integration of internal ERP, BIM, and CRM systems in 2024 to improve our

work efficiency and risk control capabilities.

For customer service processes, we have introduced online, modular and data visualization management methods to strengthen after-sales follow-up and customer service quality, and optimize brand reputation and customer experience.

(4) Human resources and organizational development: Building a resilient and forward-looking team

To meet the Company's land development and project expansion needs, we continued to promote human resources inventory and re-education plans in 2024, achieving the following highlights:

- Established a project-based organization system that flexibly allocates the functions required for a project and improves the efficiency in inter-departmental collaboration.
- Strengthened talent cultivation and talent pool in four core functions, namely urban renewal, legal affairs involved in joint constructions, BIM modeling, and digital marketing.
- Strengthened internal promotion systems and talent retention mechanisms to provide competitive career development and work environment.

The Company believes that only by continuously improving the quality of our employees and organizational resilience can we keep up with the rapidly changing land and construction market and achieve our core goal of sustainable operation.

II. Overview of market, production, and sales

(I) Market analysis

1. Market conditions and forecast of Taiwan's housing market in 2025

In 2025, Taiwan's housing market will face a multitude of influencing factors, ranging from changes in policies, economic environment, and market demand. These will all become important factors in determining housing market trends. Below is an in-depth look at the key trends in the housing market in 2025:

(1) Impact of government policies:

The government's policy to curb housing speculation will be an important influence on the housing market in 2025. Since 2024, the government has implemented the seventh round of credit control measures, the review of mortgages has become more stringent, and restrictions have been imposed on high-ratio loans. This has had a severe impact on housing demand, especially for young people and first-time home buyers, as it has become more difficult to apply for mortgages, which has suppressed housing demand.

(2) Interest rate changes and loan environment:

Due to the impact of global interest rate changes, Taiwan's mortgage interest rates are also facing pressure for changes. Even though interest rates are currently high, there is still uncertainty in the market about the future direction of interest rates. Housing demand will be directly affected if the Central Bank adjusts interest rates or policies again in the second half of 2025. The rise in interest rates will impose a greater burden on home buyers, especially those who intend to invest, and will in turn suppress housing market transaction volume.

(3) Impact of industry and technology-driven demand:

The technology industry will continue to be an important driver of Taiwan's housing market. In 2025, with the advancement of 5G, AI technology, and semiconductor industries, Taiwan's high-tech industry will further develop and thus may form even more demographic clusters. This is especially true for science and technology parks in northern Taiwan and other related areas. Residential demand in these areas may bounce back.

(4) Population structure and regional development:

Taiwan is facing the problem of an aging population and its birth rate continues to decline. Changes in the demographic structure will affect the structure of housing market demand in the coming years. The growth of the elderly population will drive demand for accessible homes with better amenities. Therefore, when choosing real estate investment, geographical location, convenience of living, and possible regional development potential in the future will become key factors that investors need to pay particular attention to.

(5) Real estate investment trends:

Under the influence of government policies and residential mortgage restrictions, the demand for factories and offices has increased, and more investors may turn to the commercial real estate and rental markets.

(6) Overall market trend forecast:

Overall, Taiwan's housing market in 2025 will show a trajectory of "starting low and ending low". By observing the government's policies, the global economy and tariff changes in the second half of the year, it can be seen that these factors will once again shake up the housing market.

2. Survey on residential housing demand

The survey on housing demand in 2024 was implemented in accordance with the overall residential building policy, and the targets of the survey were applicants for rental subsidies throughout the 22 counties and cities in Taiwan. The 2023 survey data showed that of all the areas for leased residential buildings, in terms of households, the type of social housing properties in highest demand among applicants for rental subsidies was "one bedroom" (36.2%), followed by "two bedrooms" (33.0%), which combine for nearly 70%, which are followed by demand for "three bedrooms" (24.5%) and "four bedrooms or above" (6.3%). In terms of one-bedroom properties, among the six municipalities, Tainan City (40.1%) and Taipei City (37.0%) had higher ratios, while New Taipei City (29.2%)

had a lower ratio. In terms of two-bedroom properties, among the six municipalities, Taipei City (37.2%) and New Taipei City (36.4%) had higher ratios, while Tainan City (30.8%) had a lower ratio. In terms of three-bedroom properties, among the six municipalities, New Taipei City (29.4%) and Taoyuan City (27.3%) had higher ratios, while Tainan City (22.4%) had a lower ratio.

Among all rental housing areas, the area of social housing required by applicants of rent subsidies after evaluating household conditions is as follows: A higher percentage of the applicants required "more than 8 pings and above but less than 14 pings" (30.9%), followed by "20 pings and above but less than 30 pings" (26.6%), followed by "14 pings and above but less than 20 pings" (23.5%). Among the six municipalities, Tainan City (34.4%) and Taichung City (33.2%) have the highest ratios in terms of area between 8 pings and less than 14 pings. Among the six municipalities, New Taipei City (34.0%) and Taoyuan City (30.1%) have the highest ratios in terms of areas between 20 pings and less than 30 pings. Among the six municipalities, Taichung City (24.4%) and Taipei City (24.2%) have the highest ratios in terms of area between 14 pings and less than 20 pings.

Based on the data above, among current demand for products in Taiwan's real estate market, one-bedroom and two-bedroom housing units have the highest demand.

3. Survey on demand for plants and offices

With the continued surge in order placements for major AI-related publicly listed companies such as TSMC, Nvidia, and AMD, Taiwan's high-tech industry has also been driven to engage in factory expansions and purchase land. Coupled with the continued growth of the e-commerce and logistics industries, and the fact that property developers are optimistic about the enterprises purchasing own-use plants and factories and the commercial property market, the transaction amount of commercial real estate in Taiwan in 2024, the Year of the Dragon, has reached a record high of NT\$172.1 billion (excluding land).

In recent years, commercial real estate transactions and development have continued to grow steadily. There are three main reasons for this growth: first, with the return of overseas Taiwanese businesses to invest in recent years, corporate profits have continued to expand. Second, with the increasing popularity of online shopping and the expansion of e-commerce and logistics industries, the demand for

warehousing ranging from hundreds of pings to tens of thousands of pings continues to grow. Lastly, many developers are optimistic about the commercial real estate market and have launched relevant projects, invested in commercial offices and engaged in industrial real estate. Commercial real estate transactions continue to grow steadily, and because most of them are for self-use, they have not experienced the same fluctuations as the residential market.

In recent years, industrial real estate demand and transactions remain the hottest in the real estate market. Transactions reached NT\$96.41 billion, or nearly NT\$100 billion, in 2024. Plants and offices also reached NT\$31.54 billion, totaling NT\$127.95 billion, and both amounts set historical records. In addition, life insurance companies that previously only invested in commercial and office buildings have, due to their optimism about industrial real estate, also invested in large factories, offices, logistics centers, etc. in recent years in order to achieve a high and stable rate of return.

Among the top ten transactions in 2024, six were commercial real estate. The largest transaction, as expected, was TSMC's purchase of its STSP plant, priced at NT\$17.1 billion. In recent years, TSMC has purchased land and set up factories in Taoyuan, Miaoli, Hsinchu, Chiayi, Tainan, Kaohsiung, etc. The second largest transaction was Taiwan Life Insurance's purchase of land in the Taoyuan Aerotropolis Project site. The life insurance industry is optimistic about the high and stable rental characteristics that the commercial real estate offers and has started to seize these opportunities. Real estate in these areas can be developed into shopping malls, offices, hotels, logistics centers, etc., and this particular purchase was priced at NT\$13.749 billion.

4. Future market supply and demand and product positioning

The seventh round of the Central Bank's attempt to curb real estate speculation in 2024 can be regarded as the harshest that the real estate market has experienced in recent years. With financial institutions making it more difficult to approve loans, demand has dwindled. Therefore, consumer confidence has declined for three consecutive months since September, which has also led to a rapid decline in the overall real estate market in Q4, as compared with the first three quarters. Though traditionally a peak season for real estate, year-end of 2024 saw very little transactions. Although the much anticipated Central Bank Supervisory Board Conference, which took place in December 2024, chose to pause and did not further

implement an eighth round of controls, which seemed to be perk for the real estate market; nevertheless, measures from the seventh round were not eased, and they continued to affect the real estate market. Moreover, the Ministry of Finance and the FSC actively prevented loopholes and repeatedly strengthened financial inspections, and the impact of which were no less than that of the credit controls of the Central Bank on the housing market. Therefore, the subsequent development of the housing market can be observed from the following three major trends.

The first is the "movement of capital". Recently, the Financial Supervisory Commission (FSC) has been keeping a close eye on the real estate loans of leasing and financing companies, requiring financial institutions to set up defenses against the flow of the financing companies' funds, thus disrupting the working capital replenishment of small and medium-sized developers. The Central Bank is also paying close attention to whether various loans will flow into the housing market under different pretenses. Therefore, the tightening or easing of capital restrictions will continue to affect the launch of new projects and buying sentiment in the housing market in the upcoming years.

The second is the "supply and demand". After the Central Bank Supervisory Board Conference in Q4, Ching-Long Yang, Governor of the Central Bank, emphasized that certain land acquisition loan projects had the deficiency of having insufficient reserve funds for building construction. If this is strictly investigated in the future, the project launch planning of developers may be disrupted, and the resulting supply and demand fluctuations will also become an important variable in the housing market in 2025.

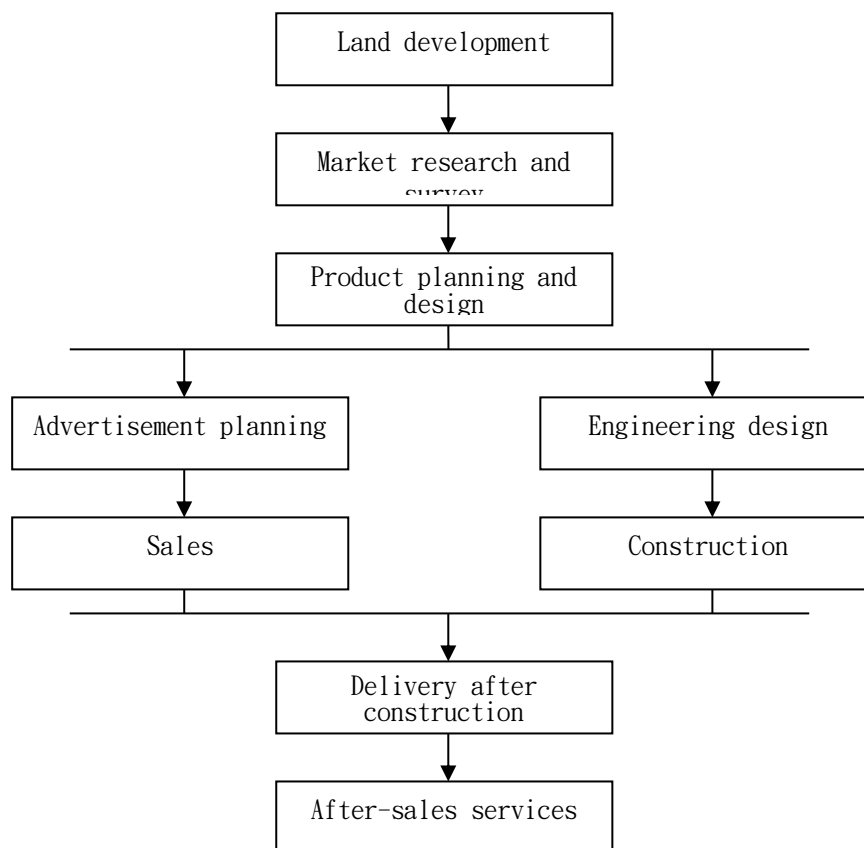
The third is the "construction sentiment". The government is vigorously cracking down on housing speculation, but regionally, construction remains active, especially the development of industrial parks and investment recruitment. These factors proved to be strong driving forces on the surrounding housing market. In addition, the industrial and commercial real estate required by enterprises has relatively little policy interference. Therefore, the performance of local construction will be a key indicator of the regional housing market in 2025. In sum, as the general environment of curbing housing speculation remains unchanged, it is estimated that the housing market in the Year of the Snake will develop in a trend that shows "shrinking volume and stagnant prices".

(II) Application and production of key products

1. Major applications of main products

The Company's main businesses are the construction of residential buildings, office buildings, and industrial plants for lease and sales. Lease.

2. Production process of main products



(III) Supply status of primary raw materials

1. Land for construction

In terms of land development, the Company continues to launch a stable number of projects. To actively acquire land and effectively accelerate the progress of existing projects, the Division makes good use of sources of land provided by brokers and attends land tender seminars organized by public and private institutions across Taiwan. We also conduct feasibility analyses on individual land tenders or public urban renewal projects. The Company expands development beyond residential projects and adopts different product positioning based on the different economic, environmental, and social needs in each area. The main products can be divided into residential buildings and commercial buildings based on their functions. The Company also targets other projects including office buildings and factory plants and offices. After collecting related information, we actively participate in the tenders of feasible projects. We learn about the location, ownership, and quantity of land materials in specific areas

and actively request real estate brokers to broker deals. The Company's long-term diversified land development strategy focuses on joint development with owners of private land, urban renewal projects, and other related development models for project evaluations. We increase the diversity of projects and acquire land when necessary to meet the Company's operational needs. The Company is also open to strategic alliances or joint development with other developers to integrate external resources, develop more projects, and create more sources of revenue for the Company.

- (1) Residential buildings: Urban renewal, public urban renewal, joint construction
- (2) Plants and offices: Urban renewal, joint construction, land purchase
- (3) Commercial offices: Focus on Southern Taiwan Science Park, transportation hubs, and prime locations

2. Construction projects

The Company appoints architects' offices with domestic qualifications for the design of projects to maintain the Company's brand image and the quality of projects. We also appoint Grade A construction companies in Taiwan for the construction of the main parts of construction projects. The parties sign official contract to protect the Company's interests and closely monitor the construction costs and profits.

(IV) Names of customers who accounted for more than 10%of the purchase(sales)in any of the last two years, and the purchase(sales)amount and ratio

1.List of key suppliers

Key suppliers in the last two years

Unit: NT\$1,000

Item	2023				2024			
	Name	Amount	Percentage of net purchases of the year(%)	Relationship with issuer	Name	Amount	Percentage of net purchases of the year(%)	Relationship with issuer
1	Continental Engineering Corporation	269,312	17.36%	None	Jin Xiexing construction co., Ltd.	850,038	30.52%	None
2	Jin Xiexing construction co., Ltd.	212,685	13.71%	None	Kaohsiung City Government	406,733	14.60%	None
3	zangyu construction co., Ltd.	190,862	12.31%	None	Chun Chieh Construction Co., Ltd.	297,292	10.67%	None
4	Chun Chieh Construction Co., Ltd.	148,700	9.59%	None	Continental Engineering Corporation	220,979	7.93%	None
5	Li Zhaojia Architects	43,803	2.82%	None	zangyu construction co., Ltd.	133,157	4.78%	None
6	Other	685,718	44.21%	-	Other	877,159	31.50%	-
	Net purchases of goods	1,551,080	100%	-	Net purchases of goods	2,785,358	100%	-

Note: The purchases include the cost of land acquisition, construction cost, and capitalized interest expenses. The sellers of land purchases are summarized and expressed for each construction project. The capitalized interest expenses cannot be expressed individually for each seller. The amount of capitalized interest expenses in 2024 and 2023 was NT\$184,506 thousand and NT\$146,328 thousand, respectively.

2. List of key clients:

The Company is a construction company and products are generally sold directly to regular house buyers. Therefore, the Company generally does not have key clients.

The operating revenue in 2024 derived mainly from the construction revenue from The Green Place and Kuo Yang Project As, there were cases where a single buyer accounts for more than 10% of total sales in this year.

Item	2024				2023				As of the last quarter of 2015 NA			
	Name	Amount	Percentage of net sales of the year(%)	Relationship with issuer	Name	Amount	Percentage of net sales of the year(%)	Relationship with issuer	Name	Amount	Percentage of net sales in the current year ending in the previous quarter (%)	Relationship with issuer
1	A	108,159	11.80	None	-	-	-	-	-	-	-	-
2	other	499,533	88.20	None	other	735,459	100.00	None	-	-	-	-
	net sales	607,692	100.00	-	net sales	735,459	100.00	None	-	-	-	-

The names of customers who account for more than 10% of the total sales in the most recent two years shall be represented by code names because the names of customers cannot be disclosed under the contract or the transaction partners are individuals and not related parties.

III. Employees: Employee information for the last two years until the publication date of the Annual Report

Year		2023	2024	Current year as of March 31, 2025(Note)
Number of employees	Manager	7	7	7
	General employees	69	77	77
	Total	76	84	84
Average age		48.6	48.0	48.1
Average years of service		10	9.6	9.7
Academic qualifications	Ph.D.	0	0	0
	Master's Degree	22.37%	19.05%	19.05%
	Bachelor's Degree	64.47%	69.05%	69.05%
	Senior High School	13.16%	11.90%	11.90%
	Senior High School and below	-	-	-

Note: The Company shall fill information for the current fiscal year until the publication date of the Annual Report.

IV. Environmental protection expenditure information

- (I) According to laws and regulations, if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made: Not applicable.
- (II) The Company's investment in environmental pollution prevention equipment, use, and expected benefits: Not applicable.
- (III) Explanation of the pollution treatment and environment improvement of the Company over last two years until the publication date of this report. If there had been any pollution dispute, its handling process will also be explained: None.
- (IV) Total losses and fines for environmental pollution in the two most recent fiscal years and as of the publication date of the Annual Report, and explanations of the measures and possible disbursements to be made in the future: None.
- (V) Explain the current status of pollution, its effects on the Company's earnings, competitive position and capital spending, and capital expenditure estimated major environmental protection measures in the next two years:

The Company's operations have not created environmental pollution issues and the Company has not sustained losses due to pollution. The Company also does not expect to incur material environmental protection expenditures in the future.

V. Employer-employee relations:

- (I) Current important labor-management agreements and implementation:

1. Employee welfare measures:

The Company pays close attention to employee benefits and implements benefit measures systematically on a regular basis. The main items are as follows:

- The Company purchases labor insurance, health insurance, and commercial

- group insurance (including medical insurance) for each employee.
- Marriage, funeral, and childbirth subsidies, and employee birthday gift money.
- The Company distributes gift money and presents each employee with gift boxes on Dragon Boat Festival, Mid-Autumn Festival, and Chinese New Year.
- The Company organizes employee travel in Taiwan and abroad from time to time to help employees balance work and life.
- We organize dinner parties between different departments to increase employee cohesion.

2. Employee training programs:

- We periodically organize internal and external training programs to enhance employees' competitive advantages, inspire potential, and consolidate important competitive advantages for the Company's sustainability.
- We visit the construction projects of competitors from time to time and request suppliers to organize seminars on building materials at the Company.

3. Employee health and construction site safety:

- Health examination: The Company provides regular subsidies for employees' health examinations to take care of employees' health.
- Medical supplies: General medical kit: The Company has installed an automated external defibrillator (AED) at the Company and provided first-aid training.
- Maintenance of a comfortable and healthy office environment: The office was relocated to the new "Diamond-class" United Daily News Office Building which is monitored for PM2.5 each day. The Company also regularly cleans and disinfects the office environment.

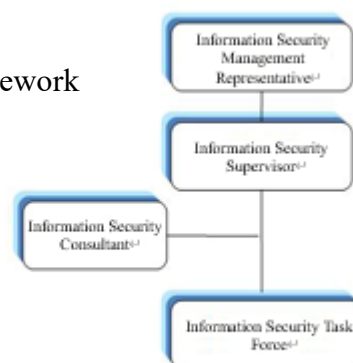
4. Employee retirement system:

- New system of the Labor Pension Act: The Company pays 6% of employees' wages to the dedicated personal pension account at the Bureau of Labor Insurance each month. For those who voluntarily pay additional pension, the Company deducts amounts from the employees' monthly salary based on the voluntary appropriation rate each month.

- (II) 1. Losses arising as a result of labor disputes in the recent year up until the publication date of this annual report: None
2. Estimations for possible losses in the future and response measures: None

VI. Information security management

(I) Information Security Risk Management Framework



- (1) Information Security Management Representative: The president or department head is responsible for the direction and strategy of information security development.
- (2) Information Security Supervisor: Plan and design information security software and hardware systems and formulate information security management regulations.
- (3) Information Security Consultant: Provide consultation on information security related issues to improve the reliability of information security systems.
- (4) Information Security Task Force: Information security maintenance and training.

(II) Information Security Policy

The Company established the "Computer Information and Information Security Management Regulations," which was amended for the second time on December 18, 2023 based on the Company's actual internal management needs.

Employees are required to properly carry out management in accordance with relevant information protection regulations announced by the Company and have information security awareness. In addition to the information security control measures for the services provided by information systems, we also focus on protecting the confidentiality, integrity and availability of important personal and transaction data. At the same time, information security management is strengthened to ensure the information security of software and hardware, such as data, systems, equipment and networks, deploy information security technology, and implement information security management operations and concepts to prevent losses caused by information or law

(III) Specific management plans

The management method is formulated according to the classification of each department and different categories:

- (1) Personnel management: Personnel at all levels are required to sign the "Declaration of Compliance with the Company's Personal Computer Software Use Policy" (CE01-F04) to ensure the Company's rights and avoid being accused of infringement.
- (2) Document management: Departments verify and control confidential documents held within the department. Inter-department transfers must be approved according to regulations and may not be leaked. Except for business contact needs, external agencies are not allowed to photocopy, photograph, transcribe, carry out or transmit documents by email. Violators will be strictly punished.
- (3) Network information security:
 - Firewalls are installed for ports for external connections to block hackers and viruses.
 - Employees who remotely log in to access the Company's system resources must use a computer issued by the Company and connect through a VPN.
 - Different network segments must be provided for the wireless network to prevent outsiders from intruding into the Company's systems.
- (4) Virus protection management:
 - Anti-virus software is installed on both the server and the client and needs to be automatically updated to block the latest viruses.
 - Establish a spam filtering mechanism to prevent viruses or spam from entering user computers.

(5) Computer security:

- Company employees must use computer equipment provided by the Company and controlled by the company domain. It is prohibited to use non-company equipment to log into the domain system.
- All company computers use genuine software, which is legal and can be updated to improve security.

(6) System access control:

- The use of each application system by employees must be approved by the supervisor, and only personnel with the administrator account of each system may authorize the use.
- The domain system password must be of appropriate strength, must be eight or more characters, and must contain numbers, Chinese, uppercase and lowercase English letters, and special symbols (three out of the four).
- The accounts of employees who resign must be immediately deactivated and the computer equipment distributed to them must be recovered.

(7) System sustainability:

- To ensure system security, contracts with information security consultants or contractors must be renewed every year to maintain the latest security protection and consulting.
- Establish a system backup mechanism and implement remote backup.
- Conduct annual assessments and carry out simulated disaster recovery drills.
- Replace old equipment to avoid parts failure that could delay company operations. At the same time, pay attention to replacing equipment or system versions if the manufacturers no longer support firmware updates.

(8) Information security promotion and training:

- Regularly provide information on various scams and viruses.
- Irregularly use phishing and other methods to increase employee alertness.

(9) Instant messaging: Except for business needs on the Company's website, employees may not use the Internet for matters unrelated to business. Instant messaging management uses "mechanism management" for monitoring, and conducts irregular inspections for contro

(IV) Invest resources toward information security management

The IT Division is not solely responsible for information security; but rather, it is a safety concern that must be addressed by all employees. Besides investing toward defensive equipment and purchasing relevant information security services, the IT Division also promotes information security awareness to employees in order to strengthen risk management.. Two information security personnel were appointed in 2024, and a digital course for information security management training was offered with the theme "Information Security and Information Security Policy Promotional Video"; the Company's employee participation rate reached 96%.

(V) Major Information Security Incident

In the most recent year and up to the date of publication of the Annual Report, the Company suffered an encrypted hacker intrusion on March 25, 2025. However, due to data backup, the data was successfully restored

with the cooperation of information security, backup, and system vendors. After the incident, the system architecture and security mechanism have been adjusted, and we will also replace the anti-virus system to cope with the current virus attacks. °

VII. Important contracts

Supply and sales contracts, technological cooperation contracts, construction contracts, long-term loan contracts, and other important contracts that may affect investor rights and interests currently effective or expiring in the most recent year:

Nature of contract	Party	Commencement date/expiration date	Main contents	Restrictive clauses
Joint purchase, investment, and construction	Tsang Shan Development Co., Ltd. Chi Hsuan Development Co., Ltd.	May 7, 2013 to the completion of the project	Joint purchase, investment, and construction project with Chi Hsuan and Tsang Shan for the Good morning, Kuo Yang Project on 1 plot of land(No. 1382-21)on Tiaohe Section, Keelung	None
Joint investment and construction & contracted operations, management, and construction	Six companies including Wei Li International Development Co., Ltd.	September 5, 2012 to the completion of the project	Joint investment and construction & contracted operations, management, and construction with the landowner for The Green Place Project on 1 plot of land(No. 24)on Heguan Section, Annan District, Tainan City	None
Joint construction and division of properties	27 persons including Chih-Cheng Li	March 12, 2010 to the completion of the construction and division of properties	Joint construction and division of properties with landowners in the Jilin Urban Renewal Project on 25 plots of land including plot No. 63-1 on Subsection 4, Jilin District, Taipei City	None
Joint purchase, investment, and construction	Four companies including Hanshin Asset Management Co., Ltd.	November 25, 2016 to the completion of the project	Joint purchase, investment, and construction of plants and offices with Hanshin Asset Management, Li Yang Agricultural Technology, and Heng Jui Development for the Kuo Yang Silicon Valley Project on 24 plots of land including plot No. 162 on Gonjian Section, Xizhi District, New Taipei City	None
Superficies	Southern Region Branch, National Property Administration, Shen Yang Construction Co., Ltd.	2014.04~2084.04	70 years of superficies set for the Smile Era Project on plot No. 1492, Shengxing Section, Qianzhen District, Kaohsiung City	Unconditional return of land and buildings to the National Property Administration upon expiry

Nature of contract	Party	Commencement date/expiration date	Main contents	Restrictive clauses
Joint fundraising and construction & contracted operations, management, and construction	Shen Yang Construction Co., Ltd. Han Lin Development Co., Ltd.	June 3, 2016 to the completion of the project	Joint investment and construction & contracted operations, management, and construction with Han Lin for the Smile Era Project on plot No. 1492, Shengxing Section, Qianzhen District, Kaohsiung City	None
Joint purchase, investment, and construction	Six companies including Wei Li International Development Co., Ltd.	November 23, 2016 to the completion of the project	Joint purchase, investment, and construction of plants and offices with Chuwa Wool Industry, Hanshin Asset Management, Li Yang Agricultural Technology, Wei Li International Development, and Grand Hi-Lai Hotel for the Neihu Jiuzong Project on 4 plots of land including plot No. 83-1 on Jiuzong Section, Neihu District, Taipei City	None
Joint purchase, investment, and construction	Tsang Hsin Construction Co., Ltd.	April 28, 2021 to the completion of the project	Joint purchase, investment, and construction of residential buildings with Tsang Hsin for the Kaohsiung Fengshan Project on plot No. 9, Shengli Section, Fengshan District, Kaohsiung City	None
Joint investment and purchase & contracted operations, management, and construction	Six companies including Wei Li International Development Co., Ltd.	January 28, 2021 to the completion of the project	Joint investment and construction & contracted operations, management, and construction with six companies for the Tucheng Project on 19 plots of land including plot No. 365 on Zhongyi Section, Tucheng District Kuo Yang invested 50%	None
Joint investment and purchase & contracted operations, management, and construction	Five companies including Wei Li International Development Co., Ltd	July 15, 2021 to the completion of the project	Joint investment and construction & contracted operations, management, and construction with Chuwa Wool Industry, Wei Li International Development, Hanshin Asset Management, and Grand Hi-Lai Hotel for the Sanchong Zhongxing Project on 9 plots of land including plot No. 28 on Zhongxing Section, Sanchong District, New Taipei City. Kuo Yang invested 50%.	None
Joint investment and purchase & contracted operations, management, and construction	Five companies including Wei Li International Development Co., Ltd.	July 4, 2022 to the completion of the project	Joint investment and construction & contracted operations, management, and construction with Han Lin Development Co., Ltd., Wei Li International Development, Hanshin Shopping Plaza, and Grand Hi-Lai Hotel for the Xizhi Xiwan Road Project on 28 plots of land including plot No. 895 on Jiangbei Section, Xizhi District, New Taipei City. Kuo Yang invested 50%.	None

Nature of contract	Party	Commencement date/expiration date	Main contents	Restrictive clauses
Joint investment and purchase & contracted operations, management, and construction	Seven companies including Wei Li International Development Co., Ltd.	March 22, 2022 to the completion of the project	Joint investment and construction & contracted operations, management, and construction with Goldshare Investment Corporation, Wei Li International Development, Hanshin Asset Management, Hanshin Shopping Plaza, Hsueh-Yong Ltd., and Heng-Rui Development Co., Ltd. for the Kaohsiung Nong 16 Project on 3 plots of land including plot No. 194 on Longzhong Section, Gushan District, Kaoshiung. Kuo Yang invested 50%.	None
Jointly formed project team to execute subsequent project implementations	Taiwan Life Insurance Co., Ltd.	March 31, 2022 to the completion of the project	Jointly formed project team with Taiwan Life Insurance Co., Ltd. To execute subsequent project implementations, and to sign agreement related to this project with the organizer and execute subsequent coordination, development, planning, design, construction, and allocations for the Kaohsiung Special Trade Zone 3 (South base north side) urban renewal project.	None
Contracted operations, management, and construction	Hi-Lai Foods Co., Ltd.	in progress	Xizhi Xiwan Road project; commissioned by Hi-Lai Foods Co., Ltd. For planning, design, and construction.	None

Chapter 5 、 Review, Analysis, and Risks of Financial Conditions and Performance

I. Financial Conditions:

Unit: NT\$1,000

Item	Year	2024	2023	Difference	
				Amount	%
Current assets		19,458,959	16,153,793	3,305,166	20.46%
Non-current financial assets at fair value through other comprehensive income		567,771	566,373	1,398	0.25%
Investments recognized under the equity method		1,367,679	1,235,302	132,377	10.72%
Property, plant and equipment		86,452	81,671	4,781	5.85%
Right-of-use assets		154,156	27,762	126,394	455.28%
Other assets		823,223	483,798	339,425	70.16%
Total assets		22,458,240	18,548,699	3,909,541	21.08%
Current liabilities		12,037,050	8,331,175	3,705,875	44.48%
Non-current liabilities		142,038	12,288	129,750	1055.91%
Total liabilities		12,179,088	8,343,463	3,835,625	45.97%
Equity attributable to owners of parent company		10,156,734	10,099,676	57,058	0.56%
Share capital		3,800,000	3,800,000	0	0.00%
Capital surplus		627,796	627,683	113	0.02%
Retained earnings		5,644,995	5,519,460	125,535	2.27%
Other equity		83,943	152,533	(68,590)	(44.97%)
Non-controlling interest		122,418	105,560	16,858	15.97%
Total equity		10,279,152	10,205,236	73,916	0.72%

The Company shall describe the main reasons and impact of any material change in the company's assets, liabilities, or shareholders' equity during the past two fiscal years (changes that exceed 20% between periods and a value of NT\$10 million) and future response plans.

I. Main reasons and impact of any material changes:

- (1) Increase in Current assets : Mainly due to the addition inventory is mostly unsold houses waiting to be sold, and the remaining projects continue to invest in construction costs. in 2024 . . .
- (2) Increase in Right-of-use assets : Mainly due to the addition right-of-use asset Nangang Office in 2024
- (3) Increase in Other assets : Mainly due to the addition Restricted deposits in 2024 .
- (4) Increase in Current liabilities : Mainly due to the addition Short-term borrowings and contract liabilities in 2024 .
- (5) Increase in Non-current liabilities : Mainly due to the Recognition of future expected payments for the lease of Nangang Office in 2024
- (6) Decrease in Other equity : Mainly due to the financial assets at fair value through other comprehensive income in 2024 due to evaluation adjustment.

II. Impact of material changes and future response plans:

There are currently no material discrepancies in the Company's overall performance and no response plan is required.

II. Financial Performance:

(I) Comparative analysis of operational performance:

Item \ Year	2024	2023	Increase(decrease)amount	Percentage of change
Operating revenue	607,692	735,459	(127,767)	(17.37%)
Operating costs	(370,256)	(443,914)	73,658	(16.59%)
Operating profit	237,436	291,545	(54,109)	(18.56%)
Operating expenses	(286,371)	(280,810)	(5,561)	1.98%
Operating profit	(48,935)	10,735	(59,670)	(555.85%)
Non-operating income and expenses	265,408	322,976	(57,568)	(17.82%)
Pre-tax profit	216,473	333,711	(117,238)	(35.13%)
Income tax expenses	(11,347)	(28,835)	17,488	(60.65%)
Net profit of the term	205,126	304,876	(99,750)	(32.72%)
Other comprehensive income(net)	11,335	285,901	(274,566)	(96.04%)
Total comprehensive income	216,461	590,777	(374,316)	(63.36%)

The main reasons and impact of changes that exceed 20% between periods and a value of NT\$10 million are analyzed as follows:

(1) Decrease in operating revenue, operating costs, and gross profit:

In 2024, the Company recognized income totaling NT\$607,692 thousand from the existing home sale of "Kuo Yan" and "The Green Place", and income from "Smile Era" by the subsidiary Shen Yang.

In 2023, the Company recognized income totaling NT\$735,459 thousand from the existing home sale of "Kuo Yan" and "The Green Place", and income from "Smile Era" by the subsidiary Shen Yang.

As the operating revenue in 2024 decreased from the same period in the previous year, the operating costs and gross profit also decreased.

(2) Decrease in income tax expenses: Mainly due to the profit before tax of the term in 2024 being lower than the same period last year; therefore, the income tax expenses have also been decreased accordingly.

(3) Decrease in Other comprehensive income(net) :

Mainly due to the financial assets at fair value through other comprehensive income in 2024 Unrealized valuation gains and profit

(II) Expected sales and its basis, and the possible impact on the Company's future financial operations and response plans:

The Company estimated the revenue and profitability targets for 2024 based on the development schedule, sales, project progress, and operation assumptions for the current projects of the companies of the Group. Based on the estimates, the revenue from the construction of Phase 1 of sales of remaining units (The

Green Place, Kuo Yan, and Smile Era) will be the main source of revenue in 2024. It is expected that the main source of revenue in 2024 will be the completion and handover of the Guoyang Intercontinental project

III. Cash flow:

(I) Liquidity analysis of the most recent two years: Unit: NT\$1,000

Item	Year		Change(%)
	December 31, 2024	December 31, 2023	
Cash flow ratio	-	-	-
Cash flow adequacy ratio	143.92%	204.84%	(60.92%)
Cash reinvestment ratio	-	-	-
Explanation of ratio variations: The cash adequacy flow ratio in 2024 is lower than the same period last year, mainly due to the higher lower total amount of capital expenditures, inventory increases and cash dividends in the past five years			

(II) Improvement plan for insufficient liquidity: There were no instances of insufficient liquidity.

(III) Cash flow analysis for the following year: Not applicable.

IV. Effect of major capital spending on financial position and business operation in the most recent year

(I) Review and analysis of the use and source of funds of major capital expenditures:

1. Use and source of funds of major capital expenditures:

The Company's main businesses are the construction and the lease and sales of residential buildings, industrial plants, and commercial buildings. This item is therefore not applicable.

2. Expected benefits

(1) Expected production and sales volume, value, and gross profit: Not applicable

(2) Explanation of other benefits: Not applicable

V. Investment policy in the past year, profit/loss analysis, improvement plan, and investment plan for the following year:

Unit: NT\$1,000

Investee company	Accounting procedures	Cost of investment	Book value	Return on investments in 2024		Policy	Main reason for profit or loss	Improvement plan	Other future investment plans
				Income on investment	Stock dividends				
Shadwell Ltd.	Equity method	4,742	2,288	(24)	-	Investment in real estate property	-	-	-
Shang Yang International Asset Management Co., Ltd.	Equity method	631,098	682,508	8,593	-	Residence and buildings lease construction and development	-	-	-
Shin Yang International Development Co., Ltd.	Equity method	1,000,000	1,001,805	1,805	-	Residence and buildings lease construction and development	-	-	-
Shen Yang Construction Co., Ltd	Equity method	1,600,000	1,613,107	(5,395)	43,361	Real estate investment, development, and rental and leasing	-	-	-
Star Epoch International Co., Ltd.	Equity method	240,000	238,457	(934)	-	Residence and buildings lease construction and development	-	-	-
Hanshin Shopping Plaza Co., Ltd.	Equity method	480,000	1,315,789	217,314	120,060	Department store related industries	main business operating profit	-	-
Sweet Me Hot Spring Resort Co., Ltd.	Equity method	22,000	15,914	3,343	-	General hotel industry and restaurant management	-	-	-
Chi Yang Construction Co., Ltd.	Equity method	31,500	34,646	141	-	Residence and buildings lease construction and development	-	-	-
. Baoyue Landscape Co., Ltd	Equity method	1,020	9,116	8,020	-	Landscape and Interior Design Industry	-	-	-
Che Yang Agricultural Technology Co., Ltd	Equity method	2,500	784	(206)	-	Horticulture services and afforestation	-	-	-
Chi Yang Construction Co., Ltd.	Equity method	216,000	215,823	220	-	Residence and buildings lease construction and development	-	-	-
Century Rainbow	Equity	122,190	1,007	670	-	Investment	Income on	-	-

Ltd.	method					company	investment		
Celestial Talent Ltd.	Equity method	89,405	16	113	-	Investment company	-	-	-
Charm Merit Ltd.	Equity method	32,785	1,247	672	-	Investment company	Income on investment	-	-
Good Fame Ltd.	Equity method	32,785	1330	672	-	Investment company	Income on investment	-	-
Tai Ho Construction Co., Ltd.	Fair value method	4,000	-	-	-	Establishment of a strategic alliance	-	-	-
United Real Estate Management Co., Ltd.	Fair value method	7,834	21,480	-	1,046	Establishment of a strategic alliance	-	-	-
Hanshin Asset Management Co., Ltd.	Fair value method	109,442	199,046	-	4,948	Establishment of a strategic alliance	-	-	-
Grand Hi-Lai Hotel Co., Ltd.	Fair value method	140,548	128,096	-	-	Establishment of a strategic alliance	-	-	-
Han Chi Technology Co., Ltd.	Fair value method	9,000	9,900	-	-	Establishment of a strategic alliance	-	-	-
Kaohsiung Arena Development Corporation	Fair value method	125,000	179,000	-	-	Public works construction and investment and real estate rental and leasing	-	-	-
SE Security Corp.	Fair value method	25,225	30,249	-	-	Establishment of a strategic alliance	-	-	-

Source: The Company's 2024 audited financial statements.

VI. Risk matters required for analysis in the most recent year and up to the publication date of the Annual Report:

(I) Impact of changes in interest rate, exchange rate, and inflation on the Company's profits and losses and future response measures:

1. Impact of changes in interest rate on the Company's profits and losses and future response measures:

Unit: NT\$1,000

Item/Year	2024	2023
Short-term borrowings	8,876,395	6,605,327
Interest expenses(1)	29,852	19,753
Net operating profit(2)	(48,935)	10,735
Percentage(1)/(2)	(61%)	184.01%

Source: Consolidated financial report audited and certified by the CPA

The Company's main source of the net operating profit in 2024 and 2023 was the revenue recognized for the sales of remaining units. Interest expenses accounted for (61%) and 184.01% of the net operating profit.

The Company's short-term borrowings interest rate range in 2024 was between 2.43% to 3.14%. The Company shall pay close attention to changes in interest rates, maintain close communication with banks, and use financing tools available in the capital market to reduce the cost of funding and reliance on banks.

2. Impact of changes in exchange rate on the Company's profits and losses and future response measures:

The Company's main functional currency is the NTD. The impact of exchange rate fluctuations is minimal and we therefore expect no significant exchange rate risks.

3. Impact of inflation on the Company's profits and losses and future response measures:

According to the statistics of the Directorate-General of Budget, Accounting, and Statistics of the Executive Yuan, the annual growth rate of the Consumer Price Index was 2.18% in 2024. As Taiwan's government closely monitors changes in consumer prices and implements response policies, and the real estate market has a relatively high resistance to inflation, there has been no significant impact of inflation on the Company.

(II) Policies of engaging in high-risk, high-leverage investments, loans to others, providing endorsements/guarantees and derivatives transactions, main reasons for the profits and losses generated thereby and future response measures:

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1. Policies of engaging in high-risk and high-leverage investments, main reasons for the profits and losses generated thereby and future response measures:

The Company focuses on its core businesses and does not engage in any high-risk or high-leverage investments.

2. Policies of engaging in loans to others, providing endorsements/guarantees and derivatives transactions, main reasons for the profits and losses generated thereby and future response measures:

The Company does not engage in derivatives transactions and all loans to others, endorsements, and guarantees are implemented in accordance with the Company's "Endorsements and Guarantees".

(III) Future R&D projects and estimated R&D expenditures:

The Company currently has no relevant R&D expenditures.

(IV) Impact of changes in important domestic and foreign policies and regulations on the Company's finance and business, and response measures:

The Company closely monitors domestic and international political and economic developments as well as changes in regulations, and maintains adequate response capabilities. As of the most recent year and the publication date of the 2024 Annual Report for the shareholders' meeting, domestic and foreign policies and regulations have had no significant impact on Company's finance and business.

(V) Impact of recent technological and market changes on the Company's finance and business, and response measures:

1. The Company operates in the construction industry. Confronted with factors unfavorable to the developing of the housing market, including changes in the economy, the government's "Healthy Housing Market" policy, interest hikes, the Central Bank's credit control policy, the passing of The Equalization of Land Rights Act and Amendment to housing tax regulations passed, in terms of land developments going forward, the residential projects will be mostly focused on urban renewals and joint development projects.
2. In response to the return of overseas Taiwanese enterprises in recent years, the Company has shifted our focus toward the demand for technology-oriented factory buildings in order to enhance our competitiveness and profitability.

(VI) Impact of changes in corporate image on corporate risk management and response measures:

Integrity is critical for maintaining the corporate image. Although the Company previously suffered a financial crisis which damaged its image, the

Company upheld the basic principles of integrity and implemented improvements which have significantly improved its image. The Company had recent years received the Golden Stone and First Platinum Award for Outstanding Brand Enterprise and the Urban Renewal Construction Excellence Award for Kuo Yang Tianmu.

we were honored with the Gold Award in Best Planning of the "Zhongxiao Courtyard" project. We also received a Silver Medal in Sustainability Reporting Award from the Taiwan Corporate Sustainability Awards (TCSA). These are both highly coveted prizes.

The Company actively sells remaining units and launches construction projects in popular areas. We will continue to focus on our main business to protect the rights and interests of shareholders.

(VII) Expected benefits and possible risks of mergers and acquisitions and response measures: Not applicable

(VIII) Expected benefits and potential risks of capacity expansion and response measures: Not applicable

(IX) Risks associated with over-concentration in purchase or sale and response measures:

1. Procurements

The Company's main procurements consist of the acquisition of land for construction and subcontracting of construction. The acquisition of land for construction is based on the Company's project launch strategy and we select land with development value. As for subcontracting, the Company carefully selects and evaluates contractors and all major construction projects are given to construction companies with Grade A Construction Engineering License with whom we have long-term partnerships. Therefore, the Company does not face risks in concentrated procurements.

2. Sales

Customers who buy houses from the Company are general consumers. The Company therefore does not face risks in concentrated sales.

(X) Impacts and risks arising from major exchange or transfer of shares by directors or shareholders with over 10% of shares in the Company: Not applicable

(XI) Impacts and risks arising from changes in management rights of the Company and response measures: There has been no change in management rights of the Company.

(XII) Litigation or non-litigation events: None

(XIII) Other significant risks and response measures: None

VII. Other important matters:

- (I) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Han Lin Development Co., Ltd., Grand Hi-Lai Hotel Co., Ltd., and Hanshin Shopping Plaza Co., Ltd. for 29 plots of land including Plot 895 on Jiangbei Section in Xizhi District, New Taipei City with a total area of 5,551.35 pings on Monday, July 4, 2022. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company, 20% for Wei Li International Development Co., Ltd., 10% for Han Lin Development Co., Ltd., 10% for Grand Hi-Lai Hotel Co., Ltd., and 10% for Hanshin Department Store.
- (II) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Goldshare Investment Corporation, Hanshin Asset Management Co., Ltd., Hanshin Shopping Plaza Co., Ltd., Hsueh-Yong Ltd., and Heng-Rui Development Co., Ltd. for 3 plots of land including Plot 194, 196, and 197 on Longzhong Section, Gushan District, Kaohsiung City with a total area of 4,905.25 pings on Monday, March 21, 2022. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company, 10% for Wei Li International Development Co., Ltd., 5% for Goldshare Investment Corporation, 10% for Hanshin Asset Management Co., Ltd., 10% for Hanshin Shopping Plaza Co., Ltd., 5% for Hsueh-Yong Ltd., and 5% for Heng-Rui Development Co., Ltd.
- (III) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Ascent Development Co., Ltd., Hanshin Asset Management Co., Ltd., and Grand Hi-Lai Hotel Co., Ltd. for 9 plots of land including Plot 28 on Zhongxing Section, Sanchong District, New Taipei City with a total area of 1,828.28 pings on July 15, 2021. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company, 10% for Wei Li International Development Co., Ltd., 15% for Chuwa Wool Industry Co., (Taiwan) Ltd., 10% for Hanshin Asset Management Co., Ltd., and 15% for Grand Hi-Lai Hotel Co., Ltd.
- (IV) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Ascent Development Co., Ltd., Hanshin Asset Management Co., Ltd., Li Yang Agricultural Technology Co., Ltd., and Grand Hi-Lai Hotel Co., Ltd. for 4 plots of land including plot 83-1 on Jiuzhong Section, Neihu District, Taipei City with a total area of 2,127.33 pings on November 23, 2020. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company and 10% for each of the other 5 companies

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- (V) The Company signed a joint investment and development contract with Wei Li International Development Co., Ltd., Ascent Development Co., Ltd., Hanshin Asset Management Co., Ltd., Li Yang Agricultural Technology Co., Ltd., and Grand Hi-Lai Hotel Co., Ltd. for 19 plots of land including Plot 365 on Zhongyi Section, Tucheng District, New Taipei City with a total area of 5,344.27 pings on January 28, 2021. According to the contract, the Company serves as the manager of the Project. The investment ratio is 50% for the Company and 10% for each of the other 5 companies. "Grand Hi-Lai Hotel Co., Ltd." later withdrew from the project on June 29, 2021. The shares it previously held were transferred to Hanshin Asset Management Co., Ltd. The investment ratio change became effective on July 1, 2021.
- (VI) The Company signed a joint investment and development agreement with "Wei Li" land including plot 24 on Heguan Section, Annan District, Tainan City with a total area of 77,479.53 square meters on June 29, 2012 for joint construction of residential buildings. The parties later signed a letter of appointment for operating management which appointed the Company to take charge of overall development plans, building planning, and construction and sales of residential buildings. "Wei Li" represented the Project externally and executed the Project based on the contract signed with Taiwan Sugar Corporation. Wei Li became the main operator of the Project as well as the company responsible for selling the houses and land (the company issuing the sales invoice) and the company responsible for purchases products or services (the company with input documentary evidence). It is also responsible for the settlement of the project. The parties later signed the "Joint Development Supplementary Agreement" on March 15, 2016 for changing the investment ratio and settlement distribution to 60%, 6%, 1.5%, 4%, 13.5%, 10%, and 5%, respectively for the Company, "Wei Li", "Feminine", "Tsu Yan", "Hanshin Asset Management", "Crowell Development", and "Han Lin Development". "Crowell Development" later withdrew from the project on July 15, 2019. "Wei Li" and the co-founders signed the "Joint Development Supplementary Agreement" for changing the investment ratio and settlement distribution to 65%, 6%, 1.5%, 4%, 13.5%, and 10%, respectively for the Company, "Wei Li", "Feminine", "Tsu Yan", "Hanshin Asset Management", and "Han Lin Development".
- (VII) The Company signed a joint investment and development contract with Chi Hsuan Development Co., Ltd., and Tsang Shan Development Co., Ltd. for 14 plots of land including Plot 1381-21 in Zhongzheng District, Keelung City with a total area of 12,520.95 pings, and 1 building No. 7256 in Tiaohe Section, Zhongzheng District, Keelung City with an area of 26.77 pings. According to the contract, the Company serves as the manager of the Project. The investment ratio is 55% for the Company, 30% for Chi Hsuan Development Co., Ltd., and 15% for Tsang Shan Development Co., Ltd.

- (VIII) The Company's subsidiary Shen Yang Construction Co., Ltd. signed a joint investment and development contract with Wei Li International Development Co., Ltd., Han Lin Development Co., Ltd., and Ascent Development Co. Ltd., for 20 plots of land including Plot 258 on Zhongyuan Section in Zhonghe District, New Taipei City with a total area of 2,259.85 pings on Thursday, August 11, 2022. According to the contract, the Company serves as the manager of the Project. The investment ratio is 40% for Shen Yang Construction, 10% for Wei Li International Development Co., Ltd., 10% for Han Lin Development Co., Ltd., and 10% for Ascent Development Co., Ltd.
- (IX) The Company's Chi Hsuan Development Co., Ltd. and Tsang Shan Development Co., Ltd. jointly developed the Zaoan Kuoyang Project. On August 10, 2024, our company and its subsidiary Shen Yang Construction Co., Ltd. signed a joint investment and development contract for two plots of land, No. 1382-38, Tiaohe Section, Zhongzheng District, Keelung City, with a total area of 1,046.29 pings. Its investment proportions are 11% in the Good Morning Kuoyang Project and 89% in Shen Yang Construction (Stock) Co., Ltd.

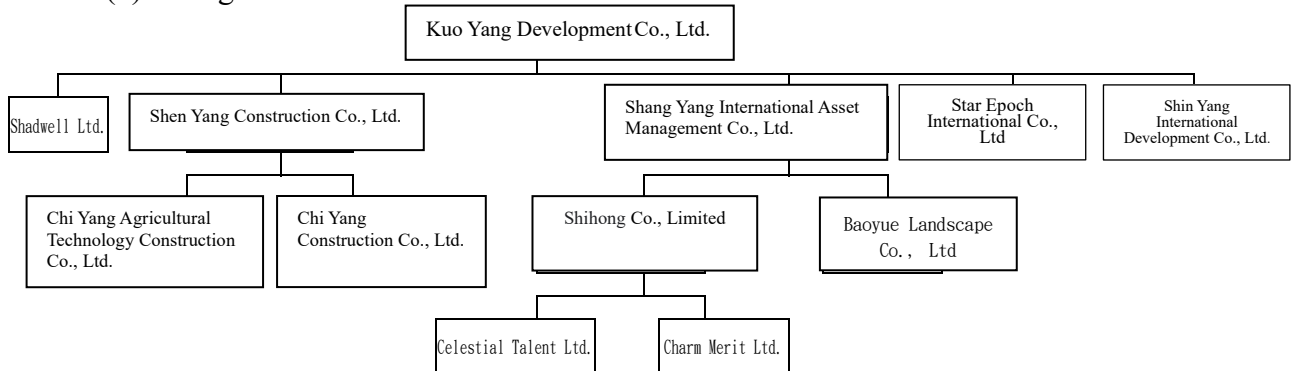
Chapter 6 Special Disclosures

I. Information on Affiliates

(I) Consolidated Affiliate Business Report

1. Overview of affiliates

(1) Organization chart of affiliates



(2) Basic information of affiliates

Basic information of affiliates

Unit: NT\$1,000

Company name	Date of establishment	Address	Paid-in capital	Main business or products
Shadwell Ltd.	1992.01.10	British Virgin Islands	4,742 (USD200,000)	Investment in real estate property
Shang Yang International Asset Management Co., Ltd.	2003.01.10	11F-6, No.170, Jingmao 1st Rd. Nangang Dist, Taipei	618,000	Residence and buildings lease construction and development
Shen Yang Construction Co., Ltd.	2013.11.21	11F-6, No.170, Jingmao 1st Rd. Nangang Dist, Taipei	1,600,000	Real estate investment, development, and rental and leasing
Star Epoch International Co., Ltd.	111.04.19	15F, No. 10, Siwei 4th Rd., Lingya Dist., Kaohsiung City	300,000	Residence and buildings lease construction and development
Che Yang Agricultural Technology Co., Ltd.	2014.05.09	11F-6, No.170, Jingmao 1st Rd. Nangang Dist, Taipei	2,500	Horticulture services and afforestation
Shin Yang International Development Co., Ltd.	113.06.17	15F, No. 10, Siwei 4th Rd., Lingya Dist., Kaohsiung City	1,000,000	Residence and buildings lease construction and development
Chi Yang Construction Co., Ltd.	2019.09.23	11F-5, No.170, Jingmao 1st Rd. Nangang Dist, Taipei	270,000	Residence and buildings lease construction and development
Baoyue Landscape Co., Ltd	112.06.21	11F-5, No.170, Jingmao 1st Rd. Nangang Dist, Taipei	2,000	Landscape and Interior Design Industry
Century Rainbow Ltd.	2013.06.03	Seychelles	33,444 (USD1,020,100)	Investment company
Celestial Talent Ltd.	2013.06.17	Seychelles	659 (USD20,100)	Investment company
Charm Merit Ltd.	2013.06.18	Hong Kong	32,785 (USD1,000,000)	Investment company

Note: The USD-NTD exchange rate on December 31, 2024 was 1:32.7850.

(3) Information on shareholders deemed to have control and subordinate relationship:
None.

(4) Businesses covered by the affiliates' overall operations

Businesses operated by the Company and its affiliated companies include:
Construction, Landscape industry, horticulture services, and investment.

(5) Information on directors, supervisors, and presidents of affiliates

Information on directors, supervisors, and presidents of affiliates

Unit: shares,%

Company name	Job title	Name or representative	Shareholding	
			Number of shares	Shareholding ratio
Shadwell Ltd.	Director	Kuo Yang Development Co., Ltd.-Tzu-Kuan Lin	200,000	100%
Shang Yang International Asset Management Co., Ltd.	Director Supervisor	Kuo Yang Development Co., Ltd.-Tzu-Kuan Lin, Shao-Ling Peng, Chun-xun Hou Kuo Yang Development Co., Ltd.-Cheng-I Wang	61,800,000	100%
Shen Yang Construction Co., Ltd.	Director Supervisor	Kuo Yang Development Co., Ltd.-Tzu-Kuan Lin, Shao-Ling Peng, Chun-xun Hou Kuo Yang Development Co., Ltd.-Cheng-I Wang	160,000,000	100%
Star Epoch International Co., Ltd.	Director Supervisor	Kuo Yang Development Co., Ltd.-Tzu-Kuan Lin, Shao-Ling Peng, Chia-Chi Hou, Yi-Wen Chen Taiwan Life Insurance Co., Ltd. - Yu-Chi Huang Chu-Feng Yang, Kun-Tai Huang	24,000,000	80%
Che Yang Agricultural Technology Co., Ltd.	Director Supervisor	Shen Yang Construction Co., Ltd.-Tzu-Kuan Lin, Shao-Ling Peng, Chun-xun Hou Shen Yang Construction Co., Ltd.-Cheng-I Wang	250,000	100%
Shin Yang International Development Co., Ltd.	Director Supervisor	Kuo Yang Development Co., Ltd.-Tzu-Kuan Lin, Shao-Ling Peng, Chia-Chi Hou Kuo Yang Development Co., Ltd.-Cheng-I Wang	100,000,000	100%
Chi Yang Construction Co., Ltd.	Director Supervisor	Shen Yang Construction Co., Ltd.-Tzu-Kuan Lin, Shao-Ling Peng, Cheng-Hsiung Hsieh, Chia-Chi Hou Tsung Hang Construction Co., Ltd.-Jui-Chang Huang Cheng-I Wang	21,600,000	80%
Baoyue Landscape Co., Ltd	Director Supervisor	Chen-gru LI Shang Yang International Asset Management Co., Ltd. Shao-Ling Peng、Chun-xun Hou Cheng-I Wang	102,000	51%
Century Rainbow Ltd.	Director	Kuo Yang Development Co., Ltd.-Shao-Ling Peng	1,020,100	100%
Celestial Talent Ltd.	Director	Kuo Yang Development Co., Ltd.-Shao-Ling Peng	20,100	100%
Charm Merit Ltd.	Director	Kuo Yang Development Co., Ltd.-Shao-Ling Peng	1,000,000	100%

2. Status of operations of affiliates

Status of operations of affiliates

Unit: NT\$1,000

Company name	Paid-in capital	Total value of assets	Total liabilities	Net worth	Operating revenue	Operating profit and loss	Current profit and loss(after tax)
Shadwell Ltd.	4,742	1,841	-	1,841	-	(80)	(80)
Shang Yang International Asset Management Co., Ltd.	618,000	694,555	12,675	681,880	-	(8,996)	7,964
Shen Yang Construction Co., Ltd.	1,600,000	3,523,304	1,909,475	1,613,829	27,231	(13,197)	(5,395)
Star Epoch International Co., Ltd.	300,000	298,227	155	298,072	-	(2,129)	(1,168)
Che Yang Agricultural Technology Co., Ltd.	2,500	994	210	784	-	(221)	(206)
Shin Yang International Development Co., Ltd.	1,000,000	1,002,267	461	1,001,806	-	(452)	1,805
Chi Yang Construction Co., Ltd.	270,000	669,474	399,695	269,779	-	(392)	275
Baoyue Landscape Co., Ltd	2,000	47,453	29,578	17,875	96,887	19,029	15,726
Century Rainbow Ltd.	33,444	1,421	378	1,043	-	-	785
Celestial Talent Ltd.	659	343	328	15	-	-	113
Charm Merit Ltd.	32,785	1,663	416	1,247	-	-	672

Note: The data from foreign companies have been converted to NTD based on the exchange rate on the report date.

(II) Consolidated financial statement of affiliates: Not applicable

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Kuo Yang Development Co., Ltd.

Consolidated Financial Statement of Affiliates

Companies what should be included in the consolidated financial statement of affiliates as provided in “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliates” are all the same as what should be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standards (IFRS) 10 in 2024 (from January 1, 2024 to December 31, 2024) and the relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. The Company shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declared by

Company Name: Kuo Yang Development Co., Ltd.

Legal Representative: Tzu-Kuan Lin

March 12, 2025

(III) Affiliation Report: None

II. Private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the Annual Report: None

III. Status of company shareholding or handling by a subsidiary company for the recent year up to the publication date of the Annual Report: None

IV. Other necessary supplemental information: None

Chapter 7 Corporate events with material impact on shareholders' equity or stock prices set forth in Article 36, Paragraph 2, Subparagraph 2 of Securities and Exchange Act in the past year and up to the date of report: None