

Stock Code: 2548



Huaku Development Co., Ltd.

2025 Annual Report

Websites for Accessing This Annual Report: <https://mopsov.twse.com.tw/mops/web/index> (MOPS)
<https://www.huaku.com.tw/> (Company Website)

Printed on March 31, 2026

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Spokesperson

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Occupational Title: Chief Financial Officer

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Acting Spokesperson

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II. Corporate Headquarters

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III. Share Registrar and Investor Service Agent

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Address: B1, No. 96, JianGuo North Road Section 1, Taipei

Website: <https://www.tssco.com.tw/index>

Tel.: (02)2504-8125

IV. Attesting CPAs for the Most Recent Annual Financial Statements

Names of CPAs: WANG, FANG-YU & LIN, CHIA-HUNG

Name of CPA Office: PwC Taiwan

Address: 27F, No. 333, Keelung Road Section 1, Taipei

Website: <https://www.pwc.tw/zh.html>

Tel.: (02)2729-6666

V. Name of the Exchange Where Overseas Securities Are Listed and Method for Accessing Information Thereof: None.

VI. Company Website: <https://www.huaku.com.tw/>

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One. A Message to the Shareholders

I. 2025 Business Results

(I) Result of Business Operation

Looking back on Taiwan's real estate market in 2025, overall market performance weakened significantly, with transaction volume declining sharply. Total annual transactions fell to approximately 260,000 units, marking the lowest level in the past nine years and representing a year-on-year decrease of approximately 25%. Transactions in the pre-sale housing market totaled only around 35,000 units, reflecting a contraction of approximately 70% compared to 2024.

The key factors influencing market conditions were as follows: (1) Tightened mortgage policies and stricter bank lending standards, including reduced loan-to-value ratios for second homes and above, the elimination of grace periods, lending caps on high-priced residential properties, and the Central Bank's implementation of real estate lending limits and concentration controls, continued to dampen homebuyer sentiment. These measures weakened demand and reduced market liquidity. (2) A pronounced wait-and-see attitude among buyers persisted. Prospective purchasers preferred to remain on the sidelines until monetary policy conditions eased. This stagnation in market activity further suppressed transaction volumes and price momentum. (3) Despite the sharp decline in transaction volume, overall housing price adjustments remained relatively moderate. (4) A solid economic foundation continued to support the property market. Economic growth remained strong, with GDP growth exceeding 8%. Technology exports performed well, the AI industry expanded rapidly, and the stock market experienced significant gains. These factors provided underlying support to the housing sector.

Looking ahead to the real estate market in 2026, the Central Bank is expected to maintain selective credit controls and relatively high interest rates. These conditions will continue to suppress homebuying demand, particularly for second homes and high-priced residential properties. Market performance is expected to become increasingly differentiated across regions and product types.

The Taipei and New Taipei metropolitan area is expected to remain relatively stable, with potential for modest price increases. In contrast, central and southern Taiwan, where prices have risen significantly over the past five years and where a large volume of project completions is approaching, may experience increased resale supply from investors. Accordingly, a cautious and conservative outlook is warranted. Overall, the real estate market in 2026 is unlikely to experience either a significant rebound or a sharp downturn. Instead, it is expected to enter a phase of consolidation, with clear differentiation across regions, product types, and individual projects.

Huaku Development's operating performance in 2025 remained solid. Newly launched pre-sale projects included "Huaku Vision Park" and "Huaku Maison de Lotus" in Taipei City, "Huaku Le Grand Cru" in New Taipei City, and "Huaku Four Seasons Manor" in Taichung. Among these, "Huaku Maison de Lotus," "Huaku Le Grand Cru," and the ongoing project "Ultimate Luxury" delivered outstanding sales performance, while "Huaku Vision Park" and "Huaku Four Seasons Manor" recorded stable sales. In terms of land development, the Company continued to make clear progress on urban renewal projects located in the prime central districts of Taipei City.

Regarding revenue recognition, the primary contributors were "Huaku Da'an Tower," "Huaku Moon Light," and "Huaku Asia One." In addition, the Company maintains a land bank with a total saleable value exceeding NT\$100 billion, providing a solid foundation to support operating performance over the next 6 to 8 years.

For 2025, the Company reported consolidated revenue of NT\$18,238,702 thousand, compared to NT\$7,212,415 thousand in 2024, representing an increase of 153% year-on-year. Consolidated net income after tax amounted to NT\$3,241,406 thousand, with earnings per share of NT\$10.15.

(II) Budget Execution

Unit: NT\$ thousand

Items	2025 Actual	2025 Budget	Attainment Rate
Operating revenue	18,238,702	Undisclosed Financial Forecasting	Not Applicable
Operating Costs	(13,090,990)		
Gross Profit	5,147,712		
Operating Expenses	(1,167,359)		
Operating Income	3,980,353		
Non-operating Income and Expense	110,334		
Net income before tax	4,090,687		
Income Tax Expenses	(849,281)		
Net Income in Current Period	3,241,406		

(III) Analysis of Financial Position and Profitability

Items		Year	
		2025	2024
Financial Structure	Liabilities to Assets Ratio (%)	58	63
Profitability	Gross Margin (%)	28	36
	Operating Margin (%)	23	26
	Profit before tax margin (%)	24	25
	Net profit margin for the current period (%)	19	19
	Basic earnings per share (NT\$)	10.15	4.36

(IV) Outlook of Research and Development

1. In market research and development: To effectively capture market trends, the Company closely monitors the housing market and maintains an appropriate allocation to office and industrial office segments to ensure stable operations. Product planning is flexibly adjusted to align with evolving market preferences, while sales strategies primarily focus on pre-sales and phased sales during construction to respond to market changes and ensure effective control over project completion schedules. Precision positioning of products and a perfect marketing strategy ensure business results.
2. In planning and design: The Company searched for and invited outstanding architects and interior designers both domestic and internationally to build up a positive brand image in the market. In consideration of the specific features of the surrounding environment, the needs of the customers, and applicable laws governing architecture and buildings, the Company launched Huaku architectural engineering and aesthetics properly to map out the best development projects mingled with the elements of green building and smart building to meet the needs of the rapidly changing market.
3. In construction engineering and management: The Company made unceasing efforts in the study and discussion on construction technologies and engineering management so as to exercise strict quality control of products, enhance production efficiency, and reduce the cost of works. The Company also introduced the most appropriate methods to bolster the competitiveness of its products; meanwhile, the engineering deficiencies are improved through the feedback from the post-sales service department, and established standard operation procedures for all items of works with standards of construction drawings. In addition, the Company also introduced prefabricated materials to a certain level just in case of possible labor shortage in the construction industry in the future.

4. The Sales Department responds to any defect after occupation of the premises by the consumers in optimal sales efficiency through the improvement of design and work quality, and hence achieves the satisfaction of the customers.
5. With the innovative digital marketing model and investment in development and application of big data analysis, the establishment of Facebook fan page and Instagram page, the Company maintains good interaction and information communication with consumers and achieves initial results. The marketing expense rate has dropped significantly, and the R&D will continuously deepen.

II. 2026 Business Plan Overview

(I) Business Policy:

1. Given the increasing difficulty of land acquisition in Taipei and New Taipei City, the Company will strengthen its efforts in urban renewal projects and expand its project sourcing and pipeline.
2. With a dual focus on office spaces and residential buildings, coordinated efforts are being made in both Taipei and Taichung.
3. Commercial and industrial office spaces will be the primary focus of this year's business marketing efforts.
4. To cope with the Central Bank's selective credit control, we should be prudential in terms of financial risks, and rationally allocate land purchase expenditures and joint construction weights.
5. With respect to new land acquisitions, the Company will leverage its financial strength and capital resources to prioritize the acquisition of large-scale, high-quality residential land well-positioned for successful pre-sale launches, thereby enhancing capital turnover and generating profitability.
6. Efforts have been made to revise the positioning of products and mapping out of an appropriate marketing strategy aimed at population structure, family composition, and structural change.
7. The nature of the media and marketing channels has undergone significant changes where digital marketing has replaced the traditional print media channel. With the introduction and use of big data analysis, we can uncover potential customers to use in making judgments of land development by district.
8. We emphasize our professional standing, and stable and sustainable development to create products of superior quality. These will be essential to upgrade customer loyalty and brand value, and strengthen our capacity in creating product value.
9. Proper pursuit of quality control and intensifying post-delivery service to build up the customer service system, and self-demand of an upgrade in construction quality.
10. Cautious budget management and a viable auditing system contributed to effective operation management, lowering costs, and improvement of return on investment.

(II) Expected Sales Volume and Reference:

1. Projects Launched With Sales:

- (1) The "Huaku Casa Blanca" residential project in the Beitou Shilin Technology Park, Taipei City, has a site area of 999 ping and a total sales value of approximately NT\$6.1 billion. The pre-sales rate reached 93.3%, and the project was completed and delivered in January 2026.
- (2) The "Huaku Sky Tower" residential project in Taishan District, New Taipei City, has a site area of 1,150 ping and a total sales value of approximately NT\$4.1 billion. The pre-sales rate reached 99.5%, and completion and delivery are scheduled for October 2026.
- (3) The "Huaku Upper Mansion" project in Xitun District, Taichung, has a site area of 3,243 ping and a

total sales value of approximately NT\$10.8 billion. The sales rate is 77%, and completion and delivery are scheduled for July 2027.

- (4) The "Huaku Flourish Mansion" project in Beitun District, Taichung, has a site area of 1,450 ping and a total sales value of approximately NT\$4.5 billion. The sales rate is approximately 40%, and completion and delivery are scheduled for October 2027.
- (5) The "Huaku Mout River" project in Sanchong District, New Taipei City, has a site area of 949 ping and a total sales value of approximately NT\$5.0 billion. The sales rate reached 95%, and completion and delivery are scheduled for October 2027.
- (6) The "Huaku Weaven" project in Sanchong District, New Taipei City, has a site area of 621 ping and a total sales value of approximately NT\$3.3 billion. The sales rate reached 91%, and completion and delivery are scheduled for May 2028.
- (7) The "Ultimate Luxury" project in Da'an District, Taipei City, has a site area of 1,450 ping and a total sales value of approximately NT\$6.7 billion. The sales rate reached 85%, and completion and delivery are scheduled for October 2028.

2. Projects Continuing Sales in 2026:

- (1) The "Huaku Fortune One Project" in Dazhi, Taipei City, has a site area of 1,329 ping and a total sales value of approximately NT\$7.5 billion. The project adopts a build-then-sell model and was completed in February 2026.
- (2) The "Huaku Vision Park" in Beitou District, Taipei City has a site area of 6,247 ping and a total sales value of approximately NT\$31 billion. Sales are conducted during construction, and completion is scheduled for October 2028.
- (3) The "Huaku Maison de Lotus" project in Beitou District, Taipei City, has a site area of 746 ping and a total sales value of approximately NT\$5.2 billion. The project adopts a pre-sale model, and completion is scheduled for April 2029.
- (4) The "Huaku Four Seasons Manor" project in Beitun District, Taichung, has a site area of 1,748 ping and a total sales value of approximately NT\$5.2 billion. Sales are conducted through the Company's customer service center, and completion is scheduled for September 2029.
- (5) The "Huaku Le Grand Cru" project in Xindian District, New Taipei City, has a site area of 1,514 ping and a total sales value of approximately NT\$5.5 billion. Sales are conducted through external sales centers, and completion is scheduled for September 2029.

(III) Important Production and Sales Policy:

1. Launching both residential and office projects, strategically advancing in both Taipei and Taichung.
2. Among the land inventory, there are numerous large-scale and joint development projects. Careful selection of the construction start time is essential to reduce costs and maximize profits.
3. The Company currently maintains a land inventory with a total sales value exceeding NT\$120 billion. Accordingly, future land development will prioritize the acquisition of high-quality residential land that is well-positioned for successful pre-sales, leveraging the Company's capital strength to generate profitability.
4. In response to the increasing difficulty of land acquisition in Taipei and New Taipei City, and to ensure the Company's long-term sustainable operations, land development efforts will place greater emphasis on urban renewal projects and continue to deepen its presence in the Taipei and New Taipei City markets.
5. As the Central Bank's selective credit controls show no signs of easing, the Company will strictly manage financial risks, utilize sufficient internal funds to generate profitability, and maintain strong capital flexibility.
6. Adjusting the inventory ratio of commercial offices and residential properties, to promptly reflect the pulse of the industry's recovery, with rolling adjustments.

III. The effect of the competitive, regulatory and macroeconomic environment on the development strategy of the Company in the future

- (I) For the Central Bank's selective credit control, the financial risks are under strict control, the turnover rate of self-owned funds is increased, the appropriate debt ratio is controlled, and the return on assets is increased.
- (II) As the technology sector progresses through inventory destocking and moves toward recovery, the Company will adopt a dual-track strategy in office and residential developments.
- (III) The Company will continue to monitor opportunities to acquire high-quality residential land in regions north of Taichung at appropriate timing, in order to ensure a sufficient land inventory to support its long-term operations.
- (IV) To cope with the market movements such as negative population growth, declining birthrate, and multi-family households, in terms of product positioning, the Company will take various strategies depending on locations, and catch the trends.
- (V) Aligning to the global ESG trend, the Company invests in research and development, reduces carbon and saves energy, with smart buildings of green building materials, high energy efficiency, and high energy storage, to enhance the Company's brand image, and create leading advantages in product strength.
- (VI) In response to the shortage of manpower and rising wages, the project introduces foreign workers to ensure the progress of the project and completion on time.

(VII) Political and Economic Situations and Challenges in the Future:

1. Overall Economic Performance:

- (1) According to data released by the Directorate General of Budget, Accounting and Statistics, the economic growth rate for 2025 has been revised upward to 8.6%, exceeding earlier estimates. The economic growth rate for 2026 is projected to be approximately 4%, with overall economic conditions expected to face greater uncertainty compared to the previous year.
- (2) Inflation in the United States has shown initial signs of being brought under control, and the Federal Reserve is expected to maintain its interest rate cutting cycle.
- (3) Most institutional investors and foreign investment institutions expect the equity market to remain within the range of 28,000 to 35,000 points this year.

2. Capital Level:

- (1) The Central Bank maintains its selective credit control on the construction industry, and funds are tightened.
- (2) The likelihood that the Central Bank will keep interest rates unchanged this year is high, with rates expected to remain around 3%.

3. Advantages:

- (1) The Central Bank is expected to keep policy interest rates unchanged this year, with mortgage rates remaining in the range of 2.5% to 3.0%.
- (2) Exports remain strong, and the equity market is expected to stay at elevated levels.
- (3) As the policy suppresses the housing market with tight funds, construction companies will reduce their operations and supply will also decrease.

4. Disadvantages :

- (1) Amidst the atmosphere of a housing market suppressing policy, home buyers will take a wait-and-see approach for lower prices.
- (2) The continuous rise in construction materials and labor costs has significantly increased project costs, which may not be transferrable.
- (3) Ongoing tensions between the two sides of the Taiwan Strait represent the greatest risk.

Two. Corporate Governance Report

I. Information on directors, supervisors, general manager, deputy general managers, assistant vice presidents, and heads of departments and branches:

(I) Information on the Directors and Supervisors:

March 31, 2026

Occupational Title (Note 1)	Nationality or Place of Registration	Name	Gender and age (Note 2)	Date of Election to (assumption of) Office	Tenure	Initial Appointment Date (Note 3)	Quantity of Shareholding at the Time of Election to Office		Quantity of Shareholding at Present		Shares held by spouse or underage children		Shares held in the name of a third party		Major Experience and Education (Note 4)	Holding other positions of the Company and other companies at present	Other Executives, Directors, or Supervisors who are a Spouse or Kindred Within the 2nd Tier Under the Civil Code.			Remarks (Note 5)
							Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding			Title	Name	Relation	
Chairman	Republic of China	Chung, Long-Chang	Male / 71-80	2023/5/24	3 years	1999/4/12	2,870,606	1.04%	2,244,549	0.70%	557,550	0.18%	None	None	Master's Degree; Chairman, Huaku Development Co., Ltd.	CEO of the Company; Director, Pin Hsing Construction Co., Ltd.; Corporate Representative, Zhong Shan Investment Co., Ltd.; Corporate Representative, Ann Tong Industrial Co., Ltd.	None	None	None	Coping with the operational needs of the Company, the director concurrently serves as the CEO to take charges of coordinating the company-wide operational and managerial business. No fewer than four independent directors have been established by December 31, 2022 as required by laws.
Director	Republic of China	Hung, Chia-Sheng	Male / 61-70	2023/5/24	3 years	2023/5/24	373,028	0.13%	430,846	0.13%	27,147	0.01%	None	None	Master's Degree; General Manager, Huaku Development Co., Ltd.	General Manager of the Company; Director and Corporate Representative, Hua Pu Construction Co., Ltd.	None	None	None	None
Director	Republic of China	Liu, Ruo-Mei	Female / 61-70	2023/5/24	3 years	1999/4/12	667,355	0.24%	770,794	0.24%	131,043	0.04%	None	None	Bachelor's Degree; CFO, Huaku Development Co., Ltd.	CFO & Head of the Finance & Accounting Dept. of the Company; Supervisor, Taiwan Digit Automated Control Co., Ltd.; Corporate Director, Hua Pu Construction Co., Ltd.; Corporate Director, Chengdu Wancheng Duobao Real Estate Co., Ltd.	None	None	None	None
Director	Republic of China	Hwang, Yih-Ray	Male / 51-60	2023/5/24	3 years	1999/4/12	4,001,548	1.45%	5,658,037	1.77%	0	0.00%	None	None	Master's Degree; Director, National Federation of Certified Public Accountants Associations of the Republic of China	Managing Partner, Solomon & Co., CPAs; Independent Director, China Airlines Ltd.	None	None	None	None

Occupational Title (Note 1)	Nationality or Place of Registration	Name	Gender and age (Note 2)	Date of Election to (assumption of) Office	Tenure	Initial Appointment Date (Note 3)	Quantity of Shareholding at the Time of Election to Office		Quantity of Shareholding at Present		Shares held by spouse or underage children		Shares held in the name of a third party		Major Experience and Education (Note 4)	Holding other positions of the Company and other companies at present	Other Executives, Directors, or Supervisors who are a Spouse or Kindred Within the 2nd Tier Under the Civil Code.			Remarks (Note 5)
							Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding			Title	Name	Relation	
Director	Republic of China	New Land Investment Co., Ltd.	Female / 51-60	2023/5/24	3 years	2005/04/28	14,690,982	5.31%	16,968,084	5.31%	0	0.00%	None	None	Master's Degree; Director, Huang Pao Investment Co.,Ltd.	Director, Huang Pao Investment Co.,Ltd.	None	None	None	None
		Representative: Tu, Wei-Shan					0	0.00%	0	0.00%	2,106	0.00%	None	None						
Director	Republic of China	Chung Shan Investment Co., Ltd.	Male / 71-80	2023/5/24	3 years	2006/5/24	19,700,000	7.12%	23,700,000	7.41%	0	0.00%	None	None	Master's Degree; Responsible Person, Changchun Management Consulting Co.,Ltd.	Director, Changchun Management Consulting Co.,Ltd.	None	None	None	None
		Representative: Chen, Rung-Hua					0	0.00%	0	0.00%	0	0.00%	None	None						
Independent Director	Republic of China	Wang, Tze-Chun	Male / 61-70	2023/5/24	3 years	2017/6/7	0	0.00%	0	0.00%	0	0.00%	None	None	Bachelor's Degree; Chairman, Sirtec International Co., Ltd.	Chairman, Ann Tong Industrial Co., Ltd.	None	None	None	None
Independent Director	Republic of China	Lan, Wen-Hsiang	Male / 61-70	2023/5/24	3 years	2017/6/7	0	0.00%	0	0.00%	0	0.00%	None	None	Judge and Presiding Judge, Taiwan High Court	None	None	None	None	None
Independent Director	Republic of China	Chuang, Meng-Han	Male / 71-80	2023/5/24	3 years	2017/6/7	0	0.00%	0	0.00%	0	0.00%	None	None	Master's Degree; Vice President, Moneyweekly Publishing Ltd.	Independent Director & Remuneration Committee Member, Sunty Development Co., Ltd.	None	None	None	None
Independent Director	Republic of China	Ding Yu-Jia	Male / 61-70	2023/5/24	3 years	2009/11/17	0	0.00%	0	0.00%	0	0.00%	None	None	Ph.D.; President, IBF Financial Holdings Co., Ltd.	Director, Altek Corporation; Corporate Representative & Independent Director & Remuneration Committee Member, Alerex Electronics Co., Ltd. and YeaShin International Development Co., Ltd. (Note 6)	None	None	None	None

Note 1: Where the shareholder is a corporate shareholder, the name of the corporate shareholder and the name of its representative shall be presented separately (for corporate shareholder representatives, the name of the corporate shareholder shall be indicated), and the information shall also be disclosed in Table 1 below.

Note 2: Please disclose the actual age, which may be presented in ranges, such as 41-50 or 51-60.

Note 3: The time for assuming the position as a Director or Supervisor of the Company for the first time. If there was an interruption to the term of office, specify.

Note 4: Disclose experience relevant to the current position. If, during the aforementioned period, the individual has served at a CPA firm or its affiliated enterprises, the title held and responsibilities undertaken shall be specified.

Note 5: If the President and general manager or person at the equivalent position (the top manager) is also the chairman, or spouse or next of kin to the chairman, give information on the reason, the rationality, and necessity, and response (e.g., the addition of the seats of independent directors and at least more than half of the Directors are not employees or managers of the Company at the same time).

Note 6: Ting, Yu-Chia resigned as an independent director of YeaShin International Development Co., Ltd. on April 7, 2026.

Major shareholders of the corporate shareholder

March 31, 2025

Name of Corporate Shareholder (Note 1)	Major Shareholders of the Corporate Shareholder (Note 2)
New Land Investment Co., Ltd.	New Land Investment Co., Ltd. (77.14%); Huang Pao Investment Co.,Ltd. (6.85%); Hsieh, Pao-Yu (5.30%); Chang Xue Investment Co., Ltd. (5.00%); Wang, Chi-Hsiang (1.79%); Wen, Hsiu-Wen (1.79%); Chung, Long-Chang (0.71%); Li, Ying-Chao (0.71%); Chou, Hsiao-Li (0.71%)
Chung Shan Investment Co., Ltd.	Chung, Long-Chang (33.45%); Lee, Tao-Chen (28.31%); Chung, Chuo-Chun (21.13%); Chung, Wan-Chien (17.11%)

Note 1: Where a director or supervisor serves as a corporate shareholder representative, the name of the corporate shareholder shall be disclosed.

Note 2: Disclose the names of the major shareholders of the corporate shareholder (limited to the top ten shareholders by shareholding percentage) and their respective shareholding percentages. Where any major shareholder is itself a corporate entity, the information shall be further disclosed in Table 2 below.

Note 3: Where a corporate shareholder is not organized as a company, the names and shareholding percentages to be disclosed above shall refer to its contributors or donors (which may be verified with reference to public announcements by the Judicial Yuan), together with their respective contribution or donation ratios. Where a donor is deceased, it shall be indicated as "deceased."

If any Major Shareholder Listed in Form 1 is a Corporate/Juristic Person, List its Major Shareholders in this Form

March 31, 2025

Name of Corporate Shareholder (Note 1)	Major Shareholders of the Corporate Shareholder (Note 2)
New Land Developers Group	Hsieh, Pao-Yu (44.12%); Huang Pao Investment Co.,Ltd. (6.85%); Hsieh, Pao-Yu (21.12%); Chang Xue Investment Co., Ltd. (21.12%); Huang Pao Investment Co.,Ltd. (9.00%); Wang, Chi-Hsiang (7.81%); Wen, Hsiu-Wen (7.81%); Chung, Long-Chang (3.13%); Li, Ying-Chao (3.13%); Chou, Hsiao-Li (0.71%); Luo, Hui-Min (0.75%)
Huang Pao Investment Co., Ltd.	Hsieh, Pao-Yu (45.00%); Tu, Wei-Chuan (22.50%); Tu, Wei-Shan (22.50%); Tu, Huang-Cheng (10.00%)
Chang Hsueh Investment Co., Ltd.	Luo, Huei-Ming (90.28%), Yang, Han-Chang (2.50%), Yang, Xue-Er (7.22%)

Note 1: If the dominant shareholders are institutional shareholders as shown in Table 1 above, put down the names of the institutional shareholders.

Note 2: Put down the dominant shareholders of the institutional shareholder (top 10 shareholders by shareholding) and the proportion of shareholding.

Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased."

(II) Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and Supervisors and the Independence of Independent Directors:

Name	Condition	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	Number of public companies that the Independent Director also holds the position as independent director in.
Chung, Long-Chang (Chairman)		Has work experience in commerce, legal affairs, finance, accounting, or corporate business; serves as the chairman of our company, with no circumstances as specified in Article 30 of the Company Act.	Not Applicable	0
Hung, Chia-Sheng (Director)		Possesses experience in business, law, finance, accounting, or necessary corporate operations; serves as the General Manager of the company; and does not fall under any of the circumstances listed in Article 30 of the Company Law.	Not Applicable	0
Liu, Ruo-Mei (Director)		Possesses experience in business, law, finance, accounting, or necessary corporate operations; serves as the Chief Financial Officer of the company; and does not fall under any of the circumstances listed in Article 30 of the Company Law.	Not Applicable	0
Hwang, Yih-Ray (Director)		Possesses experience in business, law, finance, accounting, or necessary corporate operations and holds a certified public accountant qualification; Practices in Solomon & Co., CPAs; serves as a director of the company; and does not fall under any of the circumstances listed in Article 30 of the Company Law.	Not Applicable	1
New Land Investment Co., Ltd. Representative: Tu, Wei-Shan (Director)		Possesses experience in business, law, finance, accounting, or necessary corporate operations; serves as a director of the company; and does not fall under any of the circumstances listed in Article 30 of the Company Law.	Not Applicable	0
Chung Shan Investment Co., Ltd. Representative: Chen, Rung-Hua (Director)		Possesses experience in business, law, finance, accounting, or necessary corporate operations and holds a certified public accountant qualification; serves as a director of the company; and does not fall under any of the circumstances listed in Article 30 of the Company Law.	Not Applicable	0
Wang, Tze-Chun (Independent Director)		Possesses experience in business, law, finance, accounting, or necessary corporate operations and holds a certified public accountant qualification; serves as the convener for both the Remuneration Committee and Audit Committee of the company; and does not fall under any of the circumstances listed in Article 30 of the Company Law.	(1) The Company's independent director, and meet the requirement of independence. (2) The independent director, his/her spouse, and relative within the second degree of kinship are not directors, supervisors, or employees of the Company or any of its affiliates; not holding the shares in the Company; not a director, supervisor, or employee of any company having specific relationship with the Company. (3) No compensation amount received by providing 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	0

Name	Condition	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	Number of public companies that the Independent Director also holds the position as independent director in.
Lan, Wen-Hsiang (Independent Director)		Possesses experience in business, law, finance, accounting, or necessary corporate operations and holds a judge qualification; serves as an independent director of the company; and does not fall under any of the circumstances listed in Article 30 of the Company Law.	(1) The Company's independent director, and meet the requirement of independence. (2) The independent director, his/her spouse, and relative within the second degree of kinship are not directors, supervisors, or employees of the Company or any of its affiliates; not holding the shares in the Company; not a director, supervisor, or employee of any company having specific relationship with the Company. (3) No compensation amount received by providing 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	0
Chuang, Meng-Han (Independent Director)		Has work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company; and is an instructor or higher in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college, or university; with no circumstances as specified in Article 30 of the Company Act.	(1) The Company's independent director, and meet the requirement of independence. (2) The independent director, his/her spouse, and relative within the second degree of kinship are not directors, supervisors, or employees of the Company or any of its affiliates; not holding the shares in the Company; not a director, supervisor, or employee of any company having specific relationship with the Company. (3) No compensation amount received by providing 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	1
Ding Yu-Jia (Independent Director)		Has work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company; and is an instructor or higher in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college, or university; with no circumstances as specified in Article 30 of the Company Act.	(1) The Company's independent director, and meet the requirement of independence. (2) The independent director, his/her spouse, and relative within the second degree of kinship are not directors, supervisors, or employees of the Company or any of its affiliates; not holding the shares in the Company; not a director, supervisor, or employee of any company having specific relationship with the Company. (3) No compensation amount received by providing 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	1

Note 1: Professional qualifications and experience: Specify the professional qualifications and experience of each director and supervisor. If a member of the Audit Committee, specify their accounting or finance background and work experience. Additionally, specify whether any circumstance under any subparagraph of Article 30 of the Company Act exists with respect to a director.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: did they or their spouse or any relative within the second degree serve as a director, supervisor, or employee of the Company or any of its affiliates? ; specify the number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees); do they serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)?; specify the amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

Note 3: Regarding the method for disclosure, please refer to the "SAMPLE ANNUAL REPORT" page on the website of the Taiwan Stock Exchange Corporate Governance Center.

Diversity and independence of the Board of Directors

1. Pursuant to Article 20 of the “Corporate Governance Best Practice Principles,” the board members shall have the knowledge, skills, and experience necessary to perform their duties. As a whole, the Board of Directors shall have the abilities to make operational judgments, perform accounting and financial analysis, conduct management administration, conduct crisis management, lead and make policy decisions, as well as the knowledge of the industry and an international market perspective. The composition of the Board of Directors shall be determined by taking diversity into consideration. An appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated and include basic requirements and values (gender, age, nationality, and culture) and professional knowledge and skills (law, accounting, industry, finance, marketing, or technology). The Company places emphasis on gender diversity in the composition of its Board of Directors and has set a target of increasing the proportion of female directors to at least one-third (i.e., 33%). Following the full re-election of the Board at the 2023 annual shareholders' meeting, the current Board composition comprises 80% male directors (8 members) and 20% female directors (2 members). The Company will continue its efforts to increase the number of female directors in order to achieve the stated target.

The status of the Company's implementation of Board diversity for 2025 is as follows:

Title	Name	Gender	Concurrent Employee of the Company	Age			Tenure as Independent Director			Operational judgment capability	Accounting and financial analysis capability	Business management capability	Crisis management capability	Industry knowledge	International market perspective	Leadership capability	Decision-making capability
				51 to 60	61 to 70	71 and above	Less than 3 years	3 to 9 years	More than 9 years								
Chairman	Chung, Long-Chang	Male	V			V				V	V	V	V	V	V	V	V
Director	Hung, Chia-Sheng	Male	V		V					V	V	V	V	V	V	V	V
Director	Liu, Ruo-Mei	Female	V		V					V	V	V	V	V		V	V
Director	Hwang, Yih-Ray	Male		V						V	V	V	V	V	V	V	V
Director	New Land Investment Co., Ltd.	Female		V						V		V	V	V	V	V	V
	Tu, Wei-Shan																
Director	Chung Shan Investment Co., Ltd.	Male				V				V	V	V	V	V	V	V	V
	Chen, Rung-Hua																
Independent Director	Wang, Tze-Chun	Male			V					V	V	V	V	V	V	V	V
Independent Director	Lan, Wen-Hsiang	Male			V					V	V	V	V	V	V	V	V
Independent Director	Chuang, Meng-Han	Male				V				V	V	V	V	V			V
Independent Director	Ding Yu-Jia	Male			V		V			V	V	V	V	V	V	V	V

2.Independence of the Board of Directors: The Company has a total of ten board members, and four of them are independent directors, accounting for 40% of the Board of Directors. None of the directors has any relationship as spouses or relatives within the second degree of kinship, meeting the requirements of Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. For details, please refer to "The Information on Directors and Supervisors" on Page 6.

The Company's Board of Directors instructs the Company's strategies, supervises the management, and is responsible to the Company and shareholders. In the various operations and arrangements of the corporate governance system, the Board of Directors exercises its powers pursuant to laws, the Company's Articles of Incorporation, or resolutions of the shareholders' meetings. The Company's Board of Directors emphasizes the functions of independent operation and transparency. Directors and independent directors are independent individuals and exercise their duties independently. The four independent directors also comply with the relevant laws and regulations, along with the powers of the Audit Committee, to review and measure the control of the Company's existing or potential risks, for effectively supervising the effective implementation of the Company's internal control, the selection (dismissal) of CPAs and their independence, as well as the fair preparation of financial statements.

Our company has established a board performance evaluation system, conducting annual performance assessments of the board, individual directors, and functional committees (Audit Committee and Remuneration Committee). The board's performance is assessed based on the following criteria: (1) involvement in company operations, (2) decision-making quality, (3) board composition and structure, (4) director selection and ongoing education, and (5) internal controls. Self-assessments by board members include their understanding of (1) company goals and tasks, (2) director responsibilities, (3) involvement in company operations, (4) internal relationship management and communication, (5) professional development, and (6) internal controls. Performance evaluations of functional committees cover areas such as (1) involvement in company operations, (2) understanding of committee responsibilities, (3) improvement of committee decision-making quality, (4) committee composition and member selection, and (5) internal controls. The results of the aforesaid self-evaluation are disclosed on the official website after reported to the Board.

(III) Information on the General Manager, Vice Presidents, Assistant Vice Presidents, and Function and Branch Heads:

March 31, 2025

Occupational Title (Note 1)	Nationality	Name	Gender	Date of Election to (assumption of) Office	Quantity of Shareholding		Shares Held by Spouse and/or Children who are Minors		Shares held in the name of a third party		Major Experience and Education (Note 2)	Positions in Other Companies at Present	Spouse or Kindred Within the 2nd Tier Under the Civil Code who is a Manager			Remarks (Note 3)
					Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding			Title	Name	Relation	
Chief Executive Officer	Republic of China	Chung, Long-Chang	Male	2003/02/01	2,244,549	0.70%	577,550	0.18%	None	None	Master's Degree President, Chunghua Real Estate Management Co., Ltd.	Director: Representative of Pin Hsing Construction Co., Ltd. Chung Shan Investment Co., Ltd. Anntong Ind. Co., Ltd.	None	None	None	Coping with the operational needs of the Company, the chairman concurrently serves as the CEO to take charges of coordinating the company-wide operational and managerial business. No fewer than four independent directors have been established by December 31, 2022 as required by laws.
General Manager	Republic of China	Hung, Chia-Sheng	Male	2016/09/01	430,846	0.13%	27,147	0.01%	None	None	Master's Degree President, Metropolitan Construction & Development Co., Ltd.	Director: Representative of the Institutional Director, Hua Pu Construction Co., Ltd.	None	None	None	None
Engineering General Manager	Republic of China	Liao, Wen-Shan	Male	2006/03/01	290,722	0.09%	278,171	0.09%	None	None	Master's Degree Manager, Engineering Department, Chiao Tai Construction Co, Ltd.	Director: Representative of Pin Hsing Construction Co., Ltd. Full Come Foundation Engineering, Ltd.	None	None	None	None
CFO and Head of the Finance and Accounting Department	Republic of China	Liu, Ruo-Mei	Female	2004/01/01	770,794	0.24%	131,043	0.04%	None	None	Bachelor's Degree Head of Finance & Accounting Department, Chunghua Real Estate Management Co., Ltd.	Supervisor: Taiwan Digit Automated Control Co., Ltd. Hua Pu Construction Co., Ltd. Representative of Chengdu Wanchengduobao Property Co., Ltd.	None	None	None	None
Head of Land Development Department	Republic of China	LIN, SHIH-SHENG	Male	2015/02/01	51,975	0.02%	935	0.00%	None	None	Bachelor's Degree Business Development Specialist, Kindom Development Co., Ltd.	Director: Representative of the Institutional Director, Hua Pu Construction Co., Ltd.	None	None	None	None
Head of the Sales and Marketing Department	Republic of China	Mei-Chen Tu	Female	2023/06/01	20,500	0.01%	0	0.00%	None	None	Bachelor's Degree Sales & Marketing Department of HUAKU DEVELOPMENT CO., LTD.	None	None	None	None	None
Assistant VP of Engineering & Head of Engineering Dept.	Republic of China	Ho, Ping-Hsing	Male	2003/08/01	84,099	0.03%	2,415	0.00%	None	None	Bachelor's Degree Team Leader, Construction Division, San Ching Engineering Co., Ltd.	Director: Representative of Pin Hsing Construction Co., Ltd. Full Come Foundation Engineering, Ltd.	None	None	None	None
Head of Administrative Department and Corporate Governance Officer	Republic of China	Yao, Hsiu-Chin	Female	2000/02/01	247,193	0.08%	0	0.00%	None	None	Bachelor's Degree Sales Assistant, Kuo Ting Construction Co., Ltd.	Director: Representative of the Institutional Director, Taiwan Digit Automated Control Co., Ltd. Supervisor: Representative of Pin Hsing Construction Co., Ltd.	None	None	None	None
Head of the Electrical Machinery Department	Republic of China	WU, SHIH-WEI	Male	2005/02/01	17,671	0.01%	5,775	0.00%	None	None	Junior College Assistant Vice Manager, Taiwan Real Estate Management Co., Ltd.	None	None	None	None	None
Head of the Design Department	Republic of China	Yang, Chih-Wei	Male	2005/02/01	43,561	0.01%	3,940	0.00%	None	None	Bachelor's Degree Assistant Vice Manager, Design Department, Metropolitan Construction & Development Co., Ltd.	None	None	None	None	None
Head of the Customer Service Department	Republic of China	Fan, Gang-Chi	Male	2012/12/17	69,615	0.02%	5,828	0.00%	None	None	Master's Degree Engineer, Shuang Chuan Engineering Co., Ltd.	None	None	None	None	None
Head of the Auditing Office	Republic of China	TANG, HSIANG-LING	Female	2004/02/02	8,658	0.00%	1,000	0.00%	None	None	Bachelor's Degree Deputy Manager, PwC Taiwan	None	None	None	None	None

Note 1: The disclosure shall include the General Manager, Vice Presidents, Assistant Vice Presidents, and the heads of the branches, and those who are at the ranks equal to the General Manager, Vice Presidents, or Assistant Vice Presidents irrespective the name of the titles.

Note 2: Disclose experience relevant to the current position. If, during the aforementioned period, the individual has served at a CPA firm or its affiliated enterprises, the title held and responsibilities undertaken shall be specified.

Note 3: Related information if the General manager or person of relevant position (top manager) also holds the position of Chairman, or spouse to the chairman or next of kin, disclose the reason, the rationality, necessity, and responses (such as increase the number of seats for Independent Directors, and no more than half of the Directors should also be employees or managers of the Company).

II. Remuneration paid to directors, supervisors, general manager, and deputy general managers in the most recent year:

(I) Remunerations to the Directors and Independent Directors:

Unit: NT\$ thousand

Title	Name	Remuneration to Directors								Sum of A+B+C+D and ratio to net income (Note 10)		Amount received as an employee.								Sum of A+B+C+D+E+F+G and ratio to net income (Note 10)		Receiving remuneration from investee companies other than subsidiaries or from the parent company (Note 11)
		Remuneration (A) (Note 2)		Severance and Retirement Benefits (B)		Remuneration to Directors (C) (Note 3)		Business Subsidy (D) (Note 4)				Salaries, Bonuses, and Special Accounts (E) (Note 5)		Severance Payment and Pension (F)		Remuneration to Employees (G) (Note 6)						
		The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company	All companies included in the financial statements (Note 7)	The Company		All companies included in the financial statements (Note 7)		The Company	All companies included in the financial statements	
															Amount of cash	Amount of Stock	Amount of cash	Amount of Stock				
Chairman	Chung, Long-Chang																					
Director	Hung, Chia-Sheng																					
Director	Liu, Ruo-Mei																					
Director	Chen, Rung-Hua: Representative of Chung Shan Investment Co., Ltd.	0	0	0	0	42,920	43,150	408	408	43,328 1.3366%	43,558 1.3437%	21,494	21,494	0	0	19,204	0	19,204	0	84,026 2.5921%	84,256 2.5992%	30
Director	Tu, Wei-Shan: Representative of New Land Investment Co., Ltd.																					
Director	Hwang, Yih-Ray																					
Independent Director	Wang, Tze-Chun																					
Independent Director	Lan, Wen-Hsiang	3,840	3,840	0	0	12,280	12,280	312	312	16,432 0.5069%	16,432 0.5069%	0	0	0	0	0	0	0	0	16,432 0.5069%	16,432 0.5069%	0
Independent Director	Chuang, Meng-Han																					
Independent Director	Ding Yu-Jia																					

1. Specify the policy, system, standard, and structure of remuneration to the Directors, and the association between the duties charged, the risk, the time required and other factors and the amount of payment to the Directors: The Independent Directors of the Company are entitled to fixed amount of payment monthly. According to the Article of Incorporation and other applicable rules and regulations, Directors will be remunerated on the basis of the operation result of the Company and the self-evaluation result of their performance.

2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): None.

Table of Salary Scale

Bracket of Payment to Each Director of the Company	Names of Directors			
	Total amount of remuneration of the sum of these 4 items (A+B+C+D).		The total amount of remuneration of the sum of these 7 items (A+B+C+D+E+F+G).	
	The Company (Note 8)	All Companies Included in the Financial Statements (Note 9) H	The Company (Note 8)	Parent company and all investee companies (Note 9) I
Less than NT\$1,000,000	-	-	-	-
NT\$1,000,000 (inclusive) - 2,000,000 (exclusive)	-	-	-	-
NT\$2,000,000 (inclusive) - 3,500,000 (exclusive)	-	-	-	-
NT\$3,500,000 (inclusive) - 5,000,000 (exclusive)	Wang, Tze-Chun; Lan, Wen-Hsiang; Chuang, Meng-Han; Ting Yu-Chia	Wang, Tze-Chun; Lan, Wen-Hsiang; Chuang, Meng-Han; Ting Yu-Chia	Wang, Tze-Chun; Lan, Wen-Hsiang; Chuang, Meng-Han; Ting Yu-Chia	Wang, Tze-Chun; Lan, Wen-Hsiang; Chuang, Meng-Han; Ting Yu-Chia
NT\$5,000,000 - NT\$10,000,000 (exclusive)	Hung, Chia-Sheng; Liu, Ruo-Mei; Hwang, Yih-Ray; Representative of Chung Shan Investment Co., Ltd.: Chen, Rung-Hua; Representative of New Land Investment Co., Ltd.: Tu, Wei-Shan	Hung, Chia-Sheng; Liu, Ruo-Mei; Hwang, Yih-Ray; Representative of Chung Shan Investment Co., Ltd.: Chen, Rung-Hua; Representative of New Land Investment Co., Ltd.: Tu, Wei-Shan	Huang, Yi-Jui, Representative of Chung Shan Investment Co., Ltd.: Chen Rung-Hua; Representative of New Land Investment Co., Ltd.: Tu, Wei-Shan	Huang, Yi-Jui, Representative of Chung Shan Investment Co., Ltd.: Chen Rung-Hua; Representative of New Land Investment Co., Ltd.: Tu, Wei-Shan
NT\$10,000,000 - NT\$15,000,000 (exclusive)	Chung, Long-Chang	Chung, Long-Chang	-	-
NT\$15,000,000- NT\$30,000,000 (exclusive)	-	-	Chung Long-Chang, Hung Chia-Sheng, Liu Jo-Mei	Chung Long-Chang, Hung Chia-Sheng, Liu Jo-Mei
NT\$30,000,000- NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 - NT\$100,000,000 (exclusive)	-	-	-	-
More than NT\$100,000,000	-	-	-	-
Total	10	10	10	10

Note 1: The names of directors shall be presented separately (for corporate shareholders, the name of the corporate shareholder and the name of its representative shall be presented separately), and general directors and independent directors shall be disclosed separately, with the amounts of each type of remuneration disclosed on an aggregated basis. If a Director also holds the position of General Manager or Vice President, fill in this Table and Table (3-1) or Table (3-2-1) and (3-2-2) below.

Note 2: This refers to the remuneration to the Directors in the most recent year (including salaries, business subsidies, severance payments, all kinds of bonuses, and awards).

Note 3: Fill in the amount of remuneration to the Directors passed by the Board in the most recent year.

Note 4: This refers to the business subsidy for performing related duties in the most recent year by the Directors (including travelling expenses, special accounts, different forms of subsidies, housing, transport, and other in-kind benefits). If housing, transport, or other means of transportation, or exclusive spending has been provided, disclose the nature and cost of the asset, the actual rent or rent calculated on the basis of fair market value, fuel expenses, and other payments. If a chauffeur is assigned, specify the payment of the Company to the chauffeur in note but not included as a part of the remuneration.

Note 5: The Director who also acted as an employee in the most recent year (including in the position of General Manager, Vice President, manager, and employee) and the salaries, allowance, severance payments, different forms of bonuses, awards, travelling expenses, special accounts, different subsidies, housing, transport, and other in-kind benefits received by the Director. If housing, transport, or other means of transportation, or exclusive spending has been provided, disclose the nature and cost of the asset, the actual rent or rent calculated on the basis of fair market value, fuel expenses, and other payments. If a chauffeur is assigned, specify the payment of the Company to the chauffeur in note but not included as a part of the remuneration. Salary expense recognized under IFRS 2- "Share-Based Payment", shall include the acquisition of ESO, restricted stocks, and subscription of new shares offered for raising capital, which shall be counted as remuneration.

Note 6: The Director who also acted as an employee in the most recent year (including in the position of General Manager, Vice President, manager, and employee) and acquired remuneration to employees (including stock and cash), disclose the amount of remuneration to the employee passed by the Board for payment in the most recent year. If estimation is not possible, calculate the amount planned for payment in the current year in proportion to the actual amount of payment in last year, and fill in Table I-3 attached.

Note 7: Disclose the total amount of remuneration paid to the Directors of the Company by all companies included in the consolidated financial statements (including the Company).

Note 8: Disclose the total amount of remuneration of the Company to each Director, applicable bracket of payment rate, and the name of the Director.

Note 9: Disclose the total amount of remuneration paid to each Director of the Company by all companies included in the consolidated financial statements (including the Company), the applicable bracket of payment rate, and the name of the Director.

Note 10: Net income after tax refers to the net income after tax as reported in the most recent annual parent company only financial statements or separate financial statements.

Note 11: a. In this column, specifically disclose the amount of remuneration received by the directors of the Company from investee enterprises other than subsidiaries or from the parent company (if none, state "None").

b. If the Directors have received payments from investee companies other than the subsidiaries or parent company, include such amount of payment into field I of the salary bracket table and change the name of the field to "Parent company and all Investee Companies".

c. Remuneration shall refer to the rewards and salaries (including the salaries for Employees, Directors, and Supervisors) paid to the Directors of the Company for the performance of duties as Directors, Supervisors, or managers, and related allowances from investee companies or parent company other than the subsidiaries.

Note 12: Director Kuo Chiu-Kun was dismissed after the board elections on May 24, 112, while Director Hung Chia-Sheng and Independent Director Ding Yu-Jia were appointed.
 * The content of remuneration disclosed in this table is different from the Income Tax Act in meaning. The purpose of this table is for disclosure only and not for taxation purpose.

(II) Remuneration to Supervisors: not applicable.

(III) Remuneration to the President and the Vice President

Unit: NT\$ thousand

Title	Name	Salary (A) (Note 2)		Severance Payment and Pension (B)		Profit-sharing compensation (B) (Note 3)		Amount of Remuneration to Employees (D) (Note 4)				Sum of A+B+C and ratio to net income (Note 8)		Receiving remuneration from investee companies other than subsidiaries or from the parent company (Note 9)
		The Company	All companies included in the financial statements (Note 5)	The Company	All companies included in the financial statements (Note 5)	The Company	All companies included in the financial statements (Note 5)	The Company		All companies included in the financial statements (Note 5)		The Company	All companies included in the financial statements (Note 5)	
								Amount of cash	Amount of Stock	Amount of cash	Amount of Stock			
Chief Executive Officer	Chung, Long-Chang	21,729	21,729	0	0	16,295	16,295	31,314	0	31,314	0	69,627 2.1479%	69,627 2.1479%	30
General Manager	Hung Chia-Sheng													
Engineering General Manager	Liao Wen-Shan													
Chief Financial Officer	Liu Jo-Mei													
Vice President	Ho, Ping-Hsing													
Vice President	LIN, SHIH-SHENG													

* Disclosure is required for ranks equal to the General Manager, Vice Presidents (such as: President, CEO, Executive Officer...) irrespective of the occupational title.

Table of Salary Scale

Bracket of remuneration to the President and the Vice Presidents of the Company	Names of President and Vice Presidents	
	The Company (Note 6)	Parent company and all investee companies (Note 7) E
Less than NT\$1,000,000	-	-
NT\$1,000,000 (inclusive) - 2,000,000 (exclusive)	-	-
NT\$2,000,000 (inclusive) - 3,500,000 (exclusive)	-	-
NT\$3,500,000 (inclusive) - 5,000,000 (exclusive)	-	-
NT\$5,000,000 - NT\$10,000,000 (exclusive)	Ho, Ping-Hsing, Lin, Shih-Sheng	Ho, Ping-Hsing, Lin, Shih-Sheng
NT\$10,000,000 - NT\$15,000,000 (exclusive)	Jason Hung; Liao, Wen-Shan; Liu, Jo-Mei	Jason Hung; Liao, Wen-Shan; Liu, Jo-Mei
NT\$15,000,000- NT\$30,000,000 (exclusive)	Chung, Long-Chang	Chung, Long-Chang
NT\$30,000,000- NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 - NT\$100,000,000 (exclusive)	-	-
More than NT\$100,000,000	-	-
Total	6	6

Note 1: The names of the General Manager and Vice Presidents should be listed one-by-one and disclose the itemized payment in aggregate. If the Chairman also holds the position as General manager or Vice President, fill in this table and Table (1-1), or (1-2-1) and (1-2-2) above.

Note 2: This refers to the salaries, business subsidies, and severance payment to the General Manager and Vice Presidents in the most recent year.

Note 3: The salaries, allowance, severance payments, different forms of bonuses, awards, traveling expenses, special accounts, different subsidies, housing, transports, other in-kind benefits and remunerations received by the General Manager and the Vice Presidents in the most recent year. If housing, transport, or other means of transportation, or exclusive spending has been provided, disclose the nature and cost of the asset, the actual rent or rent calculated on the basis of fair market value, fuel expenses, and other payments. If a chauffeur is assigned, specify the payment of the Company to the chauffeur in note but not included as a part of the remuneration. Salary expense recognized under IFRS 2- "Share-Based Payment", shall include the acquisition of ESO, restricted stocks, and subscription of new shares offered for raising capital, which shall be counted as remuneration.

Note 4: The Director who also acted as an employee in the most recent year (including in the position of General Manager, Vice President, manager, and employee) and acquired remuneration to employees (including stock and cash), disclose the amount of remuneration to the employee passed by the Board for payment in the most recent year. If estimation is not possible, calculate the amount planned for payment in the current year in proportion to the actual amount of payment in last year, and fill in Table I-3 attached.

Note 5: Disclose the total amount of remuneration paid to the Directors of the Company by all companies included in the consolidated financial statements (including the Company).

Note 6: Disclose the names of the General Manager and the Vice Presidents in the relevant bracket showing the remunerations to each of the General Manager and Vice President.

Note 7: Disclose the names of the General Manager and Vice Presidents in relevant brackets showing the total amount of remuneration to the General Manager and Vice Presidents of the Company from all companies included in the consolidated financial statements (including the Company).

Note 8: Net income after tax refers to the net income after tax as reported in the most recent annual parent company only financial statements or separate financial statements.

Note 9: a. Specify the amount of remuneration to the General Manager and Vice Presidents of the Company from direct investments other than the subsidiaries or related remunerations from the parent company (Put "no" is not applicable).

b. If the General Manager and the Vice Presidents of the Company have remuneration from the direct investments other than the subsidiaries or the parent company, combine the remuneration of the General Manager and the Vice Presidents from the direct investments other than the subsidiaries or the parent company with the amount in relevant brackets as presented in field E, and change the name of the field into "Parent Company and all Direct Investments".

c. Remunerations are the rewards and salaries (including the payments paid to the Employees, Directors, and Supervisors) and business subsidies or parent company to the General Manager and Vice Presidents of the Company in the capacities of Directors, Supervisors, or managers in the direct investments of the Company other than the subsidiaries.

Note 10: The VP of the Sales & Marketing Department, Lin Cheng-li, left on May 31, 2023, and the VP of the Land Development Department, LIN, SHIH-SHENG, was promoted on May 1, 2023

* The content of remuneration disclosed in this table is different from the Income Tax Act in meaning. The purpose of this table is for disclosure only and not for taxation purpose.

(IV) Names of managers remunerated as employees and the state of payment:

Unit: NT\$ thousand; March 31, 2026

	Occupational Title (Note 1)	Name (Note 1)	Amount of Stock	Amount of cash	Total	In proportion to net income (%)
Manager	Chief Executive Officer	Chung, Long-Chang	0	40,961	40,961	1.2636%
	General Manager	Hung Chia-Sheng				
	Engineering General Manager	Liao Wen-Shan				
	Chief Financial Officer	Liu Jo-Mei				
	Vice President	Ho, Ping-Hsing				
	Vice President	LIN, SHIH-SHENG				
	Senior Assistant V.P.	Yao, Hsiu-Chin				
	Assistant Vice President	WU, SHIH-WEI				
	Assistant Vice President	Yang, Chih-Wei				
	Assistant Vice President	Mei-Chen Tu				

Note 1: Disclose individual names and occupational titles. The distribution of benefits can be presented in aggregate.

Note 2: Disclose the amount of remuneration to the employee passed by the Board for payment in the most recent year to the managers (including stock and cash). If estimation is not possible, calculate the amount planned for payment in the current year in proportion to the actual amount of payment in the last year. Net income refers to the earnings of the Company after taxation in the most recent year. If IFRS is adopted, net income refers to the earnings after taxation presented in the separate financial statements covering the most recent year.

Note 3: Scope of application for manager as per FSC Letter Tai-Cai-Zheng- (III)-Zi 0920001301 dated March 27, 2003 is specified below: (1) General manager and equivalent level; (2) assistant general managers and equivalent level; (3) deputy assistant general managers and equivalent level; (4) head of finance department; (5) head of accounting department; (6) other persons involved in administrative affairs and authorized to affix signatures in the name of the Company

Note 4: If the Directors, General manager and Vice Presidents are also remunerated as employees (including stocks and cash), fill in Table 1-2 and also this table.

(V) The total amount of remunerations to the Directors, Supervisors, General manager and the Vice Presidents from the Company and all the companies included in the financial statements over the last 2 years in proportion to the net income stated in the separate financial statements

1. The Company: The ratios for 2025 and 2024 were 3.9914% and 8.0960%, respectively.
2. All companies included in the consolidated financial statements: The ratios for 2025 and 2024 were 3.9987% and 8.1039%, respectively.

The remuneration policy, standard and combination, the procedure for setting the remuneration, and association with the operation performance, and risks in the future:

1. According to Article 29-1 of the Articles of Incorporation of the Company, if the Company has earnings of the year, it shall appropriate 3-5% as remuneration to the employees and no more than 2% as remuneration to the Directors. However, where the Company has accumulated losses, such losses shall first be offset before any appropriation is calculated based on the remaining balance. Of the employee compensation referred to in the preceding paragraph, not less than 3% shall be allocated for distribution to non-managerial employees. Director remuneration includes travel expenses and director's fees; remuneration for the General Manager and Deputy General Managers includes salary, bonuses, and employee rewards.
2. The remuneration of the Company's directors and managerial officers is determined based on an overall assessment of their level of participation in the Company's operations and performance evaluation. For directors, the primary evaluation criteria include understanding of the Company's objectives and mission (including ESG indicators), awareness of directors' responsibilities, level of participation in the Company's operations, internal relationship management and communication, professional expertise and continuing education, as well as internal control. For managerial officers, evaluation is based on the achievement of the Company's objectives and missions and an assessment of their competencies, including professional knowledge and skills, results orientation, problem-solving ability, communication and coordination skills, managerial

capability, organizational coordination, and strategic thinking. In addition, the remuneration of senior managerial officers and department heads is linked to ESG-related performance (accounting for 10% of annual remuneration), including operating performance, construction quality and safety, construction waste management, product innovation, corporate governance and ethical management, talent development, and supply chain management, and is aligned with the Company's material ESG topics.

3. The policy of remuneration to the General Manger and Vice President was made with reference to the industry level of salary payment, the responsibility of and contribution to the Company. The procedure for setting the remuneration takes the overall operation performance, operation risk of the industry in the future, and development trends subject to review from time to time as dictated by the status of business operation and the changes in the regulatory environment for a proper balance of sustainable development and risk control of the Company.

III. Status of corporate governance implementation:

(I) The Performance of the Board:

In the most recent year, the Board of Directors convened 9 meetings. The attendance of directors and supervisors is as follows:

Title	Name (Note 1)	No. of meetings attended in person	Attendances by Proxy	Actual Attendance (presence as observers) Rate (Note 2)	Remark
Chairman	Chung, Long-Chang	9	0	100%	None
Director	Hung, Chia-Sheng	9	0	100%	None
Director	Hwang, Yih-Ray	7	0	77.78%	None
Director	Liu, Ruo-Mei	8	1	88.89%	None
Director	Chen, Rung-Hua: Representative of Chung Shan Investment Co., Ltd.	9	0	100%	None
Director	Tu, Wei-Shan: Representative of New Land Investment Co., Ltd.	9	0	100%	None
Independent Director	Wang, Tze-Chun	9	0	100%	None
Independent Director	Lan, Wen-Hsiang	9	0	100%	None
Independent Director	Chuang, Meng-Han	9	0	100%	None
Independent Director	Ding Yu-Jia	8	1	88.89%	None

Additional Information:

I. If any of the following occurs to the operation of the Board, specify the date, the session, the content of the motion, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:

(I) The particulars exhibited in Article 14-3 of the Securities and Exchange Act: for further information, refer to p.43 "Important resolutions of the Shareholders Meeting and the Board in the most recent year to the date this report was printed".

(II) Other than the matters described above, other Board resolutions to which independent directors expressed dissenting or qualified opinions that were recorded in the minutes or stated in written statements: None.

II. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director's name, the content of the motion, the cause for recusal, and whether and how the director voted:

Board of Directors	Names of Directors	Agenda item	Cause for recusal	How the director voted
2025/03/12 (14th meeting of the 12th term)	Chung, Long-Chang	Disposal of residential units and parking spaces of "Casa Blanca" to a related party	The director at the left-hand-side involved the motion	Not participated the discussion and voting

III. For a TWSE or TPEX listed company, disclose information including the evaluation cycle and period(s) of the board of directors' self-evaluations (or peer evaluations) and the evaluation method and content. Additionally, complete Table 2(2) Implementation of Evaluations of the Board of Directors: please refer to the "Implementation of Evaluations of the Board of Directors" on Page 21.

IV. The objective of the Board in fortifying its function in the recent and present year (such as the establishment of the Auditing Committee, and enhancement of transparency) and assessment of the attainment: All sessions of the Board have been recorded by voice recording. In addition, the resolutions of the Board have been properly executed in accordance with applicable laws.

Note 1: Where a director or supervisor is a corporate entity, the name of the corporate shareholder and the name of its representative shall be disclosed.

Note 2: (1) If a specific Supervisor resigns before the end of the fiscal year, specify the date of departure in the field. The actual attendance (presence as observers) rate (%) shall be calculated on the basis of the number of attendances (in observation) and the total number of sessions of the Board within the term of office of the Supervisor. (2) Where there is any re-election of directors or supervisors prior to the end of the fiscal year, both the outgoing and newly appointed directors and supervisors shall be disclosed, and the remarks column shall indicate whether such director or supervisor is outgoing, newly appointed, or re-elected, together with the date of re-election. The actual attendance (presence as observers) rate (%) shall be calculated on the basis of the number of attendances (in observation) and the total number of sessions of the Board within the term of office of the Director and Supervisor.

The pursuit of self-evaluation of the Board:

1. The Company reported the performance evaluation results to the Board of Directors on February 25, 2026.
2. The performance evaluation results for the Board of Directors, individual directors, and functional committees (Audit Committee and Remuneration Committee) for 2025 were all rated as "Excellent."

Evaluation period (Note 1)	Evaluation period (Note 2)	Evaluation scope (Note 3)	Method of evaluation (Note 4)	Method of evaluation (Note 5)
Evaluation conducted once annually and completed in the 1st quarter of the year.	2025/01/01–2025/12/31	Board of Directors	Internal self-evaluation of the Board	I. Participation in the operation of the company; II. Improvement of the quality of the board of directors' decision making; III. Composition and structure of the board of directors; IV. Election and continuing education of the directors; and V. Internal control.
Evaluation conducted once annually and completed in the 1st quarter of the year.	2025/01/01–2025/12/31	Individual members of the Board	Self-Evaluation by Directors	I. Alignment of the goals and missions of the company; II. Awareness of the duties of a director; III. Participation in the operation of the company; IV. Management of internal relationship and communication; V. The director's professionalism and continuing education; and VI. Internal control.
Evaluation conducted once annually and completed in the 1st quarter of the year.	2025/01/01–2025/12/31	Functional Committees (Audit Committee and Remuneration Committee)	Self-evaluation of the functional committee members	I. Participation in the operation of the company; II. Awareness of the duties of the functional committee; III. Improvement of quality of decisions made by the functional committee; IV. Makeup of the functional committee and election of its members; and V. Internal control.

Note 1: Put down the frequency of evaluation of the Board, such as: once annually.

Note 2: Put down the period under evaluation of the Board, such as the evaluation of performance from 2019/01/01 to 2019/12/31.

Note 3: The scope of evaluation includes the performance of the Board as a whole, individual Directors and the functional committees.

Note 4: The method of performance evaluation shall include self-evaluation of the Board, self-evaluation of the Directors, peer evaluation, evaluation by a commissioned external professional institution, experts, or other appropriate means.

Note 5: The content of the assessment should at least include the following items: (1) Board performance assessment, which includes involvement in company operations, decision-making quality of the board, board composition and structure, the appointment and ongoing education of directors, and internal control. (2) Evaluation of the performance of individual Directors: cover at least the control of the objective and mission of the Company, the understanding of their functions, level of participation in the operation of the Company, cultivation of internal relation and communication, the professional standing and continuing education of the Directors, and internal control. (3) Evaluation of the performance of the functional committees: level of participation in the operation of the Company, the understanding of the duties of the functional committee, the quality of decision-making of the functional committees, the organizational structure of the functional committees and the appointment of the members, and internal control.

(II) The Operation of the Auditing Committee:

The Auditing Committee convened 9 times in the most current year. The attendance of the Independent Directors as observers is specified below:

Title	Name	No. of meetings attended in person	Attendances by Proxy	In-person attendance rate (%) (Note 1, Note 2)	Remark
Independent Director	Wang, Tze-Chun	9	0	100%	None
Independent Director	Lan, Wen-Hsiang	9	0	100%	None
Independent Director	Chuang, Meng-Han	9	0	100%	None
Independent Director	Ding Yu-Jia	8	1	88.89%	None

The Company's Audit Committee is established to assist the Board of Directors in fulfilling its oversight responsibilities regarding the quality and integrity of the Company's accounting, auditing, financial reporting processes, and financial controls. The primary duties and responsibilities include:

1. Establishing or amending the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluating the effectiveness of the internal control system.
3. Establishing or amending procedures for major financial and business activities, including the acquisition or disposal of assets, engagement in derivatives transactions, lending of funds to others, and endorsements or guarantees for others, in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving conflicts of interest of directors.
5. Major asset transactions or derivatives transactions.
6. Significant lending of funds, endorsements, or provision of guarantees.
7. Offering, issuance, or private placement of equity-type securities.
8. The appointment, dismissal or remuneration of the certified public accountants retained as external auditors.
9. Appointment or dismissal of the head of finance, accounting, or internal audit.
10. Annual financial reports and semi-annual financial reports; provided that semi-annual financial reports that are not required by law to be audited or reviewed by CPAs are not subject to this requirement.
11. The annual business report, as well as proposals for earnings distribution or loss offsetting.
12. Other materiality of the Company or the competent authority.

Additional Information:

- I. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:
 - (I) The particulars exhibited in Article 14-5 of the Securities and Exchange Act: all resolutions passed by the Independent Directors for presentation to the Board for discussion. Refer to p.43 (Major Resolutions of the Shareholders Meeting and the Board in the most recent year to the date the annual report was printed).
 - (II) Other than the matters described above, other resolutions not approved by the Audit Committee but approved by more than two-thirds of all directors: None.
- II. Implementation of independent directors' recusal from conflicts of interest, including the independent director's name, agenda item, reasons for recusal, and participation in voting: In the most recent year, there were no Audit Committee agenda items for which an independent director was required to recuse himself or herself due to a conflict of interest.
- III. Communication between independent directors and the head of internal audit and CPAs:
 1. The head of internal audit and the CPAs may, as needed, communicate directly with the independent directors, and such communication has been effective.
 2. The CPAs report to the independent directors at least once annually during Audit Committee meetings on the results of the financial statement audits and their findings, and communicate regarding significant adjustments or the impact of regulatory amendments.
 3. The head of internal audit reports separately to the independent directors at each quarterly Audit Committee meeting on audit reports and the status of follow-up actions. The monthly audit report and the working papers and quarterly follow-up audit report are sent to each independent director by e-mail. The performance and effectiveness of audit operations have been fully communicated.

Summary of communications between independent directors and CPAs

Date	Meeting	Matters communicated	Communication results
2025/02/26	Audit Committee	Communication between the CPAs and those charged with governance at the completion stage of the 2024 audit	No objections
2025/02/26	Audit Committee	Communication between the CPAs and those charged with governance at the planning stage of the 2025 audit	No objections

Summary of communications between independent directors and the head of internal audit

Date	Meeting	Matters communicated	Suggestion and Resolution
2025/02/26	Audit Committee	Audit report for Q4 2024	No objections
2025/05/07	Audit Committee	Audit report for Q1 2025	No objections
2025/08/06	Audit Committee	Audit report for Q2 2025	No objections
2025/11/05	Audit Committee	Audit report for Q3 2025	No objections

Note 1: If any independent director left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of audit committee meetings held and the number they attended in person during the period they were in office.

Note 2: If there was an election of Independent Directors held before the end of the fiscal year, list the names of the newly elected and the former Independent Directors, and specify if the Independent Directors remaining in office for the term, newly elected to office, or reelected to office, and the date of the election. The actual attendance rate (%) shall be calculated on the basis of the number of attendances and the total number of sessions of the Auditing Committee within the term of office of the Independent Director.

(III) Information on members of the Remuneration Committee

March 31, 2025

Position (Note 1) Name		Condition	Professional qualifications and experience (Note 2)	Independence analysis (Note 3)	The number of public companies where the person also holds positions in their remuneration committees.
Convener (Independent Director)	Wang, Tze-Chun		Please refer to "Information on Directors and Supervisors" on page 6.		0
Member (independent director)	Lan, Wen-Hsiang			0	
Member (independent director)	Chuang, Meng-Han			1	
Member (independent director)	Ding Yu-Jia			1	

Note 1: Please specifically fill in the number of years of relevant work experience, and the professional qualifications and experience, and the status of independence, of each remuneration committee member. If the member is an independent director, you may add a note directing readers to refer to the relevant information in Table 1 Information on Directors and Supervisors (1) on p. _____. For "Capacity," please specify whether the member is an independent director or other (if the member is the convener, please note that fact).

Note 2: Professional qualifications and experience: Describe the professional qualifications and experience of each member of the remuneration committee.

Note 3: Independence analysis: Describe the status of independence of each remuneration committee member, including but not limited to the following: whether the member or their spouse or relative within the second degree of kinship serves or has served as a director, supervisor, or employee of the Company or any of its affiliates; the number and ratio of shares of the Company held by the member, their spouse, and their relatives with the second degree (or through their nominees); whether the member has served as a director, supervisor or employee of a "specified company" (see Article 6, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount(s) of any pay received by the remuneration committee member for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

Note 4: Regarding the method for disclosure, please refer to the "SAMPLE ANNUAL REPORT" page on the website of the Taiwan Stock Exchange Corporate Governance Center.

Information on the Operation of the Remuneration Committee:

1. The Company's Remuneration Committee consists of 4 members.

2. Tenure of members for this term of the committee: From June 1, 2023 to May 23, 2026. The Remuneration Committee has convened 4 times in the most recent year. The qualification and attendance of the members are shown below:

Title	Name	No. of meetings attended in person	Attendances by Proxy	Actual Attendance Rate (%) (B/A) (Note)	Remark
Convener	Wang, Tze-Chun	4	0	100%	None
Committee Member	Lan, Wen-Hsiang	4	0	100%	None
Committee Member	Chuang, Meng-Han	4	0	100%	None
Committee Member	Ding Yu-Jia	3	1	75%	None

The Remuneration Committee of the Company consists of all independent directors to assist the Board of Directors in evaluating and implementing the Company's compensation and benefits policies as a whole, as well as the remuneration of directors and managerial officers.

Its primary duties include:

1. Formulating and periodically reviewing the Company's policies governing the remuneration of directors and managerial officers.
2. Periodically reviewing the policies, systems, standards, and structure for the performance evaluation and remuneration of directors and managerial officers.

Additional Information:

I. If the Board declines to accept or revised the recommendations of the Remuneration Committee, specify the meeting date, the session, the content of the motion, the resolutions of the Board, and the response of the Company to the opinions of the Remuneration Committee: The Board has not rejected or revised the recommendations of the Remuneration Committee in the most recent year.

II. Resolutions of the remuneration committee where any member expressed dissenting or qualified opinions (with records or written statements), including the date, session, agenda, opinions of all members, and the handling of such opinions: None.

III. Status of operation in 2025:

Date	Agenda item	Resolution Result	The Company's handling of opinions
2025/01/15 (6th meeting of the 5th term)	Undistributed employee compensation and performance bonuses to the Company's managers.	Approved unanimously by all members without objection	Proposed to the board of directors and unanimously approved by all attending directors
2025/02/26 (7th meeting of the 5th term)	Proposed total amount of employee compensation and director remuneration for 2024	Approved unanimously by all members without objection	Proposed to the board of directors and unanimously approved by all attending directors
2025/03/12 (8th meeting of the 5th term)	Proposed distribution of director remuneration for 2024 and payment of two months' employee compensation to managerial officers	Approved unanimously by all members without objection	Proposed to the board of directors and unanimously approved by all attending directors
2025/11/05 (9th meeting of the 5th term)	Proposal for amendment to the "Internal Control System"	Approved unanimously by all members without objection	Proposed to the board of directors and unanimously approved by all attending directors

Note : (1) If a specific member of the Remuneration Committee resigns before the end of the fiscal year, specify the date of departure in the field. The actual attendance rate (%) shall be calculated on the basis of the number of attendances and the total number of sessions of the committee within the term of office of the member.

(2) If an election of the Remuneration Committee was held before the end of the fiscal year, list the names of the newly elected and the former members and specify if the members are remaining in office for the term, newly elected to office, or reelected to office, and the date of the election. The actual attendance rate shall be based on the number of meetings held by the Remuneration Committee in the duration of employment and the number of presence to the meetings.

Members of the Nomination Committee member information and operation status: Not applicable.

(IV) The pursuit of corporate governance and the variation with the Corporate Governance Best Practice Principles for TWSE/TPEX-listed Companies, and the reason:

Items for Evaluation	The Pursuit (Note)			Variation from the Corporate Governance Best Practice Principles for TWSE/TPEX-listed Companies and the reason.
	Yes	No	Summary Description	
I. Has the Company instituted its own corporate governance best practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX-listed Companies and made disclosure?	V		The Company has instituted its corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX-listed Companies" and has disclosed the detail on the Company' website and the MOPS.	None.
II. The Equity Structure and Shareholders Equity of the Company				
(I) Has the Company established its internal operation procedure for responding to the suggestions, queries, disputes, and legal actions of the shareholders in accordance with the procedure?	V		(I) The Company has instituted the "Procedure for Shareholders Meeting" and has appointed designated personnel (the spokesperson and share registration and investors service function) to handle the suggestions, queries, disputes, and legal actions of the shareholders.	(I) None.
(II) Has the Company kept the list of the dominant shareholders that exercise de facto control of the Company and the parties that exercise ultimate control of these dominant shareholders under control?	V		(II) The Company controlled the list of dominant shareholders from the shareholders registry provided by the share registration and investors service agent.	(II) None.
(III) Has the Company established and exercised risk control and firewall mechanisms with its affiliates?	V		(III) The company and its subsidiaries have established regulations such as "Subsidiary Supervision Operations," "Related Party Transaction Management," and "Financial Business Operations Standards Among Related Parties" in accordance with legal norms.	(III) None.
(IV) Has the Company instituted internal rules and regulations prohibiting insiders from using undisclosed information in the market for the trading of securities?	V		(IV) The company has established "Insider Trading Prevention Management and Internal Significant Information Handling Management Procedures."	(IV) None.
III. The Organization and Function of the Board				
(I) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	V		(I) The Company has established a Board diversity policy in its Corporate Governance Best Practice Principles. For details on the implementation of diversity, please refer to "Board Diversity and Independence" on page 11.	(I) None.
(II) Has the Company voluntarily established other functional committees further to the establishment of a remuneration committee and auditing committee?	V		(II) The Company has not established any other functional committees yet except the establishment of the Remuneration Committee and the Auditing Committee as required by law.	(II) The Company will take related measures in compliance with applicable laws in the future.
(III) Has the Company established the rules and regulations and the methods for the evaluation of Board performance, and has it conducted performance evaluation at regular intervals of each year? Present also the evaluation result to the Board as reference for the remuneration to individual Directors and consideration of nomination for a second term of office.	V		(III) For the proper pursuit of corporate governance, the upgrade of the functions of the Board, setup of performance objectives for strengthening the operation efficiency of the Board, the Company has instituted the "Regulations Governing the Evaluation of Board Performance," and required the Board to report on the evaluation results in a board meeting every year. The result of the overall evaluation of the Board in performance will be adopted for determining the remunerations and nomination for re-election of individual directors.	(III) None.
(IV) Has the Company assessed the independence status of the CPAs at regular intervals?	V		(IV) The Company has presented the report on the assessment of the independence of the CPAs to the Board at regular intervals every year for reviewing the independence of the CPAs, and requested the CPAs to issue the "Declaration of the Role, Responsibility and Independence of the Certified Public Accountants". Upon confirmation by the Company that, other than fees for audit and tax engagements, the CPAs have no other financial interests or business relationships with the Company, the appointment and remuneration of the CPAs are reviewed and approved. For the evaluation criteria, please refer to "Assessment of CPA Independence" on page 28.	(IV) None.

Items for Evaluation	The Pursuit (Note)		Variation from the Corporate Governance Best Practice Principles for TWSE/TPEX-listed Companies and the reason.	
	Yes	No		Summary Description
IV. Has the Company listed at TWSE or TPEX appoint appropriate number of competent corporate governance personnel and the Chief Corporate Compliance Officer charged with the duties of corporate governance (including but not limiting to providing the materials to the Directors and Supervisors required for performing their duties, assistance to the Directors and Supervisors in matters of compliance, organization of Board Meeting and Shareholders Meeting and related matters as required by law, compiling minutes of Board Meeting and Shareholders Meeting)?	V		<p>The board of directors has approved the appointment of Yao Hsiu-Chin, a senior assistant in management, as the corporate governance officer, who has more than three years of experience as the head of a public company's shareholder services unit and meets the qualifications for the role of corporate governance officer.</p> <p>The major duties include:</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 and supervisors. 5. Assisting directors and supervisors with legal compliance. 6. Report to the Board of Directors on whether the qualification of independent directors complies with relevant laws and regulations at the time of nomination, election, and term of office. 7. Matters with regard to the change of directors. 8. Other matters set out in the laws and regulations, articles of incorporation or contracts. <p>Key operational highlights for 2025 are as follows:</p> <ol style="list-style-type: none"> 1. Assist the compliance matters in the board meeting and shareholders' meeting. 2. Assist in reviewing the material information disclosure on important resolutions made by the board of directors and shareholders' meetings and disseminate correct material information in accordance with the law to ensure that investors receive the right information. 3. Assistance to the Directors in the performance of their assigned duties, the supply of materials for performing their duties, and arrangement for continuing education. 4. Assistance to the Directors in reminder of the rules and regulations governing their rights and obligations. 5. Apply the "Liability Insurance for Directors, Supervisors and Key Personnel" and report to the Board of Directors. <p>Please refer to "The Continuing Education of the Corporate Governance Officer" on Page 28 for the continuing education.</p>	None.
V. Has the Company established channels for the communications with the stakeholders (including but not limited to the shareholders, employees, customers, and suppliers), and the section for the shareholders on the official website of the Company to respond to all concerns of the stakeholders on corporate social responsibility?	V		<ol style="list-style-type: none"> 1. The Company has established the system of spokesperson and acting spokesperson for communication with the investors. 2. The Company has established a stakeholder section on its official website, covering stakeholders including customers, suppliers, investors, and employees. Dedicated communication channels are in place for each stakeholder group to address issues of concern, and the methods and frequency of such communication are disclosed. The status of stakeholder communication is reported to the Board of Directors on an annual basis. 	None.
VI. Has the Company appointed a professional share registration and investors service agent for handling matters pertaining to the Shareholders Meeting?	V		The Company has appointed a professional share registration and investors service agent- Shareholder Service Department of Taishin Securities Co.,Ltd. to handle share registration and related investor services.	None.
VII. Disclosure of Information				
(I) Has the Company installed a website for the disclosure of information on financial position and operation, as well as corporate governance?	V		(I) The Company has set special sections on "corporate governance", "investor relation", and "ESG" at its official website for the routine disclosure of information on financial and business performance, and corporate governance.	(I) None.
(II) Has the Company adopted other means for disclosure (such as the installation of a website in the English language, appointment of designated persons for the collection and disclosure of information on the Company, the implementation of a spokesman system, and videotaping institutional investor conferences)?	V		(II) The Company has set up the official website in traditional Chinese, English and simplified Chinese, and appoints special personnel to be responsible for the collection and disclosure of the company information. The Company has implemented the spokesman system, for the timely disclosure of information that will affect the decisions of the shareholders and stakeholders, as required by laws and regulations.	(II) None.

Items for Evaluation	The Pursuit (Note)			Variation from the Corporate Governance Best Practice Principles for TWSE/TPEX-listed Companies and the reason.
	Yes	No	Summary Description	
(III) Has the Company announced and declared the annual financial report within 2 months after the end of the fiscal year, and has announced and declared the quarterly reports of Q1, Q2, and Q3 and the operation highlights of each month prior to the deadline as required?	V		(III) The Company's quarterly and annual financial statements and the operating status of each month are announced and reported within two months after the end of the year as required.	(III) None.
VIII. Is there any other essential information that would help us to understand the pursuit of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, the continuing education of the Directors and Supervisors, the pursuit of a risk management policy and standard of risk assessment, the pursuit of a customer policy, and professional liability insurance coverage for the Directors and Supervisors)?	V		<ol style="list-style-type: none"> 1. Further to the labor rights under law, the Company has also taken group insurance for the protection of the employees, and established a welfare committee to arrange benefits and related activities for the employees. The Company has also explicitly stated the ratio of employee remuneration in the Articles of Incorporation, and has organized internal and external trainings for the employees and group activities for benevolent exchanges. 2. Aiming to the long-term retention and cultivation of outstanding talents, to motivate employees to work in the Company for a long time in the future and to exert their technical expertise, while ensuring the stability of their lives after retirement or resignation, as well as the promotion of sustainable development, the Employee Shareholding Committee was established in November 2022 to implement the trust of employees' shareholding program. 3. The Company has dedicated personnel to maintain the relationship with investors, and is invited to participate in the institutional investor conference held by the securities dealer once every quarter. 4. The Company and its subsidiaries have duly observed applicable legal rules promulgated by the government for the protection of stakeholder rights, and have set up a special section of stakeholder relations with the appointment of designated persons to reply to the e-mails from stakeholders for the proper management of stakeholder relations. 5. The Directors and Supervisors of the Company have complied with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies". For information on their annual continuing education, refer to the "Continuing Education of the Directors" on p.29. 6. The implementation of the Company's and its subsidiaries' risk management policies and risk measurement standards is detailed in "Risk Matters" on page 68. and in the corporate governance section of the Company's website. 7. The Company has established the Sales and Marketing Department, and the Customer Service Department for the services of the customers, before, during, and after the purchase of housing. 8. The Company has taken professional liability insurance for the protection of the Directors and Supervisors. 9. The Company has established and disclosed an intellectual property management plan aligned with its operational objectives and reports on such plan to the Board of Directors on an annual basis. For details of the intellectual property management plan and its implementation in 2025, please refer to the corporate governance section of the Company's website. 	None.
<p>IX. The state of corrective action taken in response to the corporate governance evaluation result announced by the Corporate Governance Center of Taiwan Stock Exchange Corporation, and the issues requiring special effort for improvement and related measures.</p> <p>Conformity to the new indicators and improvements made: The Company has, in accordance with the latest Corporate Governance Evaluation indicators of the Taiwan Stock Exchange (including newly added items such as sustainability disclosures), completed the disclosure and implementation of environmental management systems, greenhouse gas emissions, energy management, employee training, employee satisfaction surveys, and improvement plans, thereby enhancing sustainability and governance transparency. The Company will make improvement incrementally for the pursuit of the areas not being improved for this time.</p>				

Note: Give the summary description in the field provided irrespective of choosing either "Yes" or "No" in the answer.

Items for evaluation of the independence of CPAs

The Audit Committee of the Company evaluates the independence of CPAs by the following criteria every year, and reports the evaluation results to the Board of Directors:

1. CPAs' statement of independence
2. Audit or non-audit services provided by CPAs must be reviewed by the Audit Committee in advance to ensure that non-audit services will not affect the results of the audit
3. The attesting CPAs compiled and reported the Audit Quality Indicators (AQIs) to the Audit Committee. The evaluation results for the most recent year were reviewed and approved by the Audit Committee on February 26, 2025, and subsequently submitted to the Board of Directors on the same date for resolution and approval of the assessment of the CPAs' independence and competence.
4. The evaluation items are as below

Items for Evaluation	Evaluation Result	In conformity to independence
1. Is there direct or significant indirect relation between the CPAs and the Company in financial interest	No	Yes
2. Is there any undertaking of financing or guarantee between the CPAs and the Company or the Directors of the Company	No	Yes
3. Is there any close business relation or employment relation between the Company and the CPAs	No	Yes
4. Have the CPAs or members of the audit team assumed positions as Directors, Managers, or duties that have significant influence on audit work of the Company for the time being or over the last 2 years	No	Yes
5. Have the CPAs provided non-audit services to the Company that may directly affect the audit works	No	Yes
6. Have the CPAs held or acted as intermediary for the shares or other securities issued by the Company.	No	Yes
7. Have the CPAs acted as the defense counsel or acted on behalf and in the name of the Company in coordination with a third party in the settlement of disputes between the Company and the third party.	No	Yes
8. Are the CPAs relatives to the Directors, Managers, or personnel that have significant influence on the audits of the Company.	No	Yes
9. Whether the CPAs were punished	No	Yes
10. Have the CPAs provided audit service for the Company for 7 consecutive years	No	Yes

Continuing Education Training of Corporate Governance Officer

Title	Name	Total hours	Date	Hours	Unit	Name
Corporate Governance Officer	Yao, Hsiu-Chin	18	2025/3/14	3	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Financial Business Opportunities
			2025/3/20	3	Taiwan Academy of Banking and Finance	Corporate Governance and Sustainable Business Management Seminar – Domestic and International Tax Trends and Corporate Sustainability
			2025/6/10	3	Business Council for Sustainable Development of Taiwan	2025 CDP Taiwan Launch Event – Enhancing Climate Disclosure to Strengthen Corporate Climate Resilience
			2025/7/9	3	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit
			2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy

Continuing Education of the Directors

Title	Name	Total hours	Date	Hours	Unit	Name
Director	Chung, Long-Chang	6	2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy
	Hung, Chia-Sheng	6	2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy
	Liu, Ruo-Mei	9	2025/8/29	3	Business Council for Sustainable Development of Taiwan	Mapping IFRS S2 to CDP's 2024 Questionnaire Launch Event – Enhancing Climate Disclosure to Strengthen Corporate Climate Resilience
			2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy
	Chen, Rung-Hua	6	2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy
	Tu, Wei-Shan	12	2025/5/12	3	The Chinese National Association of Industry and Commerce	Corporate Governance–An Overview of Asset and Equity Succession Planning
			2025/5/16	3	The Chinese National Association of Industry and Commerce	The Development of Transformational AI and Its Business Implications
			2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy
	Hwang, Yih-Ray	9	2025/4/1	3	National Federation of Certified Public Accountants Associations of the Republic of China	Emerging Trends in Anti-Money Laundering Financial Crimes, Case Studies, and Preventive Measures
2025/8/12			3	National Federation of Certified Public Accountants Associations of the Republic of China	Succession Strategies for CPA Firms	
2025/9/3			3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation	
Independent Director	Wang, Tze-Chun	9	2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/11/28	3	National Federation of Certified Public Accountants Associations of the Republic of China	National Risk Assessment Results on Anti-Money Laundering, Counter-Terrorism Financing, and Counter-Proliferation Financing, and Evaluation Planning
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy
	Lan, Wen-Hsiang	6	2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy
	Chuang, Meng-Han	6	2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
			2025/12/17	3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy
	Ding Yu-Jia	12	2025/7/9	6	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit
			2025/9/3	3	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation
2025/12/17			3	Taiwan Corporate Governance Association	The Impact of Trump Tariffs 2.0 on the Global Economy	

(V) Implementation of sustainable development and any deviations from the sustainable development best practice principles for TWSE/TPEx listed companies and the reasons therefor:

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the Board of Directors authorized senior management to handle related matters under the supervision of the board?	V		<p>1. The Company's "Corporate Social Responsibility Best Practice Principles" were implemented upon the approval resolved the Board of Directors on November 1, 2017, which formulate a clear corporate social responsibility policy. On January 19, 2022, upon the approval resolved by the Board of Directors, it is renamed as the "Sustainable Development Best Practice Principles."</p> <p>2. The company has established a cross-departmental sustainability task force responsible for proposing and implementing sustainability policies, systems, or related management guidelines and specific promotion plans. It reports annually to the board of directors on the status of sustainability initiatives and the preparation of sustainability reports, exercising the board's supervisory and management functions to ensure the full implementation of sustainability strategies in daily operations. Approved by the Board of Directors on November 6, 2024, amendments to the "Board Performance Self-Assessment Questionnaire" were adopted to incorporate ESG indicators, for the purpose of evaluating the Board's oversight of sustainable development.</p> <p>3. The status of the Company's promotion and implementation of sustainable development in 2025 was reported to the Board of Directors on January 14, 2026.</p>	None.
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)	V		<p>1. On November 4, 2020, the board of directors approved the "Risk Management Policy", and based on the principle of materiality, implemented risk management through risk assessment and identification, confirmation, measure formulation, and regular review.</p> <p>2. Since 2020, the company has promoted and implemented a risk management mechanism, coordinated by the general manager, with an annual report on the status of risk management operations to the board of directors. The status of the Company's risk management operations for 2025 was reported to the Board of Directors on January 14, 2026.</p>	None.
<p>III. Environmental Issues</p> <p>(I) Has the Company established an appropriate environmental management system by nature of its industry?</p> <p>(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?</p>	V	V	<p>(I) The Company has established an "Energy Conservation, Carbon Reduction, and Environmental Management Policy" and implements specific environmental management measures to enhance the efficiency of energy and resource utilization. At the operating sites and customer service centers of the Company and its subsidiaries, in addition to regularly conducting comprehensive office disinfection and cleaning and maintenance of air-conditioning systems, various measures have been implemented for energy conservation and carbon reduction, water conservation, and waste reduction. At construction sites, waste reduction and classification are carried out in accordance with the regulations of the competent authorities, and efforts are made to reduce noise and air pollution generated during the construction process.</p> <p>(II) In conducting operational activities and internal management, the Company and its subsidiaries strive to improve the efficiency of resource utilization to ensure the sustainable use of natural resources. Measures include regular cleaning and maintenance of equipment, zoned lighting control, and the replacement of outdated equipment with energy-efficient equipment bearing energy-saving labels. At the same time, the Company promotes the digitalization of operational processes to reduce paper usage, advocates the recycling and reuse of paper, and implements waste sorting and recycling practices. In addition, green building design concepts are incorporated into individual projects,</p>	(I) None.

Item	Implementation status (Note 1)		Summary Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons															
	Yes	No																	
(III) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	V		<p>including enhancing energy efficiency through design and the use of recyclable building materials, thereby reducing environmental impact.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Direct Energy</td> <td>132.18GJ</td> <td>159.55GJ</td> </tr> <tr> <td>Indirect Energy</td> <td>397.68GJ</td> <td>352.82GJ</td> </tr> <tr> <td>Total Energy Consumption</td> <td>529.86GJ</td> <td>512.37GJ</td> </tr> </tbody> </table> <p>Note: The above table covers the office area on the 7th floor of the Company's headquarters. Direct energy includes fuel used by company vehicles; indirect energy refers to purchased electricity (including common area electricity consumption). The Company does not use renewable energy; therefore, the percentage of renewable energy usage is 0%.</p>	Year	2024	2025	Direct Energy	132.18GJ	159.55GJ	Indirect Energy	397.68GJ	352.82GJ	Total Energy Consumption	529.86GJ	512.37GJ	(III) None.			
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(IV) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		<p>(IV) The Company's management policies on greenhouse gas emissions, water consumption, and waste, as well as statistical data for the head office office area over the past two years, are summarized as follows:</p> <ol style="list-style-type: none"> Greenhouse gas emissions: The Company introduced greenhouse gas inventory management in 2023 in accordance with the ISO 14064-1:2018 standard and continues to conduct inventories for the headquarters of the parent company and the headquarters office of its subsidiary, Pin Xing Construction Co., Ltd. In 2025, subsidiaries included in the consolidated financial statements were incorporated into the inventory boundary, and third-party verification is planned for 2026. As greenhouse gas emissions from the head office are primarily indirect emissions, the Company has set a greenhouse gas reduction target of reducing electricity consumption by 0.5% annually. The Company implements carbon management policies based on the results of the greenhouse gas inventory; for details of the relevant management policies, please refer to the sustainability report <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>10.5322 tons</td> <td>26.6325 tons</td> </tr> <tr> <td>Scope 2</td> <td>54.5701 tons</td> <td>761.4123 tons</td> </tr> <tr> <td>Total</td> <td>65.102 tons</td> <td>788.045 tons</td> </tr> <tr> <td>Data Scope</td> <td>Head office 7F only</td> <td>Parent company only</td> </tr> </tbody> </table> <p>Note 1: The 2024 data was based on a voluntary inventory, covering only the head office office area; in 2025, the boundary was adjusted in accordance with regulations to cover the parent company only.</p>	Year	2024	2025	Scope 1	10.5322 tons	26.6325 tons	Scope 2	54.5701 tons	761.4123 tons	Total	65.102 tons	788.045 tons	Data Scope	Head office 7F only	Parent company only	(IV) None.
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Item	Implementation status (Note 1)		Summary Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons												
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			<p>Note 2: Scope 1 emissions for 2024 included fuel used by company vehicles, refrigerants in company vehicles, and office air-conditioning refrigerants; in 2025, in addition to the aforementioned items, fire extinguishers and refrigerants at other locations were included. Scope 2 emissions for 2024 included purchased electricity for the head office (including common areas); in 2025, in addition to the aforementioned items, electricity consumption from field offices, sales centers, and unsold housing units was included. Emission factors were based on values published by the Bureau of Energy.</p> <p>Note 3: As certain electricity bills for 2025 had not been obtained as of the publication date of the annual report, estimates were made based on available data using reasonable methods.</p> <p>2. Water Consumption: The Company has implemented various water-saving measures at its head office operating site, including the installation of water-saving devices and the promotion of water conservation awareness. The Company has set a management target of reducing water consumption per NT\$1 million of revenue (i.e., water intensity) of the parent company by 1% compared to the previous year. In 2025, Huaku Development Co., Ltd. reduced its water consumption intensity by 67.17% compared to 2025, thereby achieving the annual reduction target.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Water consumption</td> <td>932 tons</td> <td>774 tons</td> </tr> </tbody> </table> <p>Note: The above table covers the office area on the 7th floor of the Company's headquarters, including common area water usage. Due to an error in the 2022 water consumption data, the figures have been adjusted accordingly.</p> <p>3. Waste Generation: The Company has established clear waste management and reduction measures, covering both office areas and construction sites.</p> <p>(1) Office areas: The Company integrates daily operations with digitalization to reduce paper consumption. Specific measures include promoting electronic forms, adopting cloud invoices, digitalizing customer change order data, introducing digital business cards, and implementing waste sorting and recycling. As of the end of 2025, the Company's inspection system had processed 9,618 electronic forms, 162,173 sheets of recycled paper were used in daily office operations, and 167 employees adopted digital business cards, equivalent to saving approximately 402 sheets of paper. In addition, the Company issued 3,432 cloud invoices and digitalized customer change order data for 657 households, reducing paper usage by approximately 11,684 sheets.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Waste volume</td> <td>20.55 tons</td> <td>20.49 tons</td> </tr> </tbody> </table> <p>Note: The above table covers the office area on the 7th floor of the Company's headquarters. The calculation is based on the "daily per capita general waste generation in Taipei City" published by the Ministry of Environment, using the formula: daily per capita waste × number of working days in the year × number of office staff. As full-year data for 2025 has not yet been published by the competent authority, estimates are based on the average values from January to September 2025.</p> <p>(2) Construction sites: The Company, together with its subsidiary Pin Hsing Construction Co., Ltd., has promoted a "Construction Site Waste Reduction Program." In 2025, three construction sites were selected as pilot sites to implement optimized waste classification mechanisms. Full implementation across all construction sites is planned for 2026. Through more concrete waste classification practices, the Company aims to enhance waste management and improve resource recycling and reuse.</p>	Year	2024	2025	Water consumption	932 tons	774 tons	Year	2024	2025	Waste volume	20.55 tons	20.49 tons	
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Item	Implementation status (Note 1)		Summary Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons															
	Yes	No																	
IV. Social Issues (I) Has the Company established related management policies and procedures in accordance with applicable laws and the international human rights conventions?	V		<p>I. Human Rights Policy and Management Process</p> <p>1. Core Commitment: Huaku Development Co., Ltd. (hereinafter referred to as the "Company") complies with the Labor Standards Act and the Occupational Safety and Health Act, and adheres to the principles of the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Universal Declaration of Human Rights (UDHR), and the conventions of the International Labour Organization (ILO). In addition, the Company has established a management framework based on the OECD Due Diligence Guidance for Responsible Business Conduct and is committed to providing an equal, safe, and dignified workplace environment throughout its operations and supply chain. The Company also incorporates its human rights policy into internal regulations and supplier contracts.</p> <p>2. Due Diligence Cycle (Based on the OECD Four-Step Framework): The Company has established a standardized due diligence process in accordance with the OECD framework. Through the following four-step cycle, it effectively mitigates human rights risks in its operations and supply chain:</p> <table border="1"> <thead> <tr> <th>Process Step</th> <th>Description</th> <th>Implementation Method</th> </tr> </thead> <tbody> <tr> <td>1. Integration into Management Systems</td> <td>Integrate responsible business conduct into policies and management systems</td> <td> 1. Establish the "Human Rights Policy" and "Supplier Code of Conduct," and incorporate human rights clauses into procurement contracts. 2. Conduct outsourcing and procurement management in accordance with the ISO "Supplier Control Procedures." 3. The Administration Department is responsible for periodically reviewing and updating human rights-related policies to ensure compliance with applicable laws and regulations. </td> </tr> <tr> <td>2. Identification and Assessment</td> <td>Identify actual and potential adverse impacts in operations and the supply chain</td> <td> 1. Employees: Conduct annual employee satisfaction surveys and interviews with management at all levels. 2. Supply chain: Utilize supplier evaluation mechanisms to identify high-risk vendors. 3. Environment: Conduct on-site environmental monitoring (e.g., noise and air quality) to assess impacts on surrounding communities. </td> </tr> <tr> <td>3. Cessation, Prevention, and Mitigation</td> <td>Cease, prevent, or mitigate adverse impacts</td> <td> 1. Prevention: Implement company-wide human rights training and occupational safety training for suppliers. 2. Mitigation: Enforce daily site safety inspections for identified occupational safety risks. 3. Cessation: Impose penalties, suspension of work, or disqualification on suppliers that violate human rights or occupational safety requirements in accordance with contractual terms. </td> </tr> <tr> <td>4. Tracking and Communication</td> <td>Track implementation and effectiveness, and communicate externally</td> <td> 1. Regularly compile statistics on occupational injuries, employee turnover rates, and grievance resolution rates. 2. Communication: Disclose the implementation status of human rights due diligence annually in the sustainability report and annual report. </td> </tr> </tbody> </table>	Process Step	Description	Implementation Method	1. Integration into Management Systems	Integrate responsible business conduct into policies and management systems	1. Establish the "Human Rights Policy" and "Supplier Code of Conduct," and incorporate human rights clauses into procurement contracts. 2. 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2. Identification and Assessment	Identify actual and potential adverse impacts in operations and the supply chain	1. Employees: Conduct annual employee satisfaction surveys and interviews with management at all levels. 2. Supply chain: Utilize supplier evaluation mechanisms to identify high-risk vendors. 3. Environment: Conduct on-site environmental monitoring (e.g., noise and air quality) to assess impacts on surrounding communities.																	
3. Cessation, Prevention, and Mitigation	Cease, prevent, or mitigate adverse impacts	1. Prevention: Implement company-wide human rights training and occupational safety training for suppliers. 2. Mitigation: Enforce daily site safety inspections for identified occupational safety risks. 3. Cessation: Impose penalties, suspension of work, or disqualification on suppliers that violate human rights or occupational safety requirements in accordance with contractual terms.																	
4. Tracking and Communication	Track implementation and effectiveness, and communicate externally	1. Regularly compile statistics on occupational injuries, employee turnover rates, and grievance resolution rates. 2. Communication: Disclose the implementation status of human rights due diligence annually in the sustainability report and annual report.																	

Item	Implementation status (Note 1)		Summary Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																								
	Yes	No																										
			<p>II. Identification of Material Human Rights Issues and Risk Management in 2025</p> <p>Based on the assessment, no material risks were identified for the current year. The corresponding management measures and remediation procedures are as follows:</p> <table border="1"> <thead> <tr> <th>Subject</th> <th>Risk Description (Element 2: Identification)</th> <th>Mitigation and Preventive Measures (Element 3: Cessation, Prevention, or Mitigation)</th> <th>Remediation and Handling Procedures (Element 4: Response to Identified Violations)</th> </tr> </thead> <tbody> <tr> <td>Employees</td> <td>Health and Safety</td> <td>1. Risk prevention: Conduct pre-operation hazard communication; require the use of safety harnesses and installation of guardrails for work at heights; monitor oxygen levels in confined spaces. 2. Health promotion: Provide health check subsidies exceeding regulatory requirements, group insurance, and regularly conduct AED emergency response training.</td> <td>1. Immediately activate emergency response and reporting mechanisms. 2. Grant occupational injury leave and assist with insurance claims and compensation. 3. Conduct root cause analysis of incidents and implement corrective action reports.</td> </tr> <tr> <td>Employees</td> <td>Labor Rights and Compensation and Benefits</td> <td>1. Recruitment verification: In accordance with the "Recruitment Procedures," identity documents are verified during interviews to confirm age (18 years or above), and labor conditions are explained upon onboarding to prevent child labor and forced labor. 2. Competitive compensation: Regularly review market benchmarks and implement employee stock ownership trust plans to support retirement security.</td> <td>1. Immediately activate reporting and investigation mechanisms and cease the relevant improper conduct. 2. Provide necessary compensation and remedial measures to affected individuals. 3. Conduct consultation and communication through labor-management meetings.</td> </tr> <tr> <td>Employees / Customers</td> <td>Privacy and Information Security</td> <td>1. Information security governance: Implement information security management policies, conduct regular cybersecurity inspections and awareness programs, and introduce MDR (Managed Detection and Response) systems to establish 24/7 monitoring and threat detection capabilities, proactively identifying and blocking potential intrusions. 2. Access control: Strictly control data access permissions to prevent unauthorized disclosure; apply lifecycle management to sensitive personal data to ensure that data processing and use comply with authorized purposes.</td> <td>1. Immediately activate information security incident reporting and response mechanisms, and conduct forensic analysis and remediation. 2. Notify affected parties in accordance with applicable laws and assist with follow-up actions.</td> </tr> <tr> <td>Supplier</td> <td>Supplier Health and Safety</td> <td>1. Digital safety management: Utilize construction site inspection management systems to upload inspection records in real time, ensuring that on-site deficiencies are promptly communicated and tracked for improvement, thereby enhancing transparency in management. 2. Coordination mechanism: Convene monthly coordination meetings to conduct hazard communication and occupational safety training.</td> <td>1. Impose penalties, suspension of work, or disqualification on non-compliant contractors in accordance with contractual terms. 2. Activate emergency response procedures and require contractors to fulfill statutory compensation and insurance claim obligations.</td> </tr> <tr> <td>Supplier</td> <td>Supplier Wages and Working Hours (Labor Rights)</td> <td>1. 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Item	Implementation status (Note 1)		Summary Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No		
(II) Has the Company established and pursued reasonable welfare policies for the employees (including remuneration, holidays, and other benefits), and reflected the performance or result of operation on the remunerations to the employees?	V		<p>III. Dedicated Section on Supplier Human Rights Due Diligence The Company has established a dedicated human rights management mechanism for suppliers and incorporates human rights clauses into contract management:</p> <p>1. Policy Commitment and Contractual Requirements</p> <ul style="list-style-type: none"> • Signed Commitment: The Company requires both new and existing suppliers to sign a "Supplier Sustainability Commitment," which covers three key aspects: ethical business conduct, labor rights (including prohibition of forced labor, prohibition of child labor under the age of 16, and respect for freedom of association), and environmental sustainability. This commitment is expressly incorporated as part of the contract and is legally binding in full. • Code of Conduct: In accordance with the ISO "Supplier Control Procedures" and the "Construction Supplier Management Regulations," labor and human rights requirements are clearly stipulated within the supplier management framework. In addition to compliance with applicable laws and regulations, suppliers are required to ensure that all overtime work is voluntary, that wages are not deducted as a disciplinary measure, and that equal opportunities for promotion are provided, thereby upholding decent work standards. <p>2. Risk Identification and Management Measures</p> <ul style="list-style-type: none"> • Evaluation mechanism: Supplier evaluations are conducted upon completion of each project, with occupational safety and health performance included as a key assessment criterion. • Technology and on-site enforcement: The Company utilizes CCTV monitoring systems, safety monitoring systems, and construction site inspection management systems to comprehensively oversee construction sites, including personnel access control, construction safety, and construction quality. These measures transform traditional site risks and establish a high-standard working environment. <p>3. Monitoring and Implementation Effectiveness</p> <ul style="list-style-type: none"> • Evaluation data: In 2025, a total of 127 supplier performance evaluations were conducted. Results indicate that 99.2% of suppliers were rated as excellent or qualified (with scores above 80), with only one supplier rated as non-compliant, demonstrating effective human rights and occupational safety management within the supply chain. • Handling of non-compliance: In the event of violations of the commitment (such as major occupational safety incidents or the employment of illegal migrant workers), the Company will impose penalties or suspension in accordance with contractual terms, require corrective action plans within a specified timeframe, and, where necessary, terminate the business relationship. <p>IV. Grievance Mechanisms and Implementation Effectiveness</p> <ul style="list-style-type: none"> • Grievance mechanisms and protection: The Company has established accessible and transparent grievance channels and strictly protects the identity of complainants to ensure that they are not subject to retaliation for filing complaints. <ul style="list-style-type: none"> ◦ Internal employees: Dedicated grievance email (adm@huaku.com.tw) and hotline (+886-2-7719-0101), with regular labor-management meetings held for communication. ◦ External stakeholders (customers/suppliers): Stakeholder section on the Company's official website and reporting hotlines posted on construction site notice boards. • Implementation results in 2025: <ul style="list-style-type: none"> ◦ Violation statistics: No material complaints involving violations of human rights or discrimination were reported during the year (0 cases). ◦ Education and Training: A total of 195 employees (including full-time employees, contract personnel, and migrant workers) completed training on human rights, prevention of sexual harassment, and occupational safety and health, achieving a 100% completion rate. <p>(II) For the Company's employee welfare measures, please refer to "Labor-Management Relations" on page X. In addition, Article 29-1 of the Company's Articles of Incorporation stipulates that, where the Company has profits in a given year, 3% to 5% shall be appropriated as employee compensation, of which no less than 3% shall be allocated for distribution to non-managerial employees. Furthermore, bonus allocation and promotion eligibility are directly linked to performance evaluation ratings (e.g., five levels from S and A to D), ensuring that remuneration appropriately reflects the Company's operating results and individual performance.</p>	(II) None.

Item	Implementation status (Note 1)		Summary Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No		
(III) Has the Company provided safe and healthy work environment for the employees, and education on occupational safety and health for the employees at regular intervals?	V		<p>The Company and its subsidiaries, in addition to complying with all applicable labor laws and regulations, are committed to building a healthy, safe, and comfortable workplace environment:</p> <ol style="list-style-type: none"> 1. The "Safety and Health Management" regulations have been established in the project construction cycle, and the safety and health and other related education and trainings are conducted from time to time. Seven employees of the Company have obtained the certificate of labor safety and health administrators, and 36 employees have obtained certificates of occupational safety and health officers in the construction industry. 2. Check the item in the safety and health log formulated within the Company one by one for the safety measure inspections before commencing the construction every day, including 13 inspections such as general conditions and fall prevention, safety equipment inspection in construction areas, and fire prevention; the site patrol and inspection meetings are conducted every week to for check and audit. In addition, the Company has jointly developed a construction site inspection management system with IT vendors, which enables real-time integration of environmental daily reports, self-inspection checklists, and audit forms via computers and mobile devices. This facilitates tracking, prevention, and improvement, thereby effectively enhancing site management, construction quality, and occupational safety and health. 3. The Company is also equipped with first aid kits, has installed automated external defibrillators (AEDs), and conducts related training. To strengthen fire safety and disaster prevention awareness, the office building periodically organizes seminars on relevant topics and conducts drills. A secured access control system is in place to ensure employee safety. Air purifiers are installed, and office carpets were cleaned 11 times in 2025. In addition, the Company provides annual subsidies for employee health check-ups to properly manage employee health and fulfill its responsibility to provide a safe and healthy working environment. 4. Number of occupational injury cases, number of affected employees, and the ratio to total employees in 2025, as well as related improvement measures: No occupational injuries occurred. 5. Number of fire incidents, number of casualties, and the ratio to total employees in 2025, as well as related improvement measures: No fire incidents occurred. 	(III) None.
(IV) Has the Company established the plan for the training of effective career development and planning of the employees?	V		<p>The Company formulates its annual training policy each year based on operational development needs and the results of training needs assessments. Comprehensive training programs are planned for directors and all employees, including new employee orientation, department-specific professional training, cross-departmental courses, and director training programs. In addition, the Company fully subsidizes the costs of professional training courses relevant to each employee's job responsibilities, with the aim of enhancing individual professional knowledge and skills and supporting employee learning and development within their respective fields. In 2025, the Company and its departments conducted a total of 14 career development training sessions, with 829 participant attendances and a total of 1,767 training hours. In addition, external professional training programs for individual career development were completed by 94 participants, with a total of 1,061.5 training hours. During the annual performance review process, supervisors and employees jointly discuss and establish individual career development plans and objectives for the year. Through regular reviews and feedback, the Company supports employees in effectively achieving their annual training and development goals.</p>	(IV) None.
(V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		<p>(V) The Company and its subsidiaries have included the clause of consumer rights in related contracts and explained to the consumers their rights at the time of signing the contracts. Currently, the Company has set up a 0800 toll free customer service hotline for filing complaints, and has established related standard operation procedures to meet customer needs and related services.</p>	(V) None.

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(VI) Has the Company established the supplier management policy to demand suppliers to observe applicable rules and regulations governing environmental protection, occupational safety and health, or labor right, and the state of implementation?	V		(VI) The Company and its subsidiaries and the suppliers conducting business transactions with the suppliers in conformity to the procedures for the control of suppliers, and evaluating the suppliers through the supplier evaluation mechanisms.	(VI) None.
V. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above? Is the aforementioned report subject to the validation or guarantee by a third party accreditor?	V		Pursuant to the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies,” the sustainability report is prepared pursuant to the latest 2021 Global Reporting Initiatives (GRI) Standards, Task Force on Climate-Related Financial Disclosures (TCFD), and SASB Standards; it is planned to be published and reported by the end of June, 2023. In the future, third-party assurance of the sustainability report will be implemented as required by laws.	None.
VI. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company’s operations: none				
VII. Other important information to facilitate better understanding of the company’s promotion of sustainable development:				
<ol style="list-style-type: none"> 1. Land resources are not renewable and construction is a master plan for a thousand years. All of us realize our social responsibility and provide home buyers safe, elegant, and comfortable living spaces. The Company spares no effort in building good quality living environments with the improvement of green zones, introduction of health and recreational facilities, good community management, and positive post-delivery customer service. 2. The Company realizes the influence of corporate activities and products on society and the environment while going for sustainable development and growth, and spares no effort in making urban aesthetics into practice through sustainability of resources, energy saving and carbon reduction. In addition, the Company has established the “Huaku Foundation” as the platform for feedback to society with its knowledge and resources in architecture and construction. This foundation was established as the ramification of the stable and firm paces spirit of Huaku in construction to express concern to every corner of Taiwan in need of warmth and passion. 				

Note 1: If “Yes” is ticked in the “Implementation status” column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If “No” is ticked in the “Implementation status” column, please explain the deviations and the reasons in the “Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons” column and explain the Company’s plans for adoption of related policies, strategies, and measures in the future. However, for Items 1 and 2, the TWSE/TPEX listed company shall describe its governance and supervisory framework for sustainable development, including but not limited to management policy, strategy and goal formulation, review measures, etc. It additionally shall describe the company’s risk management policies or strategies for operations-related environmental, social, and corporate governance issues, and their assessment status. Regarding initiatives one and two, listed companies should specify the governance and supervision structure for sustainable development, including but not limited to management policies, strategy and target setting, and review measures. Additionally, state the company’s risk management policies or strategies related to environmental, social, and corporate governance issues, and their assessment situation.

Note 2: Principle of materiality refers to issues pertinent to the environment, society, and corporate governance that caused significant influence on the investors and stakeholders of the Company.

Note 3: Regarding the method for disclosure, please refer to the “SAMPLE ANNUAL REPORT” page on the website of the Taiwan Stock Exchange Corporate Governance Center.

(VI) Climate-Related Information:

1. Climate-related information implementation situation:

Item	State of Pursuit
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	1. The Board of Directors serves as the highest authority for risk management, with the General Manager acting as the convener of the Risk Management Task Force. Each year, the Sustainability Task Force submits the results of climate risk and opportunity analyses to the Risk Management Task Force, which in turn reports to the Board of Directors.
2. Describe how the identified climate risks and opportunities affect the business, strategy and finance of the Company (short-, medium-, and long-term).	2. Based on assessments of vulnerability, likelihood, and impact, the Company has identified two climate risks, namely costs associated with the transition to low-carbon technologies and rising sea levels, and one climate-related opportunity, which is products and services.
3. Financial impacts of extreme climate events and transformational actions.	3. The Company has identified the following actions to address transition risks: closely monitoring market prices of raw materials and incorporating them into construction cost assessments, and reducing development projects in areas prone to flooding, such as waterfront locations. Adjust selling prices to offset increases in costs.
4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	4. The Company identifies climate risks through the following approach: (A) Identify climate-related risks and opportunities by each department. (B) Confirm material climate risks and opportunities. (C) Develop response strategies. (D) Report to the Risk Management Task Force. The Risk Management Task Force incorporates the analysis of climate risks and opportunities into the overall risk management framework and reviews the implementation of risk management by each unit on an annual basis.
5. If scenario analysis is used to assess resilience in the face of climate change risks, the use of scenarios, parameters, assumptions, analysis factors, and major financial impacts shall be described.	5. The Company will implement such policy in accordance with applicable laws in the future.
6. If there is a transformation plan in response to the management of climate-related risks, describe the contents of the plan, and the indicators and goals used to identify and manage physical risks and transformation risks.	6. The Company will implement such policy in accordance with applicable laws in the future.
7. If the internal carbon pricing is used as a planning tool, the basis for setting the price shall be explained.	7. The Company will implement such policy in accordance with applicable laws in the future.
8. If climate-related targets are set, explain the activities covered, greenhouse gas emission scopes, planning periods, and annual progress achieved. If carbon offsets or renewable energy certificates (RECs) are used to meet these targets, explain the source and amount of the carbon reduction or the number of RECs.	8. The Company will implement such policy in accordance with applicable laws in the future.
9. Greenhouse gas inventories, assurance status, and reduction targets, strategies, and concrete action plans (please fill in 1-1 and 1-2 separately).	9. Relevant information is set forth as follows:

1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Years:

1-1-1 Greenhouse Gas Inventory Information

The Company discloses greenhouse gas emissions (in metric tons of CO₂e), emission intensity (metric tons of CO₂e per NT\$ million of revenue), and the scope of data coverage for the most recent two years.

As the Company has paid-in capital of less than NT\$5 billion, it follows the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" announced by the Financial Supervisory Commission in March 2022, under which:

1. The parent company only is required to conduct an inventory of 2025 data starting in 2026.
2. Subsidiaries included in the consolidated financial statements are required to conduct an inventory of 2026 data starting in 2027.

The greenhouse gas inventory data for the most recent two years is based on the operational control approach. Details are as follows:

		2024		2025	
		Emissions (tCO ₂ e)	Intensity (tCO ₂ e / NT\$ million revenue)	Emissions (tCO ₂ e)	Intensity (tCO ₂ e / NT\$ million revenue)
The Company	Scope 1 Direct greenhouse gas emissions	10.5322	/	26.6325	/
	Scope 2 Indirect greenhouse gas emissions	54.5701		761.4123	
	Subtotal	65.102		788.045	
Total		65.102	0.0090	788.045	0.0432

Note 1: Direct emissions (Scope 1) refer to emissions from sources owned or controlled by the Company; energy indirect emissions (Scope 2) refer to indirect greenhouse gas emissions from the consumption of purchased electricity, heat, or steam; other indirect emissions (Scope 3) refer to emissions resulting from the Company's activities that are not energy indirect emissions and arise from sources owned or controlled by other entities.

Note 2: The data coverage for direct emissions and energy indirect emissions shall be handled in accordance with the timeline specified under Article 10, Paragraph 2 of the applicable regulations. Disclosure of other indirect emissions is voluntary.

Note 3: Greenhouse gas inventory standards include the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: Emission intensity may be calculated per unit of product/service or revenue; however, disclosure based on revenue (in NT\$ million) is required at a minimum.

Note 5: The 2024 data was based on a voluntary inventory, covering only the head office office area; in 2025, the boundary was adjusted in accordance with regulations to cover the parent company only.

Note 6: Revenue (per NT\$ million) for both 2024 and 2025 is based on the parent company only.

1-1-2 Greenhouse Gas Assurance Information

Disclose the assurance status for the most recent two years as of the publication date of the annual report, including the scope of assurance, assurance provider, assurance standards, and assurance opinion.

As the Company has paid-in capital of less than NT\$5 billion, it follows the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" announced by the Financial Supervisory Commission in March 2022, under which:

1. The parent company only is required to commence assurance of 2027 data starting in 2028.
2. Subsidiaries included in the consolidated financial statements are required to commence assurance of 2027 data starting in 2028.

The Company did not conduct assurance procedures in 2024. In 2025, the Company plans to engage BSI (British Standards Institution) to perform assurance, covering the Company and all subsidiaries included in the consolidated financial statements. As the Company had not obtained the complete greenhouse gas assurance opinion as of the publication date of the annual report, the complete assurance information will be disclosed in the sustainability report.

Note 1: The assurance schedule shall be handled in accordance with the timeline specified under Article 10, Paragraph 2 of the applicable regulations. If the Company has not obtained the complete greenhouse gas assurance opinion by the publication date of the annual report, it shall state that "the complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall state that "the complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and the complete assurance information shall be disclosed in the next annual report.

Note 2: The assurance provider shall comply with the relevant regulations governing sustainability report assurance providers as prescribed by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: For disclosure content, please refer to the best practice examples available on the Corporate Governance Center website of the Taiwan Stock Exchange.

1-2. Greenhouse Gas Reduction Targets, Strategies, and Action Plans:

The Company discloses the base year for greenhouse gas reduction, related data, reduction targets, strategies, specific action plans, and the status of achieving such targets.

Greenhouse Gas Reduction Base Year and Reduction Targets

Huaku Development Co., Ltd. has designated 2021 as the base year for its greenhouse gas inventory, with total greenhouse gas emissions of 69.837 tCO₂e for that year. As greenhouse gas emissions from the head office are primarily indirect emissions, the Company has set a greenhouse gas reduction target of reducing electricity consumption by 0.5% annually. In 2025, Huaku Development Co., Ltd. reduced its electricity consumption (indirect energy consumption) by 11.3% compared to 2024, thereby achieving the annual reduction target. In addition, to further develop its greenhouse gas reduction strategies, the Company completed an inventory in 2025 using the consolidated financial statements boundary ahead of schedule. Going forward, in accordance with the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies," the Company will disclose more comprehensive annual reduction targets, strategies, and specific action plans in 2027.

Greenhouse Gas Reduction Strategies and Action Plans

In recent years, the Company has continuously optimized its internal operational processes and implemented digital management measures, including document digitization, paperless processing of customer change orders, reuse of paper, and the adoption of video conferencing, thereby steadily advancing greenhouse gas reduction efforts. In addition, the Company has established an "Energy Conservation, Carbon Reduction, and Environmental Management Policy" and has progressively improved its internal environment and equipment, including regular cleaning and maintenance of equipment, zoned lighting control, and the procurement of equipment bearing energy efficiency labels. Since 2024, the Company has formally incorporated ESG performance indicators related to greenhouse gas reduction into the compensation system for managerial officers and department heads, thereby strengthening management's focus on and commitment to carbon reduction initiatives.

Note 1: The implementation timeline shall be in accordance with the requirements specified under Article 10, Paragraph 2 of the applicable regulations.

Note 2: The base year should be the year in which the greenhouse gas inventory is completed using the consolidated financial statements boundary. For example, under the requirements of Article 10, Paragraph 2, companies with paid-in capital exceeding NT\$10 billion are required to complete the inventory for 2025 (2024 data) using the consolidated financial statements boundary; therefore, 2024 would be the base year. If the Company has completed the consolidated inventory earlier, such earlier year may be used as the base year. The base year data may be calculated based on a single year or an average over multiple years.

Note 3: For disclosure content, please refer to the best practice examples available on the Corporate Governance Center website of the Taiwan Stock Exchange.

(VII) Implementation of ethical corporate management and any deviations from the Ethical Corporate Management Best Practice principles for TWSE/TPEX listed companies and the reasons therefor:

Items for Evaluation	The Pursuit (Note)		Variation From the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies
	Yes	No	
<p>I. Establishment of Ethical Corporate Management Policy and Action Plans</p> <p>(I) Has the Company specified its policy and method for the implementation of ethical corporate management in its internal rules and regulations and external documents, and have the Board and the management of the Company promised to pursue the policy of ethical corporate management?</p> <p>(II) Has the Company developed the mechanisms for the assessment of integrity risk with routine analysis and assessment on business activities exposed to higher integrity risk in the operation basing on which the Company planned for the prevention of unethical practices. The content shall cover at least the preventive measures contained in Paragraph 2 in Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE Listed and TPEX Listed Companies"?</p> <p>(III) Has the Company established plans for the prevention of unethical practices, and has it specified the operation procedures, code of conduct, and punishment for violation, and the system of complaints in the plans and properly implemented these plan with routine review and revision?</p>	V		<p>(I) None.</p> <p>(II) None.</p> <p>(III) None.</p>
<p>II. Implementation of Ethical Corporate Management</p> <p>(I) Has the Company evaluated the record of the counterparties on business ethics, and explicitly stated business integrity as an integral part of the contracts when entering into agreements with counterparties of trade?</p> <p>(II) Has the Company established a designated body directly under the Board for administering ethical corporate management with routine report to the Board (at least once a year) on the pursuit of the ethical corporate management policy and the plans for the prevention of unethical practices, and the supervision of the implementation of these policies?</p> <p>(III) Has the Company made policies for the prevention of the conflict of interest, and provided the channels for expressions, and has it properly implemented this system?</p> <p>(IV) Has the Company established effective accounting system, internal control system, for the proper pursuit of ethical corporate management. Has the internal audit function designed relevant audit plan on the basis of the assessment result of integrity risk for the prevention of unethical practices and compliance of related rules and regulations, or commissioned certified public accountants to</p>	V		<p>(I) None.</p> <p>(II) None.</p> <p>(III) None.</p> <p>(IV) None.</p>

Items for Evaluation	The Pursuit (Note)		Variation From the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies	
	Yes	No		Summary Description
<p>conduct audits on unethical practices?</p> <p>(V) Has the Company provided internal and external trainings on topics of ethical corporate management at regular intervals?</p>	V		(V) Our company provides education and training to new employees during pre-employment training. In 2025, we held an educational course on "Risks of Integrity Governance in the AI Era," which was open to employees and managers. 31 people actually participated in the course, which lasted for 2 hours. The course presentation was made available to all employees on the company's intranet.	(V) None.
<p>III. The Function of the Reporting System of the Company</p> <p>(I) Has the Company established substantive systems for reporting and rewards for facilitating the reporting of unethical practices, and appointed designated persons for dealing with the persons being reported?</p> <p>(II) Has the Company established the standard operation procedures for the investigation of complaints as reported, follow-up actions after the investigation, and related mechanisms for confidentiality?</p> <p>(III) Has the Company established related measures for the protection of the informants from undue treatment?</p>	V		<p>(I) The Company and its subsidiaries have established the "Whistleblowing and Complaint Management Policy" and designated the Chairman's Office as the responsible unit for handling such matters.</p> <p>(II) The Company and its subsidiaries have instituted the "Regulations Governing Reporting and Filing Complaints" with clear description of the procedures for the investigation of reports/complaints. In addition, the procedure of investigation of the reports/complaints will be carried out in strict confidence.</p> <p>(III) The Company and its subsidiaries have instituted the "Regulations Governing Reporting and Filing Complaints" with the establishment of the principle of confidentiality to protect the informants from undue treatment because of reporting or filing the complaints.</p>	<p>(I) None.</p> <p>(II) None.</p> <p>(III) None.</p>
<p>IV. Intensification of Disclosure</p> <p>Has the Company disclosed its ethical corporate management best practice principles and the effect from the pursuit of these principles at its official website or at MOPS?</p>	V		The Company has established the "Ethical Corporate Management Best Practice Principles" and disclosed the content at its official website and the MOPS.	None.
<p>V. If the Company has instituted its own ethical corporate management best practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE Listed or TPEX listed Companies", specify the detail of pursuit and the variation from the best practice principles: The Company has established its ethical corporate management best practice principles and has educated the members of the Board and employees of the principles so that they could familiarize with their duties and the legal framework and related restrictions. They should avoid receiving unjustified personal benefits by the functions they perform, and prompt for access to legitimate benefits when conducting business activities of the Company. The implementation of the Ethical Corporate Management Best Practice Principles does not vary with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies".</p>				
<p>VI. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles):</p> <ol style="list-style-type: none"> The transactions between the Company and related parties were disclosed on MOPS as required by law. It is explicitly stated that suppliers and contractors shall duly observe the procedure for the control of suppliers. All suppliers are subject to routine evaluation. 				

Note: Give the summary description in the field provided irrespective of choosing either "Yes" or "No" in the answer.

(VIII) Any other vital information that could help to understand the pursuit of corporate governance of the Company better: None.

(IX) The Implementation of the Internal Control System

1. Internal Control Statement: Please refer to the Market Observation Post System (MOPS) → Corporate Governance → Internal Control Section → Internal Control Statement.

2. CPA Special Review of the Internal Control System (if applicable): Please refer to the Market Observation Post System (MOPS) → Corporate Governance → Internal Control Section → CPA Special Review Report on Internal Control.

(X) Material resolutions of the shareholders' meeting and the Board of Directors in the most recent year and up to the publication date of the annual report:

Material resolutions of the shareholders' meeting on May 28, 2025:

Major Resolution	State of Pursuit
Adoption of the 2024 Business Report and financial statements	The resolution has been announced pursuant to Article 230 of the Company Act.
Adoption of the 2024 Earnings Distribution Proposal	Cash dividend of NT\$5.5 per share and stock dividend of NT\$0.5 per share were distributed. August 2, 2025 was set as the ex-dividend and ex-rights date, and cash dividends and new share entitlement certificates were distributed/listed on August 20, 2025.
Amendment to the "Articles of Incorporation"	Approved by resolution and registered with the competent authority on June 16, 2025.
Increase of capital through issuance of new shares	The capital increase was approved for registration by the competent authority on September 15, 2025. The new shares were listed for trading on September 24, 2025, and the share entitlement certificates were delisted on the same date.

The Board resolved to pass the motion.

Board of Directors	Agenda item	Items specified under §14-5 of the Securities and Exchange Act
2025/1/15 12th term 12th meeting	Motion No. 1: Review of the execution status of the 2024 development quota and discussion on the termination of the remaining quota.	14-5-11
	Motion No. 2: Proposal to approve the 2025 authorized development quota and to authorize the Chairman to fully handle land development matters within the approved quota and at appropriate timing.	14-5-11
	Motion No. 3: Application for financing of stock dividend.	14-5-11
	Motion No. 4: Proposal for the allocation of undistributed employee compensation and performance bonuses for managerial officers.	
	Audit Committee resolution (2025/01/15; 12th meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	
2025/2/26 12th term 13th meeting	Motion No. 1: 2025 Business Plan.	14-5-11
	Motion No. 2: 2024 Declaration of Internal Control System.	14-5-2
	Motion No. 3: 2024 Financial Statements	14-5-10
	Motion No. 4: The proposed compensation to employees and directors for 2024.	
	Motion No. 5: Proposal for the replacement of certified public accountants retained by the Company.	14-5-8
	Motion No. 6: Regular assessment of the attesting certified public accountants' independence.	14-5-8
	Motion No. 7: Application for and renewal of the Company's financing facilities.	14-5-11
	Motion No. 8: Proposal for the Company to enter into a construction contract with its subsidiary, Pin Hsing Construction Co., Ltd., for the "Cheng Da Beitou Project" office building (covering foundation works, structural works, and exterior wall finishing works).	14-5-11
	Motion No. 9: Proposal to determine the date, venue, and related matters for the 2025 annual general meeting of shareholders.	
	Motion No. 10: Proposal to determine matters related to shareholder proposals for the 2025 annual general meeting of shareholders.	
	Motion No. 11: Amendment to the "Articles of Incorporation" of the Company.	
	Motion No. 12: Proposal for amendment to the "Internal Control System."	14-5-1
	Motion No. 13: Proposal for amendment to the "Internal Control System."	14-5-1
	Motion No. 14: Proposal for amendment to the "Internal Control System."	14-5-1
	Motion No. 15: Proposal for the dismissal of a managerial officer of the Company.	
Audit Committee resolution (2025/02/26; 13th meeting of the 3rd term): Approved unanimously by all attending members without objection.		
Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.		
2025/3/12 12th term 14th meeting	Motion No. 1: Proposal for the 2024 earnings distribution.	14-5-11
	Motion No. 2: Increase of capital through issuance of new shares.	14-5-7
	Motion No. 3: Proposal to add discussion items to the 2025 annual general meeting of shareholders.	
	Motion No. 4: Disposal of residential units and parking spaces of "Casa Blanca" to a related party.	14-5-4
	Motion No. 5: Proposed distribution of director remuneration for 2024 and payment of two months' employee compensation to managerial officers	

Board of Directors	Agenda item	Items specified under §14-5 of the Securities and Exchange Act
2025/3/12 12th term 14th meeting	Audit Committee resolution (2025/03/12; 14th meeting of the 3rd term): Motion No. 1: Approved upon discussion by all members, with adjustments made to the amounts in the attachments, and submitted to the Board of Directors for discussion. Motion No. 2: Approved upon discussion by all members, with adjustments made to the proposed amounts, and submitted to the Board of Directors for discussion. Other motions: Approved unanimously by all attending members without objection.	
	Measures taken by the Company regarding the opinions of the Audit Committee Motion No. 1: After discussion by all attending directors, the proposal was approved without objection in accordance with the adjustments to the attachment amounts made by the Audit Committee. Motion No. 2: After discussion by all attending directors, the proposal was approved without objection in accordance with the adjusted proposed amounts made by the Audit Committee. Other motions: Approved unanimously by all attending directors without objection.	
2025/5/7 12th term 15th meeting	Motion No. 1: Proposal for the Q1 2025 financial statements.	14-5-10
	Motion no. 2: Application for financing limit of dividend.	14-5-11
	Motion No. 3: Proposal for renewal of financing facilities upon maturity.	14-5-11
	Motion No. 4: Proposal for the Company to enter into a construction contract with its subsidiary, Pin Hsing Construction Co., Ltd., for the "Moon River Project" building renovation works.	14-5-11
	Motion No. 5: Proposal for the Company to enter into a construction contract with its subsidiary, Pin Hsing Construction Co., Ltd., for the "Feng-Hui Project" building renovation works.	14-5-11
	Motion No. 6: Proposal for the Company to enter into a construction contract with its subsidiary, Pin Hsing Construction Co., Ltd., for the "Four Seasons Manor Project" construction works (including foundation, structural works, elevators, and kitchen equipment).	14-5-11
	Audit Committee resolution (2025/05/07; 15th meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	
2025/5/28 12th term 16th meeting	Motion No. 1: Proposal to authorize the Chairman to determine the ex-rights date and related matters for the capital increase through stock dividends.	14-5-7
	Audit Committee resolution (2025/05/28; 16th meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	
2025/8/6 12th term 17th meeting	Motion No. 1: Proposal for the Q2 2025 financial statements.	14-5-10
	Motion No. 2: Renewal of the credit limit to be due.	14-5-11
	Motion No. 3: Proposal to review and terminate the unused portion of the 2025 authorized development quota.	14-5-11
	Motion No. 4: Proposal to approve the 2025 authorized development quota and to authorize the Chairman to fully handle land development matters within the approved quota and at appropriate timing.	14-5-11
	Motion No. 5: Proposal for the Company to enter into a construction contract with its subsidiary, Pin Hsing Construction Co., Ltd., for the "Zhi Xing Project" building renovation works.	14-5-11
	Motion No. 6: Proposal for the Company to enter into a construction contract with its subsidiary, Pin Hsing Construction Co., Ltd., for the "Maison de Lotus Project" construction works (including foundation, structural works, elevators, and kitchen equipment).	14-5-11
	Motion No. 7: Proposal for the Company's 2024 Sustainability Report.	
	Audit Committee resolution (2025/08/06; 17th meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	
2025/8/22 12th term 18th meeting	Motion No. 1: Proposal to authorize the Chairman to fully handle the sales matters of the "Vision Park Project" at an appropriate time.	14-5-11
	Audit Committee resolution (2025/08/22; 18th meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	
2025/10/16 12th term 19th meeting	Motion No. 1: Proposal to dispose of all floors and parking spaces of the "Asia One Project" to a single counterparty.	14-5-11
	Audit Committee resolution (2025/10/16; 19th meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	

Board of Directors	Agenda item	Items specified under §14-5 of the Securities and Exchange Act
2025/11/5 12th term 20th meeting	Motion No. 1: Proposal for the Q3 2025 financial statements.	14-5-10
	Motion No. 2: Renewal of the credit limit to be due.	14-5-11
	Motion No. 3: Proposal for the Company to enter into a construction contract with its subsidiary, Pin Hsing Construction Co., Ltd., for the "Le Grand Cru Project" construction works (including foundation, structural works, elevators, and kitchen equipment).	14-5-11
	Motion no. 4: Amendment to the "Internal Control System".	14-5-1
	Motion No. 5: Proposal for the 2026 Audit Plan.	
	Audit Committee resolution (2025/11/05; 20th meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	
2026/01/14 12th term 21st meeting	Motion No. 1: Proposal to review and terminate the unused portion of the 2025 authorized development quota.	14-5-11
	Motion No. 2: Proposal to approve the 2026 authorized development quota and to authorize the Chairman to fully handle land development matters within the approved quota and at appropriate timing.	14-5-11
	Motion No. 3: Proposal to amend the issuance and conversion terms for the Company's third and fourth domestic unsecured convertible bonds.	
	Motion No. 4: Proposal for the allocation of undistributed employee compensation and performance bonuses for managerial officers.	
	Audit Committee resolution (2026/01/14; 21st meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	
2026/2/25 12th term 22nd meeting	Motion No. 1: 2026 Business Plan.	14-5-11
	Motion No. 2: 2025 Declaration of Internal Control System.	14-5-2
	Motion No. 3: 2025 Financial Statements	14-5-10
	Motion No. 4: Proposed compensation to employees and directors for 2025.	
	Motion No. 5: Note: Regular assessment of the attesting certified public accountants' independence.	14-5-8
	Motion No. 6: Attestation service fees of the auditor's firm for 2026 to 2027.	14-5-8
	Motion No. 7: Application for and renewal of the Company's financing facilities.	14-5-11
	Motion No. 8: Full election of directors (including Independent Directors).	
	Motion No. 9: The Shareholder's Meeting in regular session of 2026 accepted the motion of the review standard and procedure for the nomination of directors (independent directors included).	
	Motion No. 10: Set the date for the regular session of the 2026 Shareholders Meeting, the place, and related matters.	
	Motion No. 11: Proposal to determine matters related to shareholder proposals for the 2026 annual general meeting of shareholders.	
	Audit Committee resolution (2026/02/25; 22nd meeting of the 3rd term): Approved unanimously by all attending members without objection.	
	Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.	
2026/03/18 12th term 23rd meeting	Motion No. 1: Proposal for the 2025 earnings distribution.	14-5-11
	Motion No. 2: Increase of capital through issuance of new shares.	14-5-7
	Motion No. 3: The Company planned to enter into an agreement with Pin Hsing Construction Co., Ltd. on the construction and decoration of "Zheng Da Xin."	14-5-11
	Motion No. 4: Nomination and review of the director candidate list (independent directors included).	
	Motion No. 5: Lift the ban on the competition among the newly elected Directors and their representatives.	14-5-4
	Motion No. 6: Proposal for the distribution of directors' remuneration for 2025.	
	Motion No. 7: Proposal for the distribution of employee remuneration (including managerial officers and non-managerial employees) for 2025.	
	Motion No. 8: Proposal to add discussion items to the 2026 annual general meeting of shareholders.	
	Audit Committee resolution (2026/03/18; 23rd meeting of the 3rd term): Approved unanimously by all attending members without objection.	
Response of the Company to the opinions of the Auditing Committee: all the Directors in session voted in favor of the motion in common consent.		

(XI) In the most recent year and up to the publication date of the annual report, the principal contents of any dissenting opinions expressed by directors or supervisors regarding material resolutions approved by the Board of Directors, where such opinions are recorded in the minutes or stated in written statements: None.

IV. Information on CPA fees:

Currency Unit: NTD1,000

Name of CPA Firm	Name of CPA	Examination Period of the CPA	Auditing Fee	Non-auditing Fee	Total	Remark
PwC Taiwan	Wang, Fang-Yu	From Q1 to Q4 of 2025	3,475	1,875	5,350	Non-audit fees were primarily incurred for transfer pricing certification, agreed-upon procedures for restricted deposits, audit procedures related to the VAT offset mechanism, and reviews of CB issuance and valuation reports.
	Lin, Chia-Hung					

Please specify the contents of the non-audit service fees: (e.g. taxation attestation, assurance, or other finance consulting advice service)

Note: If the Company has replaced the CPAs or switched to another CPA firm in the current period, specify the examination period of the CPAs separately, and explain the reasons for the change in the remark field. Information on the auditing fee and non-auditing fee should also be disclosed. Please describe the non-audit service fees in the remarks.

- (I) If the payment of the auditing fee to the newly retained CPA firm is less than the auditing fee of the previous year, disclose the auditing fee before and after switching to the new CPA firm and explain the change: None.
- (II) If the auditing fee decreased by more than 10% than from the previous year, disclose the amount reduced, the ratio, and the reason: None.

V. Information on change of CPAs: None.

VI. Disclosure of the name, title, and period of employment of the chairman, general manager, or managerial officers responsible for finance or accounting affairs who, within the most recent year, served at the CPA firm or its affiliates: None.

VII. Changes in shareholdings and pledges of shares by directors, supervisors, managerial officers, and shareholders holding more than 10% of shares during the most recent year and up to the printing date of the annual report: Please refer to the following:

Changes in Shareholdings: Market Observation Post System (MOPS) → Individual Company → Shareholding Changes / Securities Issuance → Inquiry on Share Transfer Data → Post-Reporting Forms for Insider Shareholding Changes.

https://mops.twse.com.tw/mops/#/web/query6_1

Changes in Share Pledging: Market Observation Post System (MOPS) → Individual Company → Shareholding Changes / Securities Issuance → Insider Share Pledging and Release → Announcements of Insider Share Pledging and Release.

https://mopsov.twse.com.tw/mops/web/STAMAK03_1

VIII. Information on whether the top ten shareholders are related parties or are spouses or relatives within the second degree of kinship:

Name (Note 1)	Shares Held by the Individual		Shares Held by Spouse and/or Children who are Minors		Shares Held Under Others' Name		Name (or Individual) and Relationship of Top Ten Shareholders Who Are Related Parties or Are Spouses or Relatives Within the Second Degree of Kinship (Note 3)		Remark
	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Name	Relation	
Chung Shan Investment Co., Ltd. Representative: Chung Cho-Chun	23,700,000	7.41%	0	0.00%	0	0.00%	None	None	
	605,000	0.19%	0	0.00%	0	0.00%	None	None	
New Land Investment Co., Ltd. Representative: Tu Huang-Chen	16,968,084	5.31%	0	0.00%	0	0.00%	None	None	
	0	0.00%	0	0.00%	0	0.00%	None	None	
Taiwan Life Insurance Co., Ltd. Representative: Hsu, Shu-Han	9,187,400	2.87%	0	0.00%	0	0.00%	None	None	
	0	0.00%	0	0.00%	0	0.00%	None	None	
Chang Gung Medical Foundation Representative: Wang, Rui-Huei	7,129,850	2.23%	0	0.00%	0	0.00%	None	None	
	0	0.00%	0	0.00%	0	0.00%	None	None	
Hwang, Yih-Ray	5,658,037	1.77%	0	0.00%	0	0.00%	None	None	
Citibank (Taiwan) Limited – Custodian for Norges Bank Investment Account	4,544,753	1.42%	0	0.00%	0	0.00%	None	None	
Citibank (Taiwan) Limited – Custodian for iShares Core MSCI Emerging Markets ETF Investment Account	3,699,840	1.16%	0	0.00%	0	0.00%	None	None	
Prudential Financial, Inc.	3,649,500	1.14%	0	0.00%	0	0.00%	None	None	
Standard Chartered Bank (Taiwan) Limited, Offshore Banking Unit – Custodian for Advanced Star Fund's Series Fund, Advanced Global Equity Index Fund	3,589,833	1.12%	0	0.00%	0	0.00%	None	None	
Tiansong Investment Co., Ltd. Representative: Chen, Wen-Jang	3,454,519	1.08%	0	0.00%	0	0.00%	None	None	
	187,850	0.06%	0	0.00%	0	0.00%	None	None	

Note 1: List all the top 10 Shareholders. For institutional shareholders, list the names of the institutional shareholders and their representatives separately.

Note 2: The proportion of shareholding is calculated on the basis of the quantity of shares held by the person, spouse, children who are minors, or held in the name of a third party in total.

Note 3: The shareholders disclosed as mentioned include institutional shareholders or natural persons. The relation shall be disclosed in accordance with the Criteria for the Compilation of Financial Statements by Securities Issuers.

IX. Shareholdings of the Company, its directors, supervisors, managerial officers, and enterprises directly or indirectly controlled by the Company in the same investee company, and the combined shareholding percentage:

Unit: Share; %

Direct investments (Note)	Investment by the Company		Investment by the Directors, Supervisors, Managers, or investee Company with direct or indirect control.		Overall Investment	
	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding	Quantity of Shares	Proportion of Shareholding
Pin Hsing Construction Co., Ltd.	70,000,000	100%	0	0%	70,000,000	100%
Taiwan Digit Automated Control Co., Ltd.	800,000	40%	0	0%	800,000	40%
Chengdu Wanchengduobao Property Co., Ltd.	-	80%	-	0%	-	80%
Hua Pu Construction Co., Ltd.	500,000	50%	0	0%	500,000	50%

Note: Long-term equity investment by the Company accounted for under the equity method.

Three. Capital Raising

I. Sources of Equity Capital:

YYYYMM	Issuing price	Authorized Capital		Paid-in Capital		Remark		
		Quantity of Shares	Amount (NTD1,000)	Quantity of Shares	Amount (NTD1,000)	Sources of Equity Capital	The use of assets other than cash for equity investment.	Others
1989/3	10	3,000,000	30,000	3,000,000	30,000	Capital investment for incorporation at NT\$30,000,000.	None	
1993/1	10	5,000,000	50,000	5,000,000	50,000	Raising new capital of NT\$20,000,000	None	
1995/7	10	6,000,000	60,000	6,000,000	60,000	Raising new capital of NT\$10,000,000	None	
1997/11	11	40,000,000	400,000	40,000,000	400,000	Raising new capital of NT\$340,000,000	None	Description 1
1998/8	12	100,000,000	1,000,000	56,000,000	560,000	Raising new capital of NT\$160,000,000	None	Description 2
1999/6	10	100,000,000	1,000,000	68,000,000	680,000	Capitalization of retained earnings into new shares amounting to NT\$120,000,000	None	Description 3
2000/5	10	100,000,000	1,000,000	85,800,000	858,000	Capitalization of additional paid-in capital amounting to NT\$19,834,240. Capitalization of retained earnings amounting to NT\$158,165,760	None	Description 4
2001/6	10	103,600,000	1,036,000	103,600,000	1,036,000	Capitalization of retained earnings into new shares amounting to NT\$178,000,000	None	Description 5
2002/1	10	112,600,000	1,126,000	102,000,000	1,020,000	Decapitalization through repurchase of treasury shares amounting to NT\$16,000,000	None	Description 6
2002/6	10	112,600,000	1,126,000	112,600,000	1,126,000	Capitalization of retained earnings into new shares amounting to NT\$106,000,000	None	Description 7
2004/6	10	200,000,000	2,000,000	121,800,000	1,218,000	Capitalization of additional paid-in capital amounting to NT\$45,040,000. Capitalization of retained earnings amounting to NT\$46,960,000	None	Description 8
2004/10	10	200,000,000	2,000,000	132,521,118	1,325,211	Conversion of convertible bonds into new shares amounting to NT\$107,211,180	None	Description 9
2005/1	10	200,000,000	2,000,000	135,848,501	1,358,485	Conversion of convertible bonds into new shares amounting to NT\$33,273,830	None	Description 10
2005/5	10	200,000,000	2,000,000	136,640,523	1,366,405	Conversion of convertible bonds into new shares amounting to NT\$7,920,220	None	Description 11
2005/7	10	200,000,000	2,000,000	140,569,700	1,405,697	Conversion of convertible bonds into new shares amounting to NT\$39,291,770	None	Description 12
2005/8	10	200,000,000	2,000,000	140,987,124	1,479,871	Capital increase of NT\$74,174,240 from capital surplus	None	Description 13
2005/10	10	200,000,000	2,000,000	155,803,971	1,558,040	Conversion of convertible bonds into new shares amounting to NT\$78,168,470	None	Description 14
2006/8	10	200,000,000	2,000,000	172,884,368	1,728,884	Capitalization of additional paid-in capital amounting to NT\$124,643,180. Capitalization of retained earnings amounting to NT\$46,160,790	None	Description 15
2007/8	10	300,000,000	3,000,000	201,745,866	2,017,459	Capitalization of additional paid-in capital amounting to NT\$103,730,620. Capitalization of retained earnings amounting to NT\$184,884,360	None	Description 16
2008/9	10	300,000,000	3,000,000	233,207,745	2,332,077	Capitalization of additional paid-in capital amounting to NT\$80,698,340. Capitalization of retained earnings amounting to NT\$233,920,450	None	Description 17
2009/8	10	300,000,000	3,000,000	239,166,918	2,391,669	Conversion of convertible bonds into new shares amounting to NT\$59,591,730	None	Description 18
2010/1	10	300,000,000	3,000,000	241,433,410	2,414,334	Conversion of convertible bonds into new shares amounting to NT\$22,664,920	None	Description 19
2010/3	10	300,000,000	3,000,000	242,930,694	2,429,307	Conversion of convertible bonds into new shares amounting to NT\$14,972,840	None	Description 20
2010/6	10	500,000,000	5,000,000	244,176,331	2,441,763	Conversion of convertible bonds into new shares amounting to NT\$12,456,370	None	Description 21
2010/7	10	500,000,000	5,000,000	258,742,676	2,587,427	Capital increase of NT\$145,663,450 from capital surplus	None	Description 22
2010/8	10	500,000,000	5,000,000	259,064,236	2,590,642	Conversion of convertible bonds into new shares amounting to NT\$3,215,600	None	Description 23
2010/11	10	500,000,000	5,000,000	260,245,670	2,602,457	Conversion of convertible bonds into new shares amounting to NT\$11,814,340	None	Description 24

YYYYMM	Issuing price	Authorized Capital		Paid-in Capital		Remark		
		Quantity of Shares	Amount (NTD1,000)	Quantity of Shares	Amount (NTD1,000)	Sources of Equity Capital	The use of assets other than cash for equity investment.	Others
2011/3	10	500,000,000	5,000,000	260,830,053	2,608,300	Conversion of convertible bonds into new shares amounting to NT\$11,814,340	None	Description 25
2011/6	10	500,000,000	5,000,000	261,195,222	2,611,955	Conversion of convertible bonds into new shares amounting to NT\$3,654,690	None	Description 26
2011/7	10	500,000,000	5,000,000	271,385,026	2,713,850	Capitalization of additional paid-in capital amounting to NT\$78,249,020. Conversion of convertible bonds amounting to NT\$23,646,020	None	Description 27
2012/7	10	500,000,000	5,000,000	276,812,726	2,768,127	Capital increase of NT\$54,277,000 from capital surplus	None	Description 28
2024/8	10	500,000,000	5,000,000	304,493,998	3,044,940	Capital increase of NT\$276,812,720 from retained earnings	None	Description 29
2025/9	10	500,000,000	5,000,000	319,718,697	3,197,187	Capital increase of NT\$152,246,990 from retained earnings	None	Description 30

Description 01: 11/17/1997 (1997) Tai-Cai-Zheng- (I)-No. 82757

Description 02: 7/13/1998 (1998) Tai-Cai-Zheng- (I)-No. 58993

Description 03: 5/31/1999 (1999) Tai-Cai-Zheng- (I)-No. 51115

Description 04: 4/27/2000 (2000) Tai-Cai-Zheng- (I)-No. 34173

Description 05: 4/25/2001 (2001) Tai-Cai-Zheng- (I)-No. 121561

Description 06: 1/31/2002 (2002) Tai-Cai-Zheng- (III)-No. 104503

Description 07: 6/17/2002 Tai-Cai-Zheng- (I)-Zi No. 0910132755

Description 08: 6/21/2004 Tai-Cai-Zheng- (I)-Zi No. 0930127466

Description 09: 10/19/2004 Jing-Shou-Shang-Zi No. 093011197420

Description 10: 1/19/2005 Jing-Shou-Shang-Zi No. 09401006310

Description 11: 5/11/2005 Jing-Shou-Shang-Zi No. 09401079970

Description 12: 7/15/2005 Jing-Shou-Shang-Zi No. 09401135170

Description 13: 8/24/2005 Jing-Shou-Shang-Zi No. 09401166570

Description 14: 10/19/2005 Jing-Shou-Shang-Zi No. 09401206520

Description 15: 8/24/2006 Jing-Shou-Shang-Zi No. 09501188450

Description 16: 8/22/2007 Jing-Shou-Shang-Zi No. 09601203240

Description 17: 9/23/2008 Jing-Shou-Shang-Zi No. 09701242720

Description 18: 8/28/2009 Jing-Shou-Shang-Zi No. 09801196420

Description 19: 1/6/2010 Jing-Shou-Shang-Zi No. 09801300860

Description 20: 3/23/2010 Jing-Shou-Shang-Zi No. 09901053450

Description 21: 6/30/2010 Jing-Shou-Shang-Zi No. 09901135770

Description 22: 7/30/2010 Jing-Shou-Shang-Zi No. 09901172000

Description 23: 8/20/2010 Jing-Shou-Shang-Zi No. 09901188830

Description 24: 11/19/2010 Jing-Shou-Shang-Zi No. 09901254720

Description 25: 3/16/2011 Jing-Shou-Shang-Zi No. 10001051430

Description 26: 6/10/2011 Jing-Shou-Shang-Zi No. 10001119740

Description 27: 7/28/2011 Jing-Shou-Shang-Zi No. 10001172270

Description 28: 7/25/2012 Jing-Shou-Shang-Zi No. 10101151190

Description 29: 08/02/2024 Jing-Shou-Shang-Zi No. 11330120100

Description 30: 09/15/2025 Jing-Shou-Shang-Zi No. 11430128980

Note 1: Fill in the information in the current period to the date this report was printed.

Note 2: Specify the effective (approval) date and approval document number for capitalization.

Note 3: Highlight the items of share offering at discount.

Note 4: Specify if right to debt in currency or technological-know-how was used to offset payment for investment, and also the type and amount of offset.

Note 5: Highlight the items for offering through private placement.

Type of Shares	Authorized Capital			Remark
	Outstanding Shares (note)	Unissued Shares	Total	
Common Shares	319,718,697	180,281,303	500,000,000	Listed on the TWSE

Note: Specify if the stock was listed at TWSE or TPEX (note if the stock is restricted for trade at TWSE or TPEX).

Information pertinent to the declaration system in general: None.

II. List of major shareholders:

Name of Major Shareholders	Shares	Number of Shares Held	Proportion of Shareholding
Chung Shan Investment Co., Ltd.		23,700,000	7.41%
New Land Investment Co., Ltd.		16,968,084	5.31%
Taiwan Life Insurance Co., Ltd.		9,187,400	2.87%
Chang Gung Medical Foundation		7,129,850	2.23%
Hwang, Yih-Ray		5,658,037	1.77%
Citibank (Taiwan) Limited – Custodian for Norges Bank Investment Account		4,544,753	1.42%
Citibank (Taiwan) Limited – Custodian for iShares Core MSCI Emerging Markets ETF Investment Account		3,699,840	1.16%
Prudential Financial, Inc.		3,649,500	1.14%
Standard Chartered Bank (Taiwan) Limited, Offshore Banking Unit – Custodian for Advanced Star Fund's Series Fund, Advanced Global Equity Index Fund		3,589,833	1.12%
Tiansong Investment Co., Ltd.		3,454,519	1.08%

III. Dividend policy and implementation status:

(I) Dividend Policy as Stated in the Articles of Incorporation:

1. The Company is in the construction business and is now at the stage of expansion. The Board of Directors will consider the capital expenditure budget and capital needs of the Company in the future in mapping out the proposal for the distribution of earnings.
2. If the Company has earnings after annual account settlement, appropriate for the payment of corporate income tax as the first priority, followed by the appropriation for covering carryforward loss. If there is still a balance, appropriate 10% of the remainder as legal reserve under law except if the amount of legal reserve is equivalent to the Paid-in Capital. Appropriate or reverse special reserve will give the distributable earnings for current period and the balance will be added to the undistributed earnings carried forward from the previous year to accumulate as distributable income. The Board of Directors shall prepare the proposal for distribution of the aforementioned earnings available for distribution, and present the proposal at the Shareholders' Meeting for approval. The dividend to shareholders shall not fall below 50% of the distributable earnings in current period in total of which cash dividend shall not fall below 60% of the total dividend for payment. The Board shall make decision with the presence of at least 2/3 of the Directors in a session and a simple majority in the vote cast by the Directors in session to determine the payment of stock dividend and bonus, additional paid-in capital or legal reserve, in whole or in part in cash, and report to the Shareholders Meeting where the aforementioned rules governing the resolution of the Shareholders will not be applicable.

(II) The dividends proposed for distribution in the Shareholders Meeting of this year:

1. Resolution of the Board of Directors on March 18, 2026:
 - (1) Cash dividends to shareholders: NT\$2,557,749,576 from retained earnings (NT\$8.0 per share).
 - (2) Proposed distribution of stock dividends to shareholders: capitalization of retained earnings for NTD 159,859,340 (50 shares per thousand shares).
2. The above cash dividend distribution will be reported at the annual general meeting of shareholders on May 29, 2026; the stock dividend distribution remains subject to approval at the same meeting.

(III) Explain if there is anticipated significant change in the dividend policy: None.

IV. Impact of the proposed stock dividends on the Company's operating performance and earnings per share: The Company has not publicly disclosed any financial forecasts; therefore, no disclosure is required.

V. Compensation of employees, directors, and supervisors:

(I) The Percentage or Scope of Remuneration to the Employees, Directors, and Supervisors as Stated in the Articles of Incorporation:

1. The Company shall appropriate 3-5% of its earnings, where applicable, as remuneration to the employee and no more than 2% as remuneration to the Directors. However, where the Company has accumulated losses, such losses shall first be offset before any appropriation is calculated based on the remaining balance. Of the employee compensation referred to in the preceding paragraph, not less than 3% shall be allocated for distribution to non-managerial employees. Remuneration to the employees may be made in stock or in cash. The recipients of remuneration shall include employees of subsidiaries meeting designated condition further to the employees of the Company.
2. The remuneration to the employees and Directors shall be released in accordance with applicable legal rules subject to the decision of the Board.

(II) Basis for estimating the remuneration of employees, directors, and supervisors for the current period, the basis for calculating the number of shares for stock-based employee remuneration, and the accounting treatment of differences between estimated and actual distributed amounts: The amounts are estimated based on the net profit after tax for 2025, after consideration of factors such as the statutory reserve, and in accordance with the percentage stipulated in the Company's Articles of Incorporation. If there is any difference between the estimated amount and the actual amount approved by the shareholders' meeting, such difference shall be recognized in the profit or loss for 2026.

(III) The Resolution of the Board on the Release of Remuneration:

1. Amounts of employee remuneration and directors' and supervisors' remuneration distributed in cash or shares: On February 25, 2026, the Board of Directors resolved to distribute employee remuneration of NT\$127,370 thousand and directors' remuneration of NT\$55,200 thousand, both to be paid in cash, which are consistent with the amounts recognized in the 2025 financial statements.
2. The percentage of employee compensation in stock relative to the net profit after tax and total employee compensation for the period: The company does not distribute employee compensation in stock.

(IV) The actual amount of remuneration to the Employees, Directors, and Supervisors in the previous year (including the quantity of shares released, and amount and the stock price), and the difference from the recognized amount of remuneration to the employees, Directors, and Supervisors where applicable, the reason for the difference and the response:

	2024		
	Resolution for distribution numbers by the board.	Actual quantity allotted	Difference
Employees' cash remuneration	57,230,000	57,230,000	0
Employee stock remuneration	-	-	-
Remuneration to Directors	24,800,000	24,800,000	0

VI. Status of the Company's share repurchases: None.

VII. Issuance of corporate bonds:

(I) Issuance status of corporate bonds:

Type of Corporate Bonds (Note 2)		3rd (Tranche) Unsecured Corporate Bonds (Note 5)	4th (Tranche) Unsecured Corporate Bonds (Note 5)
Issue Date		2024.10.02	2024.10.18
Par Value		NT\$100,000	NT\$100,000
Place of Issuance and Trading (Note 3)		Taiwan	Taiwan
Issuing price		NT\$138	NT\$136.3
Total Amount		NT\$4,000,000,000	NT\$2,000,000,000
Interest Rate		Coupon Rate: 0%	Coupon Rate: 0%
Tenor		5 years; Maturity Date: October 2, 2029	5 years; Maturity Date: October 2, 2029
Guarantor		None	None
Trustee		Taipei Fubon Commercial Bank Co., Ltd.	Taipei Fubon Commercial Bank Co., Ltd.
Underwriter		Fubon Securities Co., Ltd.	Fubon Securities Co., Ltd.
Legal Counsel		Handsome Attorneys-at-Law: Lawyer Chiu, Ya-Wen	Handsome Attorneys-at-Law: Lawyer Chiu, Ya-Wen
CPA		PwC Taiwan Hsiao, Chun-Yuan & Lin, Se-Kai	PwC Taiwan Hsiao, Chun-Yuan & Lin, Se-Kai
Repayment Method		Unless converted or redeemed early in accordance with the conversion terms, the bonds will be redeemed in full at par in cash upon maturity.	Unless converted or redeemed early in accordance with the conversion terms, the bonds will be redeemed in full at par in cash upon maturity.
Outstanding Principal		NT\$4,000,000,000	NT\$2,000,000,000
Redemption / Early Repayment Terms		In accordance with Articles 18 and 19 of the terms and conditions governing the issuance and conversion of these convertible bonds.	In accordance with Articles 18 and 19 of the terms and conditions governing the issuance and conversion of these convertible bonds.
Restrictive Covenants (Note 4)		None	None
Name of Credit Rating Agency, Rating Date, and Bond Rating		None	None
Other Rights	Amount Converted (Exchanged/Subscribed) into Common Shares, GDRs, or Other Securities as of the Publication Date of the Annual Report	No holders have applied for conversion as of the publication date of the annual report	No holders have applied for conversion as of the publication date of the annual report
	Terms Governing Issuance and Conversion (Exchange or Subscription)	Please refer to the Company's terms and conditions governing the issuance and conversion of the corporate bonds.	Please refer to the Company's terms and conditions governing the issuance and conversion of the corporate bonds.
Terms Governing Issuance and Conversion, Exchange or Subscription, Potential Dilution of Equity, and Impact on Existing Shareholders' Equity		For the Company's third domestic issuance of convertible bonds, as of the publication date, the outstanding principal amounts to NT\$4,000,000,000, with a conversion price of NT\$125 per share. Based on the Company's total issued shares of 319,718,697 shares, if all convertible bonds were fully converted, the maximum number of common shares to be issued would be approximately 32,000,000 shares, representing an estimated equity dilution of approximately 10.01%. As bondholders may exercise their conversion rights at different times in the future, the resulting dilution will occur on a gradual basis. Accordingly, the issuance of these convertible bonds is not expected to have a material impact on shareholders' equity.	For the Company's fourth domestic issuance of convertible bonds, as of the publication date, the outstanding principal amounts to NT\$2,000,000,000, with a conversion price of NT\$123.5 per share. Based on the Company's total issued shares of 319,718,697 shares, if all convertible bonds were fully converted, the maximum number of common shares to be issued would be approximately 16,194,332 shares, representing an estimated equity dilution of approximately 5.07%. As bondholders may exercise their conversion rights at different times in the future, the resulting dilution will occur on a gradual basis. Accordingly, the issuance of these convertible bonds is not expected to have a material impact on shareholders' equity.
Name of Custodian Institution for Underlying Securities		None	None

Note 1: The status of corporate bond issuance includes both publicly offered and privately placed corporate bonds that are in progress. Publicly offered corporate bonds in progress refer to those that have become effective (approved) by the competent authority; privately placed corporate bonds in progress refer to those that have been approved by the Board of Directors.

Note 2: The number of columns may be adjusted based on the actual number of issuances.

Note 3: Applicable to overseas corporate bonds.

Note 4: Includes covenants such as restrictions on cash dividend distributions, external investments, or requirements to maintain certain asset ratios.

Note 5: Privately placed bonds shall be clearly indicated.

Note 6: For convertible bonds, exchangeable bonds, shelf-registered bonds, or bonds with warrants, relevant information shall be further disclosed in accordance with their nature, including details of convertible bonds, exchangeable bonds, shelf registration status, and bonds with warrants, based on the prescribed table format.

(II) Information on Convertible Bonds:

Type of Corporate Bonds (Note 1)		3rd (Tranche) Unsecured Corporate Bonds		
Year		2025	2024	Current year up to March 31, 2026 (Note 4)
Market Price of Convertible Bonds (Note 2)	High	105.95	104.25	107.80
	Low	96.00	100.20	101.00
	Average	102.27	102.31	103.96
Conversion Price		125	NT\$ 138	125
Issue Date and Conversion Price at Issuance		2024.10.02 138	2024.10.02 138	2024.10.2 138
Method of Fulfilling Conversion Obligations (Note 3)		Issuance of new shares	Issuance of new shares	Issuance of new shares

Note 1: The number of columns may be adjusted based on the actual number of issuances.

Note 2: For overseas corporate bonds with multiple trading locations, information shall be disclosed separately by trading location.

Note 3: Delivery of existing shares or issuance of new shares.

Note 4: Data for the current year shall be disclosed up to the publication date of the annual report.

Type of Corporate Bonds (Note 1)		4th (Tranche) Unsecured Corporate Bonds		
Year		2025	2024	Current year up to March 31, 2026 (Note 4)
Market Price of Convertible Bonds (Note 2)	High	106.50	104	111.95
	Low	98.00	101	102.50
	Average	102.61	103.47	105.23
Conversion Price		123.5	136.3	123.5
Issue Date and Conversion Price at Issuance		2024.10.18 NT\$ 136.3	2024.10.18 NT\$ 136.3	2024.10.18 NT\$ 136.3
Method of Fulfilling Conversion Obligations (Note 3)		Issuance of new shares	Issuance of new shares	Issuance of new shares

Note 1: The number of columns may be adjusted based on the actual number of issuances.

Note 2: For overseas corporate bonds with multiple trading locations, information shall be disclosed separately by trading location.

Note 3: Delivery of existing shares or issuance of new shares.

Note 4: Data for the current year shall be disclosed up to the publication date of the annual report.

(III) Information on Exchangeable Bonds: None

(IV) Status of Shelf Registration for Corporate Bond Issuance: None

(V) Information on Corporate Bonds with Warrants: None

VIII. Issuance of preferred shares: None.

IX. Issuance of overseas depositary receipts: None.

X. Issuance of employee stock warrants: None.

XI. Issuance of new restricted employee shares: None.

XII. Issuance of new shares in connection with mergers or acquisitions of shares of other companies: None.

XIII. Status of Implementation of Fund Utilization Plans: Please refer to the Market Observation Post System (MOPS) → Investment Section → Fundraising Plan Implementation Section.

Four. Business Overview

I. Business Activities:

(I) Scope of Business:

1. Primary Content:

- (1) Commissioning construction contractors to develop residential housing and commercial buildings for lease and sale.
- (2) Interior decoration services.
- (3) Trading, import, and export of building materials and machinery.
- (4) Outsourcing of builders for the construction of industrial plants and warehouses for leasing and sale.

2. Proportion to Operation: Outsourcing of builders for the construction of residential buildings and industrial plants for leasing and sale and the revenue of which accounted for 100% of the business revenue of the Company.

3. Current Products (Services) Carried by the Company: Residential premises, office buildings, industrial plants, and parking lots.

4. New Products (Services) Planned for Development: Further to the launch of finely built residential premises in the greater Taipei area, the Company will also develop industrial plants and office buildings in metropolitan areas to meet market needs. In addition, the Company will develop possible modes of business operation on superficies in the wake of the deregulation of the rights of superficies on public lands.

5. The revenue from commercial office and factory office property will increase.

(II) Industry Overview:

1. Outlook:

- (1) The global economy and domestic export industries are gradually recovering. The Directorate-General of Budget, Accounting and Statistics (DGBAS) forecasts an economic growth rate of approximately 4% for 2026, supporting the fundamental and demand-side momentum of the real estate market.
- (2) The market is primarily driven by owner-occupiers, including first-time homebuyers and upgraders. The luxury housing segment will continue to be affected by the Central Bank's selective credit controls, including restrictions on loan-to-value ratios and the permit system for corporate purchases of residential properties, which are expected to suppress transaction activity.
- (3) The Central Bank's reduction in loan-to-value ratios for land and construction financing, along with deadlines for project development, will likely lead to the gradual exit of developers with high financial leverage and weaker competitiveness.
- (4) Construction costs remain at elevated levels with no clear downward trend. Coupled with already high housing prices, developers face difficulties in passing on costs, and profit margins are expected to be compressed in the short term.
- (5) Declining birth rates and negative population growth are expected to change household structures. Along with an aging population and older housing stock, trends such as downsizing and redevelopment will influence product development and positioning. Smaller units, such as

two-bedroom and three-bedroom units with moderate floor areas, are becoming the market mainstream.

2. The association between upstream, midstream and downstream industries:

- (1) The upstream of the real estate industry primarily involves key inputs such as land and construction materials. Land supply mainly comes from private landowners through sales or joint development arrangements, while large tracts of non-public state-owned land are increasingly disposed of through surface rights tenders or urban renewal projects led by the public sector. The advancement of technologies gives rise to the development of new materials such as nano-based environmentally friendly building materials. Accordingly, the proportion of using IoT and green construction will increase.
- (2) Due to inflation, rising costs of raw materials and labor have significantly increased construction costs, which will require time for market adjustment.
- (3) The downstream of the real estate market mainly consists of sales agents and brokerage firms. In the past, real estate developers primarily cooperated with sales agencies; however, brokerage firms have recently begun to enter the market due to their extensive branch networks. In addition, the proportion of projects adopting build-and-sell or self-development and direct sales models has increased. As a result, developers now have more diverse options when selecting sales partners. Furthermore, due to government housing market control measures, the proportion of developers adopting self-development and direct sales in the pre-sale market is expected to increase.
- (4) Digital marketing will emerge as the primary channel of media.
- (5) The analysis and application of big data.

3. The development trends of products and competition:

- (1) Land in prime city-center locations is scarce and difficult to acquire, and luxury properties in such locations retain their irreplaceable value due to limited supply. However, in the short term, both prices and transaction volumes are constrained by restrictions on corporate purchases and tighter loan-to-value limits. As a result, transaction activity and pricing performance are likely to remain subdued, while suburban properties and lower total price products are most favored by the market.
- (2) Number of household members declined in an average family dictated premises with a small size. As such, two- and three- room premises with a moderate floor area will emerge as the mainstream item in market.
- (3) The vitalization of state-owned lands no longer allows for the selling of lands without recourse. Except for the acquisition of lands and buildings through the exchange of rights under urban renewal for public use, superficies products will increase in the proportion, and will be gradually accepted in the market, with the competitive advantage of higher prices.
- (4) The best locations in urban downtown are always the key of victory for the market. Under the suppression of the wave of out-of-control housing market suppression and mortgage restrictions, house prices have been compressed, and the transaction volume of luxury houses are not optimistic in the short term.
- (5) Transaction volumes have declined while housing prices have increased. With land prices remaining high and construction costs having risen by more than 50% over the past three years, careful assessment is required as to whether such costs can be passed on.

(III) The overview of R&D in technology:

Technologies or products successfully developed by the Company:

- (1) The introduction and use of digital marketing coupled with the analysis of social media operation via big data, to help to reduce the sizable cost of advertising.
- (2) Continued research and development of construction engineering and aesthetics at Huaku contributed to the in-depth development of green energy applications.
- (3) Efforts have been made in the research and development of the refinement of healthy residences and implementation of related indicators helps to augment the application of the IoT.
- (4) Reinforcement of the work methods and upgrade of the function of high-performance mitigation of seismic motion, seismic isolation, and shock-proofing.
- (5) The research and development and materialization of smart homes to align with the eHome trend in the 21st century.
- (6) The ESG policies promote the concepts of net-zero emission for healthy homes and green buildings particularly in the aspects of air quality, low-noise work, energy efficient, and low carbon materials, which will be the main points.
- (7) Continue in-depth cultivation of the brand as a construction firm to create higher additional value.

(IV) Long and Short-term Business Development Plans:

1. Short-term business development plan: In consideration of the size of capital, condition of human resources, and return on investment of the projects and turnover of capital, the Company will continue to invest in the building of mid to large size projects in Taipei for the sales market for stable growth in the short run. At the same time, the Company will expand its business for development of land in the urban renewal zones in counties north of Greater Taichung and cities for sustainable growth.
2. Long-term business development plan: As the Company's capital has accumulated to a considerable scale, it must secure stable long-term sources of investment returns in order to maintain a certain level of profitability. Accordingly, in terms of long-term business development, the Company will continue to invest in urban renewal projects to ensure a stable pipeline of land resources. The majority of capital will be allocated to projects with relatively shorter capital recovery cycles, while continuing to invest in digital marketing and the application of big data analytics, with the aim of maximizing returns for shareholders.
3. As for product categories, the proportion of commercial and plant office projects will increase and the territory for land purchase will expand, to include Hsinchu and Taichung, for assurance of access to the sources of land supply for operation need in the long run.
4. The tenders of superficies on state-owned lands are gradually accepted by consumers due to the advantage of cheap housing prices. The Company can replicate the successful model of "New World" and develop the best locations of urban downtowns, which may become a new blue ocean of real estate in the future.

II. Market Conditions and Production/Sales Overview:

(I) Market Analysis:

1. Geographic Areas of Sales (Services): In recent years, the Company's property development and sales have been primarily concentrated in the Greater Taipei area. The projects launched over the past four years are as follows:

Year of Project	Region	Project Name	Project Type
2025	New Taipei City	Le Grand Cru	Residential Building
2025	Taipei City	Maison de Lotus	Residential Building
2025	Taichung City	Four Seasons Manor	Residential Building
2025	Taipei City	Vision Park	Commercial (Industrial) Office Building
2024	Taipei City	Ultimate Luxury	Residential Building
2024	New Taipei City	Zhi Xing	Residential Building
2024	New Taipei City	Moon River	Residential Building
2024	Taichung City	Feng Hui	Residential Building
2024	Taichung City	Huaku Upper Mansion	Residential Building
2024	Taipei City	Huaku Asia One	Commercial office building
2024	Taipei City	Huaku Fortune One	Commercial office building
2022	Taipei City	DA'AN TOWER	Residential Building
2022	Taipei City	Greenside Mansion	Residential Building
2022	New Taipei City	Central Landmark	Industrial Office Building
2022	New Taipei City	MOON LIGHT	Residential Building
2022	New Taipei City	Sky Tower	Residential Building
2022	Taipei City	TRADE AND FINANCE CENTER	Commercial office building
2022	Taipei City	Casa Blanca	Residential Building

2. Market share, supply and demand and growth in the market in the future:

- (1) Looking ahead to the real estate market in 2026, under the Central Bank's selective credit controls and tightening liquidity, transaction volumes are expected to decline while prices remain relatively stable.
- (2) Land acquisition in Taipei and New Taipei City has become extremely difficult. The Company will continue to invest in urban renewal projects to ensure the stability of its future operations.
- (3) There is still competition among peers to purchase lands. Huaku chooses to develop the commercial offices and residences parallelly, to create profits with its brand advantage.

3. Competitive Edges: The Company has the following competitive edges:

- (1) Selecting and integrating complete building sites for residential, commercial office, and factory office purposes, adopting a strategy of simultaneous progression in Taipei and Taichung.
- (2) Keep abreast of market need with nicely controlled design and planning.
- (3) Precision in operation strategy, proper product positioning, and in-depth development of digital marketing.
- (4) Viable management system and efficient decision-making model.
- (5) Strong management team and sound financial management.

- (6) Solid brand image and market position lead to better abilities to create sales rate of individual projects and price.
- (7) Brand advantage allows the Company to continue the business of urban renewal at good locations of urban centers, and the assessment of the public lands with superficieses.
- (8) Financially sound with good credit standing and abundance of capital. Business is done in the mode of joint venture with the land owners will be more competitive, while creating the stable and quality sources of lands.

4. Factors favorable and unfavorable for development in the future, and response:

(1) Favorable Factors:

- 1) Regarding the market of commercial office and plant office segmentation, Huaku retains the core competitiveness with a few competitors.
- 2) The Company has high net worth and in good credit standing as well as brand reputation. Despite the high hand of the Central Bank on financing of the construction industry, Huaku could successfully get financing due to its good credit rating by financial institutions.
- 3) The Central Bank's selective credit control will eliminate the weak ones and retain the strong ones among peers.
- 4) The brand of the Company can show off its competitive power even better and has an edge in joint venture in construction and sale.
- 5) Huaku has the capacity in integration and competition in urban renewal at the urban centers.
- 6) Capital adequacy is still critical for long-term victory in the real estate market. As always, the Company is financially strong with transparency under proper control, and can secure the sources of working capital in either equity financing from market or debt financing from banks.

(2) Unfavorable Factors:

- 1) Land in city center is scarce and the area for land development will be stretched out further.
- 2) The implementation of the integrated house and land transaction tax based on actual transaction prices has significantly increased corporate income tax. In addition, rising interest rates on land and construction financing will erode net income after tax.
- 3) The elevated land price and the difficulty in urban renewal integration results in more challenging land development in Taipei and New Taipei.
- 4) The luxury home tax in Taipei City has been moderately lowered, but the restrictions on the mortgage percentages of expensive houses and the purchase of houses by individual and institutions will slow down the sales of some mid-to-high end products.
- 5) The market is flooded with first time buyers at low unit price and low total price products, which posed severe challenge to the fine product line of Huaku.
- 6) Industry peers increase the launching of projects. The construction prices skyrocketed. It would be uneasy to shift the burden of price in the future.

(3) The Response of the Company :

- 1) Prudent project site selection, emphasis on construction quality, and enhancement of product competitiveness: The Company has consistently focused on the Greater Taipei area for project development and adheres to design principles of "human-centered design, refinement, and practicality," delivering products with prime locations, reasonable pricing, and high quality. These efforts have been well recognized by customers and have enabled the Company to maintain strong sales performance over the years. For this reason, only the

careful selection of sites, concentration on construction design and interior decoration, construction engineering, and landscape in good quality could sustain the competitive power.

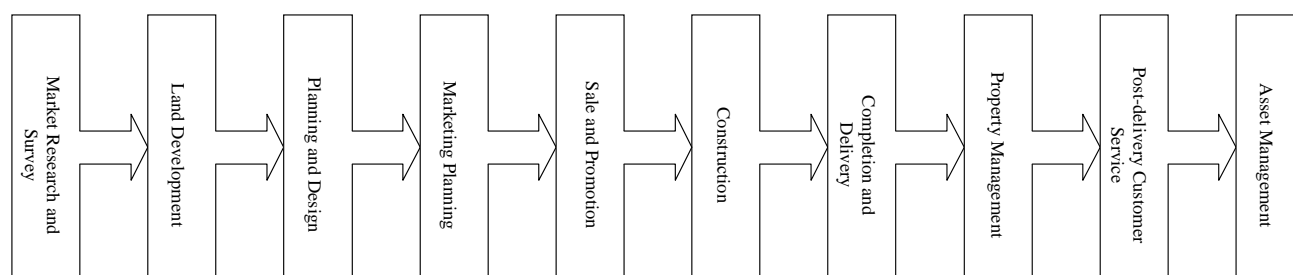
- 2) Diversifying Products and Segmenting Customer Groups, Multifaceted Approach in Residential, Office, and Factory Spaces: Understanding the risks of a single-product market, our product strategy is dynamic. We will continue to adjust our product types and volumes according to industry and market demand shifts, expanding our land development areas to tap into different real estate markets. In addition, the Company will seek proper positioning of products by location and project size, and market segmentation by customer layers to enlarge the scale and scope of operation with a wide array of products.
- 3) Establishment of a Taichung customer service center and expansion of project sourcing: The Company has established a customer service center in Taichung to secure project sources and adopts a dual-market strategy in Taipei and Taichung. It will further increase investments in prime urban areas in Hsinchu City and Taichung City, actively evaluate high-quality city-center land under surface rights arrangements, and accelerate the approval and development of urban renewal projects that have already been integrated.
- 4) The Company will sustain its brand reputation to create higher additional value and profit.
- 5) The Company will commit further resources to digital marketing and the analysis and application of big data to reduce the cost of sales and improve the sales rate.
- 6) Continued investment in large-scale urban renewal development.

(II) Primary Purpose of the Products and Production Process:

1. The Primary Use of Major Products:

Purpose of	Major Products
Residential Building	Residence, Shops, and Underground Parking
Commercial office building	Office for General Commerce and Strategic Industries
Industrial Office Building	Plant site and warehouse in general industrial use lands

2. Production Process:



(III) The Supply of Key Materials:

1. Lands: To sustain long-term operational growth, we continue to expand development in suitable areas north of Taichung, focusing equally on residential, commercial, and factory offices, and actively managing urban renewal in prime downtown locations.
2. Construction work: The Company selects stable and reliable construction firms as joint venture partners. We also have instituted strict regulations governing the offering of contract for construction and construction procedure to keep the progress of work and quality of work under control. We start with architectural design for the control of engineering cost and stabilizing the cost of construction, and introduce foreign labor on specific projects to ensure timely progress.

3. Materials: The prices of building materials such as rebar, cement, bricks and gravel, and interior design equipment and related raw materials remained stable in this year. The Company will negotiate with long-term suppliers on prices for bulk purchase to keep the cost of operation stable.

(IV) Names of customers accounting for 10% or more of total purchases (sales) in any of the most recent two years, together with the amounts and percentages of such purchases (sales), and an explanation of the reasons for changes:

1. Information on Major Suppliers of the Last 2 Years:

Item	2025				2024				2026 (up to the end of the previous quarter): Not applicable			
	Name	Amount	Proportion to the Net Purchase of the Year (%)	Relation to the Issuer	Name	Amount	Proportion to the Net Purchase of the Year (%)	Relation to the Issuer	Name	Amount	Proportion to the Net Purchase of the Previous Quarter (%)	Relation to the Issuer
1	Pin Hsing Construction Co., Ltd.	5,360,411	62.15	Subsidiary	Pin Hsing Construction Co., Ltd.	3,616,856	31.04	Subsidiary	-	-	-	-
2	Others	3,264,782	37.85	None	Mr. A and Jia Zhao Investment Co., Ltd.	1,800,000	15.45	None	-	-	-	-
3					City Government	1,282,470	11.01	None	-	-	-	-
4					Others	4,953,919	42.50	None	-	-	-	-
	Net Purchase	8,625,193	100.00	-	Net Purchase	11,653,245	100.00	-	-	-	-	-

Note 1: List the names of the suppliers accounting for more than 10% of the total purchase, the amount of purchase, and the proportion to total purchase in the last 2 years. Code may be used in lieu of the name if relevant supply agreements specified no disclosure of names, or the counterparty of trade is a natural person who is not a related party.

Note 2: Disclose the audited or reviewed financial information of the companies listed at the exchange or OTC market for trading of stocks to the date this report was printed if available.

2. Information on Key Customers in the Last 2 Years:

Item	2025				2024				2026 (up to the end of the previous quarter): Not applicable			
	Name	Amount	Proportion to Net Sale of the Year (%)	Relation to the Issuer	Name	Amount	Proportion to Net Sale of the Year (%)	Relation to the Issuer	Name	Amount	Proportion to Net Sale of the Year to the Last Previous Quarter (%)	Relation to the Issuer
1	Yang Ming Marine Transport Corporation	11,009,224	60.37	None	Others	7,208,801	100.00	None	-	-	-	-
2	Others	7,227,913	39.63					-	-	-	-	-
	Net Sale	18,237,137	100.00	-	Net Sale	7,208,801	100.00	-	-	-	-	-

Note 1: List the names of the customers accounting for more than 10% of the total sale, the amount of sale, and the proportion to total sales in the last 2 years. Code may be used in lieu of the name if relevant sales agreements specified no disclosure of names, or the counterparty of trade is a natural person who is not a related party.

Note 2: Disclose the audited or reviewed financial information of the companies listed at the exchange or OTC market for trading of stocks to the date this report was printed if available.

3. Reasons for Changes: The Company's net purchases in 2025 decreased by NT\$3,028,052 thousand compared to 2024, primarily due to a reduction in construction land acquisitions. The Company's net sales in 2025 increased by NT\$11,028,336 thousand compared to 2024, mainly attributable to an increase in the number of completed units delivered.

III. The number of employees, average years of service, average age, and distribution of education levels of the employees in the last 2 years to the date this report was printed:

March 31, 2025

Year		2025	2024	Current year up to March 31, 2026 (Note)
Number of Employees	Administrative	68	68	67
	Technical	15	16	15
	Total	83	84	82
Average Age		46.08	45.78	46.65
Average Years of Service		14.45	13.83	14.83
Education level in distribution	Ph.D.	0.00%	0.00%	0.00%
	Master's Degree	25.30%	26.19%	25.61%
	University	72.29%	70.24%	71.95%
	Senior High School	2.41%	3.57%	2.44%
	Senior High School and Below	0.00%	0.00%	0.00%

Note: Fill in the information covering the current period to the date this report was printed.

IV. Information on spending on environmental protection: The Company is in the business of property investment and construction of building through the contracting with construction contractors. The maintenance of environment at construction sites and the disposition of dumps will be undertaken by respective contractors that the Company just plays the role of supervisor. The Company has pitched protective mesh in the surrounding of projects in construction to prevent falling gravel and dust. In addition, the Company makes efforts to reduce noise and vibration caused by the works and dispatched supervisors to monitor the performance of works of the contractors. The Company had no material violations of environmental protection regulations resulting in fines in 2025 and up to the publication date of the annual report. Accordingly, no significant environmental capital expenditures are expected in the future.

V. Labor-Management Relations:

(I) Employee benefits, continuing education, training, and retirement system of the employees and the status of implementation, labor-management agreement, and the protection of the rights of the employees: the labor-management relations of the employees are harmonious. The implementation of employee benefits, continuing education, training, and the retirement system for the employees, and the labor-management agreement and the protection of the rights of the employees are specified below:

1. Employee Benefit Policy:

1-1 Basic Benefits: Labor insurance and health insurance have been taken for the protection of the employees under law.

1-2 Flexible Benefits: Subsidies for marriage, bereavement, and childbirth (including wedding and funeral arrangements), employee birthday gifts, and vouchers, cash gifts, or presents provided during the Dragon Boat Festival and Mid-Autumn Festival.

1-3 Health checkups: we subsidize the cost of employee health checkups every year to ensure that the health of our employees is properly managed.

1-4 Group Insurance: the group insurance has been designed to provide employees with multiple coverage, including term life insurance, accident insurance, hospitalization and cancer insurance.

1-5 Recreational groups and activities: The Company has set up a diversity of recreational groups for the voluntary participation of the employees. The Company also arranges tourist traveling trips, outdoor hiking and other activities for the amusement of the employees and for cohesiveness.

2. Continuing education and training for the employees: The Company organizes routine internal training, subsidize the expenses incurred from receiving professional training of employees related to their assigned duties to everyone for enriching their individual professional knowledge and skills and assist them to learn and develop in their respective areas of specialization.

3. Retirement System:

3-1 Retirement System Under the Labor Standard Act (The old system): Under this old system, the Company makes its monthly contribution to the pension reserve fund deposited in the "Labor Pension Reserve Account" at the Bank of Taiwan.

3-2 Labor Pension Act (The new system): The Company will allocate 6% of the monthly income of each employee to their individual pension fund account at Labor Insurance Bureau. Some employees may voluntarily make additional monthly contribution to their pension funds in which case the Company will deduct relevant amount from their monthly salaries for such purpose.

4. Employee shareholding trust: In accordance with the Company's approved implementation guidelines and the employee stock ownership plan charter, the Company contributes a corresponding percentage as incentive funds based on the amounts allocated by employees from their monthly salaries and annual bonuses.

(II) The loss caused by labor dispute in the most recent year to the date this report was printed. Disclose the possible amount of loss incurred at present and the future and the response: The Company did not have any loss caused by labor disputes. The labor-management relations at the Company has been and still is harmonious and no labor dispute is expected at present and in the future. Therefore, there is unlikely to be any labor dispute that may inflict loss.

VI. Cyber security management:

(I) In accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies," the Company has established operational management mechanisms and information security management policies by considering factors such as the control environment, risk assessment, and information security. Dedicated information security personnel are responsible for planning and implementing information security operations, as well as promoting and enforcing related policies. The Company conducts regular internal information security inspections and, through a continuous improvement cycle, optimizes operational processes to ensure the confidentiality, integrity, and availability of its critical information systems.

The responsibility for information security within the company lies with the management department, which is tasked with establishing information security policies, planning security measures, and conducting related information security operations. The department includes one director and two dedicated staff members. The Audit Office of the Company acts as the information security risk inspection unit and performs information security inspection annually according to the Internal Control Management Procedure and Regulations for Computerized Information Cycle. In case of discovery of any deficiency or information security incident, it requests the inspected unit to submit relevant improvement plans and report to the Board of Directors timely. In addition, improvement outcome is tracked periodically, in order to ensure that the information security inspection system is implemented continuously and stably.

Resource investment:

- **Personnel Training:** The Company conducts annual social engineering simulation exercises and quarterly information security awareness programs to enhance employees' awareness of information security risks and response capabilities. In addition, external training programs are arranged to strengthen the professional competencies of information security personnel. During the current year, one social engineering exercise was conducted, involving 175 participants and the issuance of 525 simulated phishing emails. A total of 66 employees participated in online information security training courses. Furthermore, six information security awareness announcements were issued via the Company's internal website to communicate key information security policies and precautions.
- **Business Continuity:** The Company has established comprehensive data backup and offsite backup mechanisms. Disaster recovery drills for core operational information systems are conducted annually to minimize the risk of operational disruptions caused by system failures. The drill for the current year was completed in the third quarter.
- **Remote Work Security Measures:** The Company utilizes high-security devices, multi-factor authentication mechanisms, and stringent authorization controls to enhance the cybersecurity of remote working environments.
- **External Resources:** The Company has joined the TWCERT/CC cybersecurity alliance to establish an external threat intelligence sharing mechanism, thereby enhancing its ability to anticipate and respond to information security threats.

Specific Management Plans

Item	Measures
Security Management for Computer Systems	<ol style="list-style-type: none"> 1. Set up a firewall to block unauthorized access to the network. 2. The Company has installed antivirus software and endpoint detection and response systems on its computers to prevent and mitigate malware threats. 3. Conduct hourly synchronized backup for servers and store them offsite regularly.
Network Security Management	<ol style="list-style-type: none"> 1. Install online behavior management and filtering equipment, control internet network access, block harmful visits or network address and content prohibited under the policy, enhance network security and prevent improper use of bandwidth resource. 2. Adopt multi-layer anti-virus and junk mail filtering system to control mail security. 3. User end connection with two-factor authentication in order to provide secure login authentication mechanism.
Physical and Safety Environment Management	<ol style="list-style-type: none"> 1. The Company's servers and network equipment are installed inside the specialized server room, and the server room access requires use of sensor card for access, and access records are preserved for review. 2. Integrate firefighting facilities and security systems in the server room to reduce the risk of damage. 3. Disaster recovery drills are conducted annually, and the results are submitted for review and approval.
Information/System Access Control	<ol style="list-style-type: none"> 1. Data storage with rigorous control implemented according to account authority. 2. Establish remote connection and security certification for notebooks and mobile phone devices.
Personal Data Management	<ol style="list-style-type: none"> 1. Add confidentiality clauses to all supplier contracts, so the supplier must be responsible to keep personal data and confidential information secure. 2. Written contacts exceeding the preservation period are uniformly destroyed by the Administrative Department.

- (II) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken: during the most recent fiscal year and up to the annual report publication date, no material cyber security incident incurred by the Company.

VII. Important contracts:

Nature of the Contracts	Contracting Parties	Term of the Contracts	Principal Content	Restriction Clause
Construction Agreement	Pin Hsing Construction Co., Ltd.	September 1, 2021 - all constructions shall be completed by August 31, 2024	Addition to and new construction of MOON LIGHT	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	January 1, 2022 - all constructions shall be completed by June 30, 2024	Construction and additional work on DA'AN TOWER	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	March 15, 2023 - all constructions shall be completed by March 15, 2026	Addition to and new construction of Sky Tower(1)	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	March 15, 2023 - all constructions shall be completed by March 15, 2026	Addition to and construction of Casa Blanca project(1)	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	June 1, 2023 - all constructions shall be completed by October 1, 2025	Addition to and construction of Huaku Asia One project(1)	None
Construction Agreement	ACTER GROUP CORPORATION LIMITED	April 21, 2023 - construction based on the main construction onsite	Power, water, and fire-fighting works of MOON LIGHT	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	September 1, 2023 - all constructions shall be completed by November 5, 2025	Construction of the new project, Fortune One	None
Construction Agreement	Continental Engineering Corp.	April 17, 2023 - construction based on the main construction onsite	Power, water, and fire-fighting works of Da'an Tower	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	March 15, 2024 - all constructions shall be completed by July 26, 2027	Dinghui Project building construction and customer change orders	None
Construction Agreement	Continental Engineering Corp.	March 1, 2024 - construction based on the main construction onsite	Casa Blanca's plumbing, electrical, and firefighting engineering	None
Construction Agreement	Continental Engineering Corp.	March 1, 2024 - construction based on the main construction onsite	Asia One Project MEP, fire protection, and HVAC works	None
Construction Agreement	Jian Yuan Engineering Co., Ltd.	March 1, 2024 - construction based on the main construction onsite	Ding Hui Project MEP, fire protection, and HVAC works	None
Construction Agreement	ACTER GROUP CORPORATION LIMITED	May 2, 2024 - in line with the progress of main structural works on site	Yi Zhuang Project MEP, fire protection, and HVAC works	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	October 1, 2024 - all works shall be completed by November 24, 2027.	Moon Light Project building construction and variation order	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	October 15, 2024 - all works shall be completed by December 31, 2028	Feng Hui Project building construction and variation order	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	October 1, 2024 - occupancy permit to be obtained by December 17, 2028; final acceptance to be completed by May 25, 2029	Ultimate Luxury Project building construction	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	April 1, 2025 - All works to be completed by October 31, 2028	Zhi Xing Project building construction and variation order (1)	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	June 15, 2025 - All works to be completed by February 18, 2029	Vision Park Project building construction	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	Commence of construction upon the client's notification - all works shall be completed as schedule.	Maison de Lotus Project building construction	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	Commence of construction upon the client's notification - all works shall be completed as schedule.	Four Seasons Manor Project building construction	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	January 20, 2026- All works to be completed by December 4, 2029	Le Grand Cru Project building construction	None
Construction Agreement	Tung Kang Steel Structure Corporation	November 10, 2025 - in line with the progress of main structural works on site	Vision Park Project steel structure materials (Buildings C and D)	None
Sales Agreement	CASWELL, INC.	August 9, 2023 - transfer date	Project of NATIONAL LANDMARK, Jianguo Section, Xinzhuang District, New Taipei City,	None
Sales Agreement	Sintrones Technology Corporation	December 5, 2023 - transfer date June 26, 2024 - transfer date	Huaku Central Landmark Project- Zhongyuan Section, Zhonghe District, New Taipei City	None
Construction Agreement	China Steel Corporation	January 12, 2026 - in line with the progress of main structural works on site	Vision Park Project steel structure materials (Buildings A and B)	None
Construction Agreement	Pin Hsing Construction Co., Ltd.	February 3, 2026 - completion of project on February 2, 2027	Cheng Da Xindian Project demolition works	None

Nature of the Contracts	Contracting Parties	Term of the Contracts	Principal Content	Restriction Clause
Sales Agreement	Mr./Ms. A	July 21, 2022 - date of transfer	Project of DA'AN TOWER, Xuefu Section, Da'an District, Taipei City	None
Sales Agreement	Mr./Ms. B	July 21, 2022 - date of transfer	Project of DA'AN TOWER, Xuefu Section, Da'an District, Taipei City	None
Sales Agreement	Customer C	July 21, 2022 - date of transfer	Project of DA'AN TOWER, Xuefu Section, Da'an District, Taipei City	None
Sales Agreement	Customer D	August 3, 2022 - date of transfer	Project of DA'AN TOWER, Xuefu Section, Da'an District, Taipei City	None
Sales Agreement	Customer E	March 14, 2023 - date of transfer	Project of DA'AN TOWER, Xuefu Section, Da'an District, Taipei City	None
Sales Agreement	Customer F	March 14, 2023 - date of transfer	Project of DA'AN TOWER, Xuefu Section, Da'an District, Taipei City	None
Sales Agreement	Mr./Ms. G	May 13, 2024 - transfer date	Casa Blanca Project, Ruanqiao Section, Beitou District, Taipei City	None
Sales Agreement	Mr./Ms. H	March 12, 2025 - transfer date	Casa Blanca Project, Ruanqiao Section, Beitou District, Taipei City	None
Sales Agreement	Yang Ming Marine Transport Corporation	October 16, 2025 - transfer date	All residential units and parking spaces of the Asia One Project	None
Sales Agreement	Galaxy Software Services Corporation	September 9, 2025 - transfer date	Casa Blanca Project, Qiyao Section, Beitou District, Taipei City	None
Joint Development Agreement	Sincere Honor Industrial Limited	January 15, 2025 - 180 days after building registration completion	Le Grand Cru Project, Sixin Section, Xindian District, New Taipei City	None
Substitutive	Taichung City Government	June 12, 2024 - Date of construction permit issuance	Floor area ratio compensation fee for the Meiho Section, Beitun District, Taichung City	None
Substitutive	Taipei City Government	November 4, 2024 - Date of construction permit issuance	Floor area ratio compensation fee for the Qiyao Section, Beitou District, Taipei City	None
Substitutive	Taichung City Government	December 9, 2024 - Date of construction permit issuance	Floor area ratio compensation fee for the Xinxinping Section, Beitun District, Taichung City	None
Substitutive	Taichung City Government	December 9, 2024 - Date of construction permit issuance	Floor area ratio compensation fee for the Xinxinping Section, Beitun District, Taichung City	None
Land Acquisition	Changstar Metal Construction Co., Ltd.	March 17, 2026 - transfer date	Land in Xinyi Section, Xinyi District, Taipei City	None
Mid-term Loan Agreement	E. Sun Bank	December 2020 - September 2025	Content: Financing of Land and Buildings Collateral or mortgage: land of the MOON LIGHT project	None
Mid-term Loan Agreement	E. Sun Bank	November 2023 - November 2026	Content: Financing of Land Mortgage or collateral: land for the second phase of the Hsinchu Guangpu project.	None
Mid-term Loan Agreement	E. Sun Bank	December 2023 to December 2028	Content: Financing of Land and Buildings Collateral/Guarantee: Land of the Feng Hui Project	None
Mid-term Loan Agreement	E. Sun Bank	June 2024 - June 2029	Content: Financing secured by land, building and performance surety Collateral/Guarantee: Land of the Maison de Lotus Project	None
Mid-term Loan Agreement	E. Sun Bank	November 2024 - November 2029	Content: Financing of Land and Buildings Collateral/Guarantee: Land of the Feng Hui Project	None
Mid-term Loan Agreement	Hua Nan Bank	January 2022 - January 2025	Content: Financing of Land Collateral/Guarantee: Land of the Fengle Road Phase II Project	None
Mid-term Loan Agreement	Hua Nan Bank	November 2021 - November 2025	Content: Financing of Land and Buildings Mortgage or guaranty: the land for Huaku Asia One	None
Mid-term Loan Agreement	Hua Nan Bank	November 2025 - November 2029	Content: Financing of Land and Buildings Collateral/Guarantee: Land of the Vision Park Project	None
Mid-term Loan Agreement	Cathay United Bank	January 2024 - November 2028	Content: Financing of Land and Buildings Collateral/Guarantee: Land of the Ultimate Luxury Project	None
Mid-term Loan Agreement	Cathay United Bank	January 2022 - December 2025	Content: Financing of Land and Buildings Mortgaged or secured: land of the Casa Blanca project	None
Mid-term Loan Agreement	Cathay United Bank	April 2022 - June 2026	Content: Financing of Land and Buildings Mortgage or guaranty: the land for Fortune One	None
Mid-term Loan Agreement	Cathay United Bank	December 2025 - December 2028	Content: Financing of Land Collateral or mortgage: land of the Huaku Upper Mansion project	None

Nature of the Contracts	Contracting Parties	Term of the Contracts	Principal Content	Restriction Clause
Mid-term Loan Agreement	Taipei Fubon Bank	March 2022 - March 2026	Content: Financing of Land Collateral or mortgage: land of the Sky Tower project	None
Mid-term Loan Agreement	CTBC Bank	November 2023 - November 2028	Content: Financing of Land Mortgaged or secured: the land for the Taichung Jingmao 5th Road Project	None
Mid-term Loan Agreement	CTBC Bank	August 2024 - August 2029	Content: Financing of Land and Buildings Collateral/Guarantee: Land of the Four Seasons Manor Project	None
Mid-term Loan Agreement	Mega Bank	June 2024 - June 2029	Content: Financing of Land and Buildings Collateral/Guarantee: Land of the Moon Light Project	None
Mid-term Loan Agreement	Mega Bank	July 2024 - July 2029	Content: Financing of Land and Buildings Collateral/Guarantee: Land of the Zhi Xing Project	None
Mid-term Loan Agreement	Yuanta Bank	July 2024 - July 2026	Content: Line of Credit Mortgage or Surety: None	None
Mid-term Loan Agreement	Yuanta Bank	August 2025 - August 2027	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	First Bank	July 2024 - July 2025	Content: Line of Credit Mortgage or Surety: None	None
Mid-term Loan Agreement	Mega Bank	July 2024 - July 2026	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	E. Sun Bank	August 2025 - August 2027	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	KGI Bank	September 2024 - September 2025	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	China Construction Bank	February 2026 - February 2027	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	Hua Nan Bank	March 2025 - March 2026	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	Shanghai Commercial and Saving Bank	March 2025 - March 2026	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	Chang Hua Bank	March 2025 - April 2026	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	Bank of East Asia	September 2025 - September 2026	Content: Line of Credit Mortgage or Surety: None	None
Short-term Loan Agreement	First Bank	October 2025 - October 2026	Content: Line of Credit Mortgage or Surety: None	None
Long-Term Loan Agreement	Mega Bank	June 2017 to September 2039	Content: Financing of Account Receivables Mortgage or Surety: The portion of superficies and buildings of the New World.	None
Long-Term Loan Agreement	Mega Bank	November 2025 - November 2030	Content: Limit under performance surety Mortgage or Surety: The portion of superficies and buildings of the New World.	None
Long-Term Loan Agreement	Taishin Bank	February 2024 - April 2025	Details: Performance guarantee facility for the Central Landmark Project Mortgage or Surety: None	None
Long-Term Loan Agreement	Cathay United Bank	August 2025 - February 2028	Details: Performance guarantee facility for the Casa Blanca Project Mortgage or Surety: None	None
Long-Term Loan Agreement	Hua Nan Bank	November 2024 - November 2027	Details: Performance guarantee facility for the Da'an Xuefu Project Mortgage or Surety: None	None
Long-Term Loan Agreement	Hua Nan Bank	May 2025 - November 2027	Details: Performance guarantee facility for the Asia One Project Mortgage or Surety: None	None

Five. Review and Analysis of Financial Position, Financial Performance, and Risk Matters

I. Financial Position

Unit: NT\$ thousand

Items \ Year	2025	2024	Difference	
			Amount	Ratio (%)
Total Assets	54,257,081	56,502,690	2,245,609	3.97
Total Liabilities	31,834,496	35,650,407	3,815,911	10.70
Total Equity	22,422,585	20,852,283	1,570,302	7.53
Primary Reasons for and Impact of Material Changes: None				

II. Financial Performance

Unit: NT\$ thousand

Items \ Year	2025	2024	Difference	
			Amount	Ratio (%)
Operating Revenue	18,238,702	7,212,415	11,026,287	152.88
Operating Income	3,980,353	1,899,145	2,081,208	109.59
Net Income Before Tax	4,090,687	1,835,238	2,255,449	122.90
<p>I. Primary Reasons for and Impact of Material Changes:</p> <p style="margin-left: 20px;">The increase in operating revenue was mainly due to a higher number of property unit deliveries recognized.</p> <p style="margin-left: 20px;">The increase in operating income was mainly due to a higher number of property unit deliveries recognized.</p> <p style="margin-left: 20px;">The increase in net income before tax was mainly due to a higher number of property unit deliveries recognized.</p> <p>II. Expected Sales Volume and Basis, and the Potential Impact on the Company's Future Financial and Business Operations, along with Response Measures: Please refer to "Summary of the 2025 Business Plan" on page 5.</p>				

III. Cash flows:

Unit: NT\$ thousand

Items \ Year	2025	2024	Difference	
			Amount	Ratio (%)
Cash Flows From Operations	10,542,324	(4,899,795)	15,442,119	315.16
Cash Flows From Investment	1,475,035	(1,978,420)	3,453,455	174.56
Cash Flows From Financing	(8,107,332)	9,115,419	17,222,751	188.94
<p>I. Description of change analysis:</p> <p style="margin-left: 20px;">Cash flow from operation increased due to the decrease of inventory.</p> <p style="margin-left: 20px;">The increase in cash flows from investing activities was mainly due to the disposal of financial assets measured at amortized cost.</p> <p style="margin-left: 20px;">The decrease in cash flows from financing activities was mainly due to the absence of corporate bond issuances.</p> <p>II. Improvement Plan for Liquidity Shortages: None.</p> <p>III. Analysis of cash flows in the coming year:</p>				
Cash Balance at Beginning of the Period (Including advance sale trust accounts)	Projected Cash Inflows for the Year	Projected Cash Outflows for the Year	Projected Cash Balance for the Year	
9,507,071	19,261,878	23,816,626	4,952,323	

IV. The influence of major capital expenditure on financial position in the most recent year: None.

V. Investment Policy in Investees in the Most Recent Year, Primary Reasons for Profit or Loss, Improvement Plans, and Investment Plans for the Coming Year: The Company's current investments include Pin Hsing Construction Co., Ltd., Taiwan Digit Automated Control Co., Ltd. Huapu Construction Co., Ltd., and Wancheng Duobao Real Estate Co., Ltd. The purpose of domestic investments is to enhance construction quality and schedule control, as well as to support the development and construction of the Ultimate Luxury Project. Investments in Mainland China are primarily for real estate development, with plans to gradually wind down operations after the remaining housing units are fully sold.

VI. Risks

- (I) Impact of Interest Rate, Exchange Rate Fluctuations, and Inflation on the Company's Profit or Loss, and Future Response Measures:
1. The interest rates on the Company's short-term and long-term borrowings in 2025 ranged from 1.98% to 2.95%. The Company will continue to actively negotiate with financing banks to obtain more favorable rates in order to reduce interest expenses.
 2. The construction industry is an industry of domestic demand such that the effect of fluctuation of exchange rate on the Company is insignificant.
 3. For the impact of inflation on the Company: Please refer to "Future Development Strategies and the Impact of External Competitive Environment, Regulatory Environment, and Overall Economic Conditions" on page 5.
- (II) Policies on Engaging in High-Risk, Highly Leveraged Investments, Lending of Funds to Others, Endorsements and Guarantees, and Derivatives Trading, the Main Reasons for Profit or Loss, and Future Response Measures: The Company did not engage in the aforementioned activities in 2025
- (III) The R&D plan and expected investment in R&D in the future: refer to "The overview of technology and R&D" on p. 56.
- (IV) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response: please refer to "The future development strategy, and the effect of external competition, the legal environment, and the overall business environment" on Page 5.
- (V) Effect on the Company's finance and operation of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response: the Company closely monitors the developments in science and technology (including cyber security risks) of the industry where it operates, to grasp the market impulse and evaluates the effect on the Company's operations. During the most recent years up to the publication date of the annual report, there has been no material adverse effect on the Company's from the developments in science and technology and industrial change.
- (VI) The effect of change in corporate image on corporate crisis management and the response: None.
- (VII) Expected result, possible risk deriving from mergers and acquisition, and the response: None.
- (VIII) Expected result, possible risk deriving from capacity expansion: None.
- (IX) The risks deriving from concentration of purchase or sale, and the response: None.

- (X) The influence of and risk deriving from the massive transfer of equity shares by Directors, Supervisors, or shareholders holding more than 10% of the shares issued by the Company, and the response: None.
- (XI) The influence of and risk deriving from the change in ownership of the Company, and the response: None.
- (XII) In case of legal proceedings or non-contentious matters, list out the names of the Directors, Supervisors, President, the actual person in charge, shareholders holding more than 10% of the shares issued by the Company, and subsidiaries, with sentence received or pending on sentences of significant legal proceedings non-contentious matters, or administrative appeal, and the result is likely to significantly affect shareholders equity or stock price. Disclose the detail of the contention, the amount involved, the commencement of the legal proceedings, the parties concerned, and the status to the date this report was printed: None.
- (XIII) Other material risks and measures to be taken in response: none.

VII. Additional Information: None.

VI. Special Disclosures

- I. Information on Affiliated Enterprises:** Please refer to the Market Observation Post System (MOPS) → Basic Information → e-Books → Affiliated Enterprises Reports Section.
- II. Any offering of securities through private placement in the most recent year to the date this report was printed:** None.
- III. Other necessary supplementary disclosures:** None.
- IV. Material events in the most recent year and up to the printing date of the annual report that have a significant impact on shareholders' equity or securities prices as specified in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act**

Huaku Development Co., Ltd.



Chairman: Chung Long-Chang



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