

Stock Code: 2548



Huaku Development Co., Ltd.

**2026 Shareholders'
General Meeting**

Proceedings Manual

Time: May 29, 2026

**Location: No. 2, Songshou Road, Xinyi District,
Taipei City, 110**

(The Residence Two on the 1st floor of the Grand Hyatt Taipei)

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Huaku Development Co., Ltd.
Procedures for 2026 Shareholders' General Meeting

- I. Announcing Meeting**
- II. Speech Delivery by Chairperson**
- III. Reporting Issues**
- IV. Recognizing Issues**
- V. Issues to be Discussed**
- VI. Election**
- VII. Other Proposals**
- VIII. Extempore Motion**
- IX. Meeting Adjourned**

Huaku Development Co., Ltd.

Agenda for 2026 Shareholders' General Meeting

Time: 9:00 am, May 29, 2026 (Friday)

Location: No. 2, Songshou Road, Xinyi District, Taipei City, 110

(The Residence Two on the 1st floor of the Grand Hyatt Taipei)

Convening Method: Physical shareholders meeting

Meeting Agenda:

I. Announcing Meeting (Report the total number of shares held by those in attendance)

II. Speech Delivery by Chairperson

III. Reporting Issues

1. 2025 Business Report
2. 2025 Audit Report by the Audit Committee
3. Report on 2025 remuneration distribution for employees and directors
4. 2025 Distribution of Profits
5. 2025 Related party transactions
6. Report on the Issuance of the Third and Fourth Domestic Unsecured Convertible Bonds

IV. Recognizing Issues

1. 2025 Business Report and Financial Report
2. 2025 Annual Profit Distribution Table

V. Issues to be Discussed

Issue new shares for capital increase through capitalization of retained earnings

VI. Election

Election of directors (including independent directors)

VII. Other Proposals

Lift the restrictions on the non-compete clause of new directors and their representatives

VIII. Extempore Motion

IX. Meeting Adjourned

Reporting Issues

I. Please review the 2025 Business Report.

Description: Please refer to page 11~18 of the meeting manual for the Company's 2025 Business Report.

II. Please review the 2025 Audit Report by the Audit Committee.

Description: Please refer to page 19 of the meeting manual for the Company's 2025 Audit Report by the Audit Committee.

III. Please review the Report on 2025 remuneration distribution for employees and directors.

Description: (I) The distribution of employees' bonuses and directors' remuneration in 2025 is in accordance with Article 29-1 of the Company's Article of Incorporation.

(II) According to the board resolution dated February 25, 2026, NT\$127,370,000, 3% of the profit, will be distributed as employees' bonuses and NT\$55,200,000, 1.3% of the profit, will be distributed as directors' remuneration, all of which will be paid in cash.

IV. Please review the 2025 Distribution of Profits.

Description: (I) The resolution of the board of directors decided a cash dividend of NT\$8 per share and authorized the chairman to set an ex-dividends date and the relevant matters. The distribution of cash dividends to shareholders chops off the decimal digits, and the fractional balances less than NT\$1 after the decimal point are listed from big to small, with the corresponding account numbers placed from the earlier to the latter ones until they match the total cash dividends to be distributed.

(II) In the event that the aggregate number of issued and outstanding shares is affected by the change of capital of the Company, thereby affecting the distribution of profits to each share and needs to be revised, it is proposed that the chairman be fully authorized to administer this matter.

V. Please review the 2025 Related party transactions.

Description: Please refer to page 20 of the meeting manual for the Company's 2025 Related party transactions.

VI. Report on the Issuance of the Third and Fourth Domestic Unsecured Convertible Bonds, submitted for review.

Description: (I) Pursuant to Article 246 of the Company Act, a report is provided on the reasons for the Company's bond issuance and related matters.

(II) To repay bank loans and strengthen operational funds, the Company's Board of Directors approved the issuance of the third and fourth domestic unsecured convertible bonds in the amounts of NTD 4 billion and NTD 2 billion, respectively, on August 8, 2024. The issuance was declared effective by the FSC through letters Jin-Guan-Zheng-Fa-Zi No. 1130356238 and No. 11303562381 dated September 12, 2024. Additionally, approval was granted by TPEX via letters Zheng-Gui-Zhai-Zi No. 11300092402 dated September 26, 2024, and No. 11300094712 dated October 14, 2024, permitting trading at securities firms' business premises starting from October 2 and October 18, 2024.

(III) For details on the execution of the Company's third and fourth domestic unsecured convertible bonds, please refer to page 21~22 of the meeting handbook.

Recognizing Issues

First proposal: (Proposed by the Board of Directors)

Proposal 1: Please ratify the 2025 Business Report and Financial Report.

Description: (I) The Company's 2025 standalone and Consolidated Financial Statements have been prepared by the board of directors, audited by accountants, Fang-Yu Wang and Chia-Hung Lin, of Pricewaterhouse Coopers and submitted to the Company's audit committee, together with the business report, for audit, and the audited reports are now available.

(II) Please refer to page 11~18 、 23~38 of the meeting manual for the abovementioned business report, independent auditor's report, standalone and Consolidated Financial Statements.

(III) The documents submitted require ratification.

Resolution:

Second proposal: (Proposed by the Board of Directors)

Proposal 2: Please confirm the 2025 Annual Profit Distribution Table.

Description: (I) Please refer to page 39 of the Proceedings Manual for 2025 Annual Profit Distribution Table.

(II) The documents submitted require ratification.

Resolution:

Issues to be Discussed

(Proposed by the Board of Directors)

Proposal: Please discuss the proposal to issue new shares for capital increase through capitalization of retained earnings.

Description:

- (I) In order to meet the operational needs and supplement the Company's working capital, the Company intends to appropriate the distributable earnings of NTD 159,859,340 of 2025 for capital increase by issuing 15,985,934 new shares; the face value is NTD10, and all are common shares.
- (II) Share dividends to shareholders are distributed to the shareholders registered on the shareholder registry on the base date of share distribution for capital increase, pro rata to their shareholdings, which is approximately 50 dividend shares for every 1,000 shares. For the fractional shares that are less than one share, the shareholders may combine them at the shareholder service agent within 5 days from the base date of share distribution for capital increase; the fractional shares unable or not to be combined into a full share will be translated into cash in integral NTD based on the face value pursuant to Article 240, the Company Act (to pay the remit fee of TDCC or virtual registration, etc) . The Chairman is authorized to contact specific persons to purchase at the face value.
- (III) If the number of outstanding shares is affected by changes in the Company's share capital, and thus the shareholders' share dividend rate changes, it is proposed that the shareholders' meeting authorize the Chairman to handle such matters with full authorities.
- (IV) The new shares issued under this capital increase have the same rights and obligations as the originally issued ordinary shares.
- (V) Upon the approval of the general shareholders' meeting and the approval of the competent authority after filing the application, it is proposed to authorize the board of directors to determine other matters including the base dates for ex-right and share distribution for capital increase. Shall there be any change to be made due to the revision requested by the competent authority or facts, the Chairman is authorized to handle such matters with full authorities.

(VI) Please discuss.

Resolution:

Elections

(Proposed by the Board of Directors)

Proposal: Re-election of directors (including independent directors).

Description:(I) The current directors of the Company shall end their terms of office on 23 May 2026, and an election shall be held during the Annual Meeting of Shareholders on 29 May of this year.

(II) In accordance with the provisions of the Articles of Incorporation, 10 directors (including 4 independent directors) will be elected to form the 13th Board of Directors to meet actual requirements. The Company's directors are elected under a candidate nomination system, and shareholders will select from a list of candidates for directors.

(III) Directors elected for the 13th Board of Directors shall immediately take office upon election for a term of 3 years. The term shall begin on 29 May 2026 and end on 28 May 2029.

(IV) Please refer to page 49~50 of the meeting manual for the election procedures of the Company's directors.

(V) The information related to the list of director candidates (including independent directors) is as follows:

Category of Candidates	Name	Education Background	Experience	Current Position	Shareholding
Director	Chung,Long-Chang	Master's Degree National Chiao Tung University Master of Mangement Science	Chairman, Huaku Development Co., Ltd.	Chairman, Huaku Development Co., Ltd.	2,244,549
Director	Hung,Chia-Sheng	Master's Degree National University of Singapore MBA	General Manager, Huaku Development Co., Ltd.	General Manager, Huaku Development Co., Ltd.	430,846
Director	Liu,Jo-Mei	Bachelor's Degree Soochow University Department of Accounting.	CFO, Huaku Development Co., Ltd.	CFO, Huaku Development Co., Ltd.	770,794
Director	Hwang,Yih-Ray	P Master's Degree University of Massachusetts Boston Master of Business Administration	Solomon & Co., CPAs, The National Federation of CPA Associations of the ROC Director	Solomon & Co., CPAs	5,658,037

Category of Candidates	Name	Education Background	Experience	Current Position	Shareholding
Director	New Land Investment Co.,Ltd. Representative: Twu,Wei-Shan	Master's Degree Pratt Institute Master of Interior Design	Director: Huaku Development Co., Huang Pao Investment Co.,Ltd	Director: Huaku Development Co., Huang Pao Investment Co.,Ltd	16,968,084
Director	Chung Shan Investment Co.,Ltd. Representative: Chen,Rung-Hua	Master's Degree Oklahoma City University Master of Science in Accounting	Director: Huaku Development Co., Head of Changchun Management Consulting Co.,Ltd.	Director: Huaku Development Co., Head of Changchun Management Consulting Co.,Ltd.	23,700,000
Independent Director	Wang,Tze-Chun (Note 1)	Bachelor's Degree National Taiwan University Department of Agricultural Economics	Chairman: Anntong ind.Co.,Ltd. SIRTEC INTERNATIONAL CO., LTD.	Chairman, Anntong ind.Co.,Ltd.	0
Independent Director	Lan,Wen-Hsiang (Note 1)	Bachelor's Degree National Taiwan University College of Law	Lan,Wen-Hsiang Managing Partner and Lead Attorney of a Law Firm Legal Counsel for The Third Wednesday Association	Lan,Wen-Hsiang Managing Partner and Lead Attorney of a Law Firm	0
Independent Director	Ding, Yu-Jia	Doctor of Philosophy Indiana University Economics	President,IBF Financial Holdings Co.,Ltd	Independent Director: Ablerex Electronics Co., Ltd. Director: Altek Corporation	0
Independent Director	Liu,Yee-Ru	Doctor of Philosophy University of Chicago Department of Economics	Managing Director, Bellwether International Group Adjunct Professor, National Taiwan University	Managing Director, Bellwether International Group Adjunct Professor, National Taiwan University	0

Note 1: The candidate meets the independence requirements and professional qualifications stipulated by relevant regulations. During their tenure, the candidate has provided numerous constructive professional suggestions regarding the Company's operations and decision-making, effectively exercising supervisory functions over the Board. In view of the need to continue utilizing their expertise, the Company hereby nominates the candidate for re-election as an Independent Director.

(VI) Please conduct the election.

Election results:

Other Proposals

(Proposed by the Board of Directors)

Proposal: Dismissing restrictions on the non-compete clause of the newly-elected directors and their representatives require discussion.

Description: (I) In accordance with Article 209 of the Compact Act, a director who acts for himself or on behalf of another person within the Company's scope of business shall explain to shareholders the essential content of the act and obtain their permission.

(II) In order to help the Company successfully expand its business, the board would like to request at the shareholders' meeting to lift the restrictions on the non-compete clause of newly-elected directors and their representatives. Description is as follows:

Title	Name	Dismiss position
Director	Hung, Chia-Sheng	Director: Representative of Hua Pu Construction Co., Ltd.
Director	Liu, Jo-Mei	Supervisor: Hua Pu Construction Co., Ltd. Representative of Chengdu Wanchengduobao Property Co., Ltd.

(III) The proposal is submitted for discussion.

Resolution:

Extempore Motion

Meeting Adjourned

Appendix I

Business Report

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 152.88% year-on-year. Consolidated net income after tax amounted to NT\$3,241,406 thousand, with earnings per share of NT\$10.15.

Huaku had individual revenue amounted to NT\$18,237,137 thousand in 2025, which was an increase from NT\$7,208,801 thousand or 152.98% as was in the same period of 2024. Individual net income in the same year amounted to NT\$3,241,660 thousand with earnings per share at 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	4.58

(IV) Standalone budget execution

Unit: NT\$ thousand

Items	2025 Actual	2025 Budget	Attainment Rate
Operating revenue	18,237,137	Undisclosed Financial Forecasting	Not Applicable
Operating Costs	(13,305,902)		
Gross Profit	4,931,235		
Operating Expenses	(1,015,977)		
Operating Income	3,915,258		
Non-operating Income and Expense	147,631		
Net income before tax	4,062,889		
Income Tax Expenses	(821,229)		
Net Income in Current Period	3,241,660		

(V) Analysis of Standalone Financial Position and Profitability

Items		Year	2025	2024
Financial Structure	Liabilities to Assets Ratio (%)		59	63
Profitability	Gross Margin (%)		27	35
	Operating Margin (%)		22	27
	Profit before tax margin (%)		23	24
	Net profit margin for the current period (%)		18	18
	Basic earnings per share (NT\$)		10.15	4.58

(VI) 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 prudent 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.

Chairman: Chung, Long-Chang

General Manager: Hung, Chia-Sheng

Accounting Supervisor: Liu, Jo-Mei

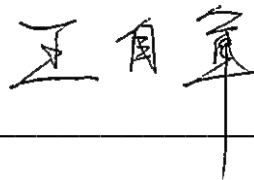
Appendix II

Audit Report by the Audit Committee

The Board has prepared and submitted the 2025 Business Report and Financial Statements. The Financial Statements have been audited by Wang, Fang-Yu and Lin, Chia-Hung, CPAs of PwC Taiwan with the issuance of Auditor's Report. The audit committee has verified the above-mentioned business report, and financial report. No discrepancy is found and the committee hereby presents the report in accordance with Article 14-5 of the "Securities and Exchange Act" and Article 219 of the "Company Act" for your approval.

Huaku Development Co., Ltd.

Convener of the Audit Committee:

Handwritten signature in Chinese characters: 王自春. The signature is written in black ink above a horizontal line.

WANG, TZE-CHUN
February 25, 2026

Appendix III

2025 Related party transactions

Date of Board resolution	Content of the resolution	Actual transaction situation
February 26, 2025	Approval signing a construction contract (from foundation to structure and outer walls) of the office buildings in the " ZhengDaBeiTou Project" with subsidiary Pinshing Construction Co., Ltd. at NTD 5,175,077,000.	The resolution was implemented without any differences in March 2025.
March 12, 2025	Sold the houses and parking spaces of Casa Blanca to the daughter of related party for NT\$72,160 thousands.	The resolution was implemented without any differences in March 2025.
May 7, 2025	Approval signing a construction and decoration contract for the " Moût River" with subsidiary Pinshing Construction Co., Ltd. at NTD 595,687,482.	The resolution was implemented without any differences in July 2025.
May 7, 2025	Approval signing a construction and decoration contract for the " Flourish Mansion" with subsidiary Pinshing Construction Co., Ltd. at NTD 706,870,351.	The resolution was implemented without any differences in May 2025.
May 7, 2025	Approval signing a construction contract (from foundation to structure, elevators and kitchen equipment) for the "Grand Seasons" with subsidiary Pinshing Construction Co., Ltd. at NTD 736,200,000.	The resolution was implemented without any differences in July 2025.
August 6, 2025	Approval signing a construction and decoration contract for the " The Weaven" with subsidiary Pinshing Construction Co., Ltd. at NTD 366,430,173.	The resolution was implemented without any differences in August 2025.
August 6, 2025	Approval signing a construction contract (from foundation to structure, elevators and kitchen equipment) for the " Maison de Lotus" with subsidiary Pinshing Construction Co., Ltd. at NTD 608,300,000.	The resolution was implemented without any differences in August 2025.
November 5, 2025	Approval signing a construction contract (from foundation to structure, elevators and kitchen equipment) for the " LE GRAND CRU " with subsidiary Pinshing Construction Co., Ltd. at NTD 1,355,500,000.	The resolution was implemented without any differences in November 2025.

Appendix IV

Issuance Status of Corporate Bonds

Types of corporate bonds (Note 2)	3rd (term) unsecured corporate bonds (Note 5)	4th (term) unsecured corporate bonds (Note 5)
Date of issuance (handling)	2024.10.02	2024.10.18
Par value	NTD 100,000	NTD 100,000
Place of issuance and trading (Note 3)	Taiwan	Taiwan
Issuing price	NTD 138	NTD 136.3
Total amount	NTD 4,000,000,000	NTD 2,000,000,000
Interest rate	Coupon rate 0%	Coupon rate 0%
Period	5 years; maturity date: 2029.10.02	5 years; maturity date: 2029.10.18
Guaranteeing Institution	None	None
Trustee	Taipei Fubon Commercial Bank Co., Ltd.	Taipei Fubon Commercial Bank Co., Ltd.
Underwriting Institution	Fubon Securities Co., Ltd.	Fubon Securities Co., Ltd.
Certified attorney	Handsome Attorneys-at-law: Lawyer, Chiu Ya-Wen	Handsome Attorneys-at-law: Lawyer, Chiu Ya-Wen
CPAs	PwC Taiwan: CPA, Hsiao Chun-Yuan and Lin Se-Kai	PwC Taiwan: CPA, Hsiao Chun-Yuan and Lin Se-Kai
Method of repayment	Unless converted in accordance with the conversion plan or redeemed early, the bonds will be repaid in full at maturity at their par value in cash.	Unless converted in accordance with the conversion plan or redeemed early, the bonds will be repaid in full at maturity at their par value in cash.
Unpaid principal	NTD 4,000,000,000	NTD 2,000,000,000
Terms of redemption or early repayment	Handled in accordance with Articles 18 and 19 of the issuance and conversion regulations for this convertible corporate bond.	Handled in accordance with Articles 18 and 19 of the issuance and conversion regulations for this convertible corporate bond.
Restriction Clause (Note 4)	None	None
Name of credit rating institution, date of rating, and rating results of corporate bonds	None	None

(Continued on Next Page)

Types of corporate bonds (Note 2)		3rd (term) unsecured corporate bonds (Note 5)	4th (term) unsecured corporate bonds (Note 5)
Include other rights	The amount of common stock, overseas depositary receipts, or other securities that have been converted (exchanged or subscribed) as of the publication date of the annual report.	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.
	Regulations Governing Issuance and Conversion (Exchange or Subscription) of Shares	Please refer to the Company's Regulations Governing the Issuance and Conversion of Shares	Please refer to the Company's Regulations Governing the Issuance and Conversion of Shares
The issuance and conversion, exchange, or subscription procedures, the issuance conditions, potential dilution of equity, and the impact on the rights of existing shareholders.		The issuance of the domestic third convertible corporate bonds, as of the publication date, has an unpaid principal of NTD 4,000,000,000, with a conversion price of NTD 125. Based on the total number of shares issued by the Company, which is 319,718,697 shares, it is estimated that the maximum possible number of common shares to be converted from the bonds, when fully converted, would be approximately 32,000,000 shares. The resulting dilution of capital is estimated to be around 10.01%. As creditors exercise their conversion rights at different times, the dilution of equity will occur gradually. Therefore, the issuance of these convertible corporate bonds will not have a significant impact on the rights of shareholders.	The issuance of the domestic fourth convertible corporate bonds, as of the publication date, has an unpaid principal of NTD 2,000,000,000, with a conversion price of NTD 123.5. Based on the total number of shares issued by the Company, which is 319,718,697 shares, it is estimated that the maximum possible number of common shares to be converted from the bonds, when fully converted, would be approximately 16,194,332 shares. The resulting dilution of capital is estimated to be around 5.07%. As creditors exercise their conversion rights at different times, the dilution of equity will occur gradually. Therefore, the issuance of these convertible corporate bonds will not have a significant impact on the rights of shareholders.
The name of the custodial institution for the exchange target		None	None

Note 1: The status of the Company bonds includes both public and private offerings that are currently being processed. The public company bonds being processed refer to those that have already been approved (effective) by the board. The private company bonds being processed refer to those that have already been approved by the Board of Directors.

Note 2: The number of columns will be adjusted according to the actual number of times processed.

Note 3: Fill in for overseas corporate bonds.

Note 4: Such as restrictions on the distribution of cash dividends, external investments, or requirements to maintain a certain asset ratio, etc.

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

Note 6: For convertible bonds, exchangeable bonds, aggregate filing bonds, or bonds with stock options, the relevant information should be disclosed according to the nature of the bond, with separate details on convertible bonds, exchangeable bonds, aggregate filing bonds, and bonds with stock options provided as required.

Appendix V

Independent Auditors' Report

(2026) Cai-Shen-Bao-Zi No. 25004054

To Huaku Development Co., Ltd.,

Audit Opinions

The auditors have audited the Parent Company Only Balance Sheet of Huaku Development Co., Ltd. as of December 31, 2025 and 2024, the Parent Company Only Statement of Comprehensive Income, Parent Company Only Statement of Changes in Equity, Parent Company Only Statement of Cash Flows, and Notes to the Parent Company Only Financial Statements (including Summary of Significant Accounting Policies) for the period from January 1 to December 31, 2025 and 2024.

In our opinion, the aforementioned Parent Company Only Financial Statements are prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and are sufficient to present fairly the financial position of Huaku Development Co., Ltd. as of December 31, 2025 and 2024, and its financial performance and cash flows for the periods from January 1 to December 31, 2025 and 2024.

Basis of Audit Opinions

We have conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the TWSA. Our responsibilities under those standards are further described in the section of Responsibility of Certified Public Accountants for Auditing the Parent Company Only Financial Statements. We are independent from Huaku Development Co., Ltd. in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities in accordance with the requirements stated in The Norm. The accountant believes that sufficient and appropriate audit evidence has been obtained as a basis for expressing the audit opinion.

Key Audit Matters

The key audit matters are those that we consider the most important according to our professional judgment when auditing the Parent Company Only Financial Statements of Huaku Development Co., Ltd. for the fiscal year 2025. The said matters have been expressed when the financial statements were audited as a whole and when the audit opinions took form. Any personal opinion on any of the said matters is not expressed.

Key audit matters of the parent company only financial statements of Huaku Development Co., Ltd. for 2025 are as follows:

Occurrence of Real Estate Sales Revenue

Description of the Matter

Please refer to Note 4 (26) of the Notes to the Parent Company Only Financial Statements for the accounting policies of the construction industry on operating revenue and Note 6 (18) for descriptions of accounting items.

The sales revenue of the construction industry is recognized when the real estate completes the transfer of ownership and the actual delivery of the housing. The recognition of revenue is material to the overall financial statements for the year. Therefore, the accountant has identified the occurrence of real estate sales revenue as a key audit matter.

Corresponding Audit Procedures

The corresponding audit procedures we took for the specific aspects described in the aforementioned audit matters are as follows:

- Understand and review the procedures for the recognition of building and land sales revenue and ensure its consistent application across the comparative periods in the financial statements.

- For the real estate sales revenue recognized during the year, a sample selection is performed to verify the corresponding property ownership transfer and actual handover documentation to ensure the appropriateness of the recorded real estate sales revenue.

Responsibility of the Management and the Governance Body for the Parent Company Only Financial Statements

The responsibility of the management was to act in conformity with Regulations Governing the Preparation of Financial Reports by Securities Issuers to fairly present the Parent Company Only Financial Statements and also to maintain necessary internal control with regard to the compilation of the Parent Company Only Financial Statements, so as to ensure such financial statements did not contain any material misstatement due to fraud or errors.

When the Parent Company Only Financial Statements were in the process of preparation, the responsibility of the management also included the assessment of the going concern capacity of Huaku Development Co., Ltd., disclosure of related matters, and the adoption of going concern basis of accounting, unless the management intended to liquidate or suspend the operation of Huaku Development Co., Ltd., or if there was no other option except for liquidation or suspension of the Company's operation.

The governing units of Huaku Development Co., Ltd. (including the Audit Committee) bear the responsibility to oversee the financial reporting process.

Responsibility of Certified Public Accountants for Auditing Parent Company Only Financial Statements

Our objective when auditing the parent company only financial statements was to obtain reasonable assurance whether they contained any material misstatement due to fraud or errors and issue the auditors' report. Reasonable assurance refers to high level of assurance. However, auditing work carried out in accordance with the Statements of Auditing Standards does not necessarily guarantee the detection of material misstatement in the Parent Company Only Financial Statements. Misstatements may be caused by fraud or errors. If the individual amounts or sums that the material misstatement involved may be reasonably expected to affect the financial decision making of users of the parent company only financial statements, such misstatement will be considered material.

We conducted the auditing according to the Statements of Auditing Standards, and exercised our professional judgment and remained professionally skeptical. We have also executed the following tasks:

1. Identified and evaluated the risk of material misstatements due to fraud or errors in the consolidated financial statements; designed and carried out appropriate countermeasures for the evaluated risk, and obtained sufficient and appropriate evidence as the basis for the audit opinions. As fraud can involve conspiracy, forgery, intentional omissions, false statements or transgressions of internal control, the risk of failing to detect material misstatements resulting from fraud is higher than the risk of failing to identify those coming from errors.
2. Achieved the necessary understanding of the internal control relevant to the audit in order to design the auditing procedures appropriate for the given context. Nevertheless, the purpose of this is not to express an opinion on the effectiveness of Huaku Development Co., Ltd.'s internal control.
3. Evaluated the appropriateness of the accounting policies adopted by the management and the reasonableness of its accounting estimates and relevant disclosures.
4. Formed a conclusion pertaining to the appropriateness of the accounting basis of going concern adopted by the management of Huaku Development Co., Ltd. and determined whether material uncertainty exists or not on events or conditions which may significantly impact the going concern of Huaku Development Co., Ltd. based on the audit evidence obtained. If we thought such material uncertainty existed for such events or conditions, we must point it out in the auditors' report to remind users of the Parent Company Only Financial Statements to look out for related disclosures in the Parent Company Only Financial Statements, or to revise our audit opinions when such disclosures were inappropriate. Our conclusion was established according to the audit evidence obtained by the date of the auditors' report. However, future events or conditions may cause Huaku Development Co., Ltd. to lose the ability to continue operations.

5. Evaluated the overall presentation, structure and contents of the Parent Company Only Financial Statements (including relevant Notes), and whether the Parent Company Only Financial Statements fairly present relevant transactions and events.

6. Obtained sufficient and appropriate audit evidence of the financial information of Huaku Development Co., Ltd.'s constituents so as to express opinions on the Parent Company Only Financial Statements. We were responsible for guiding, supervising and executing the audit work for the Company and also establishing the auditor's opinion on the Parent Company Only Financial Statements.

We communicated with the governance units on the planned audit range and time, as well as material audit discoveries (including significant internal control defects found in the audit process).

We provided the governance units with a statement assuring the personnel of our accounting firm who are subject to independent regulations had acted according to the Norm of Professional Ethics for Certified Public Accountant of the Republic of China to remain neutral and also communicated with them about all relations and other matters (including related preventive measures) that could affect the independence of certified public accountants.

Based on the result of our discussion with the governance units, we decided on the matters to be regarded as key audit matters when auditing the 2025 parent company only financial statements of Huaku Development Co., Ltd. We have clearly described the said matters in the auditors' report, except certain matters whose public disclosure is prohibited by law, or certain matters we decided not to communicate under extremely rare circumstances because disclosure of such matters can be reasonably expected to lead to negative effects that would be greater than the public good they might bring.

PwC Taiwan

Wang, Fang-Yu

CPA

Lin Chia-Hung

Financial Supervisory Commission

Approval Document, Reference No.:

Jin-Guan-Zheng-Shen Zi No. 1030027246

Jin-Guan-Zheng-Shen Zi No. 1080323093

February 25, 2026

Appendix VI

Huaku Development Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2025 and 2024

Unit: NT\$ thousands

Assets	Notes	December 31, 2025		December 31, 2024		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	6 (1)	\$ 7,602,434	14	\$ 3,361,727	6
1136	Current financial assets measured at amortized cost		—	—	2,000,000	4
1150	Notes receivable, net	6 (2)	120,421	—	109,193	—
1170	Accounts receivable, net	6 (2)(12), 7 and 8	179,381	—	111,253	—
1200	Other receivables	6 (12) and 8	173,225	—	12,467	—
130X	Inventories	6 (3)(4) and 8	39,315,811	73	43,528,506	77
1410	Prepayments		147,827	—	41,033	—
	Construction refundable deposits		703,670	1	339,870	1
1478						
1479	Other current assets—others	6 (5) and 8	2,734,673	5	3,309,338	6
11XX	Total current assets		<u>50,977,442</u>	<u>93</u>	<u>52,813,387</u>	<u>94</u>
Non-current assets						
	Investment accounted for using the equity method	6 (6)	839,131	2	842,642	1
1550						
1600	Property, plant, and equipment		327,710	1	276,761	1
1755	Right-of-use assets		12,282	—	37,334	—
1760	Investment properties, net	6 (7) and 8	235,416	1	239,517	1
1840	Deferred income tax assets	6 (25)	18,835	—	19,737	—
1920	Refundable deposits		135,867	—	68,047	—
	Long-term notes and accounts receivable	6 (2) (12) and 8	1,667,836	3	1,898,065	3
1930						
	Other non-current assets—others		4,375	—	6,699	—
1990						
15XX	Total non-current assets		<u>3,241,452</u>	<u>7</u>	<u>3,388,802</u>	<u>6</u>
1XXX	Total assets		<u>\$ 54,218,894</u>	<u>100</u>	<u>\$ 56,202,189</u>	<u>100</u>

(Continued on Next Page)

Huaku Development Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2025 and 2024

Unit: NT\$ thousands

Liability and equity	Notes	December 31, 2025		December 31, 2024		
		Amount	%	Amount	%	
Current liabilities						
2100	Short-term loans	6 (8)	\$ 10,729,667	20	\$ 16,778,327	30
2110	Short-term notes and bills payable	6 (9)	—	—	349,706	1
2130	Contract liabilities - current	6 (18)	6,809,663	13	6,011,865	10
2150	Notes payable		7,650	—	5,399	—
2170	Accounts payable		902,689	2	326,614	1
2180	Accounts payable - related parties	7	1,864,846	3	1,345,509	2
2200	Other payables		533,169	1	326,775	1
2230	Current income tax liabilities		741,909	1	345,883	1
2280	Lease liabilities - current		9,815	—	16,952	—
2320	Long-term liabilities due within one year or one operating cycle	6 (12)	1,376,305	3	1,318,265	2
2399	Other current liabilities - others	6 (10)	391,291	1	97,934	—
21XX	Total current liabilities		<u>23,367,004</u>	<u>44</u>	<u>26,923,229</u>	<u>48</u>
Non-current liabilities						
2500	Financial liabilities measured at fair value through profit or loss		29,800	—	60,600	—
2530	Bonds payable	6 (11)	5,515,674	10	5,386,521	10
2540	Long-term loans	6 (12)	2,807,036	5	2,898,065	5
2570	Deferred income tax liabilities	6 (25)	9,354	—	9,420	—
2580	Lease liabilities - non-current		4,986	—	24,050	—
2640	Net defined benefit liabilities - non-current	6 (13)	42,187	—	45,551	—
2645	Guarantee deposits received		27,581	—	11,181	—
25XX	Total non-current liabilities		<u>8,436,618</u>	<u>15</u>	<u>8,435,388</u>	<u>15</u>
2XXX	Total liabilities		<u>31,803,622</u>	<u>59</u>	<u>35,358,617</u>	<u>63</u>
Equity						
	Share capital	6 (14)				
3110	Share capital from common stock		3,197,187	6	3,044,940	6
	Additional paid-in capital	6 (11)(15)				
3200	Additional paid-in capital		820,040	1	818,985	1
	Retained earnings	6 (16)				
3310	Legal reserves		4,793,936	9	4,655,875	8
3350	Unappropriated retained earnings		13,569,216	25	12,288,638	22
	Other equity interest	6 (17)				
3400	Other equity interest		35,743	—	35,984	—
3500	Treasury stocks	6 (14)	(850)	—	(850)	—
3XXX	Total equity		<u>22,415,272</u>	<u>41</u>	<u>20,843,572</u>	<u>37</u>
	Material commitments and contingencies	9				
3X2X	Total liabilities and equity		<u>\$ 54,218,894</u>	<u>100</u>	<u>\$ 56,202,189</u>	<u>100</u>

Chairman: Chung, Long-Chang/Frank Chung Manager: Jason Hung Accounting Supervisor: Liu, Jo-Mei

Huaku Development Co., Ltd.
Parent Company Only Statement of Comprehensive Income
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousands
(except for earnings per share in New Taiwan Dollars)

Item	Notes	2025		2024	
		Amount	%	Amount	%
4000 Operating revenue	6 (18) and 7	\$ 18,237,137	100	\$ 7,208,801	100
5000 Operating costs	6 (19) (20) and 7	(13,305,902)	(73)	(4,678,135)	(65)
5950 Gross profit		4,931,235	27	2,530,666	35
Operating expenses	6 (19) (20) and 7				
6100 Selling expenses		(416,636)	(2)	(202,158)	(3)
6200 Administrative expenses		(599,341)	(3)	(376,437)	(5)
6000 Total operational expenses		(1,015,977)	(5)	(578,595)	(8)
6900 Operating profit		3,915,258	22	1,952,071	27
Non-operating income and expenses					
7100 Interest income	6 (21)	106,144	1	92,815	1
7010 Other income	6 (22) and 7	105,411	1	14,820	—
7020 Other gains and losses	6 (23)	31,046	—	(48,205)	(1)
7050 Financial cost	6 (24)	(156,859)	(1)	(148,193)	(2)
7070 Shares of profit (loss) of subsidiaries, associates, and joint ventures accounted for using the equity method	6 (6)	61,889	—	(37,795)	(1)
7000 Total non-operating income and expenses		147,631	1	(126,558)	(3)
7900 Pre-tax profit		4,062,889	23	1,825,513	24
7950 Income tax expense	6 (25)	(821,229)	(5)	(433,242)	(6)
8200 Net income		<u>\$ 3,241,660</u>	<u>18</u>	<u>\$ 1,392,271</u>	<u>18</u>
Other comprehensive income (net)					
Items not to be reclassified to profit or loss					
8311 Remeasurements from defined benefit plans	6 (13)	\$ 3,391	—	\$ (11,810)	—
8330 Shares of profit (loss) of subsidiaries, associates, and joint ventures accounted for using the equity method—items not to be reclassified to profit or loss		1,231	—	(2,206)	—
8349 Income tax related to items not reclassified	6 (25)	(678)	—	2,362	—
8310 Total amount of items not to be reclassified to profit or loss		3,944	—	(11,654)	—
Items that may be reclassified to profit or loss					
8361 Exchange differences on translation of foreign financial statements	6 (17)	(301)	—	30,055	—
8399 Income tax associated with items that may be reclassified	6 (17)(25)	60	—	(6,011)	—
8360 Total amount of items that may be reclassified to profit or loss		(241)	—	24,044	—
8300 Other comprehensive income (net)		<u>\$ 3,703</u>	<u>—</u>	<u>\$ 12,390</u>	<u>—</u>
8500 Total comprehensive income		<u>\$ 3,245,363</u>	<u>18</u>	<u>\$ 1,404,661</u>	<u>18</u>
Basic earnings per share					
9750 Total basic earnings per share	6 (26)	\$ 10.15		\$ 4.36	
Diluted earnings per share					
9850 Total diluted earnings per share	6 (26)	\$ 8.79		\$ 4.35	

Chairman: Chung, Long-Chang/Frank Chung

Manager: Jason Hung

Accounting Supervisor: Liu, Jo-Mei

Huaku Development Co., Ltd.
Parent Company Only Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousands

Notes	Additional paid-in capital					Retained earnings		Exchange differences on translation of foreign financial statements	Treasury stocks	Total equity	
	Share capital from common stock	Premium of convertible corporate bonds	Stock warrants	Treasury stock transactions	Others	Legal reserves	Unappropriated retained earnings				
2024											
	Balance as of January 1	\$ 2,768,127	\$ 46,100	\$ —	\$ 32,559	\$ 2,068	\$ 4,297,756	\$ 13,619,049	\$ 11,940	\$ (850)	\$ 20,776,749
	Net income	—	—	—	—	—	1,392,271	—	—	—	1,392,271
6 (17)	Other comprehensive income	—	—	—	—	—	(11,654)	24,044	—	—	12,390
	Total comprehensive income	—	—	—	—	—	1,380,617	24,044	—	—	1,404,661
6 (16)	Appropriation and distribution of retained earnings										
	Legal reserves	—	—	—	—	—	358,119	(358,119)	—	—	—
	Cash dividends	—	—	—	—	—	(2,076,096)	—	—	—	(2,076,096)
	Stock dividends	276,813	—	—	—	—	(276,813)	—	—	—	—
	Cash dividends received by subsidiaries from the Company	—	—	—	1,308	—	—	—	—	—	1,308
6 (11)	Recognition of equity components arising from the issuance of convertible bonds—stock warrants	—	—	737,089	—	—	—	—	—	—	737,089
	Adjustments for changes in capital surplus of investee companies in proportion to the Company's shareholding in the investee companies	—	—	—	—	(139)	—	—	—	—	(139)
	Balance as of December 31	\$ 3,044,940	\$ 46,100	\$ 737,089	\$ 33,867	\$ 1,929	\$ 4,655,875	\$ 12,288,638	\$ 35,984	\$ (850)	\$ 20,843,572
2025											
	Balance as of January 1	\$ 3,044,940	\$ 46,100	\$ 737,089	\$ 33,867	\$ 1,929	\$ 4,655,875	\$ 12,288,638	\$ 35,984	\$ (850)	\$ 20,843,572
	Net income	—	—	—	—	—	3,241,660	—	—	—	3,241,660
6 (17)	Other comprehensive income	—	—	—	—	—	3,944	(241)	—	—	3,703
	Total comprehensive income	—	—	—	—	—	3,245,604	(241)	—	—	3,245,363
6 (16)	Appropriation and distribution of retained earnings										
	Legal reserves	—	—	—	—	—	138,061	(138,061)	—	—	—
	Cash dividends	—	—	—	—	—	(1,674,718)	—	—	—	(1,674,718)
	Stock dividends	152,247	—	—	—	—	(152,247)	—	—	—	—
	Cash dividends received by subsidiaries from the Company	—	—	—	1,055	—	—	—	—	—	1,055
	Balance as of December 31	\$ 3,197,187	\$ 46,100	\$ 737,089	\$ 34,922	\$ 1,929	\$ 4,793,936	\$ 13,569,216	\$ 35,743	\$ (850)	\$ 22,415,272

Chairman: Chung, Long-Chang/Frank Chung

Manager: Jason Hung

Accounting Supervisor: Liu, Jo-Mei

Huaku Development Co., Ltd.
Parent Company Only Statement of Cash Flows
January 1 to December 31, 2025 and 2024

	Notes	Unit: NT\$ thousands	
		2025	2024
<u>Cash flow from operating activities</u>			
Current net profit before tax		\$ 4,062,889	\$ 1,825,513
Adjusted items			
Income and expense items			
Shares of profit (loss) of subsidiaries and associates accounted for using the equity method		(61,889)	37,795
Amortization	6 (19)	2,697	2,109
Depreciation expenses	6 (19)	63,857	22,622
Interest expense	6 (24)	156,859	148,193
Interest income	6 (21)	(106,144)	(92,815)
Losses on financial liabilities measured at fair value through profit or loss	6 (23)	(30,800)	20,200
Loss on disposal of investments	6 (23)	—	27,736
Gains from lease modifications	6 (23)	(216)	—
Changes in assets and liabilities relating to operating activities			
Net change in assets relating to operating activities			
Notes and accounts receivable, net		(82,059)	(53,953)
Other receivables		(160,758)	(1,499)
Inventories		4,676,583	(6,979,299)
Prepayments		(106,794)	(17,317)
Restricted deposits		652,101	(962,064)
Other current assets - other		(80,132)	(396,592)
Long-term installment accounts receivable		232,929	260,319
Net change in liabilities relating to operating activities			
Notes payable		2,251	(8,556)
Accounts payable		576,074	(256,633)
Accounts payable - related parties		519,337	179,160
Other payables		206,394	(156,218)
Advance receipts		3,887	15,097
Accrued pension liabilities		27	516
Other current liabilities - others		289,471	(52,468)
Contract liabilities		797,798	2,286,785
Cash inflow generated from operations		11,614,362	(4,151,369)
Cash dividends received		83,385	39,946
Interest received	6 (21)	106,144	92,815
Interest paid		(491,301)	(425,857)
Income tax paid		(424,984)	(391,308)
Net cash (outflow) inflow from operating activities		10,887,606	(4,835,773)
<u>Cash flow from investment activities</u>			
Acquisition of financial assets measured at amortized cost		2,000,000	(2,000,000)
Distribution of employee compensation to subsidiaries		(16,000)	(4,500)
Acquisition cost of investments accounted for using the equity method		—	(350,000)
Proceeds from the disposal of investments		—	17,888
Proceeds from acquisition of property, plant, and equipment		(96,413)	(85,951)
Increase in construction performance deposits		(363,800)	(13,590)
Increase in refundable deposits		(67,820)	104,870
Decrease in other non-current assets		2,326	(1,183)
Cash (outflow) inflow from investment activities, net		1,458,293	(2,332,466)
<u>Cash flow from financing activities</u>			
Borrowing of short-term loans	6 (27)	7,485,548	18,685,857
Short-term loans repaid	6 (27)	(13,534,208)	(14,020,000)
Increase in short-term bills payable	6 (27)	1,750,000	1,250,000
Decrease in short-term bills payable	6 (27)	(2,100,000)	(900,000)
Issuance of corporate bonds		—	6,131,722
Long-term loans borrowed	6 (27)	1,687,360	1,538,402
Long-term loans repaid	6 (27)	(1,720,349)	(1,453,608)
Increase in guarantee deposits received	6 (27)	25,000	16,315
Decrease in guarantee deposits received	6 (27)	(8,600)	(32,760)
Redemption of lease principal	6 (27)	(15,225)	(7,265)
Cash dividends paid	6 (16)(27)	(1,674,718)	(2,076,096)
Cash inflow (outflow) from financing activities, net		(8,105,192)	9,132,567
Increase in cash and cash equivalents for the period		4,240,707	1,964,328
Cash and cash equivalents at the beginning of the period		3,361,727	1,397,399
Cash and cash equivalents at the end of the period		<u>\$ 7,602,434</u>	<u>\$ 3,361,727</u>

Chairman: Chung, Long-Chang/Frank Chung

Manager: Jason Hung

Accounting Supervisor: Liu, Jo-Mei

Appendix VII

Independent Auditors' Report

(2026) Cai-Shen-Bao-Zi No. 25004276

To Huaku Development Co., Ltd.,

Audit Opinions

The auditors have audited the Consolidated Balance Sheets of Huaku Development Co., Ltd. and its subsidiaries (hereinafter referred to as "Huaku Development Group") as of December 31, 2025 and 2024, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes for Consolidated Financial Statements (including Significant Accounting Policies and Summary Statements) for the period of January 1 to December 31, 2025 and 2024.

In our opinion, the aforementioned Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of Huaku Development Group as of December 31, 2025 and 2024, and its consolidated financial performance and consolidated cash flows for the periods from January 1 to December 31, 2025 and 2024 in conformity with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC) Interpretations, and Standing Interpretations Committee (SIC) Interpretations to the extent endorsed and effected by the Financial Supervisory Commission.

Basis of Audit Opinions

We have conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the TWSA. Our responsibilities under those standards are further described in the section of Responsibility of Certified Public Accountants for Auditing Financial Statements. We are independent from Huaku Development Co., Ltd. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities in accordance with the requirements stated in the Norm. The accountant believes that sufficient and appropriate audit evidence has been obtained as a basis for expressing the audit opinion.

Key Audit Matters

The key audit matters are those that we consider the most important, according to our professional judgment, when auditing the consolidated financial statements of Huaku Development Group for 2025. The said matters have been expressed when the financial statements were audited as a whole and when the audit opinions took form. Any personal opinion on any of the said matters is not expressed.

Key audit matters of the consolidated financial statements of Huaku Development Group for 2025 are as follows:

Occurrence of Real Estate Sales Revenue

Description of the Matter

Please refer to Note 4 (28) of the Notes for Consolidated Financial Statements for the accounting policies of the construction industry on operating revenue, and Note 6 (19) for descriptions of accounting items.

The sales revenue of the construction industry is recognized when the real estate completes the transfer of ownership and the actual delivery of the housing. The recognition of revenue is material to the overall financial statements for the year. Therefore, the accountant has identified the occurrence of real estate sales revenue as a key audit matter.

Corresponding Audit Procedures

The corresponding audit procedures we took for the specific aspects described in the aforementioned audit matters are as follows:

- Understand and review the procedures for the recognition of building and land sales revenue and ensure its consistent application across the comparative periods in the financial statements.

- For the real estate sales revenue recognized during the year, a sample selection is performed to verify the corresponding property ownership transfer and actual handover documentation to ensure the appropriateness of the recorded real estate sales revenue.

Other Matters—Parent Company Only Financial Reports

Huaku Development Co., Ltd. has compiled parent company only financial reports for 2025 and 2024, and we have issued an unqualified report for reference.

Responsibility of the Management and the Governance Units for the Consolidated Financial Statements

The responsibility of the management was to act in conformity with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC) Interpretations, and Standing Interpretations Committee (SIC) Interpretations to the extent endorsed and effected by the Financial Supervisory Commission to fairly represent the Company's financial status and also to maintain necessary internal control with regard to the compilation of the consolidated financial statements, so as to ensure such financial statements did not contain any material misstatement due to fraud or errors.

When the consolidated financial statements were in the process of preparation, the responsibility of management also included the assessment of the going concern capacity of Huaku Development Group, disclosure of related matters, and the adoption of the accounting basis of going concern, unless the management intended to liquidate or suspend the operation of Huaku Development Group, or if there was no other option except liquidation or suspension of the company's operation.

The governance units of Huaku Development Group (including the Audit Committee) bear the responsibility of overseeing the financial reporting process.

Responsibility of Certified Public Accountants for Auditing Consolidated Financial Statements

Our objective when auditing the consolidated financial statements was to obtain reasonable assurance whether they contained any material misstatement due to fraud or error and issue the auditors' report. Reasonable assurance refers to high level of assurance. However, auditing work carried out in accordance with the Auditing Standards of ROC does not necessarily guarantee the detection of material misstatement in consolidated financial statements. Misstatements may be caused by fraud or errors. If the individual amounts or sums that the material misstatement involved may be reasonably expected to affect the financial decision making of users of the consolidated financial statements, such misstatement will be considered material.

We conducted the auditing according to the Statements of Auditing Standards, and exercised our professional judgment and remained professionally skeptical. We have also executed the following tasks:

1. Identified and evaluated the risk of material misstatements due to fraud or errors in the consolidated financial statements; designed and carried out appropriate countermeasures for the evaluated risk, and obtained sufficient and appropriate evidence as the basis for the audit opinions. As fraud can involve conspiracy, forgery, intentional omissions, false statements or transgressions of internal control, the risk of failing to detect material misstatements resulting from fraud is higher than the risk of failing to identify those coming from errors.
2. Achieved the necessary understanding of the internal control relevant to auditing verifications in order to design the auditing procedures appropriate for the given context. Nevertheless, the purpose of this is not to express an opinion on the effectiveness of Huaku Development Group's internal control.
3. Evaluated the appropriateness of the accounting policies adopted by the management and the reasonableness of its accounting estimates and relevant disclosures.
4. Formed a conclusion pertaining to the appropriateness of the accounting basis of going concern adopted by the management of Huaku Development Group; determined whether material uncertainty exists or not on events or conditions which may significantly impact the going concern of Huaku Development Group. If we thought such material uncertainty existed for such events or conditions, we must point it out in the auditors' report to remind users of the consolidated financial statements to look out for related disclosures

in the consolidated financial statements, or to revise our audit opinions if such disclosures were inappropriate. Our conclusion was established according to the audit evidence obtained by the date of the auditors' report. However, future events or conditions may cause Huaku Development Group to lose the capacity of going concern.

5. Evaluated the overall expression, structure and contents of the consolidated financial statements (including relevant Notes), and whether the consolidated financial statements fairly represent relevant transactions and events.
6. Obtained sufficient and appropriate audit proof of the financial information of the Group's constituents so as to express opinions on the consolidated financial statements. We were responsible for guiding, supervising, and executing the audit work for the Group's financial statements and also establishing the auditors' opinion.

We communicated with the governance units on the planned audit range and time, as well as material audit discoveries (including significant internal control defects found in the audit process).

We provided the governance units with a statement assuring the personnel of our accounting firm who are subject to independent regulations had acted according to the Norm of Professional Ethics for Certified Public Accountant of the Republic of China to remain neutral and also communicated with them about all relations and other matters (including related preventive measures) that could affect the independence of certified public accountants.

Based on the result of our discussion with the governance units, we decided on the matters to be regarded as key audit matters when auditing the 2025 consolidated financial statements of Huaku Development Group. We have clearly described the said matters in the auditors' report, except certain matters whose public disclosure is prohibited by law, or certain matters we decided not to communicate under extremely rare circumstances because disclosure of such matters can be reasonably expected to lead to negative effects that would be greater than the public good they might bring.

PwC Taiwan

Wang, Fang-Yu

CPA

Lin Chia-Hung

Financial Supervisory Commission

Approval Document, Reference No.:

Jin-Guan-Zheng-Shen Zi No. 1030027246

Jin-Guan-Zheng-Shen Zi No. 1080323093

February 25, 2026

Appendix VIII

Huaku Development Co., Ltd. and Subsidiaries Consolidated Balance Sheet December 31, 2025 and 2024

Unit: NT\$ thousands

	Assets	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	6 (1)	\$ 7,668,970	14	\$ 3,754,611	7
1110	Financial assets at fair value through profit or loss - current	6 (2)	7,703	—	13,385	—
1136	Current financial assets measured at amortized cost		—	—	2,000,000	4
1150	Notes receivable, net	6 (3)	120,421	—	109,193	—
1170	Accounts receivable, net	6 (3) (13) and 8	191,381	—	111,253	—
1200	Other receivables	6 (13) and 8	173,279	—	12,566	—
130X	Inventories	6 (4)(5) and 8	39,843,079	74	43,989,380	78
1410	Prepayments		299,613	1	204,350	—
1470	Other current assets	6 (6) and 8	3,454,936	6	3,673,409	7
11XX	Total current assets		<u>51,759,382</u>	<u>95</u>	<u>53,868,147</u>	<u>96</u>
	Non-current assets					
1550	Investment accounted for using the equity method	6 (7)	80,026	—	68,472	—
1600	Property, Plant, and Equipment		331,307	1	281,540	—
1755	Right-of-use assets		12,282	—	39,875	—
1760	Investment properties, net	6 (8) and 8	241,343	—	245,501	—
1840	Deferred income tax assets	6 (26)	24,076	—	24,449	—
1900	Other non-current assets	6 (3) (13) and 8	1,808,665	4	1,974,706	4
15XX	Total non-current assets		<u>2,497,699</u>	<u>5</u>	<u>2,634,543</u>	<u>4</u>
1XXX	Total assets		<u>\$ 54,257,081</u>	<u>100</u>	<u>\$ 56,502,690</u>	<u>100</u>

(Continued on Next Page)

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2025 and 2024

Unit: NT\$ thousands

	Liability and equity	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6 (9)	\$ 10,729,667	20	\$ 16,778,327	30
2110	Short-term notes and bills payable	6 (10)	—	—	349,706	1
2130	Contract liabilities - current	6 (19)	6,809,663	13	6,011,865	11
2150	Notes payable		13,949	—	17,019	—
2170	Accounts payable	7	2,644,106	5	1,851,572	3
2200	Other payables		630,259	1	385,317	1
2230	Current income tax liabilities		768,907	1	364,132	1
2280	Lease liabilities - current		9,815	—	19,532	—
2320	Long-term liabilities due within one year or one operating cycle	6 (13)	1,376,305	2	1,318,265	1
2399	Other current liabilities - others	6 (11)	414,514	1	112,714	—
21XX	Total current liabilities		<u>23,397,185</u>	<u>43</u>	<u>27,208,449</u>	<u>48</u>
	Non-current liabilities					
2500	Financial liabilities measured at fair value through profit or loss		29,800	—	60,600	—
2530	Bonds payable	6 (12)	5,515,674	10	5,386,521	10
2540	Long-term loans	6 (13)	2,807,036	5	2,898,065	5
2570	Deferred income tax liabilities	6 (26)	9,354	—	9,420	—
2580	Lease liabilities - non-current		4,986	—	24,050	—
2600	Other non-current liabilities	6 (14)	70,461	—	63,302	—
25XX	Total non-current liabilities		<u>8,437,311</u>	<u>15</u>	<u>8,441,958</u>	<u>15</u>
2XXX	Total liabilities		<u>31,834,496</u>	<u>58</u>	<u>35,650,407</u>	<u>63</u>
	Equity attributable to owners of the parent company					
	Share capital	6 (15)				
3110	Share capital from common stock		3,197,187	6	3,044,940	5
	Additional paid-in capital	6 (12) (16)				
3200	Additional paid-in capital		820,040	2	818,985	2
	Retained earnings	6 (17)				
3310	Legal reserves		4,793,936	9	4,655,875	8
3350	Unappropriated retained earnings		13,569,216	25	12,288,638	22
	Other equity interest	6 (18)				
3400	Other equity interest		35,743	—	35,984	—
3500	Treasury stocks	6 (15)	(850)	—	(850)	—
31XX	Total equity attributable to owners of the parent company		<u>22,415,272</u>	<u>42</u>	<u>20,843,572</u>	<u>37</u>
36XX	Non-controlling interests		<u>7,313</u>	<u>—</u>	<u>8,711</u>	<u>—</u>
3XXX	Total equity		<u>22,422,585</u>	<u>42</u>	<u>20,852,283</u>	<u>37</u>
	Material commitments or contingencies	9				
3X2X	Total liabilities and equity		<u>\$ 54,257,081</u>	<u>100</u>	<u>\$ 56,502,690</u>	<u>100</u>

Chairman: Chung, Long-Chang/Frank Chung

Manager: Jason Hung

Accounting Supervisor: Liu, Jo-Mei

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousands

(except for earnings per share in New Taiwan Dollars)

	Item	Notes	2025		2024	
			Amount	%	Amount	%
4000	Operating revenue	6 (19) and 7	\$18,238,702	100	\$7,212,415	100
5000	Operating costs	6 (20) (21) and 7	(13,090,990)	(72)	(4,630,768)	(64)
5900	Gross profit		5,147,712	28	2,581,647	36
	Operating expenses	6 (20) (21) and 7				
6100	Selling expenses		(416,636)	(1)	(202,158)	(3)
6200	Administrative expenses		(750,723)	(4)	(480,344)	(7)
6000	Total operational expenses		(1,167,359)	(5)	(682,502)	(10)
6900	Operating profit		3,980,353	23	1,899,145	26
	Non-operating income and expenses					
7100	Interest income	6 (22)	107,979	1	94,457	1
7010	Other income	6 (23)	108,994	1	30,043	—
7020	Other gains and losses	6 (24)	30,828	—	(51,509)	—
7050	Financial cost	6 (25)	(156,878)	(1)	(148,247)	(2)
7060	Share of profit (loss) of associates and joint ventures accounted for using the equity method	6 (7)	19,411	—	11,349	—
7000	Total non-operating income and expenses		110,334	1	(63,907)	(1)
7900	Pre-tax profit		4,090,687	24	1,835,238	25
7950	Income tax expense	6 (26)	(849,281)	(5)	(445,663)	(6)
8200	Net income		\$ 3,241,406	19	\$1,389,575	19
	Other comprehensive income (net)					
	Other comprehensive income					
8311	Remeasurements from defined benefit plans	6 (14)	\$4,931	—	\$(14,568)	—
8349	Income tax related to items not reclassified	6 (26)	(987)	—	2,914	—
	Items that may be reclassified to profit or loss		3,944	—	(11,654)	—
8361	Exchange differences on translation of foreign financial statements		(377)	—	37,569	1
8399	Income tax associated with items that may be reclassified	6 (18) (26)	60	—	(6,011)	—
8360	Total amount of items that may be reclassified to profit of loss		(317)	—	31,558	1
8300	Other comprehensive income (net)		\$ 3,627	—	\$ 19,904	1
8500	Total comprehensive income		\$ 3,245,033	19	\$1,409,479	20
	Profit attributable to:					
8610	Owners of parent company		\$ 3,241,660	19	\$1,392,271	19
8620	Non-controlling interests		(254)	—	(2,696)	—
			\$ 3,241,406	19	\$1,389,575	19
	Total comprehensive income attributable to:					
8710	Owners of parent company		\$ 3,245,363	19	\$1,404,661	20
8720	Non-controlling interests		(330)	—	4,818	—
			\$ 3,245,033	19	\$1,409,479	20
	Basic earnings per share	6 (27)				
9750	Basic earnings per share		\$	10.15	\$	4.36
	Diluted earnings per share	6 (27)				
9850	Diluted earnings per share		\$	8.79	\$	4.35

Chairman: Chung, Long-Chang/Frank Chung Manager: Jason Hung Accounting Supervisor: Liu, Jo-Mei

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousands

	Notes	Equity attributable to owners of the parent company												
		Additional paid-in capital					Retained earnings			Exchange differences on translation of foreign financial statements	Treasury stocks	Total	Non-controlling interests	Total equity
		Share capital from common stock	Premium of convertible corporate bonds	Stock warrants	Treasury stock transactions	Others	Legal reserves	Unappropriated retained earnings						
2024														
Balance as of January 1		\$2,768,127	\$ 46,100	\$ —	\$ 32,559	\$ 2,068	\$ 4,297,756	\$ 13,619,049	\$11,940	\$ (850)	\$ 20,776,749	\$ 18,488	\$ 20,795,237	
Consolidated net income		—	—	—	—	—	—	1,392,271	—	—	1,392,271	(2,696)	1,389,575	
Other comprehensive income	6 (18)	—	—	—	—	—	—	(11,654)	24,044	—	12,390	7,514	19,904	
Total comprehensive income		—	—	—	—	—	—	1,380,617	24,044	—	1,404,661	4,818	1,409,479	
Appropriation and distribution of retained earnings	6 (17)													
Legal reserves		—	—	—	—	—	358,119	(358,119)	—	—	—	—	—	
Cash dividends		—	—	—	—	—	—	(2,076,096)	—	—	(2,076,096)	—	(2,076,096)	
Stock Dividends		276,813	—	—	—	—	—	(276,813)	—	—	—	—	—	
Cash dividends received by subsidiaries from the parent company		—	—	—	1,308	—	—	—	—	—	1,308	—	1,308	
Recognition of equity components arising from the issuance of convertible bonds—stock warrants		—	—	737,089	—	—	—	—	—	—	737,089	—	737,089	
Recognition of Changes in Ownership of Subsidiaries		—	—	—	—	(139)	—	—	—	—	(139)	—	(139)	
Changes in non-controlling interests		—	—	—	—	—	—	—	—	—	—	(14,595)	(14,595)	
Balance as of December 31,		\$3,044,940	\$ 46,100	\$ 737,089	\$ 33,867	\$ 1,929	\$ 4,655,875	\$ 12,288,638	\$35,984	\$ (850)	\$ 20,843,572	\$ 8,711	\$ 20,852,283	
2025														
Balance as of January 1		\$3,044,940	\$ 46,100	\$ 737,089	\$ 33,867	\$ 1,929	\$ 4,655,875	\$ 12,288,638	\$35,984	\$ (850)	\$ 20,843,572	\$ 8,711	\$ 20,852,283	
Consolidated net income		—	—	—	—	—	—	3,241,660	—	—	3,241,660	(254)	3,241,406	
Other comprehensive income	6 (18)	—	—	—	—	—	—	3,944	(241)	—	3,703	(76)	3,627	
Total comprehensive income		—	—	—	—	—	—	3,245,604	(241)	—	3,245,363	(330)	3,245,033	
Appropriation and distribution of retained earnings	6 (17)													
Legal reserves		—	—	—	—	—	138,061	(138,061)	—	—	—	—	—	
Cash dividends		—	—	—	—	—	—	(1,674,718)	—	—	(1,674,718)	—	(1,674,718)	
Stock dividends		152,247	—	—	—	—	—	(152,247)	—	—	—	—	—	
Cash dividends received by subsidiaries from the parent company		—	—	—	1,055	—	—	—	—	—	1,055	—	1,055	
Changes in non-controlling interests		—	—	—	—	—	—	—	—	—	—	(1,068)	(1,068)	
Balance as of December 31		\$3,197,187	\$ 46,100	\$ 737,089	\$34,922	\$ 1,929	\$ 4,793,936	\$ 13,569,216	\$35,743	\$ (850)	\$ 22,415,272	\$ 7,313	\$ 22,422,585	

Chairman: Chung, Long-Chang/Frank Chung

Manager: Jason Hung

Accounting Supervisor: Liu, Jo-Mei

Huaku Development Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to December 31, 2025 and 2024

Unit: NT\$ thousands

	Notes	2025	2024
<u>Cash flow from operating activities</u>			
Current net profit before tax		\$ 4,090,687	\$1,835,238
Adjusted items			
Income and expense items			
Share of profit (loss) of associates and joint ventures accounted for using the equity method	6 (7)	(19,411)	(11,349)
Amortization	6 (20)	2,783	2,212
Depreciation expenses	6 (20)	66,203	26,339
Losses on financial liabilities measured at fair value through profit or loss	6 (24)	(30,800)	20,200
Interest expense	6 (25)	156,878	148,247
Interest income	6 (22)	(107,979)	(94,457)
Loss on disposal of property, plant, and equipment	6 (24)	434	6
Loss on disposal of investment property	6 (24)	—	3,700
Loss on disposal of investments	6 (24)	—	27,736
Gains from lease modifications	6 (24)	(240)	—
Changes in assets and liabilities relating to operating activities			
Net change in assets relating to operating activities			
Financial assets measured at fair value through profit or loss		5,681	18,886
Notes and accounts receivable, net		(94,059)	(51,833)
Other receivables		(160,713)	(1,569)
Inventories		4,610,190	(7,179,724)
Prepayments		(95,262)	(95,255)
Restricted deposits		652,101	(962,064)
Other current assets		(72,611)	(398,798)
Deferred income tax assets		373	(219)
Long-term installment accounts receivable		232,932	260,319
Net change in liabilities relating to operating activities			
Notes payable		(3,070)	(8,898)
Accounts payable		792,534	178,082
Other payables		244,942	(131,810)
Contract liabilities		797,798	2,286,785
Advance receipts		3,878	15,121
Other current liabilities		297,917	(87,776)
Other non-current liabilities		(5,945)	20,648
Deferred income tax liabilities—current		(66)	5,908
Cash inflow generated from operations		11,365,175	(4,174,325)
Dividends received		5,613	6,661
Interest received	6 (22)	107,979	94,457
Interest paid		(491,320)	(425,911)
Income tax paid		(445,123)	(400,677)
Cash inflow (outflow) from operating activities, net		10,542,324	(4,899,795)
<u>Cash flow from investment activities</u>			
Disposal (acquisition) of financial assets measured at amortized cost		2,000,000	(2,000,000)
Proceeds from the disposal of investments		—	17,888
Proceeds from acquisition of property, plant, and equipment		(96,977)	(90,185)
Proceeds from disposal of investment property		—	4,124
Decrease (increase) in other non-current assets		2,326	(1,183)
Increase in refundable deposits		(444,243)	(95,458)
Decrease in refundable deposits		13,929	186,394
Cash (outflow) inflow from investment activities, net		1,475,035	(1,978,420)
<u>Cash flow from financing activities</u>			
Borrowing of short-term loans	6 (28)	7,485,548	18,685,857
Short-term loans repaid	6 (28)	(13,534,208)	(14,020,000)
Increase in short-term bills payable	6 (28)	1,750,000	1,250,000
Decrease in short-term bills payable	6 (28)	(2,100,000)	(900,000)
Issuance of Corporate Bonds	6 (28)	—	6,131,722
Long-term loans borrowed	6 (28)	1,687,360	1,538,402
Long-term loans repaid	6 (28)	(1,720,349)	(1,453,608)
Redemption of lease principal	6 (28)	(16,297)	(9,818)
Increase in guarantee deposits received	6 (28)	25,000	16,315
Decrease in guarantee deposits received	6 (28)	(8,600)	(32,760)
Changes in non-controlling interests		(1,068)	(14,595)
Cash dividends paid—parent company	6 (17) (28)	(1,674,718)	(2,076,096)
Cash inflow (outflow) from financing activities, net		(8,107,332)	9,115,419
Impacts on cash and cash equivalents from changes in exchange rates		4,332	3,901
Increase in cash and cash equivalents for the period		3,914,359	2,241,105
Cash and cash equivalents at the beginning of the period		3,754,611	1,513,506
Cash and cash equivalents at the end of the period		\$7,668,970	\$3,754,611

Chairman: Chung, Long-Chang/Frank Chung

Manager: Jason Hung

Accounting Supervisor: Liu, Jo-Mei

Appendix IX**Huaku Development Co., Ltd.
2025 Annual Profit Distribution Table**

Unit: NT\$

Items	Amount
Undistributed profit at the beginning of the period	10,323,612,388
Plus: Net profit after tax for the period	3,241,659,732
Plus: Confirmed actual profit and loss of welfare plan	3,943,815
Undistributed profit after adjustment	3,245,603,547
Minus: Allocate 10% of profit as legal reserve	(324,560,355)
Distributable profit	13,244,655,580
Minus: Shareholder bonus - Cash (NT\$8.0 per share)	(2,557,749,576)
Minus: Shareholder bonus - Stocks (NT\$0.5 per share)	(159,859,340)
Undistributed profit at the end of the period	10,527,046,664

Note: Priority distribution of 2025 annual profit

Chairman: Chung,Long-Chang

General Manager: Hung,Chia-Sheng

Accounting Supervisor: Liu,Jo-Mei

Appendix X

Huaku Development Co., Ltd.

Articles of Incorporation

Passed by the Shareholders' Meeting on 2025.05.28

Chapter I: General Provisions

- Article 1: The Company is duly incorporated in accordance with the Company Act and bears the title of "HUAKU DEVELOPMENT CO., LTD.," or known as "HUAKU" in short.
- Article 2: The Company is engaged in the following businesses:
- I. Commissioning for the construction of industrial plants, resident buildings and commercial buildings for lease and sale.
 - II. Interior decoration.
 - III. Trading, import and export of materials and machinery.
 - IV. Commissioning for the construction of industrial plants and warehouses on general purpose industrial land for leasing and sale.
 - V. ZZ99999 Any other business not prohibited or restricted by law except for a business requiring special permission.
- Article 2-1: The Company may act as a guarantor in favor of a third party for business needs.
- Article 2-2: The total direct investment of the Company is not governed by the limits set forth in Article 13 of the Company Act that "cannot exceed 40% of the paid-in capital of the Company."
- Article 3: The Company is headquartered in Taipei, and may establish branches at home and abroad with the approval of the Board of Directors where necessary.
- Article 4: Deleted

Chapter II: Shares

- Article 5: The Company has an authorized capital of NT\$5,000,000,000 evenly distributed into 500,000,000 shares at NT\$10/share, which will be issued in tranches by the Board of Directors under authorization.
- Article 6: The share certificates of the Company are all name-bearing, numbered and signed or stamp-sealed by directors representing the Company, and are issued upon the authentication by the bank permitted by law to serve as the registrar for issuance of stocks. Shares of the Company is exempted from actual printing but shall be registered with the Taiwan Depository and Clearing Corporation.
- Article 7: Any changes in the particulars inscribed in the Shareholder Registry is prohibited within the period of 60 days prior to the scheduled date of a regular session or 30 days prior to the scheduled date of a special session of the Shareholders Meeting, or 5 days prior to the dividend day or payment day of the bonus or other benefits by the Company.
- Article 8: Share registration and transaction shall be made with the share registration and investor

services agent appointed by the Company in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 9: (Deleted)

Article 10: (Deleted)

Article 11: (Deleted)

Chapter III: Shareholders Meeting

Article 12: The Shareholders Meeting consists of regular session and special session. A regular session shall be convened once a year within 6 months after the end of the fiscal year. A special session shall be convened at any time where necessary under the law.

Shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority. When via the means of visual communication network, these shareholders attending meetings via video conference are deemed attending in person.

Notification for regular sessions shall be made 30 days in advance. Notifications for special session shall be made 15 days in advance. Notifications shall include the information on the time and date, and the agenda. Shareholders holding less than 1000 shares may be notified through announcement.

Article 12-1: Shareholders holding more than 1% of the outstanding shares of the Company may propose for motions in the regular session of the Shareholders' Meetings but each shareholder may propose one motion only and all other motions proposed will not be put in the agenda. The procedure shall be governed by the Company Act and other applicable laws.

Article 13: If a specific shareholder cannot attend a session in person, such shareholder may appoint a proxy to attend the session with the issuance of a power of attorney specifying the scope of authorization in accordance with Article 177 of the Company Act.

Shareholders who elect to vote via electronic means shall be construed as attending the session in person. Related matters shall be governed by the applicable laws.

Article 14: The Chairman shall preside over the sessions of the Shareholders' Meetings. In the absence of the Chairman due to leave or other reasons, a proxy shall act on behalf of and in the name of the Chairman to the appointment of the Chairman. If no proxy has been appointed, the Directors shall appoint one amongst themselves to preside over the session.

Article 15: The following shall be subject to the final approval of the Shareholders' Meeting:

1. Establishment of or amendment to the Articles of Incorporation.
2. Appointment or Dismissal of Directors.
3. Review or ratification of the statements and reports prepared by the Board of Directors.
4. Acquisition or merger with domestic or foreign companies or enterprises.
5. The dissolution, merger, spinoff and liquidation of the Company.
6. The assignment or lease of all or the principal portion of the business or property of

the Company.

7. Appropriation for covering carryforward loss, distribution of earnings, dividends or other important matters of the Company.
8. Any others required for the approval at the Shareholders' Meeting under law.

Article 16: Each shareholder is entitled to one vote for each share of holdings except for the shares under restriction or as specified in Paragraph 2, Article 179 of the Company Act.

Article 17: Resolutions of the Shareholders Meeting shall be made by a session in the presence of shareholders representing more than half of the outstanding shares and a simple majority of the shareholders in session unless the law specifies otherwise.

Article 18: All resolutions of the Shareholders Meeting shall be tracked on record and stated as an integral part of the minutes of meeting on record, signed/sealed for confirmation by the Chairman, and with the time and place of the meeting, the name of the chairman of the session, the method of resolution, the summary of the procedure, and the results stated, and shall be released to the shareholders within 20 days after the meeting.

The aforementioned minutes of meeting on record may be prepared and released by announcement. The sign-in registry and the power of attorney for attending the session shall be kept at the Company.

Chapter IV: Directors and Auditing Committee

Article 19: The Board of Directors of a company shall have 9 to 11 directors, election of the Company's directors shall adopt the candidate nomination system referred to in Article 192-1 of the Company Act, and candidates shall be elected by the Shareholders' Meeting from among the nominees listed in the roster of director candidates, the term of service is three years and they can be re-elected. The executive duties of directors shall be extended until the re-election if their term expires before the re-election. Among the abovementioned directors, there should be at least three independent directors.

The election of independent and non-independent directors should be held together, and the number of people elected is counted separately.

Article 19-1: The Company has established the Auditing Committee pursuant to Article 14-4 of the Securities and Exchange Act. The committee members shall include all Independent Directors. The composition, authority and responsibility of the members and related matters of the Auditing Committee shall be governed by applicable laws. The organization code of the committee shall be determined by the Board of Directors separately.

Article 20: The Directors shall be organized into the Board of Directors and one of whom shall be elected as the Chairman and another shall be elected as the Vice Chairman pursuant to Article 208 of the Company Act. The Chairman and the Vice Chairman shall carry out the decisions of the Shareholders Meeting and the Board of Directors under law.

Article 21: The functions of the Board of Directors are specified below:

1. The appointment, dismissal and remuneration to the managers of the Company.
2. The establishment and cancellation of branches.

3. Proposal to the amendment to the Articles of Incorporation.
4. The approval or proposal of the assignment, lease, exchange, pledge, mortgage, or any other means of disposition of all or the principal portion of the operation and property of the Company.
5. The approval of the regulations governing the performance bonus of the employees, and the proposal of the distribution of earnings, dividends and remuneration.
6. The approval of the direct investment of the Company.
7. Any other empowerment under the law and the Shareholders' Meeting.

Article 22: The Chairman shall call for the Board of Directors sessions, or the Chairman shall call for a session at the request of more than half of the Directors. The Chairman shall preside over all sessions of the Board of Directors. In the absence of the Chairman due to leaves or other reasons, a proxy shall act on behalf of and in the name of the Chairman to the appointment of the Chairman. If no proxy is appointed, the Directors shall appoint one amongst themselves to preside over the session. Directors shall attend the sessions of the Board of Directors in person. If a specific Director cannot attend a session in person, such Director may appoint another Director as the proxy to attend the session. Each Director may act as the proxy of only one other Director.

The session of the Board of Directors may be held through video conferencing. Directors participating in the video conference shall be construed as attending the session in person. Notification of Board of Directors sessions may be made by fax or e-mail.

Article 23: Resolutions of the Board of Directors shall be made by Directors in a session with the presence of more than half of the Directors and the vote by a simple majority of the Directors unless the Company Act specified otherwise. All resolutions shall be confirmed by the Chairman by affixing its authorized signature/seal thereunto. The sign-in registry, the power of attorney for attendance by proxy shall be kept as an integral part of the minutes of meeting on record.

Article 23-1: The remuneration to the Directors will be determined by the Board of Directors under authorization commensurate with the level of participation in the operations and their contribution value to the Company.

Chapter V: The managers and the employees

Article 27: (Deleted)

Article 28: The Company shall appoint several managers and the appointment, dismissal and remuneration of these managers shall be determined in accordance with Article 29 of the Company Act.

Chapter VI: Accounting

Article 29: The accounting period of the Company starts on January 1 and ends on December 31 of each calendar year. The Directors shall prepare the following statements and reports at the end of the fiscal year and present them to the Shareholders Meeting for ratification.

1. Business Report.
2. Financial Statement.
3. Proposal for the distribution of earnings or appropriation for covering carry forward loss.

Article 29-1: If the Company has earnings in the year, appropriate 3% -5% as remuneration to the employees, and no more than 2% as remuneration to the Directors. If the Company has carry forward loss, appropriate to cover the amount of loss and make other appropriations on the remainder.

Among the amount of employee remuneration mentioned in the preceding paragraph, no less than 3% shall be allocated as remuneration for entry-level 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.

The remuneration to the employees and the Directors shall be governed by applicable laws and determined by the Board of Directors.

Article 30: 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. 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 authorized paid-in capital. For the amounts of the Company's accumulated net deductions of other interests and net additions to the fair value of the investment properties in accounts of the term, the special reserves of the same amounts shall be set aside from the undistributed earnings from previous terms. Deficit, if any, will be made up from other the after-tax net profit of the term, plus items other than the after-tax net profit of the term to be accounted for the undistributed earnings of the them, to be set aside or reserved, and the remaining amount is the distributable earnings of the term; if there is still a balance, pool it up with the undistributed earnings of the previous year and the total shall be the earnings available for distribution. 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.

Chapter VII: Miscellaneous

Article 31: Anything not mentioned in the Articles of Incorporation shall be governed by the Company Act and other applicable laws.

Article 32: The Articles of Incorporation shall become effective at the resolution of the Shareholders Meeting. The same procedure is applicable to any amendment thereto. The Articles of Incorporation were duly instituted on 1989.03.22.

Amended for the 1st instance on 1992.11.16

Amended for the 2nd instance on 1992.11.21

Amended for the 3rd instance on 1993.01.15

Amended for the 4th instance on 1995.05.20

Amended for the 5th instance on 1995.08.21

Amended for the 6th instance on 1997.06.05

Amended for the 7th instance on 1997.10.29

Amended for the 8th instance on 1998.04.21

Amended for the 9th instance on 2000.03.30

Amended for the 10th instance on 2001.04.10

Amended for the 11th instance on 2002.05.17

Amended for the 12th instance on 2004.04.30

Amended for the 13th instance on 2005.04.28

Amended for the 14th instance on 2006.05.24

Amended for the 15th instance on 2007.06.12

Amended for the 16th instance on 2010.05.26

Amended for the 17th instance on 2011.05.18

Amended for the 18th instance on 2012.06.05

Amended for the 19th instance on 2016.06.08

Amended for the 20th instance on 2017.06.07

Amended for the 21th instance on 2019.05.28

Amended for the 22th instance on 2020.05.26

Amended for the 23rd instance on 2022.05.31

Amended for the 24th instance on 2023.05.24

Amended for the 25th instance on 2025.05.28

Appendix XI

Huaku Development Co., Ltd. **Rules of Procedure for Shareholders Meetings**

Passed by the Shareholders' Meeting on 2022.05.31

Article 1: The parliamentary procedure of the Shareholders' Meeting shall be governed by This Procedure.

Article 2: Shareholders as referred to in the Rules are the shareholders themselves, proxy solicitors, and proxy agents

Article 3: The Company shall specify the time and place for the registration for attending the sessions of the Shareholders' Meeting and other particulars for attention in the meeting's notice.

The aforementioned span of time for registration of those attending the Shareholders' Meeting shall be 30 minutes before the scheduled time of the session. Signs should be properly posted at the spot for registration with the appointment of sufficient personnel to perform the duties. Shareholders attending the session in person shall present their attendance card in lieu of the sign-in for registration.

The attendance of the shareholders shall be calculated on the basis of the number of shares being represented.

The number of shares for attending the session shall be calculated on the basis of the number of shares specified in the attendance cards submitted for registration to the session and shares accepted at the video conference platform, plus the number of shares for exercising voting rights by correspondence or electronic means.

The Company shall track the entire procedure of a session of the Shareholders' Meeting from the time of registration of the shareholders, the session in progress, the voting process by continued and uninterrupted voice recording and videotaping.

The aforementioned voice and audiovisual records shall be kept for at least 1 year. If a legal action is instituted pursuant to Article 189 of the Company Act, the aforementioned records shall be kept until the conclusion of the legal action.

Article 4: If the shareholders representing more than half of the outstanding shares are present at the exact time scheduled for the session, the Chairman shall announce for the commencement of the session. If the attendance of the shareholders at the point of time representing less than a simple majority of the outstanding shares, the Chairman shall announce f an extension of the starting time of the session. If the starting time for the session has been extended twice and the shareholders attending the session represent only 1/3 of the outstanding shares, the Chairman shall declare the meeting adjourned; for the shareholders' meetings convened in the manner of video conference, the Company

shall also announce the meetings adjourned at the video conference platform for the shareholders' meetings. For the postponement referred in the preceding paragraph, Article 175 of the Company Act may apply.

Article 5: Where the Shareholders' Meeting is convened by the Board of Directors, the agenda shall be decided by the Board of Directors, and the related motions (including extraordinary motions and amendments to motions) shall be voted one by one. The agenda shall be proceed accordingly, which is not allowed to be changed without a resolution rendered by the Shareholders' Meeting.

Article 6: If the session of the Shareholders Meeting was called by the Board of Directors, the Chairman shall preside over the session. In the absence of the Chairman due to leave or for other reasons, the Chairman shall appoint a Director to act as the proxy. If the Chairman has not appointed a proxy, the Directors shall appoint one amongst themselves to preside over the session.

To be eligible for appointment to preside over the session of the Shareholders Meeting, the Director must be in office for at least 6 months with a good understanding of the financial position and operations of the Company. The same criteria shall be applicable to an Institutional Director appointed to preside over the session.

The Company may appoint the lawyers, certified public accountants, or related personnel to attend the Shareholders Meeting as observers.

The Chairman may announce a break time within the duration of the session.

Article 7: The shareholders present in the session shall fill in the message memo specifying the summary of the speech they are going to present at the session, the attendance number, and account title, and present the memo to the Chairman for the arrangement of the order of taking the floor to present the speech. After a shareholder in session has presented the speech, the Chairman shall respond to the speech in person or appoint a concerned personnel to respond to the speech.

Article 8: Each shareholder may have 5 minutes for the speech and may have an extra 3 minutes with the permission of the Chairman. The Chairman may interrupt the speech if it takes longer than the permitted span of time.

Article 9: Each shareholder may not have the floor for presenting their opinions more than twice on the same motion.

Article 9-1: Where the Company convenes the video shareholders' meetings, the shareholders attending in the manner of video conference may inquire with text at the video conference platform of the meeting since the chair announcing the meeting commencement till the adjournment. No more than two inquiries shall be raised for each proposal, and the maximum length is 200 words.

- Article 10: If a specific shareholder goes beyond the scope of the topic of its speech, or causes disturbance to the order of the session, the Chairman shall stop such shareholder or interrupt the speech. Other shareholders may also request the Chairman to stop the action of such shareholder.
- Article 11: When discussing a motion, the Chairman shall give the chance to allow thorough statement and discussion. When the Chairman is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, he/shall may announce the discussion closed and bring the matter to vote, and set the adequate voting schedule.
- Article 11-1: Where the Company convenes the video shareholders' meetings, the shareholders attending in the manner of video conference shall vote via the video conference platform to each proposal and election after the Chairman declares the meeting commencement. Such voting shall be completed before the Chairman declares the end of voting; anyone misses the deadline is deemed abstention. Where the Company convenes the video shareholders' meetings, the votes shall be calculated at once upon the end of voting declared by the chair, and announce the results of voting or elections.
- Article 12: When the Company convenes the Shareholders' Meeting, the voting of a motion may be made by correspondence or electronic means. A motion shall be deemed passed by the consent representing a simple majority of the shareholders in session unless the Company Act or other applicable laws and the Articles of Incorporation of the Company provide otherwise. At the time of voting, the Chairman or the designated personnel shall announce the votes represented by all shareholders in the session, followed by the casting of votes by the shareholders on each of the motions. Each shareholder is entitled to one vote. Unless otherwise stated to be under restriction or shares without voting rights as stated in Paragraph 2, Article 179 of the Company Act.
- The votes on a motion will be counted at the venue of the Shareholders Meeting and the results shall be announced on the scene, including the total votes counted, and tracked on record.
- Article 12-1: Where the shareholders' meeting are convened in the manner of video conference, the Company shall disclose the voting result of each proposal and election results at the video conference platform for the shareholders' meeting in realtime, and retain the disclosure at least 15 minutes after the chair declares adjournment.
- Article 13: In the event of force majeure within the duration of the session that caused an interruption, the session shall be halted and the Chairman shall determine the means for continuing the session.
- Article 14: Anything not mentioned in This Procedure shall be governed by the Company Act, the Articles of Incorporation and other applicable laws.
- Article 15: This Procedure shall be passed by the Board of Directors and presented to the Shareholders' Meeting for ratification for coming into force. The same procedure is applicable to any amendments thereto.

Appendix XII

Huaku Development Co., Ltd. **Regulations Governing the Election of Directors**

Passed by the Shareholders Meeting on June 8, 2016

Article I Reference and Scope

These Regulations shall govern the election of Directors of the Company where applicable and within the scope of application.

Article II Election of Directors

The election of Directors of the Company shall be held by the Shareholders' Meeting.

Article III Open Balloting in Election

Election of Directors of the Company shall be held by open balloting with cumulative votes to determine the winners.

Article IV Election Rules

In the election of Directors of the Company, the holder of each share shall be entitled to the number of votes equivalent to the number of seats for the Directors to be elected. The Company will prepare ballots equivalent to the number of seats for the Directors with the weight specified and released to the shareholders attending the Shareholders' Meeting. The votes may be cast in favor of a particular candidate or distributed among different candidates.

The election of Independent Directors will be held simultaneously with the Directors and the votes will be counted separately for the winning candidates.

Article V Rules for Director-Elect

The seats of Directors of the Company shall be specified in the Articles of Incorporation of the Company. Votes for the candidates will be counted separately for candidates to the seats of Independent Directors and Directors. Candidates who won the majority of the votes will be elected to the seats in descending orders. If two candidates received the same number of votes but there are no more seats for Directors available, the two candidates shall be chosen to the seats through lot drawing by the Presiding Officer of the Shareholders' Meeting.

Article VI Preparation of ballots

The ballots shall be inscribed with the Shareholders' Meeting Pass number, the number of votes entitled, and affixed with the official seal of the Company.

Article VII Matters pertinent to the election

The Presiding Officer shall, at the beginning of the elections, appoint the scrutineers and tally keepers to monitor and count the votes. Scrutineers must be shareholders.

Article VIII Preparing the ballot box

The Company shall prepare the ballot box, which will be opened by the scrutineers in public for inspection before balloting.

Article IX If the candidates in the elections are also shareholders, voters shall put down the account title and account number in the field of “Candidate” of the ballot. If the candidates are not shareholders, put down the names and identity certification number of the candidates. Where the governments or institutional shareholders may be the candidates to the seats of Directors, put down the name of the government agency or the institutions in the field of Candidate of the ballot. The names of the representatives should also be marked down. If there are several representatives, put down their names one-by-one.

Candidates must be competent under the law.

Article X Invalid votes

A ballot shall be invalid if any of the following applies:

I.The ballot used is not governed by these Regulations.

II.Blank ballots in the ballot box.

III.The handwriting is blurred that cannot be identified or be marked for correction.

IV.If the candidate is a shareholder, the account title and account number marked on the ballot are not relevant with the record of the shareholders’ roster. If the candidate is not a shareholder, the name and identity certification document were proved to be irrelevant.

V.Two or more candidates were put down on the same ballot.

VI.Other wording was marked on the ballot in addition to the account title (name) and account number (identity certification number) of the candidate.

VII.The name of the candidate marked on the ballot is identical with another shareholder but no account title or identity certification number was marked down for identification.

VIII.The total votes cast by the voters are more than the total number of votes in the elections.

Article XI Deleted

Article XII Counting the votes and announcement of results

The tally keepers shall count the votes as witnesses of the scrutineers. The Presiding Officer shall announce the results and the list of candidates elected to the seats of Directors and the votes earned.

Article XIII Implementation and amendment

This Regulations shall come into full force after passing by the Shareholders’ Meeting. The same procedure is applicable to any amendments thereto.

Article XIV Miscellaneous

Anything not covered in These Regulations shall be governed by the Company Act, the Articles of Incorporation of the Company and other applicable laws.

Appendix XIII

Huaku Development Co., Ltd.

Directors' Shareholdings

(I) As of the book closure date of March 31, 2026 for the shareholders' general meeting, the Company's paid-in capital is NT\$ 3,197,186,970 and the total number of shares outstanding is 319,718,697 shares.

(II) The minimum number of shares to be held by all directors and detail list of directors' holdings on the shareholders list:

Total of Shareholdings	Number of Shares to be Held as Specified in the Law	Shareholder Register
Directors	12,788,747 shares	49,772,310 shares

(III) A detailed list of the number of shares held by all directors, showing the compliance with Article 26 of the "Securities and Exchange Act".

Job Title	Name	Elect Date	Term of Service	Number of Shares Owned at Time of Election		Number of Shares Owned at Book Closure Date	
				Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage
Chairman	Chung, Long-Chang	May 24, 2023	3 Years	2,870,606	1.04%	2,244,549	0.70%
Director	Hung, Chia-Sheng	May 24, 2023	3 years	373,028	0.13%	430,846	0.13%
Director	Liu, Jo-Mei	May 24, 2023	3 years	667,355	0.24%	770,794	0.24%
Director	Hwang, Yih-Ray	May 24, 2023	3 years	4,001,548	1.45%	5,658,037	1.77%
Director	New Land Investment Co., Ltd. Representative: Twu, Wei-Shan	May 24, 2023	3 years	14,690,982	5.31%	16,968,084	5.31%
Director	Chung Shan Investment Co., Ltd. Representative: Chen, Rung-Hua	May 24, 2023	3 years	19,700,000	7.12%	23,700,000	7.41%
Independent Director	Wang, Tze-Chun	May 24, 2023	3 years	0	0.00%	0	0.00%
Independent Director	Chuang, Meng-Han	May 24, 2023	3 years	0	0.00%	0	0.00%
Independent Director	Lan, Wen-Hsiang	May 24, 2023	3 years	0	0.00%	0	0.00%
Independent Director	Ding, Yu-Jia	May 24, 2023	3 years	0	0.00%	0	0.00%
Total				42,303,519	15.29%	49,772,310	15.56%