Stock Code: 9906

2025 Annual Report

Annual report inquiry URL

Market Observation Post System: http://mops.twse.com.tw/

Company website: http://www.hsinbaba.com.tw/

Printed on May 3, 2026

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Title: Deputy General Manager of general office
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IV. Stock transfer agent

Name: Stock Affairs Department of Taishin Securities Co., Limited
Address: B1, No. 96, Sec. 1, Jianguo N. Rd., Zhongshan Dist., Taipei City 104496, Taiwan (R.O.C.)
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V. CPA for the financial statement of the most recent year

Names: Cheng-Chu Chen, Fang-Wen Lee
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Tel: (07)238-0011
Website: www.ey.com

VI. Overseas securities exchange: None

VII. Company website: www.hsinbaba.com.tw

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One. Letter to shareholders

In 2025, after experiencing a cycle of interest rate cuts and the impact of U.S. value-added tariffs, inflationary pressure eased somewhat, but the international political and economic situation remained affected by uncertainty in international trade and geopolitical volatility, and the overall economic environment showed moderate growth but was full of variables. In 2025, the Central Bank of Taiwan continued to monitor housing price fluctuations and loan concentration, maintained a relatively prudent monetary policy, and continued multiple rounds of credit control measures to prevent the housing market from overheating.

The government’s policy should focus on curbing short-term speculation while protecting home upgraders and first-time home buyers with supporting measures, allowing the Taiwanese housing market to gradually stabilize and return to rational supply and demand. However, the central bank’s complete tightening of property loans has significantly impacted the real estate sector and made it difficult for eligible homebuyers to secure financing. Housing loans are now under strict control, and 2025 proved to be the most challenging year for the Taiwanese housing market and related industries in recent years.

As a leading construction company in Taiwan, our business strategy has consistently aligned with national policy and market dynamics. In 2025, the southern market continued to be driven by the technology corridor effect and employment opportunities, and rigid demand still existed. However, due to government suppression through its policies, homebuyers seeking replacement homes had no access to loans, and first-time homebuyers also had to queue and wait for loan disbursement because of the crowding-out effect on bank funds. Even if rigid-demand customers had housing purchase needs, restrictions on lending by financial institutions suppressed their willingness to purchase homes. The central bank's real estate loan control measures in 2025 indeed did not meet the public's mortgage needs and severely affected the normal operation of the housing market.

Looking at trends in Taiwan’s real estate market in recent years, the Company has continued to prioritize housing projects in areas with high growth potential, such as Tainan, Kaohsiung, and Pingtung. We have also selectively invested in prime locations in central and northern Taiwan. Development options include land acquisition for self-construction, joint ventures, and urban renewal projects targeting older, potentially unsafe buildings. The Company operates with a pragmatic and realistic approach, prioritizing customer needs throughout all stages—from planning and design to after-sales service. The Company is committed to enhancing building quality and brand value, and has consistently maintained a competitive advantage even under policy regulations.

In 2025, under the central bank's continued control of real estate financing quotas, the Company's management and all colleagues continued to work hard in adversity and at least achieved break-even in the annual financial statements, which was indeed rare under the overall atmosphere of industry downturn. In the future, the Company's pre-sale projects in southern Taiwan and previous housing projects in northern Taiwan will continue to contribute to revenue recognition, and the land inventory on hand is also being actively planned for pre-sale schedules. Judging from the strong sales and customer recognition in the past, it is expected that when projects are completed and recognized in the next few years, revenue and profits will return to a track of substantial growth.

During the regular shareholders' meeting, the Company will give a brief overview of its overall operations, including the operating policy, results of implementing the business plan, implementation of operating income and expenditure budgets, and business development plan outline, so that all shareholders can have a better understanding of the Company.

I. Operating policy

(I) The Company's operating policy is as follows:

1. In 2025, Taiwan's housing market experienced the 7th wave of real estate lending restriction policies, and the market shifted from the boom of 2024 to a consolidation period of “reduced volume and stable prices.” Looking ahead to 2026, the housing market is expected to enter a new stage of “the return of rigid demand and niche transformation.” As the global interest rate cut cycle enters the middle and later stages, Taiwan's interest rate environment tends to stabilize, and owner-occupied demand will remain the pillar of stable market growth. The Company will continue the core strategy of “small- and medium-sized units and high space-efficiency planning” and precisely target first-time homebuyers and rigid replacement homebuyers to respond to the trend toward smaller modern family structures.
2. In an environment where credit controls have become the norm, the Company will continue to leverage its advantage as a “bridge for financial communication.” The deep trust the Company has established with financial institutions over the years can effectively assist rigid-demand customers in resolving difficulties such as loan-to-value ratios and financial capacity assessments, and reduce the impact of policy fluctuations on transactions. In addition, in response to House Hoarding Tax 2.0 and subsequent tax system optimization, the Company will maintain the model of “pre-sales as the main focus and precise control,” accelerate project turnover, and ensure optimal efficiency in the use of funds.
3. There are currently no signs of easing in the housing market tightening and related control measures. The Company is adjusting its financial operations and controlling its leverage ratio in a timely manner, and continues to increase financing channels in the capital market while optimizing the efficiency of fund utilization. Whether through land acquisition and self-construction, urban renewal of dangerous and old buildings, or joint construction projects, funds are deployed in areas of rigid housing demand, and operations are expanded prudently and steadily.
4. Facing the challenges of 2026, the Company will deepen “brand value and sustainable operations,” and will not only be limited to the construction industry, but will also accelerate expansion into diversified industries related to real estate, expand its business territory, and enhance the Company's long-term risk resistance and profit momentum.

(II) Expected sales volume and the basis for the forecast

According to The Real Estate Association of R.O.C. relevant research institutions and the Company’s internal marketing research, the estimated construction revenue and rental income for the current year is as follows:

1. Construction revenue

The Company is in the construction business, and the sales revenue in the construction industry is the main source of our revenue and profit growth. Relevant projects will be recognized as operating revenue in accordance with IFRS, depending on sales progress, transfer of ownership and closing.

2026 will be the Company's “stable profit harvesting period”. Key projects commenced and sold in recent years (such as the Brand-new Tainan Series and Wellness Pingtung - Harvest) will, in line with construction progress, enter the recognition stage successively in Q4 2025 and 2026. In H1 2026, Brand-new Tainan-Scholar Building is expected to be the main project for handover and revenue recognition, and in H2, Wellness Pingtung - Harvest is expected to become the main project contributing to revenue recognition upon its completion and transfer of ownership. As for the 2026 presale projects, Brand-new Tainan – Nobel Family Blocks will take the lead in presales, followed by the launch of Kaohsiung’s Star One, while Kaohsiung Hsin Xiang Xie will be launched as the finale in H2 or at year-end. The Company has maintained high profitability for many consecutive years and is expected to continue to deliver outstanding financial performance in 2026, driven by projects in southern Taiwan.

2. Rental income

The store was purchased by the Company and is under lease at the present time. Rent is paid regularly by the tenant, and the rental income is stable each month. The Company's storefront assets in prime areas of Kaohsiung will continue to contribute stable cash flow each month, serving as a solid backing for operating costs.

II. Results of implementing the business plan

(I) The results of business plan implementation is presented with a comparison between the significant accounts in the income statement for the current period and the previous period to show the business achievements.

Unit: In Thousands of New Taiwan Dollars

Item	2025		2024		Increase (Decrease)	
	Amount	Percentage %	Amount	Percentage %	Amount	Percentage %
Operating revenue	1,296,227	100%	4,374,612	100%	(3,078,385)	(70.37%)

Gross profit	425,608	33%	1,332,287	30%	(906,679)	(68.05%)
Net operating income	76,148	6%	786,250	18%	(710,102)	(90.32%)
Net income after tax	8,521	1%	571,979	13%	(563,458)	(98.51%)

(II) Implementation results summary

The net operating revenue for 2025 was approximately NT$1,296,227 thousand, a decrease of nearly 70% from NT$4,374,612 thousand for the same period in 2024. The primary driver of revenue in 2024 was the completion and recognition of several large projects, including "New Age" at MRT Taoyuan Airport Line A7 and "Brand-new Tainan – Superior Class Building" in North District. However, 2025 marked a transition period as older projects finished and new ones began, leading to consolidation. Furthermore, the southern Taiwan storms in the second half of 2025 disrupted construction progress and delayed occupancy permit issuance. As a result, only "Brand-new Tainan – Scholar Building" in North District obtained its occupancy permit by year-end, with partial deliveries completed, ultimately allowing the Company to achieve breakeven for the year.

The gross profit for 2025 was NT$425,608 thousand, compared to NT$1,332,287 thousand. While the absolute value decreased significantly, the gross profit margin for the full year 2025 held steady at 32.83%, an increase from 30.45% during the same period in 2024. Therefore, despite a decrease in revenue in 2025 compared to the previous year, the gross sales margin remained stable, indicating strong pricing power and brand appeal for the Company's products in the market.

In terms of cost and expenses, total operating costs for 2025 were NT$ 870,619 thousand, compared to NT$ 3,042,325 thousand in the same period of 2024. This decrease in operating costs was primarily due to recognition of related costs at the time of sales, in accordance with International Financial Reporting Standards. Additionally, strict procurement cost controls implemented by the management team effectively lowered overall purchasing costs, resulting in a strong gross profit margin.

Operating expenses for 2025 totaled NT$349,460 thousand, a decrease of NT$196,577 thousand from NT$546,037 thousand for the same period in 2024. This was primarily due to lower operating income recognized in 2025, which resulted in a corresponding decrease in sales expenses recorded under accounting standards. In addition, the overall housing market performed poorly due to policy impacts. Management fees were reduced, and employee bonuses and director remuneration also decreased compared to the previous year. Consequently, the Company continued to control overall operating expenses through costcutting measures, given the uncertain housing market outlook.

An overview of the operating figures and asset quality in the 2025 financial report is provided below:

- **Profitability**: Gross profit for 2025 was NT$ 425,608 thousand. Operating income totaled NT$76,148 thousand. Net profit before tax totaled NT$51,093 thousand.
- **Asset status**: As of December 31, 2025, total assets were NT$ 8,892,359 thousand. Of which, "Inventories - construction industry" was NT$ 7,719,238 thousand, accounting for 86.81% of total assets, indicating that the Company has ample land inventory and construction in progress, laying a solid foundation for revenue growth in the coming years.
- **Financial soundness**: Cash and cash equivalents at the end of 2025 were NT$ 321,178 thousand. Although revenue has fluctuated due to project completion timing, the Company has maintained sound asset quality and stable operating cash flow.

III. Implementation of operating income and expenditure budgets

(I) Operating income

In 2025, revenue reached NT$1,296,227 thousand. Revenue from building sales totaled NT$707,216 thousand, while revenue from land sales reached NT$588,840 thousand. This year's revenue was primarily generated by sales of the completed residential units at Taipei Beitou's Dawn at Y.M. Mountain Ridge2-Grand View and by revenue recognized from partial deliveries of the pre-sale project at Tainan's "Brand-new Tainan – Scholar Building".

(II) Operating expenditure

The total operating cost for 2025 was NT$870,619 thousand, a significant decrease of over 70% compared to NT$3,042,325 thousand for the same period in 2024. The main reason was that, in accordance with International Financial Reporting Standards, related operating costs are recognized simultaneously with the recognition of sales revenue. As operating revenue decreased, the recognition of operating costs simultaneously decreased. In addition, the Company kept abreast of market trends and properly controlled material and labor prices during periods when property market transactions and project commencement volume were relatively subdued.

In addition, operating expenses for the current period were NT$349,460 thousand, a decrease of approximately 36% from NT$546,037 thousand for the same period in 2024. This reduction was due to lower revenue and profitability in 2025 compared to 2024, which resulted in a corresponding decrease in sales expenses for related projects. Additionally, continuous management expense control and reductions, along with decreased performance bonuses, employee bonuses, and director remuneration, were key considerations for the management team. They dynamically adjusted and controlled related expenses in response to market changes and company performance, to ensure optimal operational efficiency.

IV. Profitability analysis

(I) Operating policy

Item/ Year			2025	2024
Profit and loss	Operating revenue		1,296,227	4,374,612
	Gross profit		425,608	1,332,287
	Net operating income		76,148	786,250
	Net income after tax		8,521	571,979
Profitability	Return on assets (%)		0.38	6.81
	Return on equity (%)		0.53	33.59
	As a percentage of paid-up capital (%)	Operating profit	8.43	87.00
		Profit before tax	5.65	80.24
	Profit margin (%)		0.66	13.07
	Earnings per share (NT$)		0.09	6.55

(II) Profitability analysis

In 2025, gross profit was NT$ 425,608 thousand, compared to NT$ 1,332,287 thousand in 2024, representing a decline of approximately 68.05%. In terms of gross profit margin, the figure for 2025 increased from 30.45% in 2024 to 32.83%. The operating performance was particularly impressive, with the Q4 2025 seeing a quarterly gross profit margin of around 40% following revenue recognition for “Brand-new Tainan – Scholar Building”. It is clear that the Company has not only effectively controlled procurement costs, but also raised prices in response to market demand during the sales process, allowing the gross profit margin to continue to rise. This also demonstrates that the Company's brand value has indeed gained consumer favor, enabling it to stand out against the downturn in the real estate market.

The net profit from operations in 2025 was NT$76,148 thousand, compared to NT$786,250 thousand in 2024. This represents a significant decline due to insufficient revenue scale. 2025 can be described as an operational adjustment period resulting from pressure related to government policies. In terms of pre-tax/post-tax net profit, the consolidated statements for 2025 reported NT$51,093 thousand and NT$8,521 thousand, respectively, a decrease from NT$725,180 thousand and NT$571,979 thousand in 2024. Both figures declined, but profit remained positive in 2025, despite challenging conditions due to the central bank’s tightening policies and a sluggish housing market.

V. Status of R&D

The Company is engaged in the construction industry and has no R&D-related units and R&D expenses. Therefore, the R&D status of the Company is not applicable.

VI. A summary of the key production and sales policy and future business development for 2025 is as follows:

(I) Key production and sales policy

Looking back at 2025, although the domestic real estate market faced the aftershocks of slowing global economic growth and monetary tightening, and under successive rounds of credit controls by the Central Bank (the 7th wave of lending restrictions), hot money had clearly retreated from the market, and trading volume returned to more rational levels. However, benefiting from the continuous expansion of the AI industry chain and demand for semiconductor advanced process fab construction, rigid demand from the industrial sector has built a solid bottom for the real estate market. Looking ahead to 2026, mortgage interest rates are expected to remain high and fluctuate, but under the expectation that “green inflation”, namely the formal launch of carbon fee collection in 2026, will lead to structurally higher construction costs, the public will still regard prime area real estate as the preferred asset to hedge against currency depreciation, and housing prices will maintain a pattern of “contracted volume, with prices easier to rise than fall”.

The production and sales strategy for 2026 will focus on “efficiency management”, “brand value”, “technological leadership”, and “diversified fundraising”:

- Sales: The sales focus for 2026 will be on presale projects such as Brand-new Tainan – Nobel Family Blocks, Kaohsiung’s Star One and Hsin Xiang Xie, together with sales of completed units for Taipei Beitou’s Dawn at Y.M. Mountain Ridge2-Grand View, sales of reserved units for Tainan's Scholar Building and Wellness Pingtung - Harvest, as well as newly developed dangerous and old urban renewal projects. The Company will mobilize comprehensively to strengthen the integration of “total marketing” and “digital word-of-mouth” to enhance brand value.
- Construction control: In response to the normalization of labor and material shortages in the market, the Company will further optimize the “standardized procurement and issuance process” and strictly control the construction schedule and costs. In terms of structural safety, the Company will continue to promote the “Japanese seismic damping construction method” and the “Alfa Safe column core seismic-resistant structure”, and implement the Company's long-standing “ten excellent construction methods” to enhance product competitiveness.
- Financing: In response to the tightening land and construction financing environment, the Company will maintain a sound leverage ratio, actively expand diversified

fundraising channels, and prioritize capital investment in areas supported by strong rigid demand.

(II) Impact of external competitive environment, regulatory environment and overall operating environment

1. External competitive environment

In 2026, the Trump administration in the United States entered its 2nd year in office, and its “America First” tariff and trade policies have become increasingly clear. Although the international political and economic situation remains subject to change, Taiwan's core position in the semiconductor supply chain continues to drive unabated rigid housing demand in areas surrounding the relevant industrial parks. The Company will closely observe the pace of global interest rate cuts and capital flows, and flexibly adjust its project launch pace.

2. Regulatory environment

The government's 7th wave of restrictions and possible subsequent tightening policies have prompted industry restructuring, showing a trend in which “the large remain large.” As a high-performing listed construction company, the Company has sufficient capital allocation and response capabilities, which will be more conducive to acquiring quality land or joint construction projects as small construction companies exit the market. In addition, the government's continued incentives for dangerous and old urban renewal will be an important regulatory dividend for the Company's expansion in central and northern Taiwan.

3. Overall operating environment

The transportation network of the “Forward-looking Infrastructure Development Program” and the “Southern Semiconductor S Corridor” (such as the High Speed Rail extension to Pingtung and the Kaohsiung MRT extension lines) will enter a critical construction period in 2026, and transportation convenience will continue to support housing prices in southern Taiwan. The Company will align with this trend of “rail economy” and precisely deploy in locations with long-term appreciation potential.

Additionally, due to the aging urban environment in Taiwan and the inadequate seismic resistance of older buildings, the government passed the Statute for Expediting Reconstruction of Urban Unsafe and Old Buildings in 2017, followed by amendments to the Urban Renewal Act in 2018. Under the leadership of the Ministry of Finance, eight public banks and Taiwan Financial Asset Service Corporation jointly established the Taiwan Urban Regeneration & Financial Services Co., Ltd., which aims to accelerate the reconstruction or redevelopment of aging, disaster-prone buildings — making urban renewal and old building reconstruction a key national policy.

In summary, the southern housing market can still be driven by substantive rigid demand arising from major public infrastructure projects and expanded employment opportunities from major electronics manufacturers, while demand in the northern housing market is relatively saturated and the overall housing stock is relatively old, so demand must be driven by reconstruction projects such as dangerous and old urban renewal. Basically, the overall housing market in 2026 should show contracted volume and stable prices, moving toward a stage of stable growth.

In the coming year, the Company's management and all employees will continue to devote their efforts to enhancing customer and shareholder satisfaction, and continue to be quantified in financial figures. In the future, the Company will continue to recognize revenue from its pre-sale and completed projects in northern and southern Taiwan, and will continue to plan the pre-sale schedules for its land inventory. Judging from the popularity and customer recognition in the past, it is expected that in the next few years, when the projects are completed, the revenue and profit will show even more impressive figures.

I wish all our shareholders success and prosperity in your endeavors.

Chung-Hui Huang, Chairman

Two. Corporate Governance Report

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

(I) Director information

May 2, 2026

Position (Note 1)	Nationality or place of registration	Name	Gender Age	Date of Election (Take Office)	Term	Date of initial appointment	Shareholding when elected		Current shareholding		Shareholding of spouse and underage children		Shares held by proxy		Main career (academic) achievements	Concurrent duties in the Company and other companies	Spouse or relatives of the second degree or closer acting as manager or director			Remarks
							Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage			Position	Name	Relation	
Chairman	Republic of China	Chenlong Investment Co., Ltd.	Male	2023.06.28	3 years	2011.12.15	37,803,078	45.36%	32,338,622	35.78%	0	0%	0	0%	*EMBA, National Sun Yat-sen University *Chairman of Chenlong Investment Co., Ltd. *President of The Real Estate Development Association of Kaohsiung	*Corporate representative of Hsin Ba Ba: Director, Chiang Chen Construction *Chairman of Yun Ta *Corporate representative of Yun Ta: Chairman of Chenlong Investment	Deputy General Manager of general office	Hsiu-Mei Huang	Second degree of kinship	
		Representative Chung-Hui Huang	63				0	0%	405,000	0.45%	0	0%	0	0%			Deputy General Manager of Development unit	Hsiang-Yun Huang	First degree of kinship	
Directors	Republic of China	Cheer Way Investment Ltd.	Male	2023.06.28	3 years	2011.12.15	2,667,403	3.20%	1,342,831	1.49%	0	0%	0	0%	*Bachelor of Management, Dalhousie University	*Deputy General Manager of the Company's Development unit *Deputy General Managers of Chiang Chen Construction *Director of Barson Development Construction Co., Ltd., Dayou Development Co., Ltd, Zhibenchuan Hotel Co., Ltd, Chiang Zhen Advertising Co., Ltd, Ba Ba International Ltd. and Homedeco Utilities Co., Ltd.	Chairman	Chung-Hui Huang	First degree of kinship	
		Representative Hsiang-Yun Huang	36				0	0%	13,989,187	15.48%	0	0%	0	0%						
Directors	Republic of China	Shi Jing Investment Ltd.	Female	2023.06.28	3 years	2011.12.15	1,255,714	1.51%	1,281,807	1.42%	0	0%	0	0%	*EMBA, National Sun Yat-sen University *Chairman of Tai Chuang Marketing Co., Ltd.	*General manager of Yong Tai Real Estate Co., Ltd.	None	None	None	
		Representative Pei-Chen Lin	61				11,905	0.01%	3,986	0.00%	0	0%	0	0%						
Directors	Republic of China	Shi Jing Investment Ltd.	Female	2023.06.28	3 years	2011.12.15	1,255,714	1.51%	1,281,807	1.42%	0	0%	0	0%	*EMBA, National Sun Yat-sen University *South District Director and Vice President of Standard Chartered Bank *Branch Manager and Vice President of HSBC	-	None	None	None	
		Representative Yun-Mei Tseng	59				0	0%	0	0%	0	0%	0	0%						
Independent director	Republic of China	Hsiu-Lan Wang	Female 56	2023.06.28	3 years	2019.06.19	0	0%	0	0%	0	0%	0	0%	*EMBA, National Sun Yat-sen University *Finance manager of Kuntin	*Electronic packaging materials and components business group of ITW CFO of ITW Electronic Business Asia Co., Ltd.	None	None	None	
Independent director	Republic of China	Yen-Chen Chang	Female 50	2023.06.28	3 years	2020.06.30	0	0%	0	0%	0	0%	0	0%	*EMBA, National Sun Yat-sen University *Doctor of Philosophy, Institute of Resource Engineering, College of Engineering, National Cheng Kung University	*Principal of Ju Sing Resources Industrial Co., Ltd.	None	None	None	
Independent director	Republic of China	Tsung-Ling Yen	Female 56	2023.06.28	3 years	2022.06.14	6,000	0.01%	0	0%	0	0%	0	0%	*MBA, California State University *Deputy General Manager of Quan Ye Kang Yang Development Co., Ltd. of Nam Liong Group *Advisor to Quan Ye Kang Yang Development Co., Ltd. of Nam Liong Group *Director of Urban Development Department, Chiayi City Government	*Associate professor, Department of Real Estate Development and Management, Kun Shan University *Consultant of Honghsun Development Co., Ltd.	None	None	None	

Note 1: For a corporate shareholder, the name of the corporate shareholder and its representative shall be listed separately (when listing the representative of a corporate shareholder, the name of the corporate shareholder shall also be noted), and Table 1 below shall also be completed.

Note 2: The term of office of the 21st term of directors of the Company is from June 28, 2023 to June 27, 2026, for a period of three years.

Table 1. Major Shareholders of Corporate Shareholders

May 2, 2026

Names of Legal Person Shareholders (Note 1)	Major Shareholders of Legal Person Shareholders (Note 2)
Chenlong Investment Co., Ltd.	Yun Ta (33.30%), Yuan Ta (33.32%), and Hsin Ta (33.38%)
Cheer Way Investment Ltd.	Hsin Ta (32.00%), Yun Ta (34.00%), and Yuan Ta (34.00%)
Shi Jing Investment Ltd.	Chi-Hsien Lu (100%)

Note 1: If a director or supervisor is a representative of a legal person shareholder, the name of the legal person shareholder shall be filled in.

Note 2: Fill in the names and shareholding ratios of the major shareholders (top 10 shareholders) of the legal person shareholder. If the major shareholder is a legal person, please complete the following Table 2.

Table 2. Major Shareholder is a Corporate/Juristic Person

May 2, 2026

Name of legal person (Note 1)	Major shareholders of legal person shareholder (Note 2)
Yun Ta International Investment Ltd.	Chung-Hui Huang (94.90%), Hsiang-Yun Huang (3.96%), Tzu-Tien Huang (0.57%), Hsiang-Yuan Huang (0.57%)
Hsin Ta International Investment Ltd.	Chung-Hui Huang (94.34%), Tzu-Tien Huang (3.96%), Shu-Fen Huang (0.56%), Hsiang-Yun Huang (0.57%), Hsiang-Yuan Huang (0.57%)
Yuan Ta International Investment Ltd.	Chung-Hui Huang (85.84%), Ya-Jung Pan (9.06%), Hsiang-Yuan Huang (3.96%), Hsiang-Yun Huang (0.57%), Tzu-Tien Huang (0.57%)

Note 1: If the major shareholders in Table 1 above are legal persons, the names of the legal persons shall be filled in.

Note 2: Fill in the names and shareholding ratios of the major shareholders (top 10 shareholders) of the legal person shareholders.

(II) Director information

I. Disclosure of information regarding the professional qualifications and experience of directors and the independence of independent directors:

Criteria / Name	Professional qualifications and experience (Note 1)	Independence status (Note 2)	Concurrently serving as independent directors of other public companies
Representative of Chenlong Investment Co., Ltd. Chung-Hui Huang	I. Has held the following positions, and has work experience required for business and the Company's operation. • Chairman of the Company since June 1996 • President of Real Estate Marketing Agency Association • President of The Real Estate Development Association of Kaohsiung • President of Kaohsiung Real Estate Marketing Agency Association • Chairman of Kaohsiung Metropolitan Development Foundation • Chairman of Chenlong Investment Co., Ltd. • Chairman of Yun Ta International Investment Ltd. • Former general manager of the Company II. Not been a person of any conditions specified in Article 30 of the Company Act.	· Not applicable	0
Representative of Cheer Way Investment Ltd. Hsiang-Yun Huang	I. Has held the following positions, and has work experience required for business and the Company's operation. • Deputy General Manager of Chiang Cheng Construction Co., Ltd. • Director of Barson Development Construction Co., Ltd. • Director of Dayou Development Co., Ltd. • Director of Zhibenchuan Hotel Co., Ltd. • Chiang Zhen Advertising Co., Ltd. • Director of Ba Ba International Ltd. • Director of Homedeco Utilities Co., Ltd. • Special assistant to the chairman of the Company II. Not been a person of any conditions specified in Article 30 of the Company Act.	· Not applicable	0
Representative of Shi Jing Investment Ltd. Pei-Chen Lin	I. Has held the following positions, and has work experience required for business and the Company's operation. • Director of the Company since June 2014 • General Manager of Yong Tai Real Estate Co., Ltd. • Chairman of Tai Chuang Marketing Ltd. II. Not been a person of any conditions specified in Article 30 of the Company Act.	· Not applicable	0
Representative of Shi Jing Investment Ltd. Yun-Mei Tseng	I. Previously held the following positions, and has work experience required for the Company's operation of business and	· Not applicable	0

Criteria / Name	Professional qualifications and experience (Note 1)	Independence status (Note 2)	Concurrently serving as independent directors of other public companies
	finance. • South District Director and Vice President of Standard Chartered Bank • Branch Manager and Vice President of HSBC II. Not been a person of any conditions specified in Article 30 of the Company Act.		
Hsiu-Lan Wang	I. Has held the following positions, and has expertise in finance. • CFO of Electronic packaging materials and components business group of ITW and ITW Electronic Business Asia Co., Ltd. • Finance manager of Kuntin II. Convener of the Audit Committee of the Company. III. Not been a person of any conditions specified in Article 30 of the Company Act. IV. Elected as a natural person, not with a governmental, juridical person or its representative identity.	• Whether the person, his/her spouse or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates: None; in compliance with the independence requirement. • Number and percentage of shares held by the person, his/her spouse and relatives within the second degree of kinship (or in the name of another person): None; in compliance with the independence requirement. • Whether the person serves as the director, supervisor or employee of a company with a specific relationship with the Company: None; in compliance with the independence requirement. • Remuneration received in the past two years for providing business, legal, financial or accounting services to the Company or its affiliates: None; in compliance with the independence requirement.	0
Yen-Chen Chang	I. Has held the following positions, and has work experience required for business and the Company's operation. • Responsible person of Ju Sing Resources Industrial Co., Ltd. II. Member of the Audit Committee of the Company. III. Not been a person of any conditions specified in Article 30 of the Company Act. IV. Elected as a natural person, not with a governmental, juridical person or its representative identity.	• Whether the person, his/her spouse or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates: None; in compliance with the independence requirement. • Number and percentage of shares held by the person, his/her spouse and relatives within the second degree of kinship (or in the name of another person): None; in compliance with the independence requirement. • Whether the person serves as the director, supervisor or employee of	0

Criteria / Name	Professional qualifications and experience (Note 1)	Independence status (Note 2)	Concurrently serving as independent directors of other public companies
		a company with a specific relationship with the Company: None; in compliance with the independence requirement. • Remuneration received in the past two years for providing business, legal, financial or accounting services to the Company or its affiliates: None; in compliance with the independence requirement.	
Tsung-Ling Yen	一、Has held the following positions, and has work experience required for business and the Company's operation. • Associate professor, Department of Real Estate Development and Management, Kun Shan University • Director of Urban Development Department, Chiayi City Government 二、Member of the Audit Committee of the Company. 三、Not been a person of any conditions specified in Article 30 of the Company Act. 四、Elected as a natural person, not with a governmental, juridical person or its representative identity.	• Whether the person, his/her spouse or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates: None; in compliance with the independence requirement. • Number and percentage of shares held by the person, his/her spouse and relatives within the second degree of kinship (or in the name of another person): None; in compliance with the independence requirement. • Whether the person serves as the director, supervisor or employee of a company with a specific relationship with the Company: None; in compliance with the independence requirement. • Remuneration received in the past two years for providing business, legal, financial or accounting services to the Company or its affiliates: None; in compliance with the independence requirement.	0

Note 1: Professional qualifications and experience: State the professional qualifications and experience of individual directors. If they are members of the Audit Committee and have accounting or finance expertise, state their accounting or finance background and work experience, and whether there are no circumstances under Article 30 of the Company Act.

Note 2: For independent directors, state their independence status, including but not limited to whether themselves, their spouses, relatives within 2nd degree of kinship are directors, supervisors or employees of the Company or its affiliates, the number and percentage of shares held by themselves, their spouses, relatives within 2nd degree of kinship (or in the names of others), whether they hold director, supervisor or employee positions in any company that has a specific relationship with the Company (refer to subparagraphs 5 to 8, paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies), and the remuneration received in the past two years for providing business, legal, financial or accounting services to the Company or its affiliates.

II. Diversity and independence of the board of directors:

(I) Diversity of board of directors:

In accordance with Article 20 of the Company's "Code of Corporate Governance Practices", the composition of the Board shall take diversity into consideration and shall formulate appropriate diversity policies based on the Company's own operations, business model, and development needs, which shall include, but not limited to, the following two major criteria:

I. Basic criteria and values: gender, age, nationality and culture, etc.

II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

All board members shall possess the knowledge, skills, and characters needed to exercise their duties. To achieve the objectives of corporate governance, the board of directors as a whole should have the following competencies:

I. Ability to make operational judgments.

II. Ability to perform accounting and financial analysis.

III. Ability to conduct management administration.

IV. Ability to conduct crisis management.

V. Knowledge of the industry.

VI. An international market perspective.

VII. Ability to lead.

VIII. Ability to make policy decisions.

The Board members come from the management team, managers of related industries, and professionals with backgrounds in business, finance, and sales. Since the directors have diverse backgrounds, they can assist the Company in improving corporate governance, strengthening management, monitoring and evaluating business policies and execution, allowing the Company to maintain its corporate value and achieve a certain standard at all levels.

Specific management objectives of the diversity policy of the board:

Order	Diversity Items	Specific Management Objectives
1	Professional skills and industry experience	Board members should have rich industry experience and professional skills in the aspects of legal, accounting, industry, finance, marketing or technology. They should also have business management, crisis management and financial analysis capabilities to provide professional recommendations for the Company's decision-making.
2	Gender	The Company is in the construction industry dominated by experienced male workers. We high value gender diversity and continue to pay attention to the selection of female director candidates who have industry experience, and have board seats for female directors. The ratio of any gender of the directors is promoted to be one-third.
3	Age	The age distribution of the Company's directors: 1 person aged 31-40, 4 persons aged 51-60, and 2 persons aged 61-70. There is currently no age distribution gap, achieving age diversity.
4	Nationality	The Company is in the domestic construction industry and aims to meet the domestic demand in Taiwan, so there are no foreign directors. In the future, we will continue to pay attention to candidates of foreign nationals who are familiar with Taiwan's construction industry, and recruit foreign directors based on our needs.

Order	Diversity Items	Specific Management Objectives
5	Number and weight of independent directors	The Company has 7 directors, and 3 of them are independent directors, accounting for 42.86% of the board seats. In the future, we will adjust the number of independent directors according to our development needs and regulatory standards
6	Weighting of directors with employee identity	We aim to have one or fewer director(s) holding a concurrent position as an employee in order to improve corporate governance and the independence of the board of directors.

◎Objectives of the diversity policy and the status of achievement are described as follows:

Order	Diversity Items	Explanation	Diversity goals	Diversity achievement rate (%)
1	Industry experience (construction industry)	Chairman Chung-Hui Huang, Directors Hsiang-Yun Huang and Pei-Chen Lin, and Independent Directors Yen-Chen Chang and Tsung-Ling Yen have professional experience in real estate and materials markets. Please refer to "Director Information (II)" for details of their professional qualifications.	3 seats	167
2	Industry experience (accounting)	Independent Director Hsiu-Lan Wang and Director Yun-Mei Tseng has professional experience in the field of accounting. Please refer to "Director Information (II)" for details of their professional qualifications.	1 seat	200
3	Industry experience (finance)	Independent Director Hsiu-Lan Wang and Director Yun-Mei Tseng has professional experience in the field of finance. Please refer to "Director Information (II)" for details of their professional qualifications.	1 seat	200
4	Industry experience (marketing)	Chairman Chung-Hui Huang and Director Pei-Chen Lin have professional experience in marketing. Please refer to the detailed description of "Director Information (II)" for their professional qualifications.	2 seats	100
5	Professional competencies (business administration)	Chairman Chung-Hui Huang, Directors Hsiang-Yun Huang and Pei-Chen Lin and independent Directors Hsiu-Lan Wang and Yen-Chen Chang have served as directors or independent directors of other companies and have business management capabilities.	5 seats	120
6	Professional competencies (leadership and decision-making)	Chairman Chung-Hui Huang, Directors Hsiang-Yun Huang, Pei-Chen Lin and Yun-Mei Tseng, and Independent Director Yen-Chen Chang have served as directors or independent directors of other companies and have leadership and decision-making abilities	3 seats	167

Order	Diversity Items	Explanation	Diversity goals	Diversity achievement rate (%)
7	Professional competencies (crisis management)	Chairman Chung-Hui Huang, Directors Hsiang-Yun Huang, Pei-Chen Lin and Yun-Mei Tseng, and Independent Directors Hsiu-Lan Wang and Yen-Chen Chang have served as directors or independent directors of other companies and have crisis management capabilities.	3 seats	200
8	Gender	We have 7 directors, of which 2 directors are male and 5 directors are female. Although the proportion of male directors currently does not reach one-third of the Board, the Company will undergo a re-election in 2026. Upholding the spirit of board diversity, the Company will continue to identify and invite suitable candidates and nominate appropriate director candidates, with the aim of increasing the proportion of male directors.	3 seats	67
9	Age	The age distribution of the Company's directors: 1 person is 31-40 years old; 4 people are 51-60 years old; and 2 people are 61-70 years old.	Distributed across all age groups	100
10	Nationality	All directors hold ROC citizenship.	We will add foreign director quotas according to the Company's future needs.	0
11	Proportion of directors with employee identity	Director Hsiang-Yun Huang concurrently serves as the Deputy General Manager of the Company's Development Division.	Less than 1 seat	100
12	Proportion of independent directors	The Company's board of directors has 7 members, of which 3 are independent directors and account for 42.86% of the board seats.	3 independent directors	100

(II) Independence of the board of directors:

Order	Aspect of independence	Description of independence
1	Number and weight of independent directors	The Company's board of directors has 7 members, of which 3 are independent directors, accounting for 42.86% of the board seats, and the 3 independent directors form the Audit Committee. Independent directors Hsiu-Lan Wang, Yen-Chen Chang and Tsung-Ling Yen also form the Remuneration Committee, and perform duties in accordance with the law to make the board of the Company independent.
2	Weighting of directors with employee identity	Director Hsiang-Yun Huang concurrently serves as the Deputy General Manager of Development unit, so 14.29% of the board members concurrently works as an employee.
3	Term of office of independent directors	1. Independent Director Hsiu-Lan Wang served as the 19th, 20th and 21st term of the Company's independent director. 2. Independent Director Yen-Chen Chang served as the 20th and 21st term of the Company's independent director. 3. Independent Director Tsung-Ling Yen served as the 20th and 21st term of the Company's independent director. The abovementioned independent directors have not served more than three consecutive terms, so they comply with the independence requirements of the regulations.
4	Number of concurrent independent director positions	Independent Directors Hsiu-Lan Wang, Yen-Chen Chang, and Tsung-Ling Yen have not served as independent directors in any other public companies or above. The abovementioned independent directors have not concurrently served as independent directors in more than three other companies, so they comply with the independence requirements of the regulations.
5	Provisions of Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act	1. Less than half of the Company's directors have relationships of spouse or relatives within the 2nd degree of kinship. 2. The Company has established independent directors with no supervisors, and there is no such relationship between supervisors or between supervisors and directors. In summary, the Company's board is not involved in any of the circumstances specified in the provisions of Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act, so that it complies with the independence requirement of the regulations.

(III) Information on the General manager, Deputy General Manager, assistant vice president and heads of various departments and branches

May 2, 2026

Position (Note 1)	Nationality	Name	Gender	Date of Election (Take Office)	Current shareholding		Shareholding of spouse and underage children		Shares held by proxy		Main career (academic) achievements	Concurrent positions in other companies	Spouse or relatives of the second degree or closer acting as managers			Remarks
					Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage			Position	Name	Relation	
General Manager and Construction Division General Manager	Republic of China	Hung-Tu Chang	Male	2015.07.20	0	0%	0	0%	0	0%	*Master's degree, High-Level Public Policy, Academy of Social Sciences, National Sun Yat-sen University *Shanghai BABA Real Estate Consultation Co., Ltd.	*General manager of Construction unit of Chiang Chen Construction Co., Ltd. *Director of Chiang Zhen Advertising Co., Ltd. *Chairman of Lechengjia Service Ltd.	None	None	None	
Development unit General Manager	Republic of China	Hsien-Tsung Chen	Male	2019.04.10	0	0%	0	0%	0	0%	*Bachelor, Department of Architecture, Chung Yuan Christian University *Chairman of Dayou Development Co., Ltd.	None	None	None	None	
Development unit Deputy General Manager	Republic of China	Hsiang-Yun Huang	Male	2022.02.01	13,989,187	15.48%	0	0%	0	0%	*Bachelor of Management, Dalhousie University	*Deputy General Managers of Chiang Chen Construction *Director of Barson Development Construction Co., Ltd., Dayou Development Co., Ltd, Zhibenchuan Hotel Co., Ltd, Chiang Zhen Advertising Co., Ltd, Ba Ba International Ltd. and Homedeco Utilities Co., Ltd.	Chairman	Chung-Hui Huang	First degree of kinship of kinship	
General office Deputy General Manager	Republic of China	Hsiu-Mei Huang	Female	2013.11.08	20	0%	0	0%	0	0%	*Fengyuan Commercial High School *Chairman of Chiang Chen Construction Co., Ltd.	*Corporate representative of Hsin Ba Ba acting as: Chairman, Chiang Chen Construction *Director, Barson Construction Co., Ltd.	Chairman	Chung-Hui Huang	Second degree of kinship of kinship	

Position (Note 1)	Nationality	Name	Gender	Date of Election (Take Office)	Current shareholding		Shareholding of spouse and underage children		Shares held by proxy		Main career (academic) achievements	Concurrent positions in other companies	Spouse or relatives of the second degree or closer acting as managers			Remarks
					Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage			Position	Name	Relation	
CFO cum head of corporate governance	Republic of China	Cheng-Yu Lee	Male	2014.03.24	0	0%	0	0%	0	0%	*MPhil in Land Economy Research, University of Cambridge *Director and deputy spokesperson of D-Link Corporation	*Deputy General Managers of Chiang Chen Construction General Management Office	None	None	None	
Sales division Assistant President	Republic of China	Ping-I Wang	Male	2019.05.10	0	0%	0	0%	0	0%	*Department of Political Science, Fu Hsing Kang College *Sales manager of MEGA International Development Co., Ltd.	None	None	None	None	
Finance division Assistant President	Republic of China	Ching-Ya Chang	Female	2022.02.01	0	0%	0	0%	0	0%	*Fengyuan Commercial High School *Manager of finance division, Hsin Ba Ba Co., Ltd.	*Supervisor of Zhibenchuan Hotel Co., Ltd. *Supervisor of Chenlong Investment Co., Ltd. *Chairman of Syurihsin Ltd.	None	None	None	
Auditing department Supervisor (Acting)	Republic of China	Wei-Chen Chao	Female	2026.03.17	0	0%	0	0%	0	0%	*Bachelor's Degree, Department of Accounting and Taxation, Shih Chien University	*Acting Internal Audit Supervisor, Chiang Chen Construction Co., Ltd.	None	None	None	(Note 2)
Accounting Department chief	Republic of China	Chuan-Hung Huang	Male	2025.08.12	7,000	0%	0	0%	0	0%	*Bachelor of Accounting, Soochow University	*Accounting supervisor of Chiang Chen Construction	None	None	None	

Note 1: The information in this table should be disclosed for the General manager, Deputy General Manager, assistant Deputy General Manager, and the heads of all departments and branches, including all persons in positions equivalent to General manager, Deputy General Manager, or assistant Deputy General Manager, regardless of job title.
Note 2: The original chief auditor resigned on 2026/03/16, and the acting auditor has temporarily assumed the position of chief auditor. The formal chief auditor candidate is pending future resolutions by the Audit Committee and the Board of Directors.

II. Remuneration for directors, general managers, and deputy general managers in the most recent year

(I) Remuneration of directors and independent directors (disclose the name and remuneration method separately)

Unit: In Thousands of New Taiwan Dollars

Job title	Name	Directors' remuneration								Sum of A, B, C and D as a percentage of net profit after tax (Note 10)		Compensation received as an employee								Sum of A, B, C, D, E, F, and G as a percentage of net income (Note 10)		Compensation from the parent company or business investments other than subsidiaries (Note 11)
		Base compensation (A) (Note 2)		Retirement pay and pensions (B)		Director remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Base compensation, bonuses, and special disbursements (E) (Note 5)		Retirement pay and pensions (F)		Compensation of employees (G) (Note 6)						
																The Company		All companies in the financial report (Note 7)				
		The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies included in the financial statements	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares	The Company	All companies in the financial report (Note 7)	
Chairman	Chenlong Investment Co., Ltd. Representative: Chung-Hui Huang	-	-	-	-	344	344	11,607	11,607	11,951 140.25%	11,951 140.25%	-	-	-	-	-	-	-	-	11,951 140.25%	11,951 140.25%	-
Directors	Representative of Cheer Way Investment Ltd.: Hsiang-Yun Huang	-	-	-	-	344	344	-	-	344 4.04	344 4.04	2,455	2,455	-	-	8	-	8	-	2,807 32.94%	2,807 32.94%	-
Directors	Representative of Shi Jing Investment Ltd.: Pei-Chen Lin	-	-	-	-	172	172	300	300	472 5.54%	472 5.54%	-	-	-	-	-	-	-	-	472 5.54%	472 5.54%	-
Directors	Representative of Shi Jing Investment Ltd.: Yun-Mei Tseng	-	-	-	-	172	172	300	300	472 5.54%	472 5.54%	-	-	-	-	-	-	-	-	472 5.54%	472 5.54%	-
Independent director	Hsiu-Lan Wang	420	420	-	-	-	-	-	-	420 0.07%	420 0.07%	-	-	-	-	-	-	-	-	420 0.07%	420 0.07%	-
Independent director	Yen-Chen Chang	420	420	-	-	-	-	-	-	420 0.07%	420 0.07%	-	-	-	-	-	-	-	-	420 0.07%	420 0.07%	-
Independent director	Tsung-Ling Yen	420	420	-	-	-	-	-	-	420 0.07%	420 0.07%	-	-	-	-	-	-	-	-	420 0.07%	420 0.07%	-

1. Please explain the policy, system, standards, and structure by which independent director compensation is paid and the association between the amount paid and independent directors' responsibilities, risks and time committed:
Independent directors may be compensated monthly by the Company, regardless of the Company's operating loss, to enable them to perform their duties and maintain their independence with respect to the board and the Company's operations. The amount of compensation may be adjusted at the Company's discretion based on the extent to which they participate and the value they contribute to the Company.
2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises):
None.

Remuneration Range Table

<table>
<tr><td rowspan="3">Ranges of remuneration of directors</td><td colspan="4">Name of director</td></tr>
<tr><td colspan="2">Total amount of the first four remunerations (A+B+C+D)</td><td colspan="2">Total amount of the first seven remunerations (A+B+C+D+E+F+G)</td></tr>
<tr><td>The Company (Note 8)</td><td>All companies in the consolidated report (Note 9)H</td><td>The Company (Note 8)</td><td>All companies in the consolidated report (Note 9)I</td></tr>
<tr><td>Below NT$ 1,000,000</td><td>Hsiu-Lan Wang
Yen-Chen Chang
Tsung-Ling Yen
Shi Jing Investment Ltd.
Yun-Mei Tseng;
Shi Jing Investment Ltd.
Pei-Chen Lin;
Cheer Way Investment Ltd.
Hsiang-Yun Huang</td><td>Hsiu-Lan Wang
Yen-Chen Chang
Tsung-Ling Yen
Shi Jing Investment Ltd.
Yun-Mei Tseng;
Shi Jing Investment Ltd.
Pei-Chen Lin;
Cheer Way Investment Ltd.
Hsiang-Yun Huang</td><td>Hsiu-Lan Wang
Yen-Chen Chang
Tsung-Ling Yen
Shi Jing Investment Ltd.
Yun-Mei Tseng;
Shi Jing Investment Ltd.
Pei-Chen Lin</td><td>Hsiu-Lan Wang
Yen-Chen Chang
Tsung-Ling Yen
Shi Jing Investment Ltd.
Yun-Mei Tseng;
Shi Jing Investment Ltd.
Pei-Chen Lin</td></tr>
<tr><td>NT$ 1,000,000 (inclusive) - NT$ 2,000,000 (non-inclusive)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$ 2,000,000 (inclusive) - NT$ 3,500,000 (non-inclusive)</td><td>-</td><td>-</td><td>Cheer Way Investment Ltd.
Hsiang-Yun Huang</td><td>Cheer Way Investment Ltd.
Hsiang-Yun Huang</td></tr>
<tr><td>NT$ 3,500,000 (inclusive) - NT$ 5,000,000 (non-inclusive)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$ 5,000,000 (inclusive) - NT$ 10,000,000 (non-inclusive)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$ 10,000,000 (inclusive) - NT$ 15,000,000 (non-inclusive)</td><td>Chenlong Investment Co., Ltd.
Chung-Hui Huang</td><td>Chenlong Investment Co., Ltd.
Chung-Hui Huang</td><td>Chenlong Investment Co., Ltd.
Chung-Hui Huang</td><td>Chenlong Investment Co., Ltd.
Chung-Hui Huang</td></tr>
<tr><td>NT$ 15,000,000 (inclusive) - NT$ 30,000,000 (non-inclusive)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$ 30,000,000 (inclusive) - NT$ 50,000,000 (non-inclusive)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$ 50,000,000 (inclusive) - NT$ 100,000,000 (non-inclusive)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>NT$ 100,000,000 and above</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Total</td><td>7</td><td>7</td><td>7</td><td>7</td></tr>
</table>

Note 1: The names of directors should be listed separately (for legal person shareholders, the name of the shareholder and its representative should be listed separately), and the amount of each payment should be disclosed in an aggregated manner. If a director concurrently serves as the General manager or Deputy General Manager, disclose the remuneration of the General manager or Deputy General Manager in this table (disclose the name in a summarized manner in conjunction with the range).

Note 2: It refers to the directors' remuneration in the most recent year (including directors' salaries, allowances, severance pay, various bonuses, incentives, etc.).

Note 3: Fill in the amount of directors' remuneration approved by the board of directors in the most recent year.

Note 4: It refers to directors' business-related expenses in the most recent year (including travel allowances, special allowances, various subsidies, accommodation, vehicles, and other in-kind benefits). For example, when houses, cars and other means of transportation or personal expenditures are provided, disclose the natures and costs of the assets provided, the actual or fair market value of the rent, fuel and other payments. If there is a driver, please explain in a Note the remuneration paid to the driver, but do not include it in the remuneration.

Note 5: It refers to the salaries, allowances, severance pay, various bonuses, incentives, travel allowances, special allowances, various subsidies, accommodation, vehicles, and other in-kind benefits received by the directors concurrently as employees (including the General manager, Deputy General Manager, manager, and employee). For example, when houses, cars and other means of transportation or personal expenditures are provided, disclose the natures and costs of the assets provided, the actual or fair market value of the rent, fuel and other payments. If there is a driver, please explain in a Note the remuneration paid to the driver, but do not include it in the remuneration. In addition, the salary expense recognized in accordance with IFRS 2 “Share-based Payment,” including the acquisition of employee stock option certificates, new shares with restricted employee rights, and participation in cash capital increases for share subscriptions, should also be included in the remuneration.

Note 6: It refers to the amount of employees’ remuneration distributed (including shares and cash) to directors serving concurrently as employees (including concurrently serving as the General manager, Deputy General Manager, managers and employees) in the most recent year. If it is impossible to estimate the amount, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year, and Table 1-3 shall be filled in separately.

Note 7: The total amount of remuneration paid to directors of the Company by all companies included in the consolidated financial report (including the Company) should be disclosed.

Note 8: For the total amount of each remuneration paid by the Company to each director, disclose the name of the director in the corresponding range.

Note 9: The total amount of remuneration paid to directors of the Company by all companies included in the consolidated financial report (including the Company) should be disclosed.

Note 10: Net profit after tax means the net profit after tax for the most recent fiscal year. If the Company has already adopted IFRS, the net profit after tax means the net profit after tax in the parent company only or individual financial report for the most recent fiscal year.

Note 11: a. This column shall clearly state the amount of remuneration received by the Company's directors from investee enterprises other than subsidiaries or the parent company (if none, please indicate “None”).

b. If the company director receives remuneration from the invested business other than a subsidiary or the parent company, such remuneration shall be included in Column I of the remuneration range table. and the name of the column should be changed to "Parent company and all invested businesses".

c. Remuneration refers to any remuneration, compensation (including compensations received as an employee, director and supervisor) and professional service fees that the Company's directors received for serving as directors, supervisors or managers in invested businesses other than subsidiaries or the parent company.

*This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

(II) Remuneration of the general manager and deputy general managers (disclose the names and remuneration method separately)

Unit: In Thousands of New Taiwan Dollars

Position	Name	Salary (A)		Retirement pay and pensions (B)		Bonuses and special disbursements, etc. (C)		Amount of employee remuneration (D)				Total of A, B, C and D, and percentage of net income after tax (%)		Compensation from the parent company or business investments other than subsidiaries
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
General Manager	Hung-Tu Chang	2,604	2,604	-	-	7,580	7,580	8	-	8	-	10,192 119.61%	10,192 119.61%	-
General manager of Development unit	Hsien-Tsung Chen	1,062	1,062	-	-	580	580	8	-	8	-	1,650 19.38%	1,650 19.38%	-
Deputy General Manager of Development unit	Hsiang-Yun Huang	1,694	1,694	-	-	761	761	10	-	10	-	2,465 28.94%	2,465 28.94%	-
Deputy General Manager of general office	Hsiu-Mei Huang	1,044	1,044	-	-	185	185	8	-	8	-	1,237 14.52%	1,237 14.52%	-
CFO	Cheng-Yu Lee	2,084	2,084	-	-	331	331	8	-	8	-	2,423 28.44%	2,423 28.44%	-

*Disclosures must be made for all persons in positions equivalent to general manager or deputy general managers, regardless of job title (e.g., director-general, chief executive officer, chief administrative officer…etc.)

Remuneration Range Table

Range of compensation to the General Manager and Deputy General Managers	Names of General Manager and Deputy General Managers	
	The Company (Note 6)	All companies in the financial report (E) (Note 7)
Below NT$ 1,000,000	-	-
NT$ 1,000,000 (inclusive) - NT$ 2,000,000 (non-inclusive)	Hsien-Tsung Chen, Hsiu-Mei Huang	Hsien-Tsung Chen, Hsiu-Mei Huang
NT$ 2,000,000 (inclusive) - NT$ 3,500,000 (non-inclusive)	Hsiang-Yun Huang, Cheng-Yu Lee	Hsiang-Yun Huang, Cheng-Yu Lee
NT$ 3,500,000 (inclusive) - NT$ 5,000,000 (non-inclusive)	-	-
NT$ 5,000,000 (inclusive) - NT$ 10,000,000 (non-inclusive)	-	-
NT$ 10,000,000 (inclusive) - NT$ 15,000,000 (non-inclusive)	Hung-Tu Chang	Hung-Tu Chang
NT$ 15,000,000 (inclusive) - NT$ 30,000,000 (non-inclusive)	-	-
NT$ 30,000,000 (inclusive) - NT$ 50,000,000 (non-inclusive)	-	-
NT$ 50,000,000 (inclusive) - NT$ 100,000,000 (non-inclusive)	-	-
NT$ 100,000,000 and above	-	-
Total	5	5

Note 1: The names of the General manager and Deputy General Manager should be listed separately, and the amounts of each payment should be disclosed in an aggregated manner. If a director concurrently serves as the General manager or Deputy General Manager, disclose the remuneration of the general director and independent director in this table (disclose the name in a summarized manner in conjunction with the range).

Note 2: Fill in the salary, job allowance and severance pay of the General manager and Deputy General Manager in the most recent year.

Note 3: Fill in the amount of various bonuses, incentives, transportation allowances, special expenses, various allowances, dormitory, vehicles and other in-kind benefits, and other remuneration for the General manager and Deputy General Manager in the most recent year. For example, when houses, cars and other means of transportation or personal expenditures are provided, disclose the natures and costs of the assets provided, the actual or fair market value of the rent, fuel and other payments. If there is a driver, please explain in a Note the remuneration paid to the driver, but do not include it in the remuneration. In addition, the salary expense recognized in accordance with IFRS 2 "Share-based Payment," including the acquisition of employee stock option certificates, new shares with restricted employee rights, and the shares from participation in capital increase in cash, should also be included in the remuneration.

Note 4: Fill in the employees' remuneration paid to the General manager and Deputy General Manager as approved by the board of directors (including shares and cash). If it is impossible to estimate the amount, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year, and Table 1-3 shall be filled in separately. Net profit after tax means the net profit after tax for the most recent fiscal year. If the Company has already adopted IFRS, the net profit after tax means the net profit after tax in the parent company only or individual financial report for the most recent fiscal year.

Note 5: The total amount of remuneration paid to General manager and Deputy General Manager of the Company by all companies included in the consolidated financial report (including the Company) should be disclosed.

Note 6: For the total amount of various remunerations paid to each General manager and Deputy General Manager by the Company, disclose the names of the General manager and Deputy General Manager in the range to which they belong.

Note 7: For the total amount of remuneration paid to each General manager and Deputy General Manager of the Company by all companies included in the consolidated financial report (including this Company), disclose the names of the General manager and Deputy General Manager in the range to which they belong.

Note 8: Net profit after tax means the net profit after tax for the most recent fiscal year. If the Company has already adopted IFRS, the net profit after tax means the net profit after tax in the parent company only or individual financial report for the most recent fiscal year.

Note 9: a. Fill in this column with the amount of remuneration received by the Company's General manager and Deputy General Manager from invested businesses other than subsidiaries or the parent company (please indicate "None" if no such remuneration).

b. If the Company's General manager and Deputy General Manager receive remuneration from invested businesses other than subsidiaries or the parent company, such remuneration shall be included in Column E of the remuneration range table. and the name of the column should be changed to "Parent company and all invested businesses".

c. Remuneration refers to any remuneration, compensation (including compensations received as an employee, director and supervisor) and professional service fees that the Company's General manager and Deputy General Manager received for serving as directors, supervisors or managers in invested businesses other than subsidiaries or the parent company.

*This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

(III) The remuneration of the top 5 executives with the highest remuneration (disclose the name and remuneration separately)

Unit: In Thousands of New Taiwan Dollars

Position	Name	Salary (A) (Note 2)		Retirement pay and pensions (B)		Bonuses and special disbursements, etc. (C) (Note 3)		Amount of employee remuneration (D) (Note 4)				Sum of A, B, C and D as a percentage of net profit after tax （％） (Note 6)		Compensation from investee enterprises other than subsidiaries or the parent company (Note 7)
		The Company	All companies included in the financial statements (Note 5)	The Company	All companies included in the financial statements (Note 5)	The Company	All companies included in the financial statements (Note 5)	The Company		All companies included in the financial statements (Note 5)		The Company	All companies included in the financial statements	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
General Manager	Hung-Tu Chang	2,604	2,604	-	-	7,580	7,580	8	-	8	-	10,192 119.61%	10,192 119.61%	-
General manager of Development unit	Hsien-Tsung Chen	1,062	1,062	-	-	580	580	8	-	8	-	1,650 19.38%	1,650 19.38%	-
CFO	Cheng-Yu Lee	2,084	2,084	-	-	331	331	8	-	8	-	2,423 28.44%	2,423 28.44%	-
Assistant vice president of sales division	Ping-I Wang	1,137	1,137	-	-	393	393	-	-	-	-	1,530 17.96%	1,530 17.96%	-
Assistant Vice President of Finance and Accounting Department	Ching-Ya Chang	1,377	1,377	-	-	729	729	-	-	-	-	2,106 24.72%	2,106 24.72%	-

Note 1: The "top 5 executives with the highest remuneration" mean the Company's managers. As for the criteria for identifying relevant managers, the order of the Securities and Futures Commission, Ministry of Finance via its letter dated March 27, 2003 referenced Tai-Cai-Zheng-San-Zi No. 0920001301 concerning the scope of “managers” shall apply. The principle of determining the "top 5 with the highest remuneration" is the Company's top five managers in terms of the receipt of salaries, severance pay and pension, bonuses and special expenditures from all companies in the consolidated financial report, and the total amount of employees' remuneration (i.e. total of A + B + C + D). If the director also serves as a supervisor mentioned above, fill in this table and the table above (1-1).

Note 2: Fill in the salary, job allowance and severance pay of the top five executives with the highest remuneration in the most recent year.

Note 3: Fill in the amount of various bonuses, incentives, transportation allowances, special expenses, various allowances, dormitory, vehicles and other in-kind benefits, and other remuneration for the top 5 executives with the highest remuneration in the most recent year. For example, when houses, cars and other means of transportation or personal expenditures are provided, disclose the natures and costs of the assets provided, the actual or fair market value of the rent, fuel and other payments. If there is a driver, please explain in a Note the remuneration paid to the driver, but do not include it in the remuneration. In addition, the salary expense recognized in accordance with IFRS 2 "Share-based Payment," including the acquisition of employee stock option certificates, new shares with restricted employee rights, and the shares from participation in capital increase in cash, should also be included in the remuneration.

Note 4: Fill in the Company's top 5 executives with the highest remuneration in the most recent year as approved by the board of directors (including shares and cash). If it is impossible to estimate the amount, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year, and Table 1-

3 shall be filled in separately.

Note 5: The total of various remunerations paid to the Company's top 5 executives with the highest remuneration by all companies in the consolidated report (include this Company) should be disclosed.

Note 6: Net profit after tax refers to the net profit after tax of the parent company only or individual financial report of the most recent year.

Note 7: a. Fill in this column with the amount of remuneration received by the Company's top 5 executives with the highest remuneration from invested businesses other than subsidiaries or the parent company (please indicate "None" if no such remuneration).

b. Remuneration refers to any remuneration, compensation (including compensations received as an employee, director and supervisor) and professional service fees that the Company's top 5 executives with the highest remuneration received for serving as directors, supervisors or managers in invested businesses other than subsidiaries or the parent company.

*This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

(IV) Names of managers paid with employees' remuneration and distribution status:

December 31, 2025

Unit: In Thousands of New Taiwan Dollars

	Position (Note 1)	Name (Note 1)	Amount paid in shares	Amount paid in cash	Total	As a % of net income after tax (%)
Managers	General Manager	Hung-Tu Chang	-	53	53	0.62
	General manager of Development unit	Hsien-Tsung Chen				
	Deputy General Manager of Development unit	Hsiang-Yun Huang				
	Deputy General Manager of general office	Hsiu-Mei Huang				
	CFO	Cheng-Yu Lee				
	Assistant vice president of sales division	Ping-I Wang				
	Assistant Vice President of Finance and Accounting Department	Ching-Ya Chang				
	Accounting supervisor	Chuan-Hung Huang				

Note 1: Disclose the individual name and job title; however, profit distribution may be disclosed in an aggregated manner.

Note 2: Fill in the employees' remuneration paid to managers as approved by the board of directors (including shares and cash). If it is impossible to estimate the amount, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year. Net profit after tax means the net profit after tax for the most recent fiscal year. If the Company has already adopted IFRS, the net profit after tax means the net profit after tax in the parent company only or individual financial report for the most recent fiscal year.

Note 3: The applicable scope of managers, in accordance with the order of the Commission via the letter dated March 27, 2003 referenced Tai-Cai-Zheng-San-Zi No. 0920001301, is as follows:

(1) General manager and equivalent rankings

(2) Deputy General Manager and equivalent rankings

(3) Assistant vice presidents and equivalent rankings

(4) Head of Finance Department

(5) Head of Accounting Department

(6) Other persons authorized to manage company affairs and sign documents

Note 4: If the directors, General manager and Deputy General Manager have received employees' remuneration (including shares and cash), this table should be filled out in addition to Table 1-2.

(V) Analysis of total remuneration paid by the Company to the General manager and Deputy General Manager as a percentage of net profit after tax stated in the parent company only or individual financial report in the past 2 years, and describe remuneration policies, standards and combinations, the procedure for remuneration determination, and its relationship with operating performance and future risks:

Unit: In Thousands of New Taiwan Dollars

Year \ Position		2025	2024
The Company	Total remuneration	34,931	43,024
	As a percentage of net profit after tax	409.94%	7.5%
All consolidated entities	Total remuneration	34,931	43,024
	As a percentage of net profit after tax	409.94%	7.5%

1. Remuneration to directors:

In accordance with the Company's "Remuneration Policy For Directors", the Company will consider the overall performance of the board of directors, the Company's operating performance, the Company's future operations and risk appetite for distribution proposal, which is approved by the Remuneration Committee and the board of directors, and distributed to them based on their participation in and contribution to the operations of the Company. In addition, in accordance with Article 23 of the Company's Articles of Incorporation, the Company shall not distribute more than 5% of the directors remuneration in the event that the Company makes a profit in the year.

2. Remuneration to general managers and deputy general managers:

Remuneration and salaries for the Company's General Manager and Deputy General Managers shall be paid based on individual professional experience and with reference to the general standards of the same industry; in addition, bonuses shall be periodically evaluated based on each individual's achievement rate and growth rate, risk, and business performance, with reference to the standard ranges of the same industry, and the Company also has regular employee evaluations, under which reasonable remuneration shall be granted based on the evaluation results, proposed by the Remuneration Committee and implemented after resolution by the Board of Directors.

3. Linkage to directors' performance and remuneration:

In addition to directors' periodic self-evaluation according to the "Board Performance Evaluation Measures" every year, managers will conduct employee evaluation in the middle and end of each year, and then review their achievements and performance according to the evaluation results. The remuneration to directors will be determined in accordance with the Company's "Regulations Governing Director Remuneration" and the Articles of Incorporation, and reasonable compensation will be provided. The performance evaluation criteria for directors include: "Understanding of the Company's goals and missions," "Awareness of director duties," "Level of participation in Company operations," "Management of internal relationships and communication," "Professionalism and continuing education," and "Internal control." The remuneration for both directors and managerial officers is handled by the Remuneration Committee in accordance with Article 7 of the Remuneration Committee Charter. In determining remuneration, the Committee references common industry practices and takes into account individual performance, the Company's operational results, potential industry risks, and future development trends to ensure reasonable alignment. The Committee convenes at least twice a year to review the performance evaluations and compensation policies, systems, standards, and structures for directors and managers. It assesses and determines appropriate compensation and may revise the remuneration system as needed based on the Company's actual operating conditions and relevant regulations. The evaluation results reviewed and approved by the Remuneration Committee are then submitted to the Board of Directors for final approval and implementation. Remuneration is granted based on the Company's overall operational performance and profitability, maintaining a positive correlation with business performance. It is administered within the framework of legal compliance and the Articles of Incorporation, while minimizing the potential and relevance of future risks—striving to balance sustainable corporate development and effective risk management.

(VI) The Company's operating performance is appropriately reflected in employee compensation:

In accordance with Article 23 of the Company's Articles of Incorporation, the Company shall not distribute less than 1% of the employees remuneration in the event that the Company makes a profit in the year.

The Company’s employee compensation appropriation for the past three years is as follows:

Unit: In Thousands of New Taiwan Dollars

<table>
<tr><td colspan="2"></td><td>2023</td><td>2024</td><td>2025</td></tr>
<tr><td colspan="2">Distribution ratio</td><td>1%</td><td>1%</td><td>1%</td></tr>
<tr><td rowspan="2">Amount distributed</td><td>Grassroots level</td><td rowspan="2">6,917</td><td rowspan="2">7,075</td><td>455</td></tr>
<tr><td>Non-grassroots level</td><td>62</td></tr>
</table>

III. Corporate governance

(I) Operation of the board of directors

In 2025, the Board of Directors held 5 meetings (A), and the attendance of directors is as follows:

Position	Name (Note 1)	No. of meetings attended in person (B)	Number of proxy attendance	Actual attendance rate (%) 【B/A】(Note 2)	Remarks
Chairman	Chenlong Investment Co., Ltd.: Chung-Hui Huang	5	0	100	
Directors	Representative of Cheer Way Investment Ltd.: Hsiang-Yun Huang	5	0	100	
Directors	Representative of Shi Jing Investment Ltd.: Pei-Chen Lin	5	0	100	
Directors	Representative of Shi Jing Investment Ltd.: Yun-Mei Tseng	5	0	100	
Independent director	Hsiu-Lan Wang	5	0	100	
Independent director	Yen-Chen Chang	5	0	100	
Independent director	Tsung-Ling Yen	4	1	80	

Note 1: If a director or supervisor is a legal person, the names of the legal person shareholder and its representative shall be disclosed.

Note 2: (1) If any director or supervisor resigns before the end of the year, the date of resignation shall be indicated in the remarks column; the actual voting/non-voting attendance rate (%) shall be calculated based on the number of board of directors held during his/her tenure and the actual number of voting/non-voting attendance.

(2) Before the end of the year, if there is a re-election of directors or supervisors, the new and old directors and supervisors shall be filled in, and whether the director or supervisor is old, new, or re-elected and the re-election date shall be indicated in the remarks column. The actual voting/non-voting attendance rate (%) shall be calculated based on the number of board of directors held during the tenure and the actual number of voting/non-voting attendance.

Other mandatory disclosures:

I. For board of directors that meet any of the following descriptions, state the date, the session, the contents of the motions, all independent directors' opinions and how the Company responded to such opinions:

(I) Items listed in Article 14-3 of the Securities and Exchange Act: Please refer to "Important resolutions passed by the shareholders' meeting and the board of directors in the past year and up to the date of publication of the annual report" on page 59.

(II) In addition to the foregoing, independent directors expressed objections or reservations at the board of directors that were included in records or stated in writing: None.

II. Disclosure regarding avoidance of interest-conflicting motions, including the names of directors concerned, the motions, the nature of conflicting interests, and the voting process:

Date of board of directors Session	Name of director	Motion	The reasons why the director was required to enter recusal	Participation in voting
2025.03.12 11th meeting of the 21st term	Chung-Hui Huang, Chairman ; Hsiang-Yun Huang, Director	The Company's managers' remuneration and related benefits discussion	Director Hsiang-Yun Huang is a manager of the Company, and Chairman Chung-Hui Huan and Director Hsiang-Yun Huang are first-degree relatives.	Chairman Chung-Hui Huang and Director Hsiang-Yun Huang are related parties to this motion; therefore, under the principle of recusal due to conflict of interest, they did not express any opinions. Independent Director Yen-Chen Chang served as the Acting Chairman, and the non-related party directors present approved the motion without objection.
		Motion for the appointment of representatives as directors and supervisors of subsidiary Chiang Chen Construction Co., Ltd.	Chairman Chung-Hui Huang is a director of Chiang Chen Construction Co., Ltd., and Director Hsiang-Yun Huang is a 1st-degree relative of Chairman Chung-Hui Huang.	Chairman Chung-Hui Huang and Director Hsiang-Yun Huang are related parties to this motion; therefore, under the principle of recusal due to conflict of interest, they did not express any opinions. Independent Director Yen-Chen Chang served as the Acting Chairman, and the non-related party directors present approved the motion without objection.
		The Company intended to sign a construction contract for the construction of the new project on parcel number 128, Renxin Sec. of Sanchong Dist., New Taipei City with Barson Construction Co., Ltd.	Chairman Chung-Hui Huang is a shareholder of Barson Construction Co., Ltd.; Director Hsiang-Yun Huang and Chairman Chung-Hui Huang are first-degree relatives with each other.	Chairman Chung-Hui Huang and Director Hsiang-Yun Huang are related parties to this motion; therefore, under the principle of recusal due to conflict of interest, they did not express any opinions. Independent Director Yen-Chen Chang served as the Acting Chairman, and the non-related party directors present approved the motion without objection.

Date of board of directors Session	Name of director	Motion	The reasons why the director was required to enter recusal	Participation in voting
2025.08.11 13th meeting of the 21st term	Chung-Hui Huang, Chairman ; Hsiang-Yun Huang, Director	Approval of the Company's donation of NT$ 2 million to the Ba Ba Charity Trust Fund.	The committee members of the Charitable Foundation are within the first degree of kinship with Chairman Chung-Hui Huang and Director Hsiang-Yun Huang.	Chairman Chung-Hui Huang and Director Hsiang-Yun Huang are interested persons of this project, and did not have opinions as recusal for conflict of interest. Independent Director Hsiu-Lan Wang served as the acting chairperson, and the remaining directors in attendance had unanimous approval of the motion without objection.
2025.11.07 14th meeting of the 21st term	Independent Director, Tsung-Ling Yen	The Company plans to participate in tender projects of government departments	Independent Director, Tsung-Ling Yen is one of the members of the Kaohsiung Mass Rapid Transit System Land Development Rights Allocation Review Committee.	Independent Director, Tsung-Ling Yen is an interested party to this motion and therefore did not express any opinion under the principle of recusal due to conflict of interest. This motion was Approved without objection by all attending directors who were non-interested directors.
		The Company and its subsidiary, Chiang Chen Construction Co., Ltd., plan to participate in tender projects of government departments	Independent Director, Tsung-Ling Yen is one of the members of the Kaohsiung Mass Rapid Transit System Land Development Rights Allocation Review Committee.	Independent Director, Tsung-Ling Yen is an interested party to this motion and therefore did not express any opinion under the principle of recusal due to conflict of interest. This motion was Approved without objection by all attending directors who were non-interested directors.
2025.12.23 15th meeting of the 21st term	Chairman Chung-Hui Huang, Directors Hsiang-Yun Huang, Pei-Chen Lin and Yun-Mei Tseng.	Formulation of the amount and distribution schedule of the 2024 remuneration for the Company's managers and directors	Chairman Chung-Hui Huang, Directors Hsiang-Yun Huang, Pei-Chen Lin and Yun-Mei Tseng are the Company’s directors	Chairman, Chung-Hui Huang, Director, Hsiang-Yun Huang, Director, Pei-Chen Lin, and Director, Yun-Mei Tseng are interested parties to this motion and therefore did not express any opinion under the principle of recusal due to conflict of interest. Independent Director, Tsung-Ling Yen served as the Acting Chairman. This motion was Approved without objection by all attending directors who were non-interested directors.

Date of board of directors Session	Name of director	Motion	The reasons why the director was required to enter recusal	Participation in voting
	Chung-Hui Huang, Chairman ; Hsiang-Yun Huang, Director	The Company's managers' remuneration and related benefits discussion	Director Hsiang-Yun Huang is a manager of the Company, and Chairman Chung-Hui Huan and Director Hsiang-Yun Huang are first-degree relatives.	Chairman Chung-Hui Huang and Director Hsiang-Yun Huang are related parties of this project, and did not have opinions due to the avoidance of interest principle. Independent Director Tsung-Ling Yen served as the acting chairperson, and the remaining directors present approved the motion by voting without objection.
		Proposal for the 2025 year-end bonus for the Company's managers	Director Hsiang-Yun Huang is a manager of the Company, and Chairman Chung-Hui Huan and Director Hsiang-Yun Huang are first-degree relatives.	Chairman Chung-Hui Huang and Director Hsiang-Yun Huang are related parties of this project, and did not have opinions due to the avoidance of interest principle. Independent Director Tsung-Ling Yen served as the acting chairperson, and the remaining directors present approved the motion by voting without objection.
		Motion for the Company's proposed loan of funds to its subsidiary, Chiang Chen Construction Co., Ltd.	Chairman Chung-Hui Huang is a director of Chiang Chen Construction Co., Ltd., and Director Hsiang-Yun Huang is a 1st-degree relative of Chairman Chung-Hui Huang.	Chairman Chung-Hui Huang and Director Hsiang-Yun Huang are related parties of this project, and did not have opinions due to the avoidance of interest principle. Independent Director Tsung-Ling Yen served as the acting chairperson, and the remaining directors present approved the motion by voting without objection.
		The Company plans to acquire right-of-use assets from related party Hsiang-Yun Huang under an office lease agreement	Chairman, Chung-Hui Huang is a 1st-degree relative of Director, Hsiang-Yun Huang.	Chairman Chung-Hui Huang and Director Hsiang-Yun Huang are related parties of this project, and did not have opinions due to the avoidance of interest principle. Independent Director Tsung-Ling Yen served as the acting chairperson, and the remaining directors present approved the motion by voting without objection.

III. Information on the evaluation cycles, evaluation periods, scope and method of evaluation (self-evaluation or peer evaluation)

Evaluation cycle	Evaluation period	Evaluation scope	Method of evaluation	Content of evaluation
Once a year	January 1, 2025 to December 31, 2025	Board of directors	Self-evaluation by the board members	Self-evaluation by the board members 1. Participation in the operation of the company 2. The quality of the board of directors' decision making 3. Composition and structure of the board of directors 4. Election and continuing education of the directors 5. Internal control Evaluation results: Good
Once a year	January 1, 2025 to December 31, 2025	Individual directors	The performance evaluation of the board members (on themselves or peers)	Self-evaluation of individual directors 1. Alignment of the goals and missions of the company 2. Awareness of the duties of a director 3. Participation in the operation of the company 4. Management of internal relationship and communication 5. The director's professionalism and continuing education 6. Internal control Evaluation results: Good
Once a year	January 1, 2025 to December 31, 2025	Functional committees (Audit Committee and Remuneration Committee)	Self-evaluation of functional committee members	Self-evaluation of functional committees 1. Participation in the operation of the company 2. Awareness of the duties of the functional committee 3. Quality of decisions made by the functional committee 4. Makeup of the functional committee and election of its members 5. Internal control Evaluation results: Good

IV. The board functions and objectives enhancement and the board performance evaluation for the current year and the most recent year:

Enhance the board functions and objectives	Evaluate the board performance
1. Continually improve the transparency of information	The Company designates dedicated personnel responsible for the disclosure of Company information and the updating of information on the Company's website in accordance with laws and regulations, so as to enhance the transparency of Company information.
2. Corporate governance regulations establishment	The Company amended the "Articles of Incorporation," "Rules of Procedure for Shareholders' Meetings," "Regulations for Election of Directors," "Regulations Governing the Preparation of Financial Statements," "Procedures for the Acquisition or Disposal of Assets," "Code of Practice for Sustainable Development," and "Code of Corporate Governance" in accordance with the latest laws and regulations and approved by the Board of Directors in the current and most recent years.
3. Active communication with stakeholders	On its website, the Company has a stakeholder section where stakeholders can ask questions and make suggestions.
4. Enhance the efficiency and decision-making of the board of directors	The Company has established an Audit Committee to strengthen the functions of the board of directors. In 2025, performance evaluations of the Board of Directors, board members and each functional committee were conducted in accordance with the Company's “Board Performance Evaluation Measures”. The evaluation results were reported to the Board of Directors on February 24, 2026.
5. Improve professional knowledge	In 2025, the Company's directors completed the required hours of continuing education courses for directors.
6. Directors liability insurance	The Company completed the renewal of directors' liability insurance in January 2026 and submitted it to the Board of Directors on February 24, 2026.
7. Enhance functional committee performance evaluation	Besides implementing the qualification requirements and independence criteria for independent directors at least once a year, the Company also provides independent directors with quarterly questionnaires to complete in order to implement the Code of Corporate Governance Practices and to determine whether the qualifications of the independent directors meet the relevant standards.

(II) Operations of the Audit Committee:

I. The Audit Committee of the Company consists of three members.

II. The main items reviewed by the Audit Committee include:

(1) Formulation of or amendment to the internal control system pursuant to Article 14-1 of Securities and Exchange Act.

(2) Assessment of the effectiveness of the internal control system.

(3) Formulation of or amendment to, pursuant to Article 36-1 of Securities and Exchange Act, the procedures for significant financial or business activities including acquisition or disposal of assets, derivative trading, extension of loans to others, and endorsements/ guarantees.

(4) Matters related to the directors’ personal interests.

(5) Significant asset or derivative transactions.

(6) Significant extensions of loans to others and endorsements/ guarantees.

(7) The fund raising, issuance or private placement of securities with equity nature.

(8) The appointment or dismissal of certifying CPA, or their compensation.

(9) Appointment and dismissal of heads of finance, accounting or internal audit.

(10) Annual financial report signed or sealed by the Chairman, manager and accounting

supervisor.

(11) Any other significant matter stipulated by the Company or the competent authority.

III. Audit Committee’s annual work focus:

The Audit Committee assisted the board of directors in its oversight of the quality and integrity of the Company's accounting, auditing, financial reporting processes and financial controls and related amendments to the Company's internal controls.

IV. 2nd Term of committee members: June 28, 2023 to June 27, 2026, the Audit Committee held 5 meetings in 2025 (A), and the attendance of the independent directors is as follows:

Position	Name	No. of meetings attended in person (B)	Number of proxy attendance	Attendance Rate (%) (B/A)(Notes 1 and 2)	Remarks
Independent director	Hsiu-Lan Wang	5	0	100	-
Independent director	Yen-Chen Chang	5	0	100	-
Independent director	Tsung-Ling Yen	4	1	80	-

Note 1: If any independent director resigns before the end of the year, the date of resignation shall be indicated in the remarks column; the actual voting/non-voting attendance rate (%) shall be calculated based on the number of board meetings held during his/her tenure and the actual number of voting/non-voting attendance.

Note 2: Before the end of the year, if there is a re-election of independent directors, the new and old independent directors shall be filled in, and whether an independent director is old, new or re-elected and the re-election date shall be indicated in the remarks column. The actual voting/non-voting attendance rate (%) shall be calculated based on the number of board meetings held during the tenure and the actual number of voting/non-voting attendance.

Other mandatory disclosures:

I. If the Audit Committee has any of the following circumstances in its operations, state the audit committee meeting date, session and term, content of the motions, the content of any objection or reservation or significant recommendation of the independent directors, the results of the Audit Committee’s resolutions, and the disposal by the Company on the opinions of the Audit Committee:

(I) Any matter listed in Article 14-5 of the Securities and Exchange Act:

Meeting date Meeting session number	Motion	Content of the motions, the content of any dissenting or qualified opinion or significant recommendation of the independent directors	The outcomes of audit committee resolutions	The measures taken by the Company based on the opinions of the audit committee
2025.03.12 10th meeting of the 2nd term	1. 2024 business report and financial statements. 2. Issuance of the Company's "2024 Internal Control System Statement". 3. Amendment to the Company's "Approval Authorization Table". 4. The Company's appointment of CPAs for 2025 and remuneration. 5. Assessment of the independence and suitability of the Company's certifying CPAs. 6. Proposed formulation of the general principles of the Company's policy for pre-approval of non-assurance services. 7. Amendment to the Company's "Articles of Incorporation" 8. The Company proposes to enter into a contract with Barson Construction Co., Ltd. for the construction of a new building project on Land No. 128, Renxin Section, Sanchong District, New Taipei City	No opinions.	Unanimous vote by all attending committee members to approve the motion and then submitted to the board for resolution.	Unanimous vote by all attending directors to approve the motion.
2025.05.12 11th meeting of the 2nd term	1. Review of the Company's Consolidated Financial Statements for Q1 2025. 2. Proposed amendment to the Company's internal control system and related operating cycles.	No opinions.	Unanimous vote by all attending committee members to approve the motion and then submitted to the board for resolution.	Unanimous vote by all attending directors to approve the motion.
2025.08.11 12th meeting of the 2nd term	1. Review of the Company's Consolidated Financial Statements for Q2 2025. 2. Approval of the Company's donation of NT$ 2 million to the Ba Ba Charity Trust Fund. 3. Change of the Company's accounting officer. 4. Amendment to the Company's "Approval Authorization Table".	No opinions.	Unanimous vote by all attending committee members to approve the motion and then submitted to the board for resolution.	Unanimous vote by all attending directors to approve the motion.
2025.11.07 13th	1. Review of the Company's Consolidated Financial	No opinions.	Unanimous vote by all attending	Unanimous vote by all attending

meeting of the 2nd term	Statements for Q3 2025. 2. Formulation of the Company's 2026 annual internal audit plan. 3. The Company proposes to apply to its subsidiary for a loan. 4. The Company proposes to participate in government tender projects. 5. The Company and its subsidiary Chiang Chen Construction Co., Ltd. propose to participate in government tender projects.		committee members to approve the motion and then submitted to the board for resolution.	directors to approve the motion.
2025.12.23 14th meeting of the 2nd term	1. The Company intends to provide a loan to its subsidiary, Chiang Chen Construction Co., Ltd. 2. The Company intends to acquire right-of-use assets from related party Hsiang-Yun Huang and enter into an office lease contract.	No opinions.	Unanimous vote by all attending committee members to approve the motion and then submitted to the board for resolution.	Unanimous vote by all attending directors to approve the motion.

(II) In addition to the matters referred to above, other resolutions not approved by the Audit Committee but approved by more than two-thirds of all directors: None.

II. Implementation of recusal by independent directors from motions involving conflicts of interest, specifying the name of the independent director, the content of the motion, the reason for required recusal due to conflicts of interest, and participation in voting:

Date of board of directors Session	Name of director	Motion	The reasons why the director was required to enter recusal	Participation in voting
2025.11.07 14th meeting of the 21st term	Independent Director, Tsung-Ling Yen	The Company plans to participate in tender projects of government departments	Independent Director, Tsung-Ling Yen is one of the members of the Kaohsiung Mass Rapid Transit System Land Development Rights Allocation Review Committee.	Independent Director, Tsung-Ling Yen is an interested party to this motion and therefore did not express any opinion under the principle of recusal due to conflict of interest. This motion was Approved without objection by all attending directors who were non-interested directors.
		The Company and its subsidiary, Chiang Chen Construction Co., Ltd., plan to participate in tender projects of government departments	Independent Director, Tsung-Ling Yen is one of the members of the Kaohsiung Mass Rapid Transit System Land Development Rights Allocation Review Committee.	Independent Director, Tsung-Ling Yen is an interested party to this motion and therefore did not express any opinion under the principle of recusal due to conflict of interest. This motion was Approved without objection by all attending directors who were non-interested directors.

III. The independent directors' communication with the head of internal audit and CPAs (including any significant matters about the Company's finance and business, the methods and results of the communication):

1. The policy of the independent directors' communication with the head of internal audit:

(1) The amendments to the "Internal Control System" and "Internal Audit Implementation Rules" of the Company were approved by the Audit Committee and submitted to the Board of Directors for resolution.

(2) The assessment of the effectiveness of the Company's internal control system (with the issuance of a Declaration) was approved by the Audit Committee and submitted to the Board of Directors for resolution.

(3) The Audit Office of the Company sends a monthly internal audit report to the independent directors for review.

(4) At least once a quarter, the independent directors will communicate with the head of internal audit about internal audit implementation and internal control operations. Aside from making audit reports on internal control deficiencies and irregularities found during inspections, they also plan follow-up activities to ensure that necessary improvement measures are taken. by related units.

2. The policy of the independent directors' communication with CPAs:

The Audit Committee of the Company was composed of all independent directors. CPAs attended the Company's meeting at least once a year, reporting on the Company's financial position and overall operations to the independent directors, and explaining how changes to the laws affect the financial accounts. The communication was good.

3. The summary of the independent directors' communication with CPAs and the head of internal audit:

Date	Communicating with	Matters	Independent director's opinion	Result
2025.03.12	Head of internal audit	Report on the implementation of the audit plan for October to December 2024	None	Fully communicated and discussed, and then reported to the board.
2025.03.12 Private meeting	Certified public accountant	Explanation of the audit approach, results, and key audit matters for the 2024 Parent Company Only Financial Statements and Consolidated Financial Statements	None	The 2024 Parent Company Only Financial Statements and Consolidated Financial Statements were approved by the Audit Committee and submitted to the Board of Directors for discussion.
2025.05.12	Head of internal audit	Report on the execution of the audit plans from January to March, 2025.	None	Fully communicated and discussed, and then reported to the board.
2025.08.11	Head of internal audit	Report on implementation plan of audit plans from April to June, 2025.	None	Fully communicated and discussed, and then reported to the board.
2025.11.07	Head of internal audit	Report on the execution of the audit plans from July to September, 2025.	None	Fully communicated and discussed, and then reported to the board.

(III) Corporate governance implementation status and deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
I. Has the Company established and disclosed its corporate governance principles based on "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	✓		1. The Company's "Corporate Governance Best Practice Principles" were established with reference to the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" adopted by the Taiwan Stock Exchange, and were also disclosed on the Market Observation Post System and the Company's website for investors' inquiry. In addition to complying with laws and regulations and the Articles of Incorporation, the Company's corporate governance system protects the rights and interests of shareholders, strengthens the functions of the Board of Directors, exercises the functions of the functional committees, respects the	No material differences.

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			rights and interests of stakeholders, and improves information transparency. 2. Regular reports to the Board of Directors on the operation of corporate governance.	
II. Shareholding structure and shareholders' equity (I) Has the Company created a set of internal procedures to handle shareholders' suggestions, queries, disputes, and litigations and enforced them accordingly?	✓		(I) The Company, in addition to appointing a professional shareholder services agent to handle shareholder affairs, has also established the “Procedures for Handling Internal Material Information”, and has also appointed a spokesperson and acting spokesperson, and set up a stakeholder section on the Company's website, responsible for handling shareholder suggestions, inquiries, disputes and litigation matters, and implements such procedures accordingly.	No material differences.
(II) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		(II) The Company keeps track of the trading of its shares at any time, and has established a register of major shareholders through the shareholder register provided by the stock affairs agent. In addition, the stock affair personnel will check the website of the Ministry of Economic Affairs and obtain information on the directors of major legal person shareholders, in order to manage the list of ultimate controllers.	No material differences.
(III) Has the Company established and implemented risk management practices and firewalls for its affiliated companies?	✓		(III) In addition to the "Corporate Governance Best Practice Principles", the Company has established the "Procedures for Related Party Transactions", "Regulations for Financial Operations between Affiliated Companies", and "Subsidiary Supervision Operations" within the investment cycle of the internal control system, in order to establish appropriate risk control and firewall mechanisms with each of its affiliates. The Company's	No material differences.

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			assets, finances, and operations are independent of those of its affiliated companies. The auditing unit of the parent assigns a person to perform auditing of the subsidiary to control risks.	
(IV) Has the Company established internal policies that prevent insiders from trading securities against non-public information?	✓		(IV) The Company has established the "Procedures for Handling Internal Material Information", "Procedures for Prevention of Insider Trading", "Procedures for Ethical Management and Guidelines for Conduct" and "Corporate Governance Best Practice Principles". The Company implements awareness and education training in monthly staff meetings and strictly requires internal staffs to comply with relevant regulations. Prevention of insider trading implementations are detailed in Note 1.	No material differences.
III. Composition and responsibilities of the board of directors (I) Has the board of directors formulated diversification policies, specific management objectives and implemented them?	✓		(I) In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles, diversity shall be considered for the composition of the board of directors, including but not limited to gender, age, culture, professional background, and professional skills. Currently, the members of the board of directors are all competent according to the relevant regulations. For the diversity policy of the board of directors, specific management objectives and guidelines and their implementation, please refer to "(II) Director Information-2" in the annual report.	No material differences.
(II) Apart from the Remuneration Committee and Audit Committee, has the Company assembled other functional committees at its own discretion?	✓		(II) The Company has established the Remuneration Committee as required by law and the Audit Committee, and will evaluate the establishment of other functional committees as needed in the future.	No material differences.

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(III) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	✓		(III) According to the Company's "Board Performance Evaluation Measures", the Board of Directors shall conduct an internal Board performance evaluation at least once a year, conduct the performance evaluation for the year at the end of the year, and report the results of the performance evaluation to the Board of Directors on February 24, 2026. The scope of the performance evaluation of the Company's board of directors includes the evaluation of the board of directors as a whole, individual board members and functional committees. The evaluation includes internal self-assessment by the board of directors, functional committees, self-assessment by board members or other appropriate methods of performance evaluation. The data is collected and recorded centrally as a reference for determining individual salary and remuneration.	No material differences.
(IV) Are external auditors' independence assessed regularly?	✓		(IV) Our finance and accounting units regularly evaluate the independence of CPAs every year, complete the "Appointed Accountants' Independence and Suitability Assessment Form" (Note 2), and require the CPAs to issue a "Statement of Independence". Submit the assessment results and the audit quality indicators (AQI) provided by the accounting firm to the Audit Committee and the board of directors as reference to assess the appointment of accountants. Based on the Company's assessment, CPA Cheng-Chu Chen and CPA Fang-Wen Lee of EY Taiwan have met the standards of independence, suitability and the AQIs, and are qualified to be our	No material differences.

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			certifying CPAs. The above have been approved by the resolution of the Audit Committee and the board on February 24, 2026.	
IV. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility for corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board of directors and annual general meetings of shareholders as required by law, and compiling minutes of board of directors and annual general meetings)?	✓		The board resolution approved the appointment of CFO Cheng-Yu Lee to concurrently serve as the head of corporate governance, being the most senior executive responsible for the Company's corporate governance affairs. He meets the qualification requirements needed for a head of corporate governance as regulated by the FSC, as he has more than three years of managerial experience in finance, shareholder services or internal audit for publicly traded companies. The implementation status in 2025 is as follows: 1. To assist directors with matters related to their continuing education, to relay relevant external courses regularly, and to assist them in completing at least six hours of continuing education in a year. 2. To handle matters related to the meetings of the Board of Directors, related committees and shareholders' meetings in accordance with the law, and to assist the Company in following the matters related to them. 3. Prepare minutes of the board of directors, related committees and shareholders' meetings. 4. To provide information necessary for directors to perform their duties, to remind directors of relevant laws and regulations, and to adjust according to the latest regulations related to the Company's operations, including amendments to the Company's Articles of Incorporation, Procedure for Operation of board of directors, and Code of Corporate Governance Practices, etc. 5. Matters related to investor relations. 6. In order to implement the internal control system, the Company holds	No material differences.

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			communication meetings with CPAs, independent directors, internal auditor head, and finance and accounting heads from time to time. http://www.hsinbaba.com.tw/ 7. The performance evaluation of the board of directors is regularly evaluated annually in accordance with the Company's "Board of Directors' Performance Evaluation Method". Details of the 2025 continuing education of Cheng-Yu Lee, Corporate Governance Officer and CFO, are provided in Note 4.	
V. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	✓		1. A spokesperson, a proxy spokesperson and a shareholder service line are established to communicate with stakeholders and provide information about the Company. 2. Set up a sales service line to provide after-sales service to consumers. 3. A regular meeting between the engineering and sales units takes place with vendors to conduct labor safety checks, work reviews, business reports, and other related discussions. 4. There is a section on the Company's website for stakeholders and investors that allows suppliers, employees, customers, investors, analysts, journalists, and other relevant personnel to ask questions, which will be received by a designated individual and responded accordingly. URL: http://www.hsinbaba.com.tw/ 5. Details of stakeholder identities, issues of concern, communication channels and response methods are provided in Note 5.	No material differences.
VI. Does the Company engage a share transfer agency to handle shareholder meeting affairs?	✓		Taishin Securities Co., Ltd.'s stock agency is appointed to provide professional services to shareholders and handle related matters.	No material differences.
VII. Information disclosure (I) Has the Company established a website that discloses financial,	✓		(I) The Company has set up a website for investors which provides	No material differences.

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
business, and corporate governance-related information?			information on financial, business, and corporate governance matters.	
(II) Has the Company adopted other means to disclose information (e.g. English website, assignment of dedicated personnel to collect and disclose corporate information, implementation of a spokesperson system, broadcasting of investor conferences via the company website)?	✓		(II) Information for the Company’s investor relations website is collected by the IT department and disclosed after review by the spokesperson and relevant responsible supervisors. The Company's website features: Events, Corporate Profile, Financial Information, Important Announcements, Shareholders' Meeting, Stock Price and Dividend, Shareholder Services, Board of Directors, Corporate Social Responsibility, Corporate Governance, Project Profile, Stakeholder and Investor Section, etc. The information about the earnings call is placed under Events of the investor section.	No material differences.
(III) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?		✓	(III) Board of directors to approve the annual and quarterly financial statements are held within the statutory time frame. Due to the tight schedule, the decision to announce and file the financial statements earlier is subject to the Company's overall staffing situation.	The decision to announce and file the financial statements earlier is subject to the Company's overall staffing situation.
VIII. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements, implementation of customer policy, and liability insurance for directors and supervisors)?	✓		1. Employee Rights and Care (1) The Company conducts pre-employment education and training, personnel and environment introduction for new employees to help them understand the Company's environment, system and related rights and interests as soon as possible; we also assign relevant employees to attend external education and training from time to time or implement internal education and training for all employees at monthly staff meetings. Training is provided for information systems, internal systems, legal systems, work improvement, corporate governance and corporate social responsibility, etc. We provide a	No material differences.

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			complete training program for employees' career planning and professional skills in order to train professionals and improve management performance as well as develop and utilize talents effectively. (2) The employee welfare committee is established and monthly welfare funds are allocated. In addition to setting the annual welfare plan, the welfare committee organizes various activities, such as domestic and overseas travel activities, holiday bonuses, year-end banquets, birthday bonuses, and employee birthday programs, etc. (3) Employee (spouse) childbirth, employee marriage, relocation, hospitalization for injury or illness, and matters related to relatives' funerals. Leave is granted in accordance with regulations, personnel are assigned to express care and concern, and relevant subsidies are provided. (4) In addition to labor insurance, health insurance and occupational accident insurance, the Company also provides employees with group accident insurance and health checkups to take good care of employees. (5) If the Company makes profits during the year, it shall allocate and pay employees' remuneration according to law and the Articles of Incorporation. 2. Investor relationships: The Company has established a spokesperson system whereby a spokesperson and a deputy spokesperson will announce and provide information about the Company's corporate governance on behalf of the Company in compliance with the law. In addition to the services provided by the professional stock agency, the Company also has a dedicated	

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			shareholder service team to provide assistance to investors on matters related to stock. 3. Supplier relationships and interests of stakeholders: The responsible unit regularly communicates and coordinates with suppliers, strengthen site safety and health management, creates a safe working environment, and has a good relationship with suppliers. Each responsible unit communicates with other stakeholders such as banks, landlords and insurance companies and complies with the contract to protect the rights and interests of both parties. 4. Directors' continuing education: All directors of the Company have completed continuing education in accordance with the required hours set forth in the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies", and detailed information on continuing education is provided in Note 6. 5. Directors' recusal from an issue of interest: The directors of the Company uphold a high degree of self-discipline and are able to remove themselves from discussions related to a particular issue that may have a conflict of interest for them, as described in the Operation of the board of directors. 6. Implementation status of risk management policies and risk measurement standards: The Company has formulated the Risk Management Measures, promoted various policies in compliance with relevant laws and regulations, established regulations for various standard operating procedures, and regularly reported the implementation of risk management to the board in order to reduce and prevent any possible risks. 7. The Company has appointed	

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			specialists who are responsible for gathering information about the political, economic, tax, and real estate industries to stay up-to-date on the latest developments and trends, which serve as a reference for budgeting, project implementation, and risk control, etc. 8. Consumer protection: The Company protects customer information in accordance with Personal Data Protection Act, and provides a performance guarantee for the purchase of pre-sale houses in accordance with the Consumer Protection Act. Provide high-quality products and services that are designed and planned from the perspective of the consumer. The Company provides warranty and after-sales services according to the contract to protect the customer rights and to enhance customer satisfaction. 9. The Company takes out liability insurance for directors and independent directors every year. During the term of office, directors and independent directors shall be covered by the liability insurance for the scope of their business in accordance with the law.	

IX. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose enhancement measures for any issues that are yet to be rectified. (If the Company was not included among the companies evaluated for the given recent year, this item does not need to be completed.)

Items improved in the 12th Corporate Governance Evaluation Indicators:

Topic No.	Corporate governance evaluation item	Implementation and improvement
4.1	Has the Company established a dedicated (part-time) sustainable development promotion unit that conducts risk assessments on environmental, social or corporate governance issues related to the Company's operations, develop relevant risk management policies or strategies, have the board of directors supervise the promotion of sustainable development, and disclose them on the company website and in the annual report?	The Company reports quarterly to the Board of Directors, and also discloses relevant information on the Company's website and annual report.
4.4	Does the Company's sustainability report disclose relevant ESG information with reference to the SASB Standards?	The Company has disclosed its sustainability report on the Market Observation Post System and the Company's website within the required

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	

		deadline.
4.5	Has the Company's sustainability report obtained 3rd-party verification?	The Company commissioned Ernst & Young to perform limited assurance on the sustainability report, and the assurance report is attached as an Appendix to the sustainability report.
4.6	Does the Company refer to international covenants of human rights in formulating policies to protect human rights and the specific management plans, and disclose relevant policies and implementation status on the company website or in the annual report?	The Company has established human rights policies and disclosed them in annual reports and on the Company's website.
4.13	Has the Company established a dedicated (part-time) sustainable development promotion unit that conducts risk assessments on environmental, social or corporate governance issues related to the Company's operations, develop relevant risk management policies or strategies, have the board of directors supervise the promotion of sustainable development, and disclose them on the company website and in the annual report?	The Company has established a task force for promoting sustainable development, and also met the requirements of the indicators. The relevant information is disclosed on the Company's website and annual report.
4.15	Does the Company's website or annual report disclose the ethical corporate management policy approved by the Board of Directors, specify the specific actions and prevention of unethical conduct, and describe the implementation status?	The annual report discloses the number of hours of training for employees on ethical corporate management. The Company has established relevant measures and disclosed them on the Company's website.
4.17	Does the Company disclose, in its website, annual report, or sustainability report, the supplier management policies it has established—requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor rights—and explain the status of implementation?	The Company has disclosed its supplier management policies and implementation status on both its website and in the annual report.
4.18	Has the Company disclosed relevant information regarding its governance of, strategy for, risk management of, and indicators and targets related to climate-related risks and opportunities, in accordance with the TCFD recommendations?	The Company has disclosed relevant information in the annual report and the sustainability report.
4.24	Has the Company's sustainability report been submitted to the Board of Directors for approval?	The Company's sustainability report was submitted to the Board of Directors on 2025/08/11 and Approved.

Priority items not yet improved in the 12th Corporate Governance Evaluation Indicators:

Topic No.	Corporate governance evaluation item	Implementation and improvement
4.7	Does the Company upload the English version of the sustainability report to the Market Observation Post System and the Company's website?	The Company will continue to evaluate based on actual needs, the level of investor attention and overall planning, and does not rule out subsequently studying and preparing an English version to enhance the quality of international information disclosure and communication.
4.29	Has the Company adopted internal carbon pricing to estimate the impact of climate change on the	The Company will, in view of overall operational needs, regulatory developments

Assessment criteria	Implementation status (note)			Deviation and causes of deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
Company's finance and business?			and sustainable management planning, further study the feasibility of introducing relevant internal carbon pricing mechanisms as a reference for climate risk management and decision-making evaluation.	

Note: Regardless of whether “Yes” or “No” is ticked regarding the implementation status, an explanation should be provided in the explanation column for each item.

Note 1: Implementation of prevention of insider trading.

I. The Company has formulated regulations concerning the prevention of insider trading in Article 2 of the "Ethical Code of Conduct for Directors and Managers", Article 15 of the "Procedures for Ethical Management and Guidelines for Conduct" and the "Procedures for Handling Material Inside Information", and has formulated regulations concerning the prevention of improper leakage of information in the "Procedures for Handling Material Inside Information".

II. The Company electronically notifies directors and insiders about the dates of board of directors and the announcement dates of financial reports, and reminds them not to trade securities before the news is made public or within 30 days before the release of the annual financial report, or 15 days before the release of the quarterly financial report, so as to comply with the regulations.

III. The Company's specific implementation of insider trading education and training in 2025 is as follows:

Object	Date	Course topics	Hours per session	Participation person-times
Directors and managers	2025/01/14 2025/04/02 2025/07/04 2025/09/10 2025/10/13 2025/10/14 2025/11/11	Internal training: Insider shareholding change reporting violation patterns Corporate governance education and training series -- Prevention of insider trading Corporate Governance Training Series - Operating Procedures for Handling Internal Material	0.5 hours	77 person-times
Directors	2025/05/23	External training: 2025 Insider Trading Prevention Advocacy Meeting	3 hours	3 person-times
Employees	2025/09/10 2025/10/14 2025/11/11	Internal training: Corporate governance education and training series -- Prevention of insider trading Corporate governance education and training series -- Procedures for Ethical Operations Management and Guidelines for Conduct Corporate Governance Training Series - Operating Procedures for Handling Internal Material	0.5 hours	250 person-times

Note 2: CPA independence evaluation standards

Assessment criteria	Result	Independence
1. Whether CPAs do not involve in any material financial interests with the Company	Yes	Yes
2. Whether there is no improper relationship between CPAs and the Company	Yes	Yes
3. Whether CPAs have ensured the honesty, impartiality and independence of his/her team	Yes	Yes
4. Whether CPAs currently not hold, or have not held within the last two years, any position as a director or manager of the Company or any position that has a significant influence on the audit; and whether CPAs will hold any such position during the future audit	Yes	Yes
5. During the audit period, whether CPAs and his/her spouse or dependent family members do not hold any positions as directors, managers of the Company or any position that has a direct and significant influence on the audit. During the audit period, if a close relative within the fourth degree of kinship of CPAs holds any position as a director, a manager of the Company or any position that has a direct and significant influence on the audit, the degree of breach of independence shall be reduced to an acceptable level.	Yes	Yes
6. Whether CPAs have not received any benefits or presents of significant value from the Company, its directors or managers (the value of which does not exceed the normal standards of social etiquette).	Yes	Yes
7. Whether the names of CPAs are not used by others.	Yes	Yes
8. Whether CPAs have no money borrowing and lending affair with the Company, except for normal financial industry dealings.	Yes	Yes
9. Whether CPAs are not engaged in any other business that may impede the independence.	Yes	Yes
10. Whether CPAs do not receive any commission in connection with the business.	Yes	Yes
11. Whether CPAs have expertise and a good understanding of the Company.	Yes	Yes
12. Whether CPAs have not been subject to significant disciplinary action by the competent authority.	Yes	Yes

Note 3: Assessment of audit quality indicator (AQI)

I. The Company has referred to the "Audit Quality Indicators (AQI) Report" issued by the CPA firm to assess the independence and suitability of the auditors. The content of the assessment covers 5 major dimensions "professionalism, quality control, independence, supervision and innovation ability" and 13 indicators.

II. After review of the “Audit Quality Indicators Report (AQI Report)” by the Company's Audit Committee and the Board of Directors, Ernst & Young was found to meet the independence and suitability criteria in the following evaluation categories and was Approved by the Audit Committee and the Board of Directors:

Assessment criteria	Independence	Suitability
Dimension I. Professionalism	Yes	Yes
Dimension II. Quality control	Yes	Yes
Dimension III. Independence	Yes	Yes
Dimension IV. Supervision	Yes	Yes
Dimension V. Ability to innovate	Yes	Yes

Note 4: The training of the Company's Corporate Governance Officer and CFO, Li, Chen-Yu, in 2025 is as follows

Organizer	Date	Training courses	Number of hours
Taiwan Academy of Corporate Directors	2025/04/11	Upgrading Corporate Governance: Creating a New Landscape for Talent Competitiveness	3
Taiwan Stock Exchange	2025/07/09	2025 Cathay Sustainable Banking and Climate Change Summit	6
Chinese National Association of Industry and Commerce	2025/08/22	2025 Taishin Shin Kong Net Zero Summit	3

Note 5: Stakeholder identities, issues of concern, communication channels and response methods in 2025

Stakeholders	Issues of concern	Communication channels and response methods	Communication performance
Competent authorities, shareholders and investors	Communication with government authority Regulatory compliance Corporate governance Ethics and integrity Operating performance Company sustainable development Shareholder participation	Participate in seminars held by competent authorities from time to time Set up a point of contact to cooperate with the competent authority for audit and to maintain good interactions Real-time material information is disclosed on the Market Observation Post System. Hold the annual general meetings of shareholders every year and publish an annual report Hold institutional investor conferences from time to time every year Set up a point of contact for investors and shareholder services for two-way communication Point of contact: Financial Accounting Department: Cheng-Yu Lee, CFO Shareholder contact: (07)536-1624 E-mail：hsinbabair@baba6688.com.tw Shareholder services agent: Shareholder Services Department of Taishin Securities Telephone: (02) 2504-8125 (Ext: 6301~6306)	The Company’s shareholders and investors can send any comments or questions through the communication channels listed on the left, and the Company will provide assistance as soon as possible. The Company's operations are transparent to allow shareholders to understand the Company, and real-time material information and announcements are released in accordance with regulations. The AGM was held on June 25, 2025, and the annual report was uploaded in accordance with the required schedule. Physical and online institutional investor conferences were held upon invitation on March 19, 2025 and April 2, 2025. Respond to investors’ questions from time to time.
Employees	Employee welfare and development Employee evaluation practices Labor-management relations	Established Employee Welfare Committee Announce various employee welfare activities from time to time every year (for example, employee meal subsidies, employee travel, group insurance and health checks) Promote continuing education of employees Employee-employer meetings are held from time to time every year	The Company's various rules and regulations are announced after revision, and are posted on the Company's internal website for employees to access at any time. Contract chartered restaurants and organize employee travel and dinners. Organize the company spring party and travel and employee overseas

	Corporate image Safe and healthy environment Ensure and respect human rights	Collect employees' opinions through the employee suggestion mailbox or the LINE@ account of the Company's Personnel Section	travel. Organize internal training from time to time and encourage employees to participate in external professional skills training. A total of four labor-management meetings were held in March, April, July and October 2025.
Customer	Customer satisfaction Customer communication Protection of customer privacy Information transparency After-sales service Corporate image	Latest news related to construction projects is released from time to time through online social media platforms. Establish and provide customers with diverse channels: 24-hour voice message hotline, official website, LINE@, online repair reporting system, etc. Organize a series of community tours to maintain good interaction and communication with customers. Point of contact: Customer Service Section, Sales Department 24-hour voicemail hotline: 0800-045-678	108,392 fans on Facebook. 80,401 fans on the official LINE@ account. Organize the following community activities: 1. Ghost Festival offerings for each community 2. Christmas decorations for each community 3. Christmas activity: [Century Hall], [International Hall], [Park Building], [Love in Style]
Partner vendors (suppliers/contractors/sales agents)	Legal and fair trade Sustainability strategy Corporate image Vendor management and communication	Point of contact of suppliers/constructors: Procurement Section of Engineering Department and Land Development Section of Development and Planning Department. Tel: 07-5378899 Point of contact for agents: Mr. Wang, Sales Department Tel: 07-5378899 #305	Hold meetings with collaborating partners from time to time every month.
Community residents/Neighboring houses	Corporate image Community welfare Social participation	Point of contact: Management department Tel: 07-5378899 https://www.baba6688.com.tw/Community	Participated and assisted in 36 public welfare activities to realize the business philosophy of giving back to the society. Donations to Kaohsiung Harbor Police Friends Association, Ba Ba Charity Trust Fund, Kun Shan University Alumni Education Foundation's disadvantaged assistance project, National Chaozhou Senior High School Parents' Committee volleyball team dormitory equipment fund, and Taichung Municipal Shalu Industrial Senior High School teaching subsidies, etc.

Note 6: Continuing education for directors.

Position	Name	Study date	Training courses	Training hours	Total hours	Organizer (Note 1)
Directors	Institutional representative: Chung-Hui Huang	2025.04.18	Upgrading Corporate Governance: Building a New Talent Competitive Landscape International Industry Talent Trends and Response Strategies	3	6	C
		2025.05.23	New trends in circular economy and sustainable operations	3		D
Directors	Institutional representative: Hsiang-Yun Huang	2025.04.18	Upgrading Corporate Governance: Building a New Talent Competitive Landscape International Industry Talent Trends and Response Strategies	6	9	C
		2025.07.09	2025 Cathay Sustainable Finance and Climate Change Summit Forum	6		B
Directors	Institutional representative: Pei-Chen Lin	2025.04.18	Upgrading Corporate Governance: Building a New Talent Competitive Landscape International Industry Talent Trends and Response Strategies	3	6	C
		2025.05.23	2025 Insider Trading Prevention Advocacy Meeting	3		A
Directors	Institutional representative: Yun-Mei Tseng	2025.04.18	Upgrading Corporate Governance: Building a New Talent Competitive Landscape International Industry Talent Trends and Response Strategies	3	6	C
		2025.05.23	2025 Insider Trading Prevention Advocacy Meeting	3		A
Independent director	Hsiu-Lan Wang	2025.04.18	Upgrading Corporate Governance: Building a New Talent Competitive Landscape International Industry Talent Trends and Response Strategies	3	9	C
		2025.07.09	2025 Cathay Sustainable Finance and Climate Change Summit Forum	6		B
Independent director	Yen-Chen Chang	2025.04.18	Upgrading Corporate Governance: Building a New Talent Competitive Landscape International Industry Talent Trends and Response Strategies	3	6	C
		2025.05.23	2025 Insider Trading Prevention Advocacy Meeting	3		A
Independent director	Tsung-Ling Yen	2025.04.18	Upgrading Corporate Governance: Building a New Talent Competitive Landscape International Industry Talent Trends and Response Strategies	3	6	C
		2025.08.29	Sustainable Development Briefing Session - Kaohsiung Venue	3		E

(Note 1): A is the Securities & Futures Institute.
B is the Taiwan Stock Exchange.

C is the Taiwan Investor Relations Association.
D is the Chinese Financial and Economic Development Association.
E is the Taiwan Corporate Governance Association.

(IV) Composition, duties and operations of the Remuneration Committee

(1) Member profile of Remuneration Committee

May 3, 2026

Identity (Note 1)	Name	Professional qualifications and experience	Independence (Note)	Number of positions as Remuneration Committee member in other public companies
Independent director Convener	Hsiu-Lan Wang	· CFO of Electronic packaging materials and components business group of ITW and ITW Electronic Business Asia Co., Ltd. · Finance manager of Kuntin · EMBA, National Sun Yat-sen University	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)	0
Independent director	Yen-Chen Chang	· Responsible person of Ju Sing Resources Industrial Co., Ltd. · EMBA, National Sun Yat-sen University	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)	0
Independent director	Tsung-Ling Yen	· Associate professor, Department of Real Estate Development and Management, Kun Shan University · Consultant of Honghsun Development Co., Ltd. · Director of Urban Development Department, Chiayi City Government · MBA, California State University	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)	0

Note: Independence of members during the two years prior to election and during their service tenure. (Those who meet the criteria are disclosed in the table above)

(1) Not an employee of the company or any of its affiliates.

(2) Not a director or supervisor of the company or any of its affiliates (The same does not apply, however, in cases where the person is an independent director of the company, its parent company, a subsidiary or a related company under the same parent company, as appointed in accordance with these regulations or with the laws of the country of the parent company or subsidiary.)

(3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the company or ranks as one of its top ten shareholders.

(4) Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship, of any of the above persons listed in Subparagraph (2) and (3) or of the manager listed in (1).

(5) Not directly owning 5% or more of the Company's total issued shares or one of the top five shareholders in terms of the number of shares owned, and not a director, supervisor or employee of a corporate shareholder who is designated as the Company's director or supervisor in accordance with Paragraph 1 or 2, Article 27 of the Company Act (The same does not apply, however, in cases where the person is an independent director of the company, its parent company, a subsidiary or a related company under the same parent company, as appointed in accordance with this regulations or with the laws of the country of the parent company or subsidiary.)

(6) Not a director, supervisor or employee of another company or institution in which the majority of board seats or voting rights are controlled by the same person in the Company (The same does not apply, however, in cases where the person is an independent director of the company, its parent company, a subsidiary or a related company under the same parent company, as appointed in accordance with these regulations or with the laws of the country of the parent company or subsidiary.)
(7) Not a director, supervisor or employee of another company or institution, who is also the chairman, general manager or equivalent position, or a spouse of these personnel, of the Company (The same does not apply, however, in cases where the person is an independent director of the company, its parent company, a subsidiary or a related company under the same parent company, as appointed in accordance with these regulations or with the laws of the country of the parent company or subsidiary.)
(8) A director, supervisor, managerial officer or a shareholder with 5% ownership of a company or institution which does not have financial or business dealings with the Company (The same does not apply, however, in cases where the specified company or institution holds 20% or more and no more than 50% of the total number of issued shares of the Company, and the person is an independent director of the Company, its parent company, a subsidiary or a related company under the same parent company, as appointed in accordance with this regulations or with the laws of the country of the parent company or subsidiary.)
(9) Not a professional individual or an owner, partner, director, supervisor or managerial officers of a sole proprietorship, partnership, company or institution that, provides auditing or commercial, legal, financial, accounting services, which receive less than NT$500,000 in accumulated remuneration the most recent two years, to the Company or to any affiliate of the Company, or a spouse thereof. However, this restriction does not apply to the members of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercise powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
(10) Not been a person of any conditions defined in Article 30 of the Company Act.

(2) Responsibilities of the Remuneration Committee

1. Periodically review this article and suggest amendments
2. Establish and regularly review annual and long-term performance and Company's compensation and benefits policies, standards and structures of the directors' and managers' compensation.
3. Regularly review the performance of the Company's directors and managers, and determine the individual remuneration.

(3) Operation of the Remuneration Committee

I. There are 3 members in the Remuneration Committee.

II. Term of the current committee: August 7, 2023 to June 27, 2026, 2 Remuneration Committee meetings were held in 2025 (A), and the qualifications and attendance of the members are as follows:

Position	Name	No. of meetings attended in person (B)	Number of proxy attendance	Attendance Rate (%) (B/A) (Note)	Remarks
Convener	Hsiu-Lan Wang	2	0	100	-
Member	Yen-Chen Chang	2	0	100	-
Member	Tsung-Ling Yen	1	1	50	-

Other mandatory disclosures:

I. If the board of directors declines to adopt or amends a recommendation of the Remuneration Committee, it should specify the date of the meeting, session and term, content of the motion, resolution by the board of directors, and the Company's response to the Remuneration

Committee’s opinion (e.g. the compensation and remuneration approved by the Board of Directors exceed the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified): None.

II. Remuneration Committee‘s resolution and the Company's response to the opinions of the members:

Meeting date Meeting session number	Motion	Opinions of the Remuneration Committee members	The Company's response to the opinions of the members:
2025.03.12 4th meeting of the 5th term	The Company's proposal for the distribution of 2024 employee compensation and remuneration to directors and supervisors.	The motion was passed with the consent of all members present and submitted to the board of directors for resolution.	Approved by all attending directors with unanimous votes.
	The Company‘s managers‘ remuneration and related benefits.		
2025.12.23 5th meeting of the 5th term	Setting the payment amount and disbursement schedule for 2024 employee compensation and remuneration to the Company's managers and directors.		Approved by all attending directors with unanimous votes.
	The Company‘s managers‘ remuneration and related benefits.		
	Proposal for the 2025 year-end bonus for the Company's managers.		

(V) Fulfillment of CSR and Deviations from the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons:

Evaluation item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board	✓		1. The Company has established the "Sustainable Development Best Practice Principles" and the "Promotion Framework for Sustainable Development". The related organizational structure and plans are all established in accordance with the Sustainable Development Best Practice Principles, such as the sustainable development promotion framework (including the mission, vision, policies for promoting sustainable development, and the organizational structure, members, and responsibilities of the Sustainable Development Committee). Please refer to Note 1 to this table for details. Formulation of consumer protection policy, consumer protection implementation plan, environmental protection policy, environmental protection	No material differences.

Evaluation item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
			implementation plan, and human rights policy statement. 2. The Company's execution of sustainable development is as follows: (1) The Company's sustainable development is promoted with the Chairman serving as convener and the head of the Finance and Accounting Department serving as executive director, leading the heads of the Engineering Affairs Department, Finance and Accounting Department, Administration Department, Sales Department and other departments to jointly promote the sustainable development of the enterprise and the environment. (2) Each department of the Company regularly reviews the operation effectiveness, and reports the operation of sustainable development to the Board of Directors every quarter, and urges the management team to make adjustments when necessary. 3. The Measures have been disclosed on the Market Observation Post System and the Company's investor service website as required. http://www.hsinbaba.com.tw/.	
II. Has the Company conducted a risk assessment on environmental, social, and corporate governance issues that are relevant to its operations and implemented risk management policies or strategies based on principles of materiality? (note: The principle of materiality refers to issues related to the environment, society and corporate governance that have a significant impact on investors and other stakeholders.)	✓		1.The "Measures for Risk Management" was approved by the Company's Board of Directors, and risk management is implemented through risk assessment and identification, confirmation, formulation of measures, and regular review. 2.The Company spares no effort in the development of sustainable environmental, social, and corporate governance projects, and strengthens the disclosure of sustainable development information, and supports employees' participation in environmental and social contribution activities. 3.Please refer to this table Note 2 for the Company's risk management policies or strategies related to the environment, society and corporate governance. 4.Specific results of implementing sustainable development (ESG): For the Company's donations and support for the development of the domestic cultural industry in 2025, please refer to Note 3 to this table.	No material differences.
III. Environmental issues (I) Has the Company set an environmental management system designed to industry	✓		 (I) The Company has established an environmental protection policy and implementation plan, which includes reducing energy consumption and carbon	 No material differences.

Evaluation item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
characteristics?			emissions, focusing on environmental regulations to reduce environmental pollution in the construction process, and building energy-saving and low energy consumption buildings that are environmentally sustainable.	
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		(II) The Company implements recycling and reuse of waste materials, and manufacturers of renewable or environmentally friendly building materials are included in its supply chain.	No material differences.
(III) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	✓		(III) The Company constantly improves its site management and pays attention to the impact of climate change on operation activities.	No material differences.
(IV) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		1. The Company collects statistics on greenhouse gas emissions, water consumption, and total weight of waste generated from the power consumption of the office area, and based on which, studies and formulates energy saving and carbon reduction, greenhouse gas reduction, water consumption reduction, or other management measures. The Company's statistics on greenhouse gas emissions, water consumption and total weight of waste from construction projects in the past two years are shown in note 4 of this table. 2. The Company continues to promote energy-saving programs such as "Energy Conservation and Carbon Reduction", and regularly promotes energy saving and carbon reduction, and puts up slogans to strengthen the concept of sustainable environment development among all employees. The construction waste generated during the construction process of the Company's construction project may vary depending on the progress of each project. In terms of construction waste management strategy, the Company focuses on legal transportation and waste reduction and reuse.	No material differences.
IV. Social issues (I) Has the company formulated relevant management policies	✓		1. According to applicable laws and regulations and the international covenants of human rights, the Company promotes gender equality,	No material differences.

Evaluation item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
and procedures in accordance with relevant laws and regulations and international human rights conventions?			protects labor rights, provides relevant social security, and establishes internal control policies and procedures for recruiting, selecting, hiring, terminating, layoff, retaining, suspending, and retiring employees. 2. Please refer to this table (Note 5) for details about the promotion of diversity in the workplace (including the percentage of female employees and the gender-based salary difference).	
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	✓		(II) The Company has a comprehensive reward and punishment system, which is integrated with employee performance, and its operating performance is appropriately reflected in employee compensation.	No material differences.
(III) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	✓		(III) In addition to the implementation and inspection of site safety and health management by the Company's construction department in accordance with the internal control system, the Company handles the following in accordance with the regulations: 1. Conduct employee health checks 2. Uniforms, safety helmets and safety shoes are issued to employees on duty at the site to provide them with appropriate work safety protection. 3. Before entering the site, the authorized personnel introduce the environment and implement safety training to the employees. In addition to announcing daily warnings, we remind employees to wear safety helmets, safety shoes, and safety belts for work at heights, set up a monitoring system to monitor the implementation status from a remote location, and hold safety and health training from time to time. Drinking fountains and electric fans are installed in indoor rest areas to provide a safe and healthy working environment for employees. 4. The number of fire incidents, the number of fatalities and injuries, and the ratio of fatalities and injuries to the total number of employees of the Company in 2025, and the relevant improvement measures	No material differences.

Evaluation item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
			in response to fire: No such situation.	
(IV) Has the Company established effective career development training programs for employees?	✓		(IV) Career development training programs: 1. The promotion of employees is based on their ability to meet certain criteria or qualifications, rather than on the length of time they have been with the Company. 2. Periodic performance review: The Company implements employee assessment every six months and promotes employees with excellent performance. 3. Employee rotation: In order to cultivate independence and enhance professional skills, employees are rotated to different workplaces and positions from time to time to become familiar with different environments and gain knowledge from different managers. 4. Education and training: The manager of each unit guides employees during meetings and work reviews, and also holds internal education and training, including courses on general legal knowledge and real estate market information. Employees are encouraged to take official leave to attend external training in order to improve their skills.	No material differences.
(V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		(V) The Company's operations and service procedures for consumer rights protection and complaint procedures are as follows: 1. Purchase operations: This specifies that materials and contractors should provide materials and services in compliance with relevant quality standards. 2. Production operations: This specifies procedures for production completion and acceptance. Senior executives hold regular training sessions on the importance of energy conservation and carbon reduction methods. 3. Sales operations: This specifies the sale, inspection and delivery of housing and public facilities, registration of property rights and loans, after-sale services and other related matters. Set up a sales service line to provide a complaint channel and after-sales service to consumers. 4. Management operations establish personal data protection operations and compliance operations for important laws and regulations of the business, and stipulate that sales operations shall	No material differences.

Evaluation item	Execution: Yes	Execution: No	Execution: Summary	Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
			comply with the Condominium Administration Act, Consumer Protection Act, and Personal Data Protection Act, in order to protect related consumer rights and interests from project sales promotion, customer contract signing, property handover to move-in.	
(VI) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		1. The Company requires that the building materials used by the contractor must not only comply with the relevant regulations, but also provide relevant certificates or test certificates, such as chlorine ions in concrete, radiation-free steel reinforcement, a fire prevention and flame retardant mark required by the Fire Services Act. All building materials, workmanship, and buildings are in compliance with the laws, and have obtained a building use permit after inspection and approval by the competent authorities. Please refer to this table (Note 6) for supplier management policies and implementation. 2. Sustainability has become a topic of global concern. In cooperation with the government's promotion of net-zero carbon emission, we have dedicated our own efforts and required suppliers to commit to environmental sustainability to contribute to the environment where we live.	No material differences.
V. Does the Company prepare a sustainability report or any report of non-financial information based on international reporting standards or guidelines? Are the abovementioned reports supported by the assurance or opinion of a third-party certifier?	✓		The Company's 2025 Sustainability Report is currently in preparation.	No material differences.

六、If the Company has adopted its own sustainable development best practice principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", please describe any deviation from the principles in the Company's operations:

The Company has established its "Sustainable Development Best Practice Principles" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies". The Principles include the promotion of corporate governance, the development of a sustainable environment, the protection of social welfare, and the strengthening of corporate sustainability information disclosure to enable our employees to follow and manage the environmental and social risks and impacts.

VII. Other information useful to the understanding of the implementation of sustainable development:

(I) Environmental protection:

1. Environmental protection and energy conservation in products: The Company's corporate culture and mental indicators are "professionalism, happiness and well-being", expecting to create a more comfortable living environment for consumers and construct buildings of energy-saving, low-pollution and integration with the nature.

Evaluation item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	

2. Low-pollution construction: The construction supervisory unit assigns a site manager to maintain a clean and tidy environment around the site, and requires contractors to reduce noise and possible air pollution during construction and dispose of related waste in accordance with the law in order to meet environmental requirements.
3. The Company's energy conservation and carbon reduction efforts:
The Company continues to promote energy-saving and carbon-reduction initiatives, with a primary focus on reducing electricity and paper consumption. Efforts include the ongoing promotion of paperless document processes and the adoption of electronic invoicing systems. Looking ahead, the Company will persist in implementing energy conservation and carbon reduction measures, effectively managing carbon emissions, and steadily progressing toward the goal of becoming a low-carbon, green enterprise.

(II) Product liability:
1. The Company carries out its construction projects in accordance with the relevant laws, conducts the relevant examination and fire inspections, and uses materials in compliance with the laws. The Company not only follows the relevant laws for construction projects, but also has strict requirements on the structure, building materials, and workmanship, such as performing tensile testing for exterior tile, not placing concrete on rainy days, and prohibiting lifting and placing heavy objects during the maintenance period after concrete placement, in order to meet the company's quality requirements, labor safety and health regulations, environmental protection regulations, and inspection standards of the competent authorities, to meet the expectations of consumers, shareholders, and the general public.
2. The Company provides environmental sustainability, healthy living, and protection of consumer rights; we operate our construction business in accordance with the relevant regulations, and in order to let consumers fully understand the Company's determination to fulfill its corporate social responsibility, we have obtained third-party certification from the Taiwan Sustainable Care Association, Taiwan Trust Mark Certification, and Taiwan Trustworthy Builders Certification to provide consumers with a reference for trustworthy and high-quality companies.

(III) Consumer rights: In accordance with the Consumer Protection Act, the Company has established contracts for house sales, provided a performance guarantee for pre-sale contracts, and established regulations for the protection of personal information. The Company appoints a contact to provide after-sales service to customers.

(IV) Labor human rights: The Company provides equal work rights and promotion channels regardless of gender, race, or age, and has established sexual harassment prevention and control management measures and related contact channels to prevent the occurrence of sexual harassment.

(V) Labor safety and health: The Company has established labor safety related management regulations, and complies with them. We also conduct various employee education from time to time, and require the business partners to pay attention to site safety and environmental maintenance.

(VI) Employee health and welfare: The Company attaches importance to the healthy physical, mental, and spiritual development of employees, and therefore regularly arranges employee health examinations, employee travel and
group meals and other activities.

(VII) Corporate social responsibility:
1. Sponsorship of corporate social responsibility activities: The Company participates in activities related to community development and charitable and public welfare groups through public welfare and commercial activities, corporate volunteer services, or other free professional services. Examples are listed as follows: In 2025, donations amounted to approximately NT$ 8.6 million, including Ba Ba Charity Trust Foundation, Taichung Municipal Shalu Industrial Senior High School, Kun Shan University, Kaohsiung Harbor Police Friends Association, Kaohsiung New Generation Education Foundation, and Taichung Architecture Culture Education Foundation, among others.
2. Implementation of corporate social responsibility: We actively participate in social welfare activities and helping disadvantaged groups to fulfill our social responsibility as a corporate citizen. In 2025, the Company supported the local community by donating to the Kaohsiung Harbor Police Friends Association, helping improve police services and emergency response efficiency, safeguarding the safety of Kaohsiung citizens, fulfilling corporate social responsibility, and implementing the concept of "taking from society and using it for society". The Company also made a donation to Taichung Municipal Shalu Industrial High School to

Evaluation item	Execution			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
subsidize programs related to technical skill competitions. This support provides students with more opportunities to shine, enhances their career development, and strengthens their transition into the professional world. Through such charitable efforts, the Company aims to contribute to a higher-quality educational environment for all students. Donated to the Kaohsiung New Generation Education Foundation to support local education development and youth talent cultivation, with the expectation of creating a more comprehensive learning environment and growth resources for the next generation, demonstrating the spirit of caring for society and valuing education. Donated funds to the volleyball team of the Parent Committee of National Chaozhou Senior High School to help improve student accommodation and training environments, provide more comprehensive learning and living space, support students in growing with peace of mind and continuing to pursue excellent performance, and demonstrate the spirit of caring for education and sports development.				

Note 1: Sustainable Development Promotion Committee.

(I) Organizational structure

(II) Organizational members

Organization	Members
Committee Chairman	Chairman of the Company
Vice Committee Chairman	Construction Division Director General Administration Division Head
Chief Executive Officer	Finance and Accounting Department Head
Corporate Governance Group	concurrently serving as the head of corporate governance
Ethical Corporate Management Group	board of directors Affairs Unit
Environmental Sustainability Group	Construction Division Director
Social Welfare Group	Administration Department Head

(III) Responsibilities of Each Group

Promotion Group	Responsibilities
Chief Executive Officer	Integrate issues of and promote corporate governance and sustainable development.
Corporate Governance Group	Be responsible for the promotion of corporate governance-related systems and proposing improvement suggestions, including: corporate governance structure, promotion of energy conservation and carbon reduction, greenhouse gas inventory and business continuity management.
Ethical Corporate Management Group	Be responsible for the promotion of system related to ethical corporate management and prohibit unethical behavior, and propose improvement suggestions for the Board of Directors, Remuneration Committee, internal control system and risk management, corporate culture of ethical corporate management, code of conduct, ethical corporate management policy, preventive plans and whistle-blowing system, protection of the rights and interests of stakeholders, and

	response to related issues.
Environmental Sustainability Group	Be responsible for the promotion of sustainable development and environmental protection related systems, and propose improvement suggestions, including: and promotion of product responsibility policy, environmental management, marketing ethics, and consumer protection related systems and promotion.
Social Welfare Group	Be responsible for the promotion of social welfare related systems and character education, and propose improvement suggestions, including: corporate commitment (employee care and care, employee character education), community participation, and social welfare.

Note 2: The Company has evaluated the risk management policies or strategies related to major environmental, social, and corporate governance issues based on the principle of sustainable development. The relevant management policies formulated are as follows:

Issues	Risk assessment items	Management policy
Environment	Environmental impact Environmental protection Reduce pollution	1.The Company requires suppliers to produce products that comply with environmental protection regulations, and reduce pollution and emissions that impact the environment during the construction process. 2.We commission legal vendors to dispose of the waste generated during the construction process. 3.For site dust generated during construction, water spraying has been used to reduce the concentration of dust and air pollutants around the site. In addition to maintaining the cleanness of the site environment, it also improves the safety of staff on duty at the site and the surrounding residents.
Society	Occupational safety	1.We formulated relevant safety and health regulations for the construction site, and provide uniforms, safety helmets and safety shoes to employees on duty at the site to provide them with appropriate work safety protection. 2.Before entering the site, the authorized personnel conduct an introduction to the environment and implements safety training to the employees. In addition to announcing daily warnings, they remind employees to wear safety helmets and safety shoes, and wear safety belts for elevated operation. 3.A monitoring system is set up to monitor the implementation status from a remote site, and construction site safety and health training are conducted from time to time. 4.Drinking fountains and electric fans are installed in indoor rest areas to provide a safe and healthy working environment for employees. 5.Purchase labor insurance and employer accident liability insurance, and hold regular health checks.
	Product warranty and services	1.After delivering the house, we provide warranty according to the contract agreement to protect customer rights and improve customer satisfaction. 2.To ensure the quality of customer service, in addition to setting up a dedicated LINE@ account for each construction project and provide customers with online real-time services, we will organize community activities from time to time to strengthen the connection with customers. 3.Set up a sales service line to provide a complaint channel and after-sales service to consumers.
Corporate Governance and Ethical Corporate Management	Regulatory compliance	We disseminate information on the internal control protocols on the day when new hires report to their work, and conduct education and training sessions of various topics to put the internal control protocols into practice and ensure that employees comply with the relevant laws and regulations.
	Enhancing the Functions of the Board of Directors	1.Arrange seminar and training courses for directors, such as Seminars or courses on topics related to ESG, corporate governance, regulations, finance and accounting, etc. 2.Purchase liability insurance policies for directors to protect them

		from lawsuits or claims.
	Stakeholder communication	Set up a point of contact to establish a good communication channel with stakeholders.

Note 3: Concrete results of sustainable development implementation:

The Company actively participates in activities related to social welfare and helps disadvantaged groups, and spares no effort in the promotion of social welfare and charity, arts and cultural activities and education promotion.

I. The Company's major donation recipients and amounts for 2025 are as follows:

Donation receiving unit	Amount (NTD)
BABA CHARITY TRUST FUND	2,000,000
Taichung Municipal Shalu Industrial High School	1,000,000
Kun Shan University of Science and Technology	880,000
Kaohsiung Harbor Police Friends Association	860,000
The Parents' Committee of National Chaozhou Senior High School	600,000
Kaohsiung New Generation Education Foundation	500,000
Taichung City Architectural Culture Education Foundation	300,000
Kaohsiung Coding Education Association	300,000
Neoclassical Ensemble	300,000
Baosang Junior High School, Taitung County	250,000

II. Investment of resources in local education, community building and support for the domestic arts and culture industry:

The Company contributes NT$2 million annually to the public welfare trust, the Baba Charity Trust Fund. In 2024, the Baba Charity Trust Fund also made the following donations:

Donation receiving unit	Content of the event
Kaohsiung Municipal Social Education Center	“Harmonious Families” – Weekend Parent-Child Activity Program
	“Lohas Mindfulness” – Celebrity Lecture Series
Taiwan Hsin-Che Lianchi Merit Association	Intergenerational Joy and Gratitude Concert
	07/07-07/12 Children's Summer Camp
	2025 Father’s Day - Model Father Awards
	Ghost Festival Filial Piety Scholarship Awards
Xishui Art Care Development Association	Children and Youth Music & Arts Care – 1-on-1 Talent Cultivation Program (Kaohsiung)
Kaohsiung Coding Education Association	2025 Annual Curriculum Program
Taiwan Table Tennis Federation	2025 National Junior and Youth Table Tennis Elite Tournament
House Of The Little Angels Kaohsiung	Meet the Angel, Starlight Scattered Across the Ground Guardian Angel Fundraising Dinner
Kaohsiung City Mind Mapping Promotion Association	2025 “Transform Learning Power” - Mind Mapping Public Welfare Courses
Lifeline Association of Kaohsiung City	2025 Shining Life, Connecting Every Moment

Cross-Strait EMBA Association	2025 "Walking with Love" Charity Concert
Humanistic Education Foundation	Youth Digital Development Protection and Legal Awareness Education Program

In addition to investing resources in local education and community building, the Company supports cultural development such as work exhibitions, performances, or events organized by domestic and foreign performance groups, art organizations or artists.

Note 4: Annual greenhouse gas emissions, water consumption, paper consumption and total weight of waste:

I. Annual greenhouse gas emissions, water consumption, and paper consumption

The Company will follow the trend of energy conservation, carbon reduction, and energy sustainability, fulfill the obligations and responsibilities of a global citizen, and contribute to the sustainability of the planet.

Office electricity consumption

Year / Electricity consumption	2024	2025
Kaohsiung Office (degrees)	38,747.77	21,137.00
Tainan Office (degrees)	5,394.00	12,315.00
Taipei Office (degrees)	19,895.00	22,855.19
Total (degrees)	64,036.77	56,307.19
Nitrogen dioxide emission (kg)	30,353.43	26,689.61

Note: The electricity emission factor is based on the version published by the Bureau of Energy: 0.474 kg CO2/kWh for 2024; as the emission factor for 2025 has not yet been announced, the 2024 factor was used for calculation.

Office water consumption

Year / Water consumption	2024	2025
Kaohsiung Office (degrees)	630.00	765.00
Tainan Office (degrees)	690.45	127.54
Taipei Office (degrees)	240.10	180.41
Total (degrees)	1,560.55	1,072.95
Nitrogen dioxide emission (kg)	243.45	160.94

Note: The water emission factor is based on the figure published by Taiwan Water Corporation: 0.150 kg CO2/kWh for 2024. As the emission factor for 2025 has not yet been announced, the 2024 factor was used for calculation.

Office paper consumption

Year / Paper consumption	2024	2025
Kaohsiung Office (pieces)	513,110	457,824
Tainan Office (pieces)	8,134	3,456
Taipei Office (pieces)	58,562	52,006
Total (pieces)	579,806	513,286

II. Total weight of waste

The Company complies with the requirements of laws and regulations related to waste management. For the treatment of construction waste and waste soil, the Company ensures that it engages a contractor with a license approved by the government, and the contractor and the disposal site perform the clearance operation to ensure the treatment of waste and waste soil. Compliance with relevant regulations.

Waste

Waste types / Year	2024	2025
Construction waste (tonnes)	1,344.26	992.44

Note 5: Promotion of gender equality and workplace diversity

1. The Company continues to promote gender equality in the workplace and emphasizes workplace diversity, provides equal job opportunities to all job seekers, and complies with relevant laws and regulations such as the "Labor Standards Act", "Employment Service Act" and "Act of Gender Equality in Employment." The Company is committed to providing employees with a dignified and safe working environment, implementing diversity in the workplace, employment diversity, fairness in remuneration and promotion opportunities, and ensuring that employees are not discriminated against on the grounds of race, nationality, age, gender, class, etc. Harassment or unequal treatment.
2. The Company attaches great importance to gender equality. The Company's employees are mainly promoted based on their professional ability, education experience and their functions. The appointment, salary, performance evaluation, promotion, lay-off, resignation and dismissal of employees are never based on ideological, religious, marriage, and disability are taken into consideration in the appointment.
3. The Company has established the "Remuneration Committee" to provide employees with competitive remuneration, and to feedback the Company's operational performance to employees with a transparent and equal remuneration policy. For entry-level specialists in the same position, compensation is equal across the board. For candidates with relevant expertise and work experience, remuneration is determined based on their academic background, professional skills, and certifications—without any difference due to gender, ethnicity, or other such factors.
4. Implementation status:
   [Gender Diversity Indicators]

Indicator	No. of women	Total number of persons	Percentage (%)	Remarks
Percentage of female employees (%)	46	96	47.92%	
Percentage of female supervisors (%)	13	20	65.00%	Assistant Vice President and above
Percentage of female senior managers (%)	6	12	50.00%	Assistant Vice President and above

[Other Diversity Indicators]

Category	Eligible persons	Total number of persons	Percentage (%)
Mentally or physical disadvantaged people	0	96	0%
By age group: < 30 years old	20	96	20.83%
By age group: 30~50 years old	71	96	73.96%
By age group: >50 years old	5	96	5.21%
Total			100.00%

Note 6: Supplier management policies and implementation status.

I. Supplier evaluation: Suppliers of raw materials and materials related to the construction process must pass ISO Quality Management System certification and other required certifications.

(I) Steel material supplier

1. TMP Steel Corporation:

(1) Passed the certification of ISO 9001 Quality Management System.

(2) Radiation management:

Approved by the Atomic Energy Commission, Executive Yuan as a qualified manufacturer for radiation detection and inspection in the steel industry; confirmed that there is no occurrence of radioactive pollution by buildings.

2. Tung Ho Steel Enterprise Corp.

(1) Passed the certification of the new ISO 9001:2015 Quality Management System.

(2) Approved by the Atomic Energy Commission, Executive Yuan as a qualified manufacturer for radiation detection and inspection in the steel industry.

(II) Concrete material supplier

1. Ya Tung Ready-mixed Concrete Co., Ltd.:

(1) Passed the certification of ISO 14001:2015 Environmental Management System.

(2) Passed the certification of ISO 50001 Energy Management System.

(3) Passed the certification of ISO 27001 Information Security System.

2. Cycle-Sustainable Resource Co., Ltd.:

(1) Passed the certification of the new ISO 9001:2015 Quality Management System.

(2) Passed the certification of ISO 14064-1:2006 Greenhouse Gas Inventory Standard.

(3) Passed the certification of ISO 14001:2015 Environmental Management System.

(III) Elevator supplier

1. GFC Ltd.:

(1) Passed the certification of the new ISO 9001:2015 Quality Management System.

(2) Passed the certification of ISO 14001:2015 Environmental Management System.

(3) Approved OHSAS 18001:2007 occupational health and safety management system certification.

(4) Approved CNS 15506:2011 (TOSHMS) occupational health and safety management system certification.

(5) Approved IECQ (QC 08000) hazardous substance process management system certification.

2. Fujitec Co., Ltd.:

(1) Approved ISO 45001:2018 occupational safety and health management system certification.

(2) Passed the certification of the new ISO 9001:2015 Quality Management System.

(3) Passed the certification of ISO 14001:2015 Environmental Management System.

(4) Passed the certification of VDI4701 EU Elevator Energy Efficiency Label (Grade 5A).

II. Environmental sustainability: Suppliers are proactively required to commit to environmental sustainability and contribute to the environment where they operate.

(I) Steel material supplier

1. TMP Steel Corporation:

(1) Greenhouse gas emissions: The Company expects to meet the government's 2050 net zero carbon emission target.

(2) Energy-saving measures: The consumption of water, electricity, oil and raw materials is reviewed on a monthly basis.

(3) Waste management: The Company promotes garbage sorting and recycling of reusable resources, and properly disposes of waste steel.

(4) Water resource management: Enhance equipment maintenance to ensure equipment integrity rate, and reduce gas evolution, water escaping or liquid leakage due to improper operations during storage and transportation. Enhance personnel training to raise accident prevention awareness.

2. Tung Ho Steel Enterprise Corp.

(1) Energy saving, carbon reduction and environmental protection green factory:

A. Water treatment equipment: The cooling water system used by the production equipment is treated and recycled for reuse, in compliance with the regulations of the environmental protection agency, and has the discharge permit and various water treatment licenses. The water treatment capacity is 19000 tons per day.

B. UHV substation: Provided by Kawasaki Heavy Industries (Japan) and equipped with the most advanced Siemens SCADA power monitoring system, the substation complies with Taipower’s energy-saving and power restriction requirements and qualifies for preferential electricity rates. It is also equipped with power quality improvement and pollution prevention facilities. Power transmission uses cables and conductors supplied by Walsin Lihwa, and data is transmitted via a fiber-optic network.

(II) Concrete materials supplier

1. Ya-dong Ready-Mixed Concrete Corporation: It obtained three labels and specifications of high-performance green building materials from Taiwan Architecture Center, obtained the "Net Zero Mark" certification issued by Taiwan Net Zero Alliance, obtained green concrete (Category H) product, and won the Internal Affairs with the "Recycled Green Building Materials Label" of the Architectural Research Institute of the Ministry of Construction, etc.

2. Cycle-Sustainable Resource Co.,Ltd.: It has improved energy efficiency and uses recycled

materials with low environmental impact, reduces resource and energy consumption of products and services, and reduces emissions of pollutants, toxic substances and waste. It also properly disposes of waste materials, improves the recyclability and reuse of raw materials or products, maximizes the sustainable use of renewable resources, prolongs the durability of products, increases the efficiency of products and services, produces statistics of greenhouse gas emissions, water consumption and waste weight, and formulated policies for energy conservation, carbon reduction, greenhouse gas reduction, reduction of water use, and management of other wastes.

(III) Elevator supplier

1. GFC Ltd.: It has quantified energy-saving management goals, conduct green procurement, and installed solar panel power generation equipment.
2. Fuji-tec Co., Ltd.: It participated in the "UNGC" advocated by the United Nations and is committed to building an organization of "SDGs, CSR, and ESG”, and highly complying with environmental standards in materials and EN codes. It has also improved its logistics method to reduce the load on the environment and conserve and maintain marine resources, and holds beach cleaning activities.

III. Labor human rights and occupational safety and health: We actively require our suppliers to create a friendly workplace and respect labor rights and occupational safety and health.

(I) Reinforcing steel supplier

1. TMP Steel Corporation: It offers a safe and healthy work environment, eliminates unlawful discrimination and ensures equal job opportunities, prohibits child labor, assists employees in maintaining physical and mental health and work-life balance, creates an environment conducive to communication, established an open management model, prohibits forced labor, and supports the sports industries.
2. Tung Ho Steel Enterprise Corp., Kaohsiung Plant: Measures implemented include workplace human rights protection, prohibition of forced labor, provision of regular health checkups, a gender-friendly work environment, anti-discrimination, and anti-harassment policies.

(II) Concrete materials supplier

1. Ya-dong Ready-mixed Concrete Co., Ltd.: It has implemented measures to provide a safe and healthy work environment, eliminate illegal discrimination, ensure equal job opportunities, and assist employees in maintaining physical and mental health and work-life balance.
2. Cycle-Sustainable Resource Co.,Ltd.: The company implements measures such as caring for disadvantaged groups, prohibition of child labor and illegal migrant workers, elimination of all forms of forced labor, elimination of hiring and employment discrimination, provision of effective and appropriate grievance mechanisms, ensuring a safe and healthy working environment for employees, regular implementation of occupational safety and health education and training, holding regular health seminars, and organizing activities that promote physical and mental well-being on an irregular basis.

(III) Elevator supplier

1. GFC Ltd.: It protects workplace human rights, prohibits forced labor, builds a healthy and safe workplace, respects freedom of association and right to collective bargaining, protects personal data, helps employees to maintain physical and mental health and work-life balance, advocates the human rights policy, and has established GFC Culture and Education Foundation.
2. Fuji-tec Corporation: It participates in the "UNGC" advocated by the United Nations, supports and respects human rights recognized by the United Nations, ensures that no activities that violate human rights are engaged in, supports the freedom of association and effectively recognizes the right to collective bargaining, eliminates all forms of forced labor, child labor, and employment and occupational discrimination, and encourages the development and promotion of environment-friendly technologies.

Note 7: Climate-related information and implementation

Item	Execution
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	Board of directors: The Company's directors shall exercise the due care of good administrators to urge the Company to pursue sustainable development, and from time to time review the results of the pursuit of the policy of sustainable development and make continual improvement, to ensure the implementation of the policy of sustainable development. The Board of Directors shall authorize the senior management to handle the economic, environmental and social issues arising from the Company's

	business activities, and report the status to the Board of Directors. Sustainable Development Promotion Committee: The CEO of the committee is responsible for the integration of corporate governance, sustainability-related issues and implementation. Through the coordination and cooperation of various departments, the sustainability strategy and climate action issues are implemented in product, operation and value chain management, and the results are reported to the committee chief and vice chairman.
2. Describe how the identified climate risks and opportunities affect the business, strategy and finance of the Company (short-, medium-, and long-term).	The competent authority is actively promoting sustainability, and many policies and regulations have caused the cost of money and time of the Company to increase, such as the issuance of a sustainability report, the cost of greenhouse gas inventory, etc. However, this is an unavoidable obligation, and the cost of finance is increased. The Company can only cut down all kinds of expenses to avoid the damage to the profit and loss. The climate change has prevented raw material suppliers from shipping in time, which in turn affects the risk of material shortage in the construction progress. The Company does not rely solely on one supplier for the purchase of raw materials. The Company will try to work with different but quality stable suppliers. In case of shortage of materials, the Company may have emergency suppliers to ensure the progress of the project. Extreme weather may also cause risks in the construction work, such as heavy rains. Since the construction sites are all exposed days, if the construction is unable to be performed due to rainy days, in order to ensure the quality of the construction, although the construction may be postponed, but the scope of work already performed and workers are ensured to be not affected by disasters, which is a concern to the maintenance of the Company's construction quality.
3. Describe the financial impact of extreme climate events and transformation actions.	Financial impact type: The Ministry of Environment began collecting carbon fees in 2025, with 2025 emissions officially included in the carbon fee collection calculation; from 2026 onwards, the charged entities shall make payment based on 2025 emissions and the applicable rates. The levied carbon fee will increase the operating cost of the Company. If the contractor is involved in carbon neutrality and extra expenditure, the cost will also be reflected in the contract with us. Climate impact type: To address the potential risks arising from extreme climate and natural disasters, the Company will continue to strengthen supply chain management and collaboration mechanisms with local suppliers, enhance the stability of raw material supply and response capabilities, and reduce the impact of climate events on operating costs and financial aspects.
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	1. The identification and analysis of risks are the responsibility of the heads of each department. The department's duties are to use various information to determine the probability of occurrence of potential risk events and their impact on the Company. 2. The Company considers whether the existing internal control measures can prevent risks, and provide the basis for subsequent evaluation and response strategies. Risk monitoring and response require department heads to continuously monitor risks in departmental operations. 3. Report to senior management regularly. If any material risk or situation that may endanger the Company's finance and
5. If a scenario analysis is used to evaluate the resilience in the face of climate change risks, the scenarios, parameters, assumptions analysis factors and main financial impacts used shall be explained.	

	operations is discovered, report and discuss the appropriate countermeasures. 4. The Company's risk reporting and disclosure are reported to the Board of Directors regularly (at least once a year), and the implementation of the risk management procedures is reviewed to ensure that the risk management work is implemented and serves as a reference for the management.
6. If there is a transformation plan in response to the management of climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	In response to the transformation opportunities arising from the challenges of climate change under the “climate emergency”, the Company aims to lead customers toward the transition to a low-carbon green economy to mitigate climate impacts. To specifically put sustainable development into practice and advance steadily on the path of sustainability, the Company actively promotes related matters, sets green management strategic objectives, launches various projects, and implements green management and performance evaluation to fulfill the purpose of protecting the Earth's environment. The Company has made greenhouse gas inventory the primary task in the implementation of the goals: Short-term goals: Carbon emissions will gradually decrease each year and obtain confirmation in 2028. Mid-term goals: The green power consumption will increase gradually, and the water consumption per capita will decrease gradually. Long-term goals: To gradually move towards a net-zero carbon emissions to achieve a sustainable environmental prospect.
7. If the internal carbon pricing is used as a planning tool, state the basis for setting the price.	Currently, the Company has not yet adopted an internal carbon pricing mechanism. In the future, the Company will first identify the subjects that should be subject to carbon emission control, and classify different departments into different departments. We plan to conduct carbon emission inventory data for these control subjects, and then refer to the carbon tariff or carbon tax practices of the industry to conduct carbon emission control. tax levied.
8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress of each year should be explained; if carbon offsets or renewable energy certificates (RECs) were used to achieve the goals, it should be explained The source and quantity of carbon reduction credits or quantity of Renewable Energy Certificates (RECs) for which they are exchanged.	In recent years, the world has faced the impact of extreme weather, testing the ability of each enterprise to respond. In support of the government's carbon reduction program, the Company has been reviewing, planning and adjusting its greenhouse gas reduction, waste disposal and water resource allocation. The construction industry procures from suppliers of steel bars, cement and other materials, and these suppliers are major carbon emitters in the 1st stage. When selecting suppliers, the Company also reviews whether suppliers' manufacturing processes reduce carbon emissions, and such footprints are also added to the construction industry's total carbon emissions. The Company is not an industry that directly produces steel bars and cement, but rather a user. Before low-carbon construction processes are developed, the Company can currently begin by procuring low-carbon raw materials to reduce overall carbon emissions. However, because suppliers have invested in the costs of carbon reduction processes, such costs will correspondingly be reflected in prices, thereby increasing the Company's construction costs. The competent authority also expects that enterprises will not transfer this cost to consumers, fulfill the corporate sustainability and good operation. However, considering the operation of the Company and the competent authority's requirements, the Company will gradually step up from the lowest limit to the ideal way of green enterprises.
9. Greenhouse gas inventory and assurance status, and reduction targets, strategies and specific action	According to the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" published by the Financial

plans (please refer to items 2 and 6 of this table).	Supervisory Commission in March 2022, the Company is a company with a paid-in capital of less than NT$5 billion, and a standalone (i.e. parent) company shall apply. The greenhouse gas inventory (i.e., the completion of the inventory in 2026 and the verification in 2028) will continue to control the completion of the greenhouse gas inventory and verification and disclosure process in accordance with the reference guidelines and relevant regulations issued by the competent authority.

(VI) Ethical management implementation and deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies:

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
I. Establishment of integrity policies and solutions (I) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	✓		(I) In order to implement ethical management, the Company has established the "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Operating Procedures and Guidelines for Ethical Management," for its directors, managers, employees, appointees or persons in substantial control to follow. The regulations related to ethical management are approved by the board of directors, disclosed on the Market Observation Post System and on the Company's website in accordance with the regulations. All directors and management abide by the relevant regulations.	No material differences.
(II) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	✓		(II) The Company’s “Procedures for Ethical Management and Guidelines for Conduct” covers the following matters in preventing unethical conduct: 1. Criteria for the offer or acceptance of improper benefits. 2. Procedures for political contributions. 3. Procedures and criteria for charitable donations or sponsorships. 4. Confidentiality of confidential and commercially sensitive information obtained from business. 5. Procedures for dealing with suppliers, customers and business	No material differences.

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			partners involved in dishonest acts. 6. Procedures for violations of the ethical corporate management. 7. Punishment for violations. 8. Establish internal and external personnel reporting methods and channels. The Company has taken precautionary measures for activities with reference to Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" or other business activities with higher risk of dishonest conduct within the scope of business.	
(III) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		(III) The Company has established the "Code of Ethical Conduct," and "Operating Procedures and Guidelines for Ethical Management," which specify the relevant procedures, disciplinary actions and compliant systems. All regulations are communicated to all employees through EIP and are available on the Company network for employees to review at any time. The Company has announced the relevant regulations on its monthly meetings, and regularly implemented education and training.	No material differences.
II. Enforcement of business integrity (I) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		(一) The Company conducts its business activities in accordance with the principles of fairness, transparency and integrity. When entering into contracts with others, the Company reinforces the provisions of integrity clauses and has its legal department review the relevant clauses.	No material differences.
(II) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor	✓		(II) The Company's board of directors department is responsible for ethical management and its operations. The board of directors department reports to the board of directors on a quarterly basis.	No material differences.

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
their implementation?				
(III) Has the Company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	✓		(III) It is stipulated in the "Ethical Corporate Management Best Practice Principles", "Ethical Code of Conduct" and “Procedures for Ethical Management and Guidelines for Conduct" that all directors or managers should fulfill their duty of care as good managers, and supervise the Company to prevent unethical conducts in the execution of business. If there is a conflict of interest when the Board of Directors reviews a motion, it shall be explained and recusal shall apply, etc. The relevant regulations have all been duly implemented.	No material differences.
(IV) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	✓		(IV) In order to implement ethical management, the Company has established and follows an effective accounting system and internal control system for business activities with higher risk of dishonest acts, does not have external accounts or keep secret accounts, and reviews them at any time to ensure that the design and implementation of the system is effective. The Company's auditing unit establishes an audit plan in accordance with the regulations, periodically reviews compliance status, and prepares an audit report for the board of directors. In addition, through the annual internal control self-assessment, each department and subsidiary of the Company is required to review the effectiveness of the design and implementation of the internal control system.	No material differences.
(V) Does the company provide internal and external ethical corporate management training programs on a regular basis?	✓		(V) The Company holds internal training on ethical management in our monthly staff meeting, and asks directors and management to participate in external education and training.	No material differences.
III. Whistleblowing system (I) Has the company established specific whistle-blowing and	✓		(I) For the purpose of preventing dishonest acts, the "Operating Procedures and	No material differences.

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers?			Guidelines for Ethical Management" encourages internal and external personnel to report dishonest acts or misconduct, and reward them accordingly based on the severity of their reports in accordance with personnel regulations.	
(II) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	✓		(II) The Company has established the "Operating Procedures and Guidelines for Ethical Management to handle cases in accordance with the procedures. Follow-up measures after the completion of the investigation: If there is evidence of an unlawful violation, if it involves administrative responsibility, the matter will be handled in accordance with the regulations; if it involves legal responsibility, the relevant evidence will be submitted to the inspection and investigation unit for investigation or the launch of a civil and criminal lawsuit.	No material differences.
(III) Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	✓		(III) Article 21 of the "Procedures for Ethical Management and Guidelines for Conduct" stipulates the relevant investigation procedures, confidentiality mechanisms and protection of whistleblowers from inappropriate treatments due to their whistle-blowing.	No material differences.
IV. Enhanced information disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System?	✓		"Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct" are already disclosed on the Company's investor service website (URL: Http://www.hsinbaba.com.tw/)) “Corporate Governance”/ Corporate Governance/ Important Company Regulations. It shall be disclosed at the Market Observation Post System in accordance with regulations. Directors, managers, and employees of the Company adhere to ethical management, and there have been no violations of relevant regulations so far. If there is a violation of ethical management, the employees will be punished in accordance	No material differences.

Assessment criteria	Implementation status			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			with the "Employee Reward And Punishment Management Measures," and the violation will also be disclosed on the Company's internal website.	
V. If the Company has established its ethical corporate management best practice principles pursuant to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the Company's operational status and deviations from the Principles: There is no difference except that the establishment of reporting channels and the reward system for violating the ethical management regulations is implemented in accordance with the Employee Reward And Punishment Management Measures.				
VI. Other information useful to the understanding of integrity in business dealings: 1. The Company has defined unethical and improper conduct in the "Operating Procedures and Guidelines for Ethical Management." In addition, the Company establishes clear standards and related regulations with reference to Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" or other business activities with a higher risk of dishonest conduct within the scope of business. 2. In order to implement ethical management, the Company sets up a specific whistle-blowing and reward system and establishes operating procedures for investigation. 3. The Company announces its management determination and policies and its regular meetings with venders in monthly staff meetings. In addition, the Company creates a complaint email and a contact for interested parties and investors on its website.				

(VII) Any other material information that would afford a better understanding of the status of the company's implementation of corporate governance may also be disclosed:

1. For the implementation of risk management policies and risk measurements, please refer to this annual report: Five. Review and analysis of the financial condition and business performance, and risk management issues, and VI. Analysis and assessment of risk items.
2. The Company's corporate governance regulations and practices are as follows:
   (1) Procedures for Handling Internal Material Information: This regulates the management and disclosure of material information of the Company. A spokesperson and a deputy spokesperson will review all external material information and announce it to the public after review. In case of a leak of internal material information, the regulation states that the appropriate unit shall be reported to, and the appropriate action shall be taken to address the situation.
   (2) Operating Procedures for the Prevention of Insider Trading: This shall apply to the employees of the Company (directors and managers of the Company and natural persons designated to exercise the duties as their proxy in accordance with Paragraph 1, Article 27 of the Company Act); Shareholders who hold more than 10% of the Company's shares; A person has the internal information due to his or her occupation or control relationship; A person lost his or her status under the first three paragraphs for less than six months; Those who receive information from the persons listed in the first four subparagraphs. Furthermore, the Company establishes related procedures for establishment of material information, insider trading prohibitions within 18 hours of

information disclosure, the process of information disclosure, abnormal notification measures, and abnormal situation reporting.

(3) Rules Governing Financial and Business Matters Between this Corporation and its Related Parties: The Rules is established to improve the financial transactions between the Company and its affiliates and to prevent irregular transactions and improper transfer of benefits in the purchase and sale of goods, acquisition and disposal of assets, endorsement and guarantee, and lending of funds.

(4) The code of ethics for all employees is set forth in the "Code of Ethical Conduct", "Procedures for Ethical Management and Guidelines for Conduct" and "Procedures for Prevention of Insider Trading".

3. Succession plan for board members and key management personnel:

The Company's Articles of Incorporation stipulates that the election of directors shall adopt the candidate nomination approach, and the Corporate Governance Best Practice Principles and the Rules for Election of Directors stipulate that the composition of the board should take into account the diversity which supports the Company's operations, business types and development needs. It should include, and is not limited to the standards of two aspects, basic conditions and value, and professional knowledge and skills. Continue to carry out director succession planning and build a database of director candidates:

(1)Alignment with the Company's core value and has professional knowledge and skills that can help the Company's operation.

(2)Has industry experience related to the businesses of the Company.

(3)It is expected that the addition of the members will continue to provide the Company with an effective, collaborative, diverse board of directors that meets the needs of the Company.

(4)In order to achieve the ideal goal of corporate governance, the entire board of directors needs to have operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market outlook, leadership, and decision-making ability.

(5)The selection process of the Company's director candidates complies with relevant qualification reviews and regulations to ensure that suitable new directors can be effectively identified and elected when there is a change in the number of directors.

The Company also has formulated the Performance Appraisal of the Board of Directors which has measurement items such as the alignment of the goals and missions of the Company; awareness of the duties of a director; participation in the operation of the Company; management of internal relationship and communication; the director's professionalism and continuing education; internal control and statement of specific opinions, etc. to confirm the effectiveness of the board and performance of directors as reference for future selection of directors.

4. Succession plan of key management personnel and the related operation:

The Company's key management personnel (including the general manager) are responsible for the relevant business management within the organization, and each person in the management hierarchy has a substitute. Key management personnel require not only technical skills and abilities, but also a set of values that align with the Company's values. Personality traits must include honesty, integrity, commitment, innovation, and the ability to win customer trust.

In order to cultivate key management personnel and their substitutes, we provide relevant training (internal or external training) in combination with company and department goals, and assist management personnel to improve their professional knowledge and skills.

In addition to the general manager, the Company has more than 10 mid- to high-level managers who are responsible for the related business within the organization. Through job rotations and assignments, they learn about the duties of each unit and develop management skills through meetings. With the implementation of job substitute practices, we nurture the skills of mid-level managers and prevent the gap in manpower in the Company. We also conduct employee performance appraisals on a regular basis. Through routine observation and performance evaluation, we can learn the characteristics of each employee, what can be strengthened, personal development needs and company expectations, etc. The results of the appraisal can also be used as one of the reference databases for future successors. All supervisors have the opportunity to be important candidates for successors.

The Development unit was originally a part of the Construction unit, but the Development unit was added in 2019 so the managers could utilize their talents and rotate the units, and Hsien-Tsung Chen was appointed to be the general manager of Development unit in 2019. In March 2020, the board of directors approved the promotion of Mr. Hung-Tu Chang, former general manager of the Construction unit, to general manager of the Company and also general manager of the Construction unit.

Former executive secretary Hsiang-Yun Huang to the chairman was promoted to the Deputy General Manager of Development unit by the board resolution in March 2022.

5. Managers‘ participation in corporate governance training

Position	Name	Study date	Training courses	Training hours	Total hours	Organizer (Note 1)
Manager of the Auditing department	Chi-Hung Li (Note 2)	2025.05.20	Case Studies of Illegal Acts by Auditors and Accounting Personnel and Response Strategies	6	12	A
		2025.09.19	Analysis of Sustainability Reports and Audit Practices for Sustainability Information	6		A
Head of Finance and Accounting Department	Chuan-Hung Huang	2025.10.13 | 2025.10.22	Continuing Education Course for Newly Appointed Accounting Executives of Issuers, Securities Firms and Stock Exchanges	30	30	B

Note 1:
A is the Internal Audit Association of Republic of China.
B is Accounting Research and Development Foundation.
Note 2: Former Audit Office Manager Chi-Hung Li resigned on 2026.03.16, and the acting auditor assumed the position of acting head of audit on 2026.03.17; therefore, there was no relevant continuing education information for 2025.

(VIII) Implementation status of the internal control system

1. Statement of Internal Control: Please refer to the MOPS. The route is shown below: MOPS > Single company > Corporate governance > Company regulations/internal control > Announcement of internal control statement

2. If CPAs were engaged to conduct a special audit of internal control system, provide its audit report: None.

(IX) Major resolutions approved by the shareholders’ meetings and the board of directors during the current year up to the date of publication of the annual report:

1. Major Resolutions and Implementation status of shareholders’ meetings

Date of meeting	Title	Major Resolutions	Execution
2025.06.25	Shareholder meetings	1. Approved the ratification of the Company's 2024 business report and financial statements.	Completed.
		2. Approved the ratification of the Company's 2024 earnings distribution proposal.	Set 2025/9/4 as the ex-dividend record date, and completed the distribution on 2025/9/30. (Cash dividend of NT$ 5.6959733 per share).
		3. Approved the Company's proposal to enter into a contract with Barson Construction Co., Ltd. for the new building construction project on Land No. 128, Renxin Section, Sanchong District, New Taipei City.	The contract was signed on 2025/6/25.
		4. Approved the Company's amendment to the “Articles of Incorporation”.	The registration of change was completed on 2025/8/8.

2. Major Resolutions of the board of directors

Date of meeting Session	Title	Major Resolutions	Note
2025.03.12 11th meeting of the 21st term	Board of directors	1. Approved the distribution of 2024 remuneration to employees and directors. 2. Approved the 2024 business report and financial statements. 3. Approved the 2024 annual profit distribution. 4. Approved the cash distribution from capital reserve. 5. Approved the issuance of the Company's "2024 Internal Control System Statement". 6. Approved the Company's "Approval Authority Table". 7. Approved the Company's appointment of and remuneration for CPAs for 2025. 8. Approved the assessment of the independence and suitability of the Company's certifying CPAs. 9. Approved amendment to the Company's "Articles of Incorporation". 10. Approved the appointment of Directors and Supervisors for subsidiary - Chiang Chen Construction 11. Approved the Company's proposal to enter into a contract with Barson Construction Co., Ltd. for the new building construction project on Land No. 128, Renxin Section, Sanchong District, New Taipei City. 12. Approved the matters related to the convening of the Company's 2025 AGM.	-
2025.05.12 12th meeting of the 21st term	Board of directors	1. Review of the Company's Consolidated Financial Statements for Q1 2025. 2. A proposal to amend the Company's internal control system and related operating cycles.	-
2025.08.11 13th meeting of the 21st term	Board of directors	1. Review of the Company's Consolidated Financial Statements for Q2 2025. 2. Approval of the Company's donation of NT$ 2 million to the Ba Ba Charity Trust Fund. 3. Change of the Company's accounting officer. 4. Amendment to the Company's "Approval Authorization Table". 5. The Company proposes to issue its 2024 sustainability report.	-
2025.11.07 14th meeting of the 21st term	Board of directors	1. Review of the Company's Consolidated Financial Statements for Q3 2025. 2. Formulation of the Company's 2026 annual internal audit plan. 3. The Company proposes to apply to its subsidiary for a loan. 4. The Company proposes to participate in government tender projects. 5. The Company and its subsidiary Chiang Chen Construction Co., Ltd. propose to participate in government tender projects.	-
2025.12.23 15th meeting of the 21st term	Board of directors	1. The Company intends to provide a loan to its subsidiary, Chiang Chen Construction Co., Ltd. 2. The Company intends to acquire right-of-use assets from related party Hsiang-Yun Huang and enter into an office lease contract. 3. Discussion regarding the scope of the Company's basic level employees.	-
2026.02.24 16th meeting of the 21st term	Board of directors	1. Approved the distribution of 2025 remuneration to employees and directors. 2. Approved the 2025 business report and financial statements. 3. Approved the 2025 annual profit distribution. 4. Approved the issuance of new shares through capitalization of 2025 earnings. 5. Approved the issuance of the Company's "2025 Internal Control System Statement". 6. Approved the Company's appointment of and remuneration to CPAs in 2026. 7. Approved the assessment of the independence and suitability of the Company's certifying CPAs. 8. Approved the Company's proposal to enter into a contract with	-

Date of meeting Session	Title	Major Resolutions	Note
		Barson Construction Co., Ltd. for additional works for the new building construction on Land No. 525, Fuxing Section, Changzhi Township, Pingtung County. 9. The Company's comprehensive re-election of directors. 10. Approved the matters related to the convening of the Company's 2026 AGM. 11. Approved the amendment regarding the scope of entry-level employees. 12. Approved the proposal for amending the computerized information operation cycle of the Company. 13. The Company intends to issue new shares through cash capital increase in 2026.	

(X) Record or written statement of any director's dissenting opinion on important resolutions approved by the Board of Directors in the most recent year and up to the date of printing of the annual report: None.

IV. Information on CPA fees

Unit: In Thousands of New Taiwan Dollars

Name of accounting firm	Name of CPA	CPA audit period	Audit fees	Non-audit fees	Total	Remarks
Ernst & Young Taiwan	Cheng-Chu Chen Fang-Wen Li	2025.01.01-2025.12.31	2,790	637	3,427	Non-audit fees include fees for tax compliance audit, transfer pricing audit, the direct deduction method for computing business tax audit and disbursement.

(1) When the amounts of the audit fees and non-audit fees paid to the attesting CPAs and to the accounting firm to which they belong and to any affiliated enterprises as well as the details of non-audit services by one fourths ormore, the amounts of the audit fees and non-audit fees as well as the details of non-audit services shall be disclosed: None.

(2) When the securities firm changes its accounting firm and the audit fees paid for the financial year in which the change took place are lower than those paid for the financial year immediately preceding the change, the amount of the audit fees before and after the change and the reason shall be disclosed: None.

(3) When the audit fees paid for the current financial year are lower than those paid for the immediately preceding financial year by 10 percent or more, the amount and percentage of and reason for the reduction in audit fees shall be disclosed: None.

V. Information on replacement of CPAs: None.

VI. Where the company's chairman, General manager, or any manager in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its CPAs or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed: None.

VII. Details of shares transferred or pledged by directors, general managers, and shareholders with more than 10% ownership during the current fiscal year up to the date of publication of the annual report:

(I) Changes in Shareholding of Directors, Managerial Officers, and Major Shareholders

Unit: shares

Position (Note 1)	Name	2025		For the current year up to May 2, 2026	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Chairman and major shareholders	Chenlong Investment Co., Ltd. (Note 2)	(1,650,000)	3,050,000	(4,600,000)	750,000
	Chairman Representative: Chung-Hui Huang	0	0	405,000	0
Directors	Cheer Way Investment Ltd.	0	0	(1,380,000)	0
	Director Representative: Hsiang-Yun Huang	1,089,000	3,520,000	6,219,000	200,000
Directors	Shi Jing Investment Ltd.	0	0	0	0
	Director Representative: Pei-Chen Lin	0	0	0	0
Directors	Shi Jing Investment Ltd.	0	0	0	0
	Director Representative: Yun-Mei Tseng	0	0	0	0
Independent director	Hsiu-Lan Wang	0	0	0	0
Independent director	Yen-Chen Chang	0	0	0	0
Independent director	Tsung-Ling Yen	0	0	0	0
General Manager and General Manager, Construction Division	Hung-Tu Chang	0	0	0	0
General manager of Development unit	Hsien-Tsung Chen	0	0	0	0
Development unit Deputy General Manager	Hsiang-Yun Huang	1,089,000	3,520,000	6,219,000	200,000
General office Deputy General Manager	Hsiu-Mei Huang	0	0	0	0
CFO	Cheng-Yu Lee	0	0	0	0

Assistant vice president of sales division	Ping-I Wang	0	0	0	0
Assistant Vice President of Finance and Accounting Department	Ching-Ya Chang	0	0	0	0
Accounting supervisor	Chuan-Hung Huang	0	0	0	0

Note 1: Shareholders holding more than 10 percent of outstanding shares should be noted as major shareholders and listed separately.
Note 2: Major shareholders hold more than 10 percent of outstanding shares.

(II) The counterparty in transfer of equity interests by a director, managerial officer, or major shareholders is a related party: None.

(III) The counterparty in pledge of equity interests by a director, managerial officer, or major shareholders is a related party: None.

VIII. Information on the relationships among the top 10 shareholders by shareholding ratio

May 2, 2026

Name (NOTE 1)	Shares held in own name		Shareholding of spouse and underage children		Shareholding under the title of a third party		The names and relationships of, among the Company's top 10 shareholders who are spouses or relatives within the second degree of kinship (Note 3)		Remarks
	Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage	Name	Relation	
Chenlong Investment Co., Ltd.	32,338,622	35.78%	0	0%	0	0%	Cheer Way Investment Ltd.; Hsiang-Yun Huang; Tzu-Tien Huang; Hsiang-Yuan Huang	The person in charge is a relative within the first degree and the second degree of kinship.	
Representative of Chenlong Investment Co., Ltd.: Chung-Hui Huang	405,000	0.45%	0	0%	0	0%			
Hsiang-Yun Huang	13,989,187	15.48%	0	0%	0	0%	Chenlong Investment Co., Ltd.; Tzu-Tien Huang; Hsiang-Yuan Huang	The person in charge is a relative within the first degree and the second degree of kinship.	
Tzu-Tien Huang	8,046,559	8.90%	0	0%	0	0%	Chenlong Investment Co., Ltd.; Cheer Way Investment Ltd.; Hsiang-Yun Huang; Hsiang-Yuan Huang	The person in charge is a relative within the first degree and the second degree of kinship.	
Hsiang-Yuan Huang	7,967,852	8.82%	0	0%	0	0%	Chenlong Investment Co., Ltd.; Cheer Way Investment Ltd.; Hsiang-Yun Huang; Tzu-Tien Huang	The person in charge is a relative within the first degree and the second degree of kinship.	
DA HAO SEN CO., LTD.	1,431,888	1.58%	0	0%	0	0%	None	None	
Cheer Way Investment Ltd.	1,342,831	1.49%	0	0%	0	0%	Chenlong Investment Co., Ltd.; Tzu-Tien Huang; Hsiang-	The person in charge is a relative within the first degree	
Cheer Way	13,989,187	15.48%	0	0%	0	0%			

Name (NOTE 1)	Shares held in own name		Shareholding of spouse and underage children		Shareholding under the title of a third party		The names and relationships of, among the Company's top 10 shareholders who are spouses or relatives within the second degree of kinship (Note 3)		Remarks
	Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage	Name	Relation	
Investment Ltd. Representative: Hsiang-Yun Huang							Yuan Huang	and the second degree of kinship.	
Shi Jing Investment Ltd.	1,281,807	1.42%	0	0%	0	0%	None	None	
Shi Jing Investment Ltd. Representative: Pei-Chen Lin	0	0%	0	0%	0	0%	None	None	
Shi Jing Investment Ltd. Representative: Yun-Mei Tseng	0	0%	0	0%	0	0%	None	None	
Chih-Kuo Wang	616,094	0.68%	0	0%	0	0%	None	None	
Sheng-Chang Shih	490,788	0.54%	0	0%	0	0%	None	None	
Jin-Fu Co., Ltd.	449,158	0.50%	0	0%	0	0%	None	None	

Note 1: All of the top ten shareholders should be listed. For corporate shareholders, the names of the legal person shareholders and their representatives should be listed separately.

Note 2: The calculation of shareholding refers to the calculation of shareholding in own name, by spouse, by underage children or in the name of others.

Note 3: The shareholders listed above include both legal persons and natural persons, and the relationship among them shall be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Issuers.

IX. The total number of shares and total equity stake held in any single enterprise by the company, its directors, managerial officers, and any companies controlled either directly or indirectly by the company:

Unit: shares;%

Business investments	Held by the Company		Investment by the Directors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Aggregate ownership	
	Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage
Chiang Chen Construction Co., Ltd. (note)	20,100,000	100%	0	0	20,100,000	100%

Note: The equity method is adopted by the Company.

Three. Capital raising

I. Capital and shares

(I) Source of capital stock:

May 3, 2026

Year/ Month	Issued price	Authorized capital		Paid-up capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of share capital	Paid in properties other than cash	Others
1967.01	10	30,000	300,000	30,000	300,000	Cash	-	Equipment expansion
1993.08	10	243,000,000	2,430,000,000	207,255,272	2,072,552,720	Capital surplus transferred to capital	-	Approval date:1994.05.26
1994.08	10	358,000,000	3,580,000,000	271,811,700	2,718,117,000	Capital surplus transferred to capital	-	Document number: (83) Taiwan Financial Securities (I) No. 23788
1995.08	10	358,000,000	3,580,000,000	290,838,519	2,908,385,190	Capital increase from cash and capital surplus	-	Equipment expansion and repayment of loans
2002.12	10	358,000,000	3,580,000,000	93,000,000	930,000,000	Capital surplus transferred to capital	-	Capital reduction for cover accumulated deficits
2010.12	10	358,000,000	3,580,000,000	18,000,000	180,000,000	Capital surplus transferred to capital	-	Capital reduction for cover accumulated deficits
2011.06	10	358,000,000	3,580,000,000	30,000,000	300,000,000	Private placement of shares	-	Working capital increase and repayment of loans
2012.10	10	358,000,000	3,580,000,000	31,020,000	310,200,000	Capital surplus transferred to capital	-	Document number: Financial Supervisory Commission Certificate No. 1010047750
2013.08	10	358,000,000	3,580,000,000	70,000,000	700,000,000	Capital surplus transferred to capital	-	Document number: Financial Supervisory Commission Certificate No. 1020025170
2017.11	10	358,000,000	3,580,000,000	74,566,421	745,664,210	Capital surplus transferred to capital	-	Approval date:2017.09.26
2018.09	10	358,000,000	3,580,000,000	83,343,981	833,439,810	Capital surplus transferred to capital	-	Approval date:2018.08.08
2024.06	10	358,000,000	3,580,000,000	83,374,221	833,742,210	Conversion of convertible corporate bonds	-	Approval date:2024.06.05
2024.10	10	358,000,000	3,580,000,000	85,816,216	858,162,160	Issuance of new shares through capital surplus Conversion of convertible corporate bonds	-	Approval date:2024.10.16
2024.11	10	358,000,000	3,580,000,000	90,376,358	903,763,580	Conversion of convertible corporate bonds	-	Approval date:2024.11.08

Share category	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common Stock	90,376,358	267,623,642	358,000,000	Outstanding shares

(II) List of major shareholders:

List all shareholders with a stake of 5 percent or greater, and top 10 shareholders, and specify the number of shares and stake held by each shareholder on the list

May 2, 2026

Name of Major Shareholders\Shares	No. of shares held	Shareholding percentage (%)
Chenlong Investment Co., Ltd.	32,338,622	35.78
Hsiang-Yun Huang	13,989,187	15.48
Tzu-Tien Huang	8,046,559	8.90
Hsiang-Yuan Huang	7,967,852	8.82
DA HAO SEN CO., LTD.	1,431,888	1.58
Cheer Way Investment Ltd.	1,342,831	1.49
Shi Jing Investment Ltd.	1,281,807	1.42
Chih-Kuo Wang	616,094	0.68

Name of Major Shareholders\Shares	No. of shares held	Shareholding percentage (%)
Sheng-Chang Shih	490,788	0.54
Jin-Fu Co., Ltd.	449,158	0.50

(III) Company's dividend policy and implementation thereof:

1. Dividend policy:

In accordance with the Articles of Incorporation of the Company, if there is a surplus in the annual accounts of the Company, taxes should be paid first to make up for the cumulative losses. The distribution is as follows:

① . Set aside 10% as legal reserve, provided that this shall not apply if the legal reserve has reached the Company's paid-in capital.

② . Set aside or reverse special reserve as appropriate based on the Company's operational needs and legal requirements.

③ . The remainder, together with accumulated undistributed earnings, shall be proposed by the Board of Directors in an earnings distribution proposal and submitted to the AGM for resolution.

The Company's dividend policy is in line with its current and future development plans, investment environment, capital requirements and domestic and international competition, taking into account sustainable operation and long-term development and the interests of shareholders. For each year, the total dividend distribution shall not be less than 5% of earnings available for distribution, of which cash dividends shall not be less than 5%. The board of directors may adjust the ratio based on the overall operating conditions at the time and submit it to the shareholders for resolution.

The Company authorizes the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a board of directors attended by two-thirds of the total number of directors; and in addition, thereto a report of such distribution shall be submitted to the shareholders' meeting.

2. Net profit after tax for 2025 was NT$ 8,521,739, with NT$ 852,174 set aside as legal reserve. Distributable earnings for the year were NT$ 7,669,565. The Board of Directors approved the distribution of stock dividends of NT$ 7,669,560 on 2026/02/24, representing 99.99% of the distributable earnings for the year. Relevant earnings distribution procedures will commence upon approval by the AGM.

In recent years, the Company has consistently implemented its earnings distribution policy to safeguard shareholders' rights and return operating profits to shareholders.

3. Expected major changes in dividend policy: None.

(IV) Impact of the proposed bonus share issuance at this AGM on the Company's operating performance and earnings per share: None.

(V) Remuneration to employees and directors

1. The percentages or ranges with respect to employee and director compensation, as set forth in the Company's Articles of Incorporation.

According to the Articles of Incorporation, if the Company makes a profit in a year, no less than 1% shall be allocated as employees' remuneration, and no more than 5% as directors' remuneration. However, the Company's accumulated losses shall have been covered before such allocation.

2. The basis for estimating the amount of employees' and directors' remuneration, and the basis for calculating the number of shares to be distributed as employees' remuneration for the current period, and the accounting treatment of the discrepancy, if any, with the estimated figure:
If the actual distributed amounts of remuneration to employees and directors for the current period differ from the estimated amounts, the difference shall be accounted for as a change in accounting estimate and adjusted and recorded in the following year.

3. Status of the Board of Directors' approval of the distribution of remuneration to employees and directors for 2025:

(1) Amount of remuneration for employees and directors payable in cash or stocks. If the amount recognized in the fiscal year is different from the estimate, please disclose the difference, reasons and treatment: No difference.

Unit: In New Taiwan Dollars

	Employee remuneration in cash	Director remuneration in cash
Cash amount resolved for distribution by the Board of Directors on February 24, 2026	$ 516,832	$ 1,031,766
Amount recognized in the 2025 financial statements	516,832	1,031,766
Difference	$ 0	$ 0

(2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation: N/A.

(3) Earnings per share after taking into account the proposed distribution of compensation to employees and directors: N/A.

4. Actual distribution of remuneration to employees and directors for the previous year (including number of shares distributed, amount, and share price), and where there is any difference from the recognized remuneration to employees and directors, the amount of difference, reasons, and treatment thereof shall also be stated: None.

(VI) Status of a company repurchasing its own shares: None.

II. Information on the company's issuance of corporate bonds:

(I) Information on the company's issuance of corporate bonds:

<table>
<tr><td colspan="2">Type of corporate bonds</td><td>Third domestic unsecured convertible corporate bond</td></tr>
<tr><td colspan="2">Issue (transaction) date</td><td>February 27, 2025</td></tr>
<tr><td colspan="2">Face value</td><td>NT$100,000</td></tr>
<tr><td colspan="2">Place of issue and trading</td><td>Taiwan</td></tr>
<tr><td colspan="2">Issued price</td><td>Issued in full at face value</td></tr>
<tr><td colspan="2">Issue amount</td><td>NT$700 million</td></tr>
<tr><td colspan="2">Interest rate</td><td>Coupon rate 0%.</td></tr>
<tr><td colspan="2">Term</td><td>Three years from the issue date</td></tr>
<tr><td colspan="2">Guarantor</td><td>N/A</td></tr>
<tr><td colspan="2">Trustee</td><td>Yuanta Commercial Bank</td></tr>
<tr><td colspan="2">Underwriter</td><td>Cathay Securities Corporation</td></tr>
<tr><td colspan="2">Attesting lawyer</td><td>Ya-Wen Chiu, Esq. at Handsome Attorneys-at-Law</td></tr>
<tr><td colspan="2">Certifying accountant</td><td>CPAs Cheng-chu Chen and Fang-Wen Li of Ernst & Young Taiwan</td></tr>
<tr><td colspan="2">Redemption method</td><td>Except when the bondholders convert the bonds into common shares in accordance with Article 10 of the rules or exercise put in accordance with Article 18 of the rules, and the Company redeem the bonds in advance in accordance with Article 17 of the rules, or the Company buy back and cancel the bonds from the securities firm, the Company shall repay the bondholders at 104.5678% (yield to maturity at 1.50%) of the face value in one bullet cash payment when the convertible bonds mature.</td></tr>
<tr><td colspan="2">Unredeemed balance</td><td>NT$700 million</td></tr>
<tr><td colspan="2">Conditions for redemption or early redemption</td><td>Please refer to the terms of issuance and conversion of the Company's third domestic unsecured convertible bonds</td></tr>
<tr><td colspan="2">Restrictive clauses</td><td>Please refer to the terms of issuance and conversion of the Company's third domestic unsecured convertible bonds</td></tr>
<tr><td colspan="2">Name of rating agency, date and result of rating</td><td>N/A</td></tr>
<tr><td rowspan="2">Other rights</td><td>The monetary amount of common shares, global depositary receipts, or other securities already converted, exchanged, or subscribed up to the annual report publication date</td><td>N/A</td></tr>
<tr><td>The issuance and conversion, exchange, or subscription rules</td><td>N/A</td></tr>
<tr><td colspan="2">The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance.</td><td>Please refer to pp. 63-83 of the prospectus for the issue of the convertible corporate bonds</td></tr>
<tr><td colspan="2">Name of the custodian institution of the exchangeable underlying</td><td>N/A</td></tr>
</table>

(II) Convertible Corporate Bonds: The third domestic unsecured convertible corporate bonds were officially issued on February 27, 2025, with an initial conversion price of NT$111.8. The bonds were originally eligible for conversion into the Company's common shares starting from May 28, 2025. However, due to the scheduling of the annual shareholders' meeting, the conversion date was postponed to commence on or after June 25, 2025.

III. Status of preferred shares: None.

IV. Status of overseas depositary receipts: None.

V. Status of employee stock warrants: None.

VI. Status of new restricted employee shares: None.

VII. Status of issuance of new shares due to merger and acquisition or acquisition of shares in another company: None.

VIII. Implementation status of capital utilization plans:

As of the end of the quarter preceding the date of printing of the annual report, the previous issuances or private placements of securities by the Company that have not yet been completed, or that have been completed within the most recent three years but whose planned benefits have not yet materialized, are as follows:

(I) 2024 3rd domestic unsecured convertible corporate bonds

1. Plan content and sources of funds

(1) Approval date and reference number of the competent authority: December 10, 2024, Jin-Guan-Zheng-Fa-Zi No. 1130365302.

(2) Total funds required for the plan: NT$ 17,557,063 thousand.

(3) Sources of funds:

① Issuance of 7,000 units of the 3rd domestic unsecured convertible corporate bonds, with a face value of NT$ 100 thousand per bond, issued at par, with a total face value of NT$ 700,000 thousand, an issuance period of 3 years, a coupon rate of 0%, and public underwriting by book building.

② If the unsecured convertible corporate bonds issued this time are not fully issued, resulting in insufficient funds, the shortfall will be covered by own funds or bank borrowings.

③ The remaining NT$ 16,857,063 thousand required for this plan will be covered by own funds or bank borrowings.

(4) Plan items and progress of fund utilization

① Total fund utilization plan for this plan

Unit: NT$ thousand

Plan items	Scheduled completion Date	Total funds required	Scheduled progress of fund utilization																	
			2024		2025				2026				2027				2028			
			Q3 (inclusive) Before	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Kaohsiung “Longzhong Section” project	2028 Q4	5,949,027	1,614,280	25,500	51,050	80,220	80,220	91,220	147,000	151,000	159,000	167,000	270,262	291,264	353,258	399,908	408,258	414,860	624,865	619,862
Kaohsiung “Longhua Section” project	2028 Q4	3,872,090	21,213	8,316	51,050	42,250	62,250	95,250	145,000	145,000	152,000	158,000	268,000	290,755	304,875	343,875	405,875	438,875	480,310	459,196
Tainan “Xinfucheng-Junzi Building” project	2026 Q3	6,902,534	4,306,534	180,000	300,000	300,000	300,000	270,000	306,000	466,000	474,000	–	–	–	–	–	–	–	–	–
Pingtung “Xingfuxin Impression-Harvest District” project	2025 Q2	833,412	521,007	104,102	98,402	109,901	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total		17,557,063	6,463,034	317,918	500,502	532,371	442,470	456,470	598,000	762,000	785,000	325,000	538,262	582,019	658,133	743,783	814,133	853,735	1,105,175	1,079,058

② Capital utilization plan for this fundraising event

Unit: NT$ thousand

Plan items	Scheduled completion date	Total funds required	Scheduled progress of fund utilization						
			2025				2026		
			Q1	Q2	Q3	Q4	Q1	Q2	Q3
Payment for construction costs - “Longzhong Section” project	2026 Q3	184,000	–	20,000	20,000	20,000	40,000	40,000	44,000
Payment for construction costs - “Longhua Section” project	2026 Q3	116,000	–	16,000	20,000	20,000	20,000	20,000	20,000
Payment for construction costs - “Xinfucheng-Junzi Building” project	2026 Q3	350,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Payment for construction costs - “Xingfuxinyinxiang-Fengshou Area” project	2025 Q2	50,000	–	50,000	–	–	–	–	–
Total		700,000	50,000	136,000	90,000	90,000	110,000	110,000	114,000

(5) Contents of previous amended plans, reasons for amendment, benefits before and after amendment, and dates when amended plans were submitted to the AGM: None.

2. Implementation Status

Unit: NT$ thousand

Plan items	Implementation status as of Q1 2026			Reasons for schedule variance and improvement plans
Payment for construction costs - “Longzhong Section” project	Amount disbursed	Scheduled	140,000	As the Company invested in construction project funds immediately after receiving the full amount of bond proceeds in February 2025, as of Q1 2026, the actual implementation progress of each construction project was ahead of the scheduled progress. To align with the actual construction progress and effectively utilize funds, the Company has used part of the funds raised in advance for the construction project funds of the “Junzihlou” and “Happiness Hsinyinhsiang - Abundance Zone” projects, which also fall within this fund utilization plan. Subsequently, the Company will use its own funds to pay construction project funds in line with the progress of the works. Therefore, the funds raised under this plan had already been fully utilized in Q3 2025 ahead of schedule.
		Actual	62,130	
	Implementation progress	Scheduled	100%	
		Actual	100%	
Payment for construction costs - “Longhua Section” project	Amount disbursed	Scheduled	96,000	
		Actual	114,636	
	Implementation progress	Scheduled	100%	
		Actual	100%	
Payment for construction costs - “Xinfucheng-Junzi Building” project	Amount disbursed	Scheduled	300,000	
		Actual	528,234	
	Implementation progress	Scheduled	142.85%	
		Actual	150.92%	
Payment for construction costs - “Xingfuxinyinxiang-Fengshou Area” project	Amount disbursed	Scheduled	50,000	
		Actual	105,000	
	Implementation progress	Scheduled	100%	
		Actual	210%	
Total	Amount disbursed	Scheduled	586,000	
		Actual	810,000	
	Implementation progress	Scheduled	83.71%	
		Actual	115.71%	

3. Evaluation of plan benefits

After the Company raised NT$ 700,000 thousand in this fundraising and received the bond proceeds in full in February 2025, it plans to disburse the funds for construction payments for the “Longzhong Section” and “Longhua Section” projects in Gushan District, Kaohsiung City, the “Brand-new Tainan – Nobel Family Blocks” project in North District, Tainan City, and the “Happy Impressions - Harvest Area” project in Changzhi Township, Pingtung County from 2025 to 2026 according to project progress. These projects are expected to be completed and handed over in Q4 2028, Q4 2028, Q3 2026 and Q2 2025, respectively, and revenue will be recognized using the completed-contract method. It is estimated that upon completion of each project, they will contribute operating revenue of NT$ 8,551,480 thousand, NT$ 4,799,358 thousand, NT$ 11,037,450 thousand and NT$ 974,433 thousand, respectively, and project gross profit of NT$ 3,144,543 thousand, NT$ 1,177,198 thousand, NT$ 4,834,166 thousand and NT$ 203,703 thousand, respectively. In addition, the use of the funds raised this time to support payments for construction projects will help enhance the stability of the Company’s funding sources and reduce operating risks, and can avoid the erosion of profitability caused by increased bank borrowings, which should have a positive benefit on the Company’s overall operational development.

Four. Operation summary

I. Business activities

(I) Scope of business

1. The Company's major lines of business:

(1) Construction revenue: joint construction, land purchase and construction, real estate development and other businesses related to construction.

(2) Rental income: Rental of investment property.

2. Core businesses and their proportion of the overall business: Unit: In Thousands of New Taiwan Dollars

Item \ Year	2025		2024	
	Amount	Percentage (%)	Amount	Percentage (%)
Construction revenue	1,296,056	100.00	4,374,442	100.00
Rental income	171	0.00	170	0.00
Total	1,296,227	100.00	4,374,612	100.00

3. The Company's current main products (services):

The Company's principal products are condominium residences and shop buildings. In 2025, in addition to the continued transfers and steady sales of the completed projects "Dawn at Y.M. Mountain Ridge2-Grand View" and "New Star-Century Mansion" townhouse area, the principal contributions to revenue and profit in 2025 came from the new pre-sale project Brand-new Tainan-Scholar Building, which was successfully delivered and began revenue recognition in December 2025

4. New products (services) planned for development:

The government has limited land and construction financing in recent years, and interest rates have also risen. Therefore, the Company's overall project planning and land purchase strategy, in response to government policies, began to investigate the development of other counties' and cities' essence regions in addition to the areas with strong employment demand in the redesign districts in six major cities. The Company not only considers the purchase of land for self construction, but also promotes joint construction projects or dangerous and old building reconstruction projects to promote the Company's performance and product planning in the most efficient way of fund utilization.

The overall market is still driven by rigid demand from first-time homebuyers and first-time upgraders, and therefore the Company's mainstream products continue to focus on 2-bedroom, 2+1-bedroom and 3-bedroom layouts, with dual-bathroom designs to enhance convenience and practicality for homebuyers in daily life. As part of our future plans, we will also consider the location of prime commercial areas and develop products such as mixed-use residential and commercial buildings or purely commercial office buildings. In order to improve the quality of the relevant products and increase market acceptance, the development will take advantage of the excellent location and well-designed patterns, as well as the separation of residential and commercial access lines.

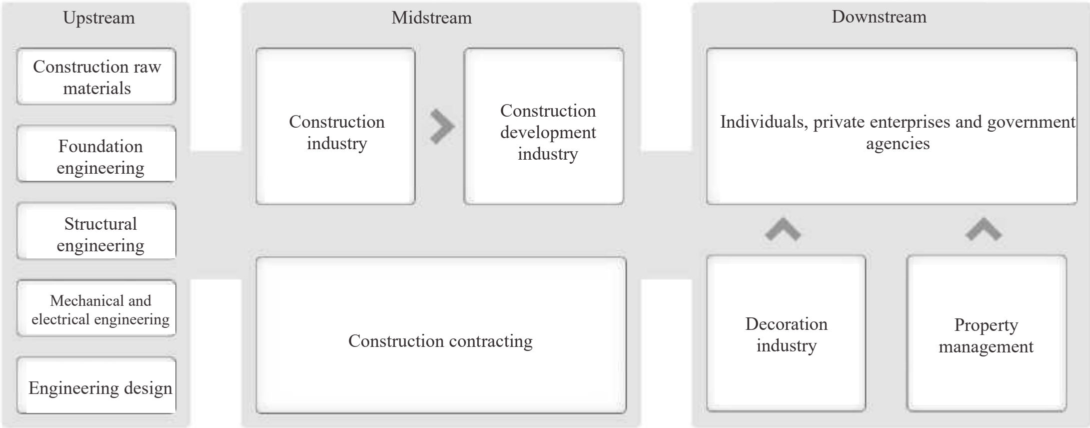
(II) Industry overview

1. Status and development of the industry

In recent years, the overall business environment and the impact of government policies faced by the domestic real estate market are mainly due to the weaker than expected economic growth rate, rising mortgage interest rates, and the efforts of various ministries and committees to combat real estate speculation which have not yet slowed down. Real estate is regarded as a safe-haven investment target, and there is still a demand by technology companies to set up factories; in addition, the domestic housing price maintains a pattern that is easy to rise and hard to fall, so that the housing market will not undergo a significant correction. As the times and industries change, the new economic theory suggests that excessive interest rate rises inhibit investment, and may also lead to a shrinkage of job opportunities. Thus, government is trying to find a balance between raising interest rates and economic growth.

2. Relationship between upstream, midstream and downstream of the industry

The upstream of the real estate market mainly provides land and building materials. The sources of land supply are private land owners who release their land through sale or joint development, as well as the land from development of older areas through urban renewal. As for building materials, in addition to reinforced concrete, the use of eco-friendly building materials has been gradually increasing with the availability of new technologies. The downstream players are mainly agents, intermediaries, etc., and the use of digital marketing has also gradually become more mainstream.



Source: Industry Value Chain Information Platform

3. Various product trends

(1) As the laws and regulations related to real estate transactions become more comprehensive, and it becomes increasingly difficult to obtain land, the development projects will be divided into self-construction or joint-construction with landlords. In the future, land development can be carried out in a diversified direction, such as establishment of superficies, participation in urban renewal plans The Company will also adopt strategic alliances with peers for development, and obtain the required land for development.

(2) With the gradual increase in the income of Taiwanese people, home buyers not only focus on practicality and safety of housing, but also pay more and more attention to the living environment, local living functions, exterior design, layout, quality of building materials and equipment, etc. Therefore, smart buildings, diversified products such as low-carbon buildings, leisure housing, senior housing, green housing, and technology housing have emerged to meet the needs of customers from different walks of life. In the future, building brands and customer satisfaction will also become important indicators of competitiveness. Product planning It will develop towards diversification, humanization and refinement.

4. Competitions

Compared with other industries, the competition among construction companies is not as severe. The main reason is that the market is divided by product type, consumer preference, locations, etc., and each project has its target customers. Projects in the same area may compete with one another, but each construction firm specifies its target market and clientele based on its planning and advantage, variety of materials, size of properties, locations, etc., and that company revenue or market share do not affect the market as much.

(III) Technology and R&D overview

The Company invests a lot of resources in the fields of planning, design, and construction materials and equipment, which will enable us to increase customer favor and our product competitiveness. House construction and sales are the primary activities of the construction development business. As the construction industry is not allowed to engage in the construction business, the Company must contract out the relevant construction projects to qualified contractors in accordance with the construction law. Since the Company does not engage in construction, the organization structure does not include an R&D department specifically for the construction industry.

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

The Company has established a very good reputation in the real estate markets of the five municipalities, namely Kaohsiung, Taipei, New Taipei, Taoyuan and Tainan. In addition, it has also launched projects in Pingtung, which have been well received by the market and continue to sell well. The Company will continue to move towards becoming a national construction company to extend our warm construction concept throughout Taiwan. Taichung is currently the only market that the Company hasn't developed yet, but moving forward to central Taiwan is our goal in the future. The Company continues to improve our software and hardware with a steady and pragmatic approach, focusing on quality and quantity enhancement, as well as starting with customer needs in planning, design and customer service. All of our directors, managers and employees are committed to providing quality services to make the Company a nationwide quality enterprise.

(1) Short-term development plan

The Company strictly controls the construction period and cost to solve the problems of a lack of labor and materials in the market, and actively sells completed houses and pre-sale houses, and continues to launch high quality pre-sale houses to increase consumer recognition.

(2) Long-term development plan

Company brand: implementing the Company’s management philosophy of “professionalism, happiness and well-being” to create the best products featuring “smart design, outstanding craftsmanship and happy living”

Land development: Various methods, such as buyouts, joint construction, reconstruction of dangerous and old buildings, joint development, BOT, and urban renewal, are evaluated for development, and the feasibility of investing in tourist hotels, commercial office buildings, etc. is carefully assessed to maintain stable profitability.

Product planning: Product planning and design capabilities are strengthened, with human-centered considerations and the objective of enabling users to achieve maximum satisfaction of their needs.

Marketing strategies: The Company adopts a strategy that gives equal weight to traditional word-of-mouth marketing and internet technology marketing, strengthens the depth and breadth of planning and promotional materials, so as to accurately grasp market trends, achieve sales targets, and leverage customer word-of-mouth marketing to increase market recognition and brand value.

Customer service: The Company maintains an excellent after-sales service system, with professional customer service personnel and building management personnel providing prompt services, continuously improving customer satisfaction and establishing the Company's brand image.

II. Market, production, and sales overview

(I) Market analysis

1. Regions of sales (provision) of the Company’s major products (services)

Unit: In Thousands of New Taiwan Dollars

Year / Item	2025		2024	
	Amount	Ratio(%)	Amount	Ratio(%)
Domestic sales	1,296,227	100.00	4,374,612	100.00

2. Market share

Compared with other industries, the competition among construction companies is not as severe. Projects in the same area may compete with one another, but each construction firm has different product planning and clientele and product competitive advantages, and that market share does not affect the market as much.

3. Future supply and demand and growth of the market

The primary purpose of real estate is residential use, and households are the basic unit of housing. Therefore, changes in households will reflect increases or decreases in future demand and supply, while real estate transaction amounts largely rely on financing from financial institutions, and changes in newly extended home purchase loans and interest rates also influence homebuyers' willingness to purchase. In addition, homebuyers' decisions directly affect the development of the housing market. If they are optimistic about the future housing market, homebuyers will release demand; conversely, if they are pessimistic about the housing market, they will reduce purchase demand or postpone consumption.

There is an overall surge in rigid demand in the Taiwan housing market, with first-time buyers and home exchangers seeking homes in both the north and south markets, whether it is a completed or pre-sale house. Product design and square footage planning are in line with market demand, with an affordable price to the public. The first-time buyer factor combined with the right positioning of the product can result in the sale of houses to first-time buyers and home exchangers within 1-2 years. Regardless of whether it is a completed or pre-sale house, real estate is not only essential to life, but also the most valuable asset for consumers.

The construction industry is facing a serious shortage of labor and materials, and land prices are constantly rising. The government should take effective countermeasures against material and land prices to stabilize them, instead of limiting new housing supply by means of restriction and monetary withdrawal. When land speculation is eliminated, and materials can be secured, real estate developers will be happy to offer reasonably priced properties that are of relatively high quality, enabling consumers to make an informed purchase. By developing a solid real estate industry, serious operators can build a better reputation, benefiting consumers and the market.

The government's current housing crackdown policy has created doubts in the domestic housing market. Across the country, companies in the same industry advise the government to combat speculation in a way that doesn't seriously harm the industry, doesn't accidentally harm real estate-related industries, and doesn't limit the actual housing demand. There has always been a desire for real estate among consumers, a real need of living necessity and asset preservation, which allows people to realize a true sense of wealth.

4. Favorable and unfavorable factors to the competitive niche and development prospect and countermeasures

(1) Competitive niche

A. Adequate working capital and flexible use of fundraising tools.

B. Superior land development capabilities.

C. Rigorous design and planning of products to meet market demand.

D. High-quality engineering assurance.

E. Professional management team.

F. Sound customer service.

G. Excellence in execution.

H. The scale of economic development has shown signs of improvement.

(2) Favorable and unfavorable factors to development prospect and countermeasures

Favorable factors:

A. In terms of average household size, there is a strong demand for housing in real terms.

B. As a result of high inflation and low interest rates, real estate is in a strong position to preserve value.

C. Technology majors return to Taiwan to expand factories, resulting in strong job growth and a strong housing market.

D. Infrastructure construction drives regional development.

E. The government is actively promoting urban renewal and the acceleration of reconstruction of dangerous and old buildings.

Unfavorable factors:

A. The Central Bank has adopted a tightening policy to restrict financing limits for real estate developers and the loan-to-value ratio and interest rates for homebuyers. It is expected that the Central Bank will increase the cost of funds for real estate-related lending by raising the reserve requirement ratio.

The Company's response:

The Company has diversified its financial planning, increased its financing channels, strictly controlled the use of funds, The Company carefully evaluates development projects, proposes reasonable profit analysis and pricing, strengthens internal management to reduce expenses, and strictly controls the staff quality to ensure timely completion. The Company employs innovative marketing methods to increase sales rates, shorten sales periods, and increase working capital turnover.

The acquisition of fine land is not easy, and landowners are reluctant to sell for a low price.

The primary costs involved in construction are land and building materials. However, due to Taiwan’s limited land area, high population density, and high level of urbanization, land development in prime areas is nearly saturated. When land is released by the government or private owners, it often triggers intense bidding wars among developers. In such a highly competitive environment, land acquisition costs continue to rise, and in some cases, land becomes nearly impossible to obtain. Additionally, with the stabilization of oil prices and growing demand for consumer goods and emerging markets, international raw material prices have been rising. The costs of essential construction materials such as cement, sand and gravel, paint, and steel bars have continued to increase. Domestically, rising labor wages and a shortage of skilled construction workers further drive up overall costs. In summary, the difficulty in acquiring land and rising construction costs are putting pressure on developers' profit margins, making these factors unfavorable to the continued growth of the real estate industry.

The Company's response:

Land is the most important and fundamental raw material in the construction industry, and land does not grow or move. Taiwan has limited land resources and the dense population is concentrated in the six special municipalities. With the active development of various builders, valuable areas have approached saturation. Moreover, due to government's reluctance in releasing large areas of state-owned land in recent years, it is becoming more difficult to acquire land, and that the scarcity of land has led to the increase of cost for the Company. We will keep our keen sense in land development. In addition to our own development, we will acquire land that offers competitive advantages through joint development. We will also speed up the feedback of the marketing resulting to analyze the land value, and use it as the basis for land development policies.

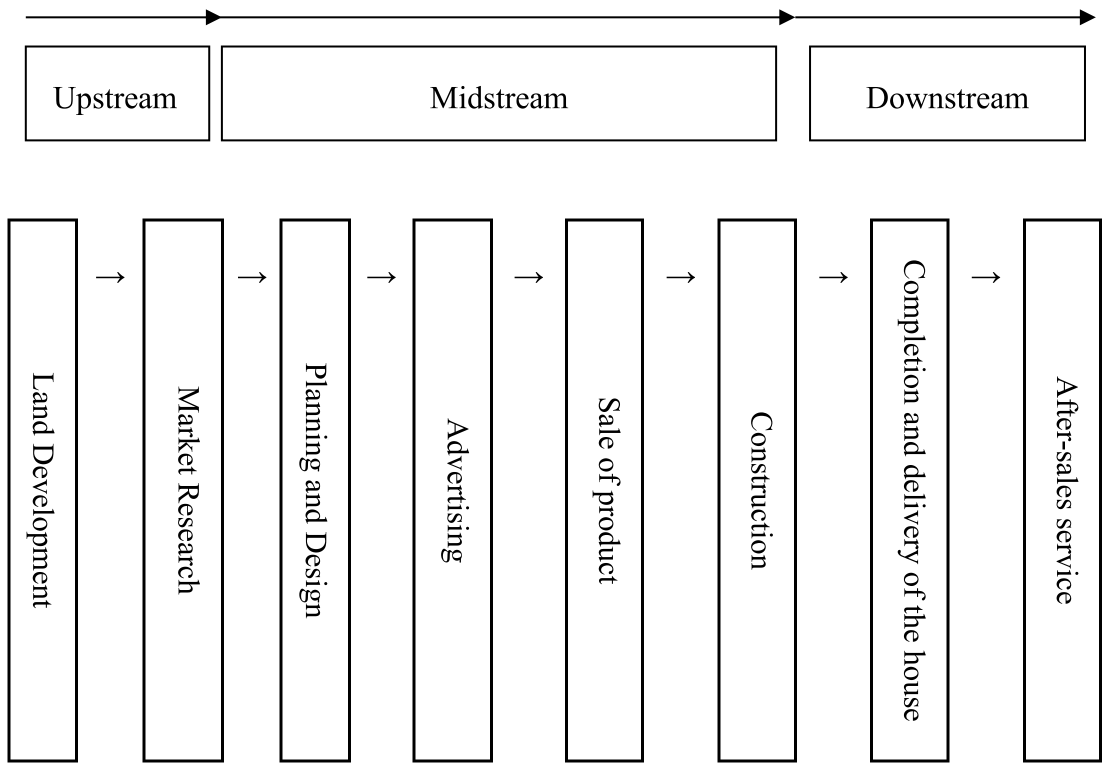
(II) Application and manufacturing processes for the Company's main products

1. Usage for the main products:

Main products	Main uses
Construction revenue	Construction of houses, apartments and office buildings

2. Manufacturing process of main products

The Company is currently primarily engaged in the construction of residential buildings. In the future, the Company does not rule out the construction of office buildings or tourist business hotels. From the perspective of residential construction and sales, the complete process is as follows:



(III) Supply of main raw materials

Since a construction company commissions contractors to build houses, it mainly plans and designs projects, and contract with construction-related companies. As a result, suppliers in the upstream and downstream industries and raw materials (land) are listed below.

Item	Supply Sources	Availability of goods
Land (Upstream)	Domestic	Overall stable
Contractor (Midstream)	Domestic	Stable
Architect (Midstream)	Domestic	Stable
Professional soil and water conservation engineers (Midstream)	Domestic	Stable
Professional civil engineers (Midstream)	Domestic	Stable
Agency (Midstream)	Domestic	Stable
Property management company (downstream)	Domestic	Stable

(IV) A list of any suppliers and clients accounting for 10 percent or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each

1. A list of any suppliers accounting for 10 percent or more of the Group's total procurement amount in either of the 2 most recent fiscal years:

Unit: In Thousands of New Taiwan Dollars

	2024				2025				Up to the previous quarter of 2026			
Item	Name	Amount	Percentage of annual net purchases 〔%〕	Relationship with the issuer	Name	Amount	Percentage of annual net purchases 〔%〕	Relationship with the issuer	Name	Amount	Percentage of Net purchases up to the preceding quarter of the current year 〔%〕	Relationship with the issuer
1	Barson Construction Co., Ltd.	1,226,738	60	de facto related party Related Parties	Barson Construction Co., Ltd.	1,259,171	100	de facto related party Related Parties	Barson Construction Co., Ltd.	254,286	100	de facto related party Related Parties
2	-	-	-	-	-	-	-	-	-	-	-	-
3	Others	7,246	40	None	Others	815	1	None	Others	4	0	None
	Net purchase	1,233,984	100		Net purchase	1,259,986	100		Net purchase	254,290	100	

Note 1: List all suppliers accounting for 10 percent or more of the total procurement amount in the 2 most recent fiscal years and the amounts bought from each and the percentage of total procurement accounted for by each. If the company is prohibited by contract from revealing the name of a supplier, or a trading counterparty is an individual person who is not a related party, it may use a code in place of the actual name.
Note 2: The transactions between consolidated enterprises have been written off when preparing the consolidated financial statements.
Note 3: TWSE or TPEx listed companies should disclose the financial information of the most recent period that has been attested or reviewed by CPAs as of the publication date of the annual report.

Explanation for the change: Subsequent construction projects have increasingly been contracted to a single general contractor under turnkey arrangements, resulting in an increase in this contractor's proportion of the Company's total purchases.

2. A list of any customers accounting for 10 percent or more of the Group's total sales amount in either of the 2 most recent fiscal years:

Unit: In Thousands of New Taiwan Dollars

	2024				2025				Up to the previous quarter of 2026			
Item	Name	Amount	Percentage of annual net purchases〔%〕	Relationship with the issuer	Name	Amount	Percentage of annual net purchases〔%〕	Relationship with the issuer	Name	Amount	Percentage of Net purchases up to the preceding quarter of the current year 〔%〕	Relationship with the issuer
1	Others	4,374,612	100	None	Others	1,296,227	100	None	Others	816,381	100	None
	Net sales	4,374,612	100		Net sales	1,296,227	100		Net sales	816,381	100	

Note: List all customers accounting for 10% or more of the total sales amount in the 2 most recent years and the amounts sold to each and the percentage of total sales accounted for by each. If the Company is prohibited by contract from revealing the name of a customer, or a trading counterparty is an individual person who is not a related party, it may use a code in place of the actual name.

Explanation for the change: The Company's customers are primarily individuals and non-related parties, and no single customer accounted for 10% or more of the Company's total annual sales. Accordingly, information on major customers is not required to be disclosed.

III. Employees information for the past 2 fiscal years and up to the date of publication of the annual report

May 3, 2026

Year		2024	2025	As of May 3, 2026 (note)
Employee count	Managers	33	32	22
	Technical (research) employees	3	3	3
	Operators	135	176	79
	Total	171	211	104
Average age		37.26	38.00	38.54
Average years of service		3.61	3.56	3.52
Academic background	Doctoral Degree	0%	0%	0%
	Masters Degree	7.02%	4.76%	5.77%
	Bachelors Degree	76.02%	82.75%	76.92%
	Senior high school	15.79%	11.40%	15.38%
	Below senior high school	1.17%	1.09%	1.93%

Note: Fill in the information for the current year as of the publication date of the annual report.

IV. Information on environmental protection expenditures

(I) Possible losses due to environmental pollution incidents during the current fiscal year up to the date of publication of the annual report:

The Company is engaged in the construction business, and employs contractors to complete construction projects, either by contracting for labor and materials or only for labor. Besides the construction environment and waste, which are handled by the contractor, the construction work of the project is supervised and managed by a professional construction company, and the Company supervises the work.

The vendors are responsible if that violate the relevant regulations of the competent authorities.

The Company has not suffered any losses during the current fiscal year up to the date of publication of the annual report due to environmental pollution incidents.

(II) The Company's response:

As a part of its commitment to reducing environmental pollution, the Company requires the construction company to comply with environmental regulations throughout the construction process, as well as implement relevant preventive measures, as described below:

1. Noise Control:
   (1) Require quieter construction methods.
   (2) Require contractors to maintain and refurbish old machinery.
   (3) Require operators to control noise when loading and unloading materials and tools.
   (4) Management of the time and place of use of noisy machines.

2. Air Pollution Control:
(1) Waste is placed in a fixed place and disposed of regularly.
(2) A protective net is set up around the building to prevent flying dust and falling sand.
(3) Workers are hired to clean the base drainage ditch and, when construction vehicles leave the site, the roads are cleaned to keep the ditch smooth and maintain the environment.
(4) Dust proof cloths and dust nets at the construction site to cover piles of material, exposed surfaces, and the edges of scaffolds to minimize dusting.
(5) During construction, the construction site's driveway is equipped with effective dust control facilities such as steel plate, concrete, asphalt concrete, coarse grading, etc.

3. Water Pollution Control:
(1) A reduction plan will be prepared and submitted to the local environmental authorities for their approval prior to construction.
(2) Sufficient rainwater protection and rain guide facilities are set up on the excavation site or dumping site to prevent rain from entering.
(3) Set up a grit chamber to collect and treat the waste water from the initial rainfall and car wash.
(4) Adopt rainwater and wastewater diversion system to reduce the amount of wastewater and collect and recycle rainwater

4. Waste Control:
(1) A waste removal plan will be prepared and submitted to the local environmental authorities for their approval prior to construction.
(2) Apply for release from control once all earthwork and waste have been removed in accordance with the regulations.
(3) Maintain a clean site at all times and store general waste in designated areas for removal.

5. Other:
Safety fences and signs are set up at the construction site according to regulations (the content of the signs shall explicitly state the construction project air pollution control fee collection control serial number, the name and telephone number of the statutory responsible person at the construction site as well as the local environmental agency's telephone number for reporting public nuisances).

(III) Potential environmental expenditures: None.

V. Labor-management relations

(I) Employee benefit plan

1. Employee welfare measures and implementation status:
In order to create harmonious labor-management relations, to take care of employees' physical and mental health, to share profits, and to unite employees, the Group is committed to improving employee welfare measures. The implementation status is described as follows:
(1) The employee welfare committee is established in accordance with the law,

and monthly welfare funds are allocated. In addition to setting the annual welfare plan, the welfare committee organizes various activities, such as domestic and overseas travel activities, holiday bonuses, year-end banquets, mid-year banquets, birthday bonuses, and weddings and funerals allowances, etc.

(2) The Company's employee welfare measures: Annual bonus, project bonus, employee bonus, labor and health insurance, group insurance, employee health checkup, employee housing discount, weddings and funerals allowances, and others. The Company provides annual leave, sick leave, maternity leave, paternity leave, menstruation leave, family care leave, etc. with pay in accordance with the Labor Standards Act.

2. Advanced study, training and implementation status:

The Company conducts pre-employment education and training to improve the quality of human resources and develop our advantages; we also assign relevant employees to attend external education and training from time to time or implement internal education and training for all employees at monthly staff meetings. We provide a complete training program for employees' career planning and professional skills in order to train professionals and improve management performance as well as develop and utilize talents effectively. The training status of the Company‘s employees for 2024 is as follows:

Type of training	Internal training		External training	
	Person-time	Number of hours	Person-time	Number of hours
Education and training for the internal control system	123	369	0	0
Finance and tax system-related training	0	0	4	66
Education and training for the information system	96	48	0	0
Education and training for the regulations	263	213.5	0	0
Education and training for work improvement	167	495	20	60
Corporate governance and sustainable development	49	78.5	2	16
Others	125	250	0	0
Education and training for integrity	83	41.5	2	6
Total	906	1,495.5	28	148

3. Retirement system and implementation status:

A monthly contribution of 6% of monthly salary is made by the Company to the individual pension account of new employees since July 2005 and employees enrolled in the new pension system. At the same time, for employees who enrolled in the old pension system and employees who enrolled in the new pension plan with pension benefit under the old system, the Company contributes the appropriate amount of retirement reserve to the account according to the employee retirement pension plan.

4. Employee rights and benefits protection:

(1) The Company implements employee management policies in accordance with the Labor Standards Act and various labor laws and regulations, and updates its internal management regulations at any time in accordance with the law to ensure the rights and interests of employees.

(2) The Company establishes a regular communication mechanism with employees to ensure that they understand the Company's operational policies: The Company uses monthly meetings to report on the Company's current operations and related measures, and uses electronic bulletin boards to announce various matters in real-time so that employees can understand the Company's condition.

(3) The Company creates an employee complaint email to protect the rights and interests of employees.

(II) Any losses suffered by the Company during the current fiscal year up to the date of publication of the annual report due to labor disputes: Due to the absence of labor disputes litigation, the Company has not suffered any losses.

(III) Estimated current and potential future amounts and countermeasures: The Company provides a comfortable and safe working environment for our employees, as well as a well-established welfare system and communication channels. Labor-management relations in the Company have always been harmonious, and there have been no labor disputes, therefore, it is estimated that there is no risk of loss in the event of labor disputes at the present or in the future.

VI. Cyber security management

(I) Information security risk management framework

In order to improve the information communication security management, the head of the IT department and colleagues perform the relevant duties of "Information Security Management Unit" to regularly assess information security risks, review information security policies, and implement the advocacy.

The training contents are as follows:

Date	Information security advocacy them	Hours per session
2025/01	Advanced persistent threat (APT) attack	0.5 hours
2025/02	Preventing Phishing Attacks	
2025/04	Malware	
2025/05	Malware - Attack patterns	
2025/06	Precautions for Using Public USB	

Date	Information security advocacy them	Hours per session
	Charging Stations	
2025/07	Malware	
2025/08	What is an advanced persistent threat (APT) attack?	
2025/09	Guidance on Cyberattack Precautions	
2025/10	Why is information security important?	
2025/11	Information security challenges and countermeasures for generative AI	
2025/12	AI Risk Prevention	

(II) Information security management mechanism

1. Formulated cyber security management regulations in accordance with laws and regulations, and provide appropriate protection measures for the Company's information assets to ensure their confidentiality, integrity, availability and legal compliance.
2. Regularly assess the impact of various man-made and natural disasters on the Company's information assets, and formulate disaster prevention measures and disaster recovery plans for important information assets and key businesses to ensure the continuous operation of the Company's business.
3. Guide our employees to implement cybersecurity protection tasks and establish the concept that information security is everyone's responsibility, and enhance the awareness of cyber security among departments and the staff.

(III) Cyber security management policy

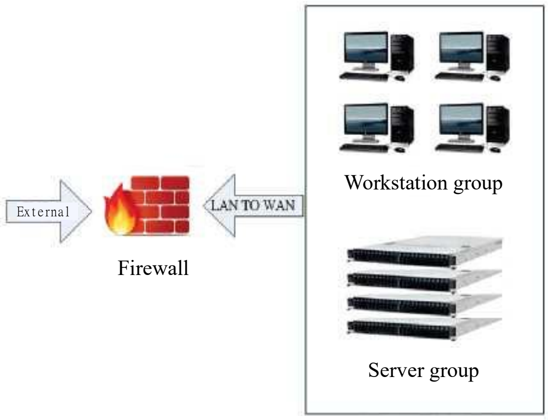
In accordance with the relevant information laws and regulation, the Company has established a revised regulation on internal information management, which is divided into three parts.

Cyber security management policy		
Personnel control	Management measures for computerized information operations in accordance with the internal control operation cycle	Information security review and permission for the use of company systems and information
Device control	Set up safe operations for equipment in the information operation management regulations	Devices are scanned and installed antivirus software first, and connect to external devices with permission
Information security monitoring	Regular monitoring of output reports	Monitor the current attacks of the Company according to the report and modify the protection settings

Update the server groups and regularly review and adjust the update details. Adopts cloud management for the protective software to ensure that the ground end is not affected when attacked. Review from time to time the internal and external environment of the enterprise for operational risks that may arise, and respond as soon as possible to reduce risks and mitigate losses. If a breach occurs, the ground protection points can be re-established in the cloud.

(IV) Specific management plans

The global information network is interconnected to make the promotion of various businesses more flexible and faster. However, there are many incidents of information security attacks. These attacks may paralyze network services through a large number of connections, use computer viruses or malware to affect information system services or spy on confidential data information, the theft of confidential information through social engineering, or the lack of alertness of the information security of internal personnel, resulting in the leakage of confidential information. Update the server groups and regularly review and adjust the update details in consideration of the risks involved. Adopts cloud management for the protective software to ensure that the ground end is not affected when attacked. Review from time to time the internal and external environment of the enterprise for operational risks that may arise, and respond as soon as possible to reduce risks and mitigate losses. If a breach occurs, the ground protection points can be re-established in the cloud.



Construction of internal protection

(V) Future plans

Improve the security of servers' underlying operating system, prevent the damage of underlying system from causing the malfunction of all operating systems, and strengthen the backup mechanism and disaster drills. Cooperate with Chunghwa Telecom to strengthen source protection, and regularly review actual safety incidents and respond early.

(1) Update the underlying operating system to improve its security and prevent its malfunction from interrupting the running of the operating system.

(2) Provide protection at the source of the IPS computer room to prevent it from massive packet attacks which can paralyze the network connection.

(3) Formulate annual information security disaster drills to confirm the integrity of the backup mechanism, and train to be proficient in quickly re-establishing connection when under attack.

(VI) The losses and possible impacts suffered from major cyber security incidents in the most recent year and countermeasures: None.

VII. Intellectual property management plan

After entering the construction industry, the Company fully invested in the real estate business and developed the management of real estate-related industries. In order to maintain and strengthen the Company's industrial technology and efforts, an intellectual property management plan has been established. The scope of intellectual property management covers trade secrets, brand trademarks, etc. The establishment of this management plan not only enables effective management of the Company's intellectual property, but also effectively manages the Company's acquisition, maintenance, and use of intellectual property, thereby consolidating the Company's intellectual property and enhancing and maintaining the Company's brand competitiveness. Meanwhile, the implementation status is reported to the Board of Directors at least once a year.

(I) Trade secrets

Trade secrets are critical to the competitiveness of an enterprise. To prevent the leakage of trade secrets, the Company issues an "Employee Guarantee" and a "Letter of Bonding" to each employee to ensure the Company's information will not be leaked to any third party whether during the employees tenure or after leaving the Company. In order to ensure the Company's competitiveness in the market, the Company's IT department will regularly review and assess cyber security risks, regularly upgrade and update application software and computer hardware, and protect information assets regarding the protection and access of the Company's business secrets measures. Externally, the source of the computer room is protected to prevent a large number of external attacks; internally, different access and browsing permissions are set up for different departments and employees, and information security advocacy and training are conducted for all employees on a monthly basis.

(II) Brand trademark

Branding takes a long time to develop, and customer and vendor feedback is also a very important part of building a corporate image. Trademarks are the most recognizable sign. The Company has applied for registration of exclusive trademarks since entering the construction industry to protect the legal benefits of trademarks. The Company assigns employees to pay attention to the exclusive deadlines, and applies for extension before expiration to protect the Company's rights.

●The trademark of Hsin Ba Ba (pictured below) can be searched in the trademark search system of the Intellectual Property Office. The deadline for this exclusive use is: 2034/11/15.

Execution status in 2025

1. The Company conducts information security promotion and education and training for all employees from time to time at monthly regular meetings to strengthen employees' protection of corporate trade secrets.
2. The IT department regularly updates and upgrades the mainframe firewall and related hardware and software.
3. The original trademark expired on 2024/11/15, and the application for extension was filed to 2034/11/15.
4. The date of the most recent report to the Board of Directors was December 23, 2025 at the 15th meeting of the 21st Term of the Board of Directors.

VIII. Major contracts

Nature of contract	Counterparty	Starting and end date of contract	Key content	Restrictive clauses
Construction contract	Barson Construction Co., Ltd.	From the start date to the completion and acceptance date of the project	Parcel number 525, Fuxing Sec., Changzhi Township, Pingtung County.	None
Construction contract	Barson Construction Co., Ltd.	From the start date to the completion and acceptance date of the project	5 land lots numbered 2000, 2000-1, 2000-2, 2008 and 2008-1 located in Xiaobei Section, North District, Tainan.	None
Construction contract	Barson Construction Co., Ltd.	From the start date to the completion and acceptance date of the project	Parcel number 67, Longzhong Sec., Gushan Dist., Kaohsiung City	None
Construction contract	Barson Construction Co., Ltd.	From the start date to the completion and acceptance date of the project	Land lot numbers 50, 51, 98, and 103, Subsection 1, Longhua Section 1, Gushan Dist., Kaohsiung	None
Construction contract	Barson Construction Co., Ltd.	From the start date to the completion and acceptance date of the project	Parcel number 128, Renxin Sec. of Sanchong Dist., New Taipei City	None
Subsidiary Construction contract	Barson Construction Co., Ltd.	From the start date to the completion and acceptance date of the project	Parcel numbers 2015, 2016 and 2017, Xiaobei Sec., North Dist., Tainan City	None

Nature of contract	Counterparty	Starting and end date of contract	Key content	Restrictive clauses
Jointly-constructed and sold in blocks	Chiang Chen Construction (subsidiary)	From February 7, 2022 to the sale completion date of the project	Parcel numbers 2015, 2016 and 2017, Xiaobei Sec., North Dist., Tainan City	None
Jointly-constructed and sold in blocks	Chiang Chen Construction (subsidiary)	From February 7, 2022 to the sale completion date of the project	Parcel numbers 1050 and 2012, Xiaobei Sec., North Dist., Tainan City	None
Jointly-constructed and sold in blocks	(Not related party)	2022.05.23~ project sell-out date	Parcel number 525, Fuxing Sec., Changzhi Township, Pingtung County.	None
Jointly-constructed and sold in blocks	Ya-Jung Pan	2023.06.28~ project sell-out date	Land lot numbers 50, 51, 98, and 103, Subsection 1, Longhua Section 1, Gushan Dist., Kaohsiung	None
Jointly-constructed and sold in blocks	Ya-Jung Pan	2024.06.18~ project sell-out date	Objects appraised: Lot numbers 544-1, 545, 546, 547, 548, 548-1 and 548-2 at Subsection 2, Chongyang Section, Beitou District, Taipei	None
Jointly-constructed with house divided	(Not related party)	2024.06.18~ project sell-out date	Parcel number 128, Renxin Sec. of Sanchong Dist., New Taipei City	None
Long-term borrowing contracts	Land Bank of Taiwan, Qianzhen branch	2024.05.14~2029.05.14	Pledge or guarantee for land financing lines: the land in Longzhong Section.	None
Long-term borrowing contracts	Land Bank of Taiwan, Qianzhen branch	2025.08.29~2030.08.29	Pledge or guarantee for construction financing lines: the land in Longzhong Section.	None
Long-term borrowing contracts	Infinite Finance Co., Ltd.	2026.02.26~2028.02.26	Pledge or guarantee of remaining houses for financing: remaining houses of Dawn at Y.M. Mountain Ridge 2	None
Long-term borrowing contracts	IBF Leasing Co., Ltd.	2026.01.28~2029.01.28	Pledge or guarantee of remaining houses for financing: remaining houses of Dawn at Y.M. Mountain Ridge 2	None
Long-term borrowing contracts	Chailease Finance Co., Ltd.	2022.08.26~2026.08.15	Mortgage or guarantee for land financing: 5 land lots numbered 2000, 2000-1, 2000-2, 2008 and 2008-1 located in Xiaobei Section, North District, Tainan.	None

Nature of contract	Counterparty	Starting and end date of contract	Key content	Restrictive clauses
Long-term borrowing contracts	Chailease Finance Co., Ltd.	2022.07.04~2027.07.15	Mortgage or guarantee for land financing: 5 land lots numbered 2000, 2000-1, 2000-2, 2008 and 2008-1 located in Xiaobei Section, North District, Tainan.	None
Long-term borrowing contracts	Chailease Finance Co., Ltd.	2024.08.09~2027.01.15	Mortgage or guarantee for construction financing: 5 land lots numbered 2000, 2000-1, 2000-2, 2008 and 2008-1 located in Xiaobei Section, North District, Tainan.	None
Long-term borrowing contracts	Bank of Kaohsiung Pingtung Branch	2023.05.31~2026.05.31	Mortgage or guarantee for construction financing lines: Land No. 525, Fuxing Section, Changzhi Township, Pingtung County	None
Long-term borrowing contracts	Taichung Bank First Commercial Bank Chang Hwa Commercial Bank NEXT BANK Bank of Panhsin	2025.10.28-2030.12.30	Land lot numbers 50, 51, 98, and 103, Subsection 1, Longhua Section 1, Gushan Dist., Kaohsiung	None
Subsidiary Long-term borrowing contracts	Chailease Finance Co., Ltd.	2022.08.04-2027.07.15	Mortgage or guarantee for construction financing: 3 land lots numbered 2015, 2016 and 2017, Xiaobei Sec., North Dist., Tainan City.	None

IX. Protective measures for working environment and personal safety of employees

(I) The Company provides protection measures for the personal safety:

1. Provide long-sleeved uniforms and trousers, safety helmets and safety shoes to protect the personal safety.
2. Hire security guards at the construction site to control the access of site personnel and vehicles.
3. The Company and each prime and secondary contractor are the insured of contractors' all risks insurance (coverage for property damage and third-party injury or damage claims) and employer's liability insurance.
4. Provide labor insurance, group accident insurance and accidental health insurance for employees, and conduct regular health checks.

(II) The Company's construction project is assigned to a professional Grade A construction plant as the contractor, which will perform the following operations:

1. Supervise and control site safety and quality maintenance related to construction.

2. Establish safety and health regulations and designate safety and hygiene officer with labor safety licenses to perform labor safety inspections and other operations.
3. Conduct labor safety education and training, and require personnel to read and sign the "Hazard Notification Form" and "Commitment to Labor Safety and Discipline" before entering the site.
4. Play daily workplace safety announcements to remind workers to wear safety helmets, safety shoes, and safety belts for elevated work, etc.

(III) Contracts for construction projects are signed by contractors after bargaining, and the Company clear specifies the following requirements:

1. Comply with labor safety and health related laws and regulations.
2. Sign the "Contracting Site Safety and Health Regulations", which requires that employees should wear safety helmets when entering the site, that cables should be well insulated, and that handling equipment should not be overloaded or overweight, etc.
3. Sign the "Labor Safety Code of Conduct", which requires the contractor to comply with all the regulations and to prepare all relevant safety protection equipment such as safety helmets and safety belts.

Five. Review and analysis of financial condition and business performance, and risk management issues

I. Financial position

Unit: In Thousands of New Taiwan Dollars

Item \ Year	2025	2024	Difference		
			Amount	Percentage %	Explanation
Current assets	8,853,460	8,634,132	219,328	2.54	
Property, plant and equipment	5,285	5,017	268	5.34	
Right-of-use asset	6,485	13,952	(7,467)	(53.52)	
Intangible assets	23,174	22,278	896	4.02	
Other assets	3,955	267,607	(263,652)	(98.52)	(Note 1)
Total assets	8,892,359	8,942,986	(50,627)	(0.57)	
Current liabilities	5,990,297	5,985,776	4,521	0.08	
Non-current liabilities	1,555,918	1,058,320	497,598	47.02	(Note 2)
Total liabilities	7,546,215	7,044,096	502,119	7.13	
Share capital	903,763	903,763	-	-	
Capital surplus	215,153	261,639	(46,486)	(17.77)	(Note 3)
Retained earnings (Accumulated deficit)	227,228	733,488	(506,260)	(69.02)	(Note 4)
Other equity items	-	-	-	-	
Equity attributable to shareholders of the parent	1,346,144	1,898,890	(552,746)	(29.11)	

Explanation: (those with a change of 20% or more and the amount reaching NT$10,000 thousand)

Note 1: Due to the reclassification of refundable deposits from non-current to current.

Note 2: In response to the commencement of new projects, construction financing borrowings for such projects increased.

Note 3: Due to cash dividends distributed from capital surplus in 2024.

Note 4: Due to the distribution of dividends from earnings in 2024 and the relatively lower revenue contribution in 2025.

II. Financial performance

Unit: In Thousands of New Taiwan Dollars

Item \ Year	2025	2024	Difference		
			Amount	Percentage %	Explanation
Total operating revenue	1,296,227	4,374,612	(3,078,385)	(70.37)	(Note 1)
Less: sales returns and allowances	-	-	-	-	
Net operating revenues	1,296,227	4,374,612	(3,078,385)	(70.37)	
Operating costs	870,619	3,042,325	(2,171,706)	(71.38)	
Gross profit	425,608	1,332,287	(906,679)	(68.05)	
Operating expenses	349,460	546,037	(196,577)	(36.00)	
Operating profit and loss	76,148	786,250	(710,102)	(90.32)	
Non-operating income and expenses	(25,055)	(61,070)	36,015	(58.97)	(Note 2)
Continuing operating income before tax	51,093	725,180	(674,087)	(92.95)	(Note 1)
Income tax expense	42,572	153,201	(110,629)	(72.21)	
Continuing operating income after tax	8,521	571,979	(563,458)	(98.51)	
Income or loss from discontinued operation	-	-	-	-	
Current profit and loss	8,521	571,979	(563,458)	(98.51)	

Explanation: (those with a change of 20% or more and the amount reaching NT$10,000 thousand)

Note 1: In 2025, revenue was recognized only from the large-scale transfer of “Brand-new Tainan-Scholar Building”. Therefore, the related revenue, costs and expenses all decreased significantly compared with the previous year.

Note 2: The decrease in non-operating expenses was mainly due to the commencement of several construction projects, and therefore the related interest was capitalized, reducing interest expenses and resulting in a decrease in overall finance costs and non-operating expenses.

III. Cash Flows

(I) Analysis of Cash Flows

Unit: In Thousands of New Taiwan Dollars

Item \ Year	2025	2024	Difference	
			Amount	Percentage %
Net cash provided by (used	(1,619,283)	2,386,965	(4,006,248)	(167.84)
Net cash provided by (used	(5,074)	(5,291)	217	(4.10)
Net cash inflow (outflow)	580,387	(1,216,399)	1,796,786	(147.71)

1. Decrease in cash inflow from operating activities: mainly due to the decrease in revenue and profit for the current period.
2. Decrease in cash outflow from investing activities: mainly due to fewer acquisitions of fixed assets.
3. Increase in cash inflow from financing activities: mainly due to the issuance of new corporate bonds and obtaining long-term borrowings in the current period.

(II) Cash flows projection for next year

Unit: In Thousands of New Taiwan Dollars

Beginning cash balance ①	Net cash flow from operating activities for the year ②	Net cash flow from investing activities for the year ③	Net cash flow from financing activities for the year ④	Expected cash surplus (deficit) ①+②+③+④	Financing of expected cash deficits	
					for the next year	Financing plan
321,178	951,980	0	(315,723)	957,435	-	-

IV. The impact of any material capital expenditures over the most recent year upon the Company's financial and operating condition: None.

V. The Company's policy for the most recent year on investments in other companies, the main reasons for profit/losses resulting therefrom, plans for improvement, and investment plans for the coming year

1. Reinvestment policy

The Company's reinvestment policy is based on considerations of sustainable operation and operational growth, and in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" stipulated by the competent authority, the Company has formulated its own "Procedures for Acquisition or Disposal of Assets" as the basis for the Company's reinvestments, in order to grasp the Company's business and financial status.

2. Main reasons for the profit or loss of reinvestment s in the most recent year and the improvement plan

Unit: In Thousands of New Taiwan Dollars

Business investments	Main businesses and products	Investment profit or loss recognized in 2025	Main reason for profit or loss	Improvement plan
Chiang Chen Construction Co., Ltd.	Development, lease and sales of houses and buildings	7,639	The completion and revenue recognition of the Brand-new Tainan - Scholar Building in 2025 contributed to the earnings of the subsidiary, Chiang Chen Construction Co., Ltd., presented earnings.	None

3. Investment plan for the coming year: The Company will execute the investment plan in accordance with its business strategy.

VI. Analysis and assessment of risk items

(I) Impacts of any fluctuation of interest rates and exchange rates and inflation on the Company's earnings during the current fiscal year up to the date of publication of the annual report, and the future countermeasures:

As of the date of publication of the annual report, the Company and its subsidiaries had borrowings from banks and financial institutions of NT$ 5,447,885 thousand. It is estimated that a 25 basis-point change in interest rates would increase the Company's annual interest expense by approximately NT$ 12,459 thousand. The Company will pay special attention to interest rate fluctuation risk and strictly control the completion schedule of each project and, when interest rates fluctuate significantly, will reduce the level of borrowings as much as possible. In addition, the exchange rate change has no significant impact on the Company because its purchases and sales are all denominated in New Taiwan dollars. Since the Company's products are houses, not consumer products, inflation did not significantly impact the business. Instead, in an era of high inflation, purchasing a house can preserve its value, and there is an opportunity to increase demand for homes.

(II) Policies on high-risk and highly leveraged investments, loans to external parties, endorsements/ guarantees, and trading of derivatives; describe the main causes of profit or loss incurred during the current fiscal year up to the date of publication of the annual report, and future countermeasures:

1. In 2025 and as of the date of publication of the annual report, the Company and its subsidiaries had not engaged in high-risk, highly leveraged investments, nor had they engaged in derivatives trading.
2. As of 2025 and as of the date of publication of the annual report, the actual drawdown balance of loans of the Company's subsidiary to others was NT$ 100,000 thousand in both periods. The lending company was the subsidiary Chiang Chen Construction Co., Ltd., and the borrower was Hsin Ba Ba Co., Ltd.

   As of 2025 and as of the date of publication of the annual report, the actual drawdown balance of the Company's loans to others was NT$ 0 in both periods. The lending company was Hsin Ba Ba Co., Ltd., and the borrower was the subsidiary Chiang Chen Construction Co., Ltd.

As of 2025 and as of the date of publication of the annual report, the actual drawdown amounts of endorsements and guarantees provided by the Company's subsidiary for others were NT$ 215,696 thousand and NT$ 206,253 thousand. The endorser/guarantor was the subsidiary Chiang Chen Construction Co., Ltd., and the endorsed/guaranteed party was Hsin Ba Ba Co., Ltd.

As of 2025 and as of the date of publication of the annual report, the actual drawdown amounts of endorsements and guarantees provided by the Company for others were NT$ 415,372 thousand and NT$ 59,000 thousand. The endorser/guarantor was the Company, Hsin Ba Ba Co., Ltd., and the endorsed/guaranteed party was the subsidiary Chiang Chen Construction Co., Ltd. All above transactions were in compliance with the Company and its subsidiary’s procedures for lending funds to other parties and making endorsements/ guarantees.

(III) Future R&D plans and expected R&D spending: The Company has spent a lot of resources on planning, designing and building materials and equipment, making it a leader in the sphere. The building development business is mainly engaged in the construction and sale of houses. As a result of the construction regulations prohibiting the construction industry from engaging in construction business, the Company contracts the relevant construction work to qualified contractors and does not currently conduct construction work itself. Therefore, there are no R&D departments or expenses.

(IV) Financial impacts and countermeasures in the event of changes in domestic and foreign policies and regulations during the current fiscal year up to the date of publication of the annual report: None.

(V) Financial impact and countermeasures in the event of technological or industrial change: None.

(VI) Impacts of changes in corporate image on corporate crisis management during the current fiscal year up to the date of publication of the annual report, and countermeasures: None.

(VII) Anticipated benefits and potential risks of mergers and acquisitions and countermeasures: In the short term, there is no M&A plan and no associated risk.

(VIII) Anticipated benefits and potential risks of capacity expansion and countermeasures: None.

(IX) Risks and countermeasures associated with concentrated purchases or sales: None.

(X) Effect upon and risk to the company if a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands: None.

(XI) Impact and risks associated with any transfer of management rights: None.

(XII) If there has been any material impact upon shareholders' equity or prices for the company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving a company director, general manager, de facto responsible person, or major shareholder with a stake of more than 10 percent, and the matter was finalized or remained pending, the company shall disclose the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case as of the date of publication of the annual report: None.

(XIII) Other material risks and countermeasures: None.

VII. Other important matters: None.

Six. Special disclosure

I. Information of affiliated companies: please refer to the MOPS. The route is shown below:

MOPS > Individual Company > Electronic Document Download > Affiliate Disclosure Forms Section

II. Status of private placements of marketable securities in the most recent year and up to the date of printing of the annual report: None.

III. Other necessary supplementary information: None.

Seven. Events regulated in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act that have impacts on shareholders' equity or the price of securities during the current fiscal year up to the date of publication of the annual report: None.

Hsin Ba Ba Co., Ltd.

Chairman: Chenlong Investment Co., Ltd.

Chung-Hui Huang