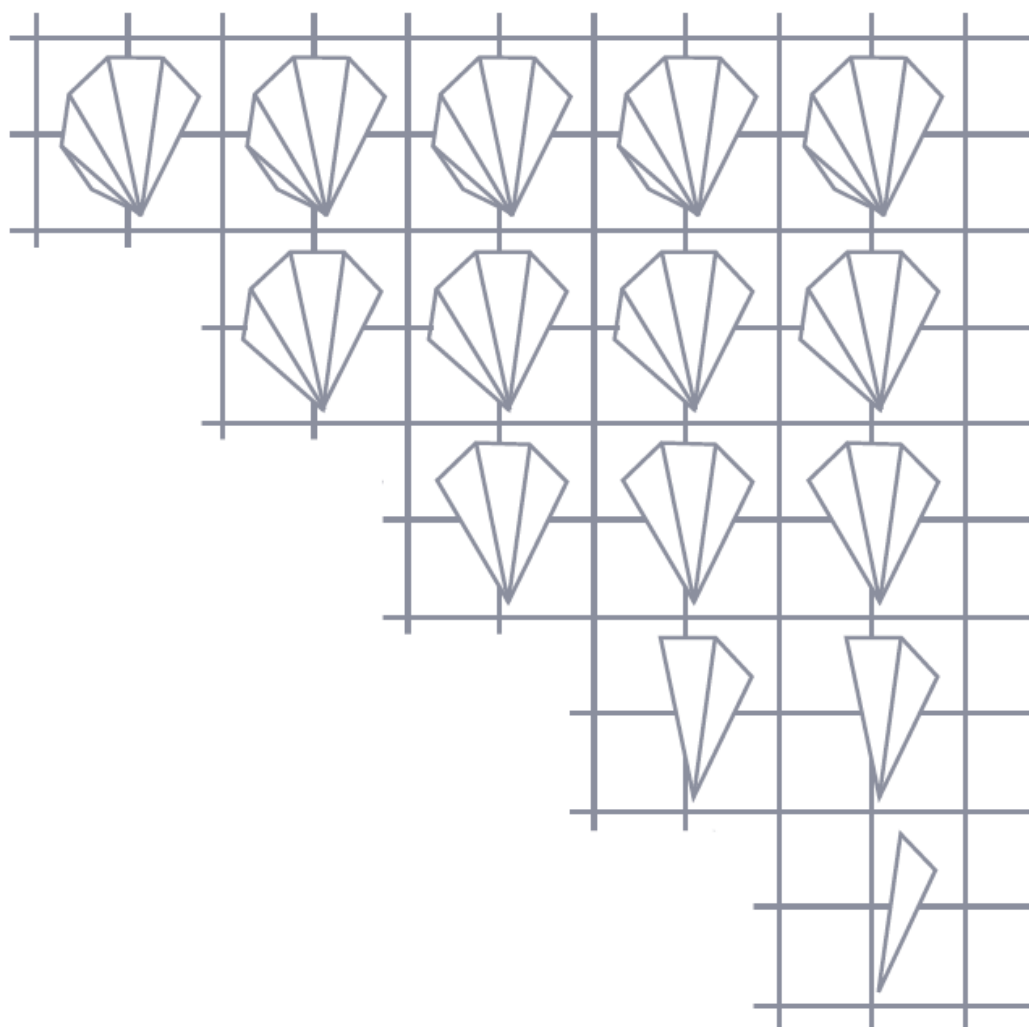


Stock Code: 2530



Delphi Construction



2025 Annual Report

Printed on: April 30, 2026

Taiwan Stock Exchange Market Observation Post System:

[http:// mops.twse.com.tw](http://mops.twse.com.tw)

Annual Report is available at: <https://www.delphi.com.tw/en/shareholders>

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【Letter to Shareholders】

1. Preface:

Looking back at 2025, the domestic housing market underwent gradual transition from a phase of rapid growth to a phase of structural adjustment, driven by a tightening of funding environment and continued policy regulation. Market transaction momentum cooled significantly throughout the year; however, supported by construction costs, prices remained relatively stable, resulting in an overall market characterized by declining transaction volumes and stable prices. Due to receding investment-driven demand, the market returned to fundamentals centered on first-time buyers and owner-occupiers. Industry competition also shifted from a model focused on the scale of new project launches to the competition model centered on product positioning and absorption capability.

While the overall market entered a period of adjustment, the Company maintained robust operational performance in 2025. Benefiting from the successive completion and handover of projects such as “Metro Building”, “One and Only”, and “The Emerald Building”, annual revenue exceeded NT\$6.3 billion, continuing to hit record-highs. As a result of the optimization of construction progress and portfolio, overall gross margins and profitability continued to improve, which was reflected in shareholder returns. The cash dividend per share was NT\$1.876 in 2024 and increased to NT\$1.9192 in 2025, demonstrating the Company’s ability to maintain stable profitability and reward shareholders even amid shifting market conditions.

In response to shifts in market structure, the Company adopted a strategy of prudent project launches and sound operations in 2025. We flexibly adjusted the pace of project launches in line with market changes and appropriately modified the timelines for certain projects to mitigate the impact of market volatility on operations, while balancing construction progress and cost control. With respect to sales strategy, as demand shifts from investment to owner-occupancy, the Company is gradually increasing the proportion of existing home sales. We are enhancing sales flexibility and market competitiveness by optimizing product planning, increasing product value-added features, and adjusting payment terms. Additionally, the Company continues to strengthen project schedule management and cost control mechanisms to ensure the steady advancement of all development projects.

Looking ahead to 2026, while the overall market remains in a period of adjustment, the Company will continue to adhere to the principle of prudent operations, flexibly adjust its operational strategies, and actively respond to market changes. Our early-stage initiatives have gradually delivered tangible results. Moving forward, we will continue to drive the construction progress of projects that have already been sold to ensure on-time completion and delivery, thereby providing a stable source of revenue and cash flow.

In terms of sales strategy, the Company will adjust its sales pace in response to market conditions, strengthen product positioning and market adaptability, and improve overall absorption efficiency. At the same time, the Company will maintain a stable financial structure and cash flow management. Upon prudent assessment of market conditions, we will continue with land development and future project planning to bolster medium- to long-term growth momentum. In the face of cyclical adjustments in the industry, the Company will seize the opportunity presented by the market’s return to fundamentals to further enhance product competitiveness and operational resilience, steadily advance all development projects, and lay the foundation for future growth.

While pursuing operational growth, the Company continues to move toward integrating corporate resources, strengthening corporate governance, and fulfilling social responsibilities. We have incorporated sustainable development into the long-term business strategy, and continuously advanced ESG initiatives to enhance risk management and corporate resilience. Moving forward, the Company will uphold its philosophy of professional and prudent management, continuously improve product quality and service value, create long-term and stable returns for shareholders, and strive to build a better living environment for society.

We sincerely thank all shareholders for the long-term support and recognition.

Chairman : Cheng, Ssu-Tsung

2. 2025 Operating Performance of Delpha Construction

(1) Implementation status of the operation plan in 2025:

1 . Implementation status of the operation plan in 2025

Parent company

Unit: NT\$1,000

Item	2025	2024	Difference compared to the previous year	Remarks
Operating revenue	6,331,060	6,086,904	244,156	
Profit(Loss) before tax	2,124,046	2,029,924	94,122	

Consolidated

Unit: NT\$1,000

Item	2025	2024	Difference compared to the previous year	Remarks
Operating revenue	6,339,127	6,095,261	243,866	
Profit(Loss) before tax	2,127,860	2,032,959	94,901	

(2) 2025 Annual Operating Revenue

Parent company

Unit: NTD \$ 1,000

Individual Case	Amount	Remarks
Xinbi Section Case A (Metro Building)	130,034	Housing Income
Lejie Section case A (Rising City)	(50)	Housing Income
Qingxi Section case A (Delpha Jing)	(400)	Housing Income
Yisin Section	341	Land sales revenue
Qingxi Section case B (One and Only)	4,083,508	Housing Income
Shanjie Section (The Emerald Building)	1,915,340	Housing Income
XinZhan Section (Delpha Fortune)	199,982	Housing Income
Ruanqiao Section	1,865	Rental income
Reading the European Case	314	Rental income
Shulin Case	34	Rental income
Shitan Section case A (Tianqin)	92	Rental income
Total	6,331,060	

Consolidated

Unit: NTD \$ 1,000

Individual Case	Amount	Remarks
Xinbi Section Case A (Metro Building)	130,034	Housing Income
Lejie Section case A (Rising City)	(50)	Housing Income
Qingxi Section case A (Delpha Jing)	(400)	Housing Income
Yisin Section	341	Land sales revenue
Qingxi Section case B (One and Only)	4,083,508	Housing Income
Shanjie Section (The Emerald Building)	1,915,340	Housing Income
Xinzhan Section (Delpha Fortune)	199,982	Housing Income
Ruanqiao Section	1,865	Rental income
Shulin Case	34	Rental income
Shitan Section case A (Tianqin)	92	Rental income
Taiyuan Road Urban Renewal Project	8,381	Rental income
Total	6,339,127	

C. Implementation of budget

According to Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company doesn't need to publish its 2025 financial forecast.

D. Financial revenue and expenditure, and profitability analysis**Parent company**

Item		2025	2024
Financial structure %	Debt to assets ratio	65.76	62.51
	Long-term funds to property, plant and equipment ratio	21,031.47	22,198.97
Solvency %	Current ratio	158.76	174.79
	Quick ratio	20.06	18.28
	Times interest earned ratio (times)	5.78	7.18
Profitability %	Return on Assets	6.00	6.41
	Return on Equity	16.53	15.56
	Ratio of pre-tax net profit to paid-in capital	25.29	24.17

	Net profit (loss) rate	26.87	26.77
	Earnings per share (NT\$)	2.03	1.94

Consolidated

Item		2025	2024
Financial structure %	Debt to assets ratio	66.43	63.12
	Long-term funds to property, plant and equipment ratio	10,103.74	11,366.83
Solvency %	Current ratio	159.67	184.13
	Quick ratio	21.15	18.90
	Times interest earned ratio (times)	5.46	6.66
Profitability %	Return on Assets	5.82	6.23
	Return on equity	16.11	15.16
	Ratio of pre-tax net profit to paid-in capital	25.33	24.20
	Net profit (loss) rate	26.72	26.62
	Earnings per share (NT\$)	2.03	1.94

E. Research and Development Status: Please refer to page 111 of this annual report.

2. Overview of the 2026 Business Plan

(1) Business Strategy

The Company is dedicated to achieving the following four goals with integrity and responsibility:

- A. Enhance corporate governance by eradicating all dishonest acts such as illegal activities and breaches of fiduciary duties, and strengthen the Company's operational structure.
- B. Guided by fundamental demand for self-use and property investment, our development strategy focuses on land located near industrial zones throughout Taiwan, as well as sites along high-speed rail, MRT, and Taiwan Railway corridors.
- C. Actively respond to international environmental protection trends and social needs, and make sustainable management a long-term policy for corporate development.
- D. Share resources and maintain corporate symbiosis with the Company's subsidiaries Huajian Construction Co., Ltd. (grade-A manufacturing company) and Huachien Development Co., Ltd. (land development company) to establish a comprehensive and meticulous integration of construction resources and strengthen competitiveness.

(2) Business Goals

A. Stable profits and sustained growth:

Continue to maintain a stable level of profitability and focus on long-term development in order to further increase the Company's profits and driving sustainable growth in the shock prices.

B. Improved customer satisfaction:

Improve product quality and service level, actively respond to customer needs, improve customer satisfaction, and expand the customer base.

(3) Important Production and Sale Policies

A. Production policies are as follows:

a. Operating Areas:

- i. Land in metropolitan areas with good transportation across Taiwan.
- ii. High-quality and profitable locations in the Greater Taipei area.

b. Development approaches:

- i. Development through buying, selling, and joint construction.
- ii. In line with the government's strong push for urban renewal, actively participate in urban renewal projects in the Greater Taipei area with high investment potential, as well as the renovation of old and dangerous buildings.
- iii. Product types: High-tech commercial buildings and high-quality residential buildings.

B. Sales policies:

- a. Product differentiation: Strive to develop products with competitive advantages, focusing on improving design, quality, and functionality to attract more customers.
- b. Technological innovations: Introduce new technologies and materials to improve construction efficiency and quality, while continuously optimizing product structure and reducing production costs.
- c. Market positioning: Further subdivide the target customer groups and formulate customized marketing and sales strategies for different customer groups to increase the market entry threshold and market share.

4. Company’s Future Development Strategies, and the Impact of External Competitive Circumstances, Regulation Circumstances and Overall Operation Circumstances:

A. Future Corporate Development Strategy

(1) Adjust sales models and strengthen absorption capability

Under the influence of credit controls, the Company is shifting its sales model from a previous focus on presales to gradually increasing the proportion of existing home sales, in order to adapt to changing market demand and accelerate cash flow recovery.

Operations in 2026 will focus primarily on absorbing existing housing stock. Currently, there is still a certain amount of online sales cases that are being absorbed. The handover and recognition of revenue from “Centre for the Future” in Wuri District, Taichung City, “Future Lifestyle” in Guishan District, Taoyuan City, and “Gorgeous Mansion” in Luzhu District, Taoyuan City will serve as the primary sources of annual revenue.

(2) Adjust product planning toward livability

As investment-driven buyers exit the market and demand shifts back to owner-occupancy, the Company is gradually adjusting its product planning from the previous “affordability”-oriented small-unit designs to “livable” products that balance spatial functionality and living quality. However, considering total price affordability constraints, two-bedroom units will remain the mainstream offering.

(3) Maintain a focus on residential units

The Company’s product portfolio remains dominated by residential buildings, supplemented by a small number of office and retail units. Currently, two- and three-bedroom units account for over 90% of online product sales, aligning with mainstream market demand.

(4) Adopt a prudent project launch pace

At present, the Company holds a substantial inventory of land with approved building permits that has not yet been developed. In the future, it will flexibly adjust construction commencement and project launch schedules based on market conditions and sales performance to manage market risks and maintain financial stability.

(5) Focus on specific regions and precise deployment

The Company’s future land deployment will shift from past expansion approaches to targeted project launches and regional focus. Priority will be given to areas with excellent transportation infrastructure (such as areas along high-speed rail and MRT lines) and regions benefiting from industrial and policy advantages (such

as areas driven by technology industry development). The Company will also continue to advance urban renewal and unsafe and old building reconstruction projects in the Taipei Metropolitan Area to ensure momentum for medium- to long-term development.

B. External Competitive Environment Analysis

(1) Market competition shifts toward a demand-driven model

In 2025, under the influence of tightening funding and credit controls in the housing market, the total number of property transactions and transfers for the year stood at 261,308 units, representing a year-on-year decrease of approximately 25.45% compared to 350,525 units in the previous year. Market transaction momentum cooled significantly, and the competitive landscape shifted from a supply-oriented market previously fueled by investment demand to a demand-oriented market centered on first-time buyers and owner-occupiers. The focus of competition among developers shifted from the scale of new project launches to product positioning, pricing strategies, and absorption speed.

(2) Prices remain at high levels with competition shifting toward absorption capability

According to the Cathay Real Estate Index, 2025 saw a divergence between prices and transaction volumes overall, with the fourth quarter characterized by “stable prices and shrinking volumes”. This indicates that prices remain resilient supported by construction costs, without a comprehensive correction. Under these circumstances, market competition has shifted from price competition toward competition based on absorption capability, leading to intensified divergence in individual sales performance.

(3) Increased divergence in regions and products

The market exhibits a regional divergence characterized by “relative stability in the north and corrections in the central and southern regions”. The Taipei Metropolitan Area remains relatively stable supported by rigid demand, while the central and southern regions have seen corrections in both prices and transaction volumes due to higher price increases in the past. Meanwhile, given affordability constraints, demand for smaller-sized units continues to rise, and two-bedroom units have become the market mainstream. Product structures are gradually shifting toward lower total prices and higher functionality.

(4) Supply becomes conservative, but competition remains fierce

The number of residential building permits issued in 2025 showed a year-on-year decline. For residential category (H2) permits, the number of units issued dropped from 156,791 units in 2024, with a gross floor area of 20,580,630 square meters, to 138,792 units in 2025, with a gross floor area of 17,933,551 square meters. This indicates that developers have become more cautious about market prospects, leading to a gradual contraction in new supply. However, the number of units with occupancy

permits remained at a certain level. In 2024, the number of occupancy permits issued for residential category (H2) was 138,169 units, with a gross floor area of 19,334,352 square meters. In 2025, the number remained stable at 142,616 units, with a gross floor area of 19,467,846 square meters. Competitive pressure on the sales side persists due to the continuous release of the short-term market supply. The overall market is characterized by a contraction in supply but intensified competition, gradually shifting toward a pattern of competition based on existing inventory.

C. Regulatory Environment Analysis

(1) Impact of credit controls and the credit environment

The central bank's seventh round of selective credit controls continued to take effect in 2025. In addition to canceling the grace period for home purchase loans for those who already own a home and lowering the loan-to-value ratio for second homes to 50%, stricter restrictions were imposed on loans for third and subsequent homes, high-priced residences, corporate home purchases, and unsold inventory. Coupled with stricter bank lending reviews, the barriers to home purchases have risen significantly. Investment-driven and highly leveraged buyers have gradually exited the market, directly exerting an impact on transaction momentum. The housing market has gradually returned to a structure dominated by owner-occupier demand.

However, due to the weakening of market transaction momentum, the central bank's Board of Directors resolved in the first quarter of 2026 to moderately relax the loan-to-value ratio for natural persons purchasing a second home, raising it from 50% to 60% with effect from March 20, 2026. This indicates a shift in policy regulation from comprehensive tightening to dynamic adjustments that balance market stability. These measures help improve the availability of funds for some home-upgrade and owner-occupier demand; however, the overall credit environment remains cautious, and the subsequent impact on the market will need to be closely monitored.

(2) Continuous impact of House Tax 2.0

House Tax 2.0 was implemented in July 2024, with the new tax regime taking effect starting in 2025. Non-owner-occupied properties are subject to nationwide property ownership and higher differential tax rates, increasing the costs of holding multiple properties and vacant units, which is gradually exerting a tangible impact on the ownership structure. Although properties that meet the criteria for reporting rental income, housing subleasing and management, as well as lease of properties for public-welfare purposes remain eligible for lower tax rates, the overall policy effect has shifted from anticipated to tangible impacts. This is accelerating the market's transition from an investment-driven focus toward owner-occupancy and actual usage needs.

(3) Weakening supportive effect of the Preferential Housing Loans for the Youth

The Preferential Housing Loans for the Youth continues to assist first-time homebuyers. However, due to credit controls and prudent bank lending, its marginal supportive effect has shifted from driving demand in the early stages to primarily sustaining rigid demand. Additionally, the interest rate subsidy will expire on July 31, 2026. The subsequent policy effect and the purchasing power of first-time homebuyers will become key factors influencing the performance of the housing market in 2026.

(4) Urban unsafe and old buildings and urban renewal policies

Given the limited land supply in metropolitan areas and the difficulty in acquiring undeveloped land, urban renewal and the reconstruction of unsafe and old buildings remain important sources of housing supply. Relevant tax incentives and policy incentives will continue through 2027, helping to boost development willingness. Nevertheless, overall progress remains subject to integration and coordination, review procedures, and development timelines, leading to limited contribution to the supply in the short term.

(5) Strengthening of the management system for the flow of construction surplus soil

Effective on January 1, 2026, the Ministry of the Interior has implemented a comprehensive management system for the flow of construction surplus soil. Through real-time GPS tracking and an electronic manifest mechanism, this system will strengthen end-to-end control over the origin, transportation, and final disposal of construction soil, thereby enhancing transparency in construction management and curbing illegal dumping. While this system will help improve industry order, it will also increase demands on industry players regarding transportation scheduling, capacity alignment for disposal, and construction schedule management in the short term, which may exert a certain impact on project costs and schedules.

D. Analysis of the Macro Business Environment

(1) Tightening interest rates and funding environment

In 2025, with the central bank maintaining a prudent monetary policy and continuing to implement real estate credit controls, overall mortgage interest rates presented an upward trend. Based on actual market conditions, mortgage interest rates had gradually risen from approximately 2.2% in 2024 to a range of approximately 2.4% to 2.6% in 2025, with a tendency to approach 2.7%, resulting in a significant increase in financing costs. Furthermore, as banks adopted more conservative credit policies, including lower loan-to-value ratios and stricter approval criteria, homebuyers faced greater difficulty in securing funds. This imposed a substantial constraint on market demand, resulting in a relative contraction in funding momentum.

(2) Steady economic growth and diversified capital allocation

Amid ongoing global economic uncertainty, the domestic economy has maintained stable growth. However, affected by rising interest rates and volatility in asset markets, consumer confidence in home purchases has turned conservative. At the same time, driven by the performance of capital markets, capital allocation has become diversified, with some funds shifting toward financial assets with higher liquidity. This has exerted a certain impact on the capital momentum of the real estate market, causing the market to gradually shift from being capital-driven to demand-driven.

(3) Sustained high construction costs

Driven by labor, raw materials, and other construction-related costs, the construction price index continues to remain at elevated levels. The index rose moderately throughout 2025 compared to 2024, and will continue its gradual upward trend in 2026, indicating that the construction costs will not see a significant decline. Supported by the cost structure, housing prices have a certain degree of downside support, making the market resistant to significant price corrections.

(4) A phase of cyclical adjustment and consolidation of the housing market

Taking into account the funding environment, policy factors, and shifts in market supply and demand, the housing market transitioned from a growth phase in 2025 to a phase of adjustment and consolidation. Market transaction volumes contracted significantly, and prices entered a high-level consolidation range. The overall industry environment shifted from expansion to structural adjustment, with the market gradually transitioning from a growth model driven by volume increases to a development phase centered on absorption efficiency and product competitiveness.

Looking ahead to 2026, with continued credit control policies, a tight funding environment, and market confidence yet to recover, the overall housing market is expected to continue its consolidation pattern. The rebound in transaction volume will be limited, and the market will continue to develop with owner-occupier demand as the main driver. Future market trends will still depend on factors such as interest rate changes, policy adjustments, and regional shifts in supply and demand.

【Corporate Governance Report】

1. Information on the Directors, President, Deputy President, Department Heads and Branch Officers

(1) Information on the Directors

April 28^h, 2025 Unit: Share

Title (Note 1)	Nationality/ Place of Incorporation	Name	Gender (Note 2)	Elected Date	Term	Initial Elected Date	Holding at Election		Present Holding		Current Shares of Spouse and Minors		Holding Shares in Other Names		Education & Experience (Note 4)	Concurrent Positions at Other Companies	Remarks (Note 5)		
							Shares	%	Shares	%	Shares	%	Shares	%			Name	Ratio	Relationship
Chairperson	R.O.C.	Hong-Yi Investment Limited Company	Male 41-50 age	2023. 06.28	3 years	2023. 06.28	12,000,000	1.43%	16,250,000	1.93%	-	-	-	-	Education: Department of Finance and International Business, Fu Jen Catholic University Experience: Director, China Bills Finance Corporation COTA Commercial Bank representative as a director	Director, China Bills Finance Corporation Chairperson, Huajian Construction Co., Ltd. Representative, Hung Yi Investment Co., Ltd. Chairperson, Yuan Tung Investment Co., Ltd. Chairperson, Jui Cheng Hong-Yi Investment Co., Ltd. Pao-Hsin Investment Co., Ltd.	--	--	--
		-					-	-	-	-	-	-	-						
Director	R.O.C.	Lee, Chin-Yi	Male Over 71age	2023. 06.28	3 years	2006. 06.15	100,434	0.01%	100,434	0.01%	101,033	0.01%	--	--	Education: Architecture Department, Chinese Culture University Experience: President, Delpha Construction Co., Ltd	-	--	--	--
	R.O.C.	Yan, Ming-Hung	Male 41-50 age	2023. 06.28	3 years	2020. 06.23	800,000	0.10%	800,000	0.10%	-	-	--	--	Education: M.A. in Finance, National Taiwan University Experience: Executive Vice President, Wealth Management Department, Taipei Branch, UBS Taiwan	Chairperson, Everbrite Technology Co., Ltd. Chairperson, Everdura Technology Co., Ltd. Chairperson, Everdura Energy Co., Ltd. Chairperson, MASADA Technology Co.,Ltd	--	--	--
Representative of Director	R.O.C.	Dajie Investment Co., Ltd.	Male 61-70 age	2023. 06.28	3 years	2017. 05.31	16,888,773	2.01%	17,080,773	2.03%	-	-	--	--	Education: Master from Management Institute of National Taiwan University of Science and	-	--	--	--

		Representative: Tseng, Ping-Joung					--	--	80,000	0.01%	--	--	--	--	Technology Experience: President, Radium Kagaya International Hotel					
Independent director	R.O.C.	Chen Shih-Yang	Male 61-70 age	2023. 06.28	3 years	2023. 06.28	380,000	0.05%	380,000	0.05%	380,323	0.05%	--	--	Education: Bachelors' degree in Accounting, Soochow University Experience: Chief of Tax Affair Department, Acer Group Independent Director of Hitachi Yungtay Elevator Co., Ltd.	Certified public accountant at Chungsun Prime Certified Public Accountants and responsible person of Taipei Branch Chairman of Tax Regulation Committee, The National Federation of CPA Associations of the R.O.C. (NFCPAA) Director of Hkssteel Technology Corp. Director of Taiwan Chinsan Electronic Group Director of Wonderful technology Co., Ltd.	--	--	--	--
	R.O.C.	Yeh, Chien-Wei	Male 41-50 age	2023. 06.28	3 years	2020. 06.23	250,000	0.03%	250,000	0.03%	--	--	--	--	Education: Bachelor of Law, Ming Chuan University Experience: Integration Law Group Attorney, Y.R Lee & Partners Attorneys-at-Law	Attorney, Galaxy Attorneys-at-Law	--	--	--	--
	R.O.C.	Yu, Hung-Da	Male 51-60 age	2023. 06.28	3 years	2023. 06.28	-	--	--	--	-	-	--	--	Education: Department of Civil Engineering, Affiliated Institute of Continuing Education, National Kaohsiung University of Science and Technology Experience: President Director of Qingdao Baojia Real Estate Co., Ltd. Executive Vice-Chairman of Qingdaoshi Taiwan Investor and Enterprise Association Chairman of Heng Peng Construction Co., Ltd.	Chairman of Hefa International Investment Co., Ltd. Chairman of Kaicheng Construction Co., Ltd. Director of Crowell development Co.	--	--	--	--

Note 1: As for the institutional shareholders, it should list the name of shareholder and its representative (For the representative of institutional shareholder, it should list the name of institutional shareholder as well), and fill out Table 1 as below.

Note 2: Please list the actual age and express it in a range, such as 41~50 years old or 51~60 years old.

Note 3: It should fill out the first time when he was appointed as the director or supervisor of the Company. In case of interruption, it should add remarks.

Note 4: It refers to the experience related to the current position. If he worked in the accounting firm or its related party during the last disclosure period, it should specify his title and the responsibilities.

Note 5: If the President or the equivalent (top management) are the Chairperson are the same person or spouses or the relative within the first degree of kinship, it shall disclose the related information such as the cause, rationality, necessity and measures taken (such as adding seats of independent directors or requiring more than half of the directors not working as the employee or managers concurrently).

1. Major shareholders of institutional shareholders

(1) Dajie Investment Co., Ltd.

Major shareholders of institutional shareholders	Shareholding ratio
Weng, Chu-Chih	17.86%
Lin, Hui-Chuan	16.52%
Lin, Hsing-Hsiung	14.57%
Lin, Chao-Hsiang	10.71%
Su, Pei-Ti	7.32%
Lin, Wen-Liang	7.14%
Lin, Chien-Liang	6.61%
Lin, Wan-Shan	6.10%
Lin, Wan-Hsin	6.10%
Lin, Wei-Pang	1.70%

(2) Hong-Yi Investment Limited Company

Major shareholders of institutional shareholders	Shareholding ratio
Cheng, Ssu-Tsung	100.00%

Note 1: If the director or supervisor is the representative of institutional shareholder, it should specify the name of the institutional shareholder.

Note 2: It should specify the major shareholders (with the top 10 shareholdings) of the institutional shareholder and the shareholding rate. If the major shareholder is a corporation, it should fill out Table 2 as below.

Note 3: For the institutional shareholder not a company, it shall disclose the name and shareholding rate, namely, the name of funder or contributor, and the funding rate of contributing rate.

2. Major Shareholders of the corporations listed as major shareholders: None.

Note 1: If the major shareholder listed in Table 1 is a corporation, it should specify the name of that corporation.

Note 2: It should specify the major shareholders (with the top 10 shareholdings) of the corporation and the shareholding rate.

Note 3: For the institutional shareholder not a company, it shall disclose the name and shareholding rate, namely, the name of funder or contributor, and the funding rate of contributing rate.

(2) Professional Qualifications of Directors and Independence of Independent Directors :

Name \ Criteria	Professional Qualifications and Experience (Note 1)	Independence Attribute (Note 2)	Number of Holding Concurrent Independent Director Position in Other Public Companies
Hong Yi Investment Ltd. Representative: Cheng, Ssu-Tsung	Chairperson of the Board, Cheng, Ssu-Tsung, has more than five years of working experience in business, law, finance, accounting or corporate business, and is currently a director of China Bills Finance Corporation, and has not been subject to the provisions of Article 30 of the Company Act.	-	N/A
Lee, Chin-Yi	Director Lee, Chin-Yi has more than five years of experience in business, law, finance, accounting or corporate business. He is the former Chairperson of the Company and has served as the President of the Company for more than 19 years and is familiar with the operations of the Company and has not been subject to the provisions of Article 30 of the Company Act.	-	N/A
Yan, Ming-Hung	Director Yan, Ming-Hung has more than five years of experience in business, law, finance, accounting or corporate business, and is currently the Chairperson of the Board of Directors of Everbrite Technology Co., Ltd., and has not been subject to the provisions of Article 30 of the Company Act.	-	N/A
Representative of Dajie Investment Co., Ltd.: Tseng, Ping-Joung	Director Tseng, Ping-Joung has more than five years of experience in business, law, finance, accounting or corporate business, and has served as an independent director and the convener of the Audit Committee and the Compensation Committee of the Company and has not been subject to the provisions of Article 30 of the Company Act.	-	N/A
Chen Shih-Yang	Independent Director Chen Shih-Yang has more than five years of working experience in business, law, finance, accounting or corporate business and is qualified as an accountant. Mr. Chen, is currently practicing at Chungsun Prime Certified Public Accountants and responsible person of Taipei Branch. Chairman of Tax Regulation Committee, and has not been subject to the provisions of Article 30 of the Company Act.	Fulfilled the independence qualification. Note3	1
Yeh, Chien-Wei	Independent Director Yeh, Chien-Wei has more than five years of working experience in business, law, finance, accounting or corporate business and is qualified as a lawyer, currently is the presiding attorney of Galaxy Attorneys-at-law and has not been subject to the provisions of Article 30 of the Company Law.	Fulfilled the independence qualification. Note3	N/A

Yu, Hung-Da	Independent Director Yu, Hung-Da has more than five years of experience in business, law, finance, and is currently the Chairperson of the Board of Directors of. Kaicheng Construction Co., Ltd., and has not been subject to the provisions of Article 30 of the	Fulfilled the independence qualification. Note3	1
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Note 1: Professional Qualifications and Experience: The professional qualifications and experience of individual directors and supervisors shall be described, and if they are members of the Audit Committee and have accounting or financial expertise, their accounting or financial background and work experience shall be described, and whether they have not been subject to the provisions of Article 30 of the Company Act.

Note 2: The independent director shall state the circumstances of independence, including but not limited to whether he or she, his or her spouse or second degree relatives are directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares held by him or her, his or her spouse or second degree relatives (or using the names of others); and whether he or she is an independent director of a company with specific ties to the Company (refer to Article 3-1 of the Rules Governing the Establishment and Compliance of Independent Directors of Public Companies). Note 3: Please refer to Article 3, Paragraph 1, Paragraphs 5~8 of the Rules Governing the Establishment of Independent Directors of Public Companies, and the amount of remuneration received for the provision of business, legal, financial and accounting services to the Company or its affiliates in the last two years.

Note 3: Independence Attributes are as follows.

- (1) Not employees of the Company or its affiliates.
- (2) Not a director or supervisor of the Company or its affiliated companies.
- (3) Not a natural person shareholder who holds more than 1% of the total issued shares of the Company or the top ten shares in the name of himself/herself, his/her spouse, minor children or others.
- (4) A person who is not a manager listed in (1) or a spouse, a relative within the second degree of consanguinity or a relative within the third degree of consanguinity of a person listed in (2) or (3).
- (5) A director, supervisor or employee of a corporate shareholder who does not directly hold more than 5% of the total number of issued shares of the Company, or who is among the top five holders of shares, or who has designated a representative as a director or supervisor of the Company in accordance with Article 27(1) or (2) of the Company Act.
- (6) A director, supervisor or employee of another company who is not controlled by the same person as the company's directorship or more than half of the voting shares.
- (7) A director, supervisor, or employee of another company or organization who is not the same person or spouse of the Chairperson, president, or equivalent of the Chairperson of the company.
- (8) Not a director, supervisor, manager, or shareholder holding more than 5% of the shares of a specific company or organization with which the Company has financial or business dealings.
- (9) Professionals, sole proprietors, partners, directors, supervisors, managers, and their spouses who do not provide audit or remuneration to the Company or its affiliates for business, legal, financial, or accounting related services with an accumulated amount of less than NT\$500,000 in the last two years.

(3) The Diversity and Independence of the Board of Directors :

Article 20 of the Company's Corporate Governance Best Practice Principles stipulates that Board composition shall take diversity into consideration. In addition to the requirement that Directors concurrently serving as Company managers shall not exceed one-third of the total number of Directors, the Company shall also formulate appropriate diversity policies based on its business operations, organizational model, and development needs.

The current Board members (including Independent Directors) possess diverse professional backgrounds such as law, accounting, construction, finance, marketing, and technology, as well as a wide range of professional skills and industry experience. Consideration is also given to their overall capabilities, including operational judgment, accounting and financial analysis, managerial competence, crisis management, industry knowledge, international market perspective, leadership, and decision-making ability.

The Company's diversity policy stipulates that female Directors should account for at least one-third of the Board seats, and that at least one Director shall have a professional background in law, accounting, or construction.

The Company's Board of Directors currently consists of seven members, including three Independent Directors. Among them, six Directors possess professional backgrounds in construction, law, and accounting. The remaining Directors also have extensive experience and expertise in areas such as finance and business management.

Furthermore, the Company is committed to fostering a culture of diversity and inclusion. In the upcoming Board election at the 2026 Annual General Meeting, the Company plans to further increase the proportion of female Directors to enhance the quality of corporate governance, optimize decision-making processes, and align with global trends. This initiative is expected to contribute to improving the Company's profitability, international competitiveness, and corporate image.

Please refer to the following table for details on implementation progress.

Name	Basic Structure						Industrial Experience		Professional Skills					
	Gender	Background	Age			Years of Appointment as independent directors		Construction	Finance	Accounting	Law	Architecture	Operation Management	Risk Management
			Age 41-50	Age 51-60	Over Age 61	Less than 3 years	3-9 years							
Cheng, Ssu-Tsung	Male	Management / Finance	V					V	V				V	V
Lee, Chin-Yi	Male	Management / Construction			V			V					V	V
Yan, Ming-Hung	Male	Management / Finance	V						V				V	V
Tseng, Ping-Joung	Male	Management / Hotels			V			V					V	V
Chen Shih-Yang	Male	Accounting			V	V				V			V	V
Yeh, Chien-Wei	Male	Law	V				V	V			V		V	V
Yu, Hung-Da	Male	Construction		V		V		V				V	V	V

2. Independence of the Board of Directors :

The Board of Directors of the Company consists of seven directors (including three independent directors), with 43% of the Board members being independent. The Board of Directors is independent (please refer to the disclosure of the professional qualifications of directors and the independence of independent directors on page 18), and each director has been verified to be free from the requirements of Items 3 and 4 of Article 26-3 of the Securities and Exchange Act. No member of the Board of Directors is related to each other as spouses or relatives within the second degree of consanguinity.

(4) Information on the President, Deputy President, Department Heads and Branch Officers

April 28^h, 2025 Unit: Share

Title	Nationality	Name	Gender	Date elected (employed)	Shareholding		Current Shares of Spouse and Minors		Holding Shares in Other Names		Experience (Education)	Concurrent Positions at Other Companies	Managers who are spouses or within two degrees of kinship			Notes
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C.	Huang, Jyh Jen	Male	2022.12.27	50,000	0.01%	10,000	0.00 %	-	-	Education: Master's degree, Department of Water Resources and Environmental Engineering Tamkang University Experience: Director, Hong-Cheng Construction Co., Ltd.	Director, Hong- Cheng Construction Co., Ltd Huachien Construction Co., Ltd..	-	-	-	-
Vice president	R.O.C	Lee, Jun-Xian	Male	2016.08.09	203,136	0.02%	-	-	-	-	Education: Department of Land Economics, National Chung Hsing University Experience: Associate VP, Huyi Construction Co., Ltd	Supervisor, Huachien Construction Co., Ltd.	-	-	-	-
Vice president	R.O.C	Hou,Po-Yao	Male	2024.09.13	910,000	0.11%	208,000	0.02 %	-	-	Education: Dept. of Construction Engineering of NTUST Experience: Assistant manager, Hong-Zhu Construction Co., Ltd	-	-	-	-	
Section Chief of Finance & Accounting Dept. (Accounting Manager)	R.O.C.	Wu, Sing-Suei	Female	2007.03.15	505,862	0.06%	-	-	-	-	Education: Accounting Dept., Ming Chuan University Experience: Chief Accountant, Delpha Construction Co., Ltd	-	-	-	-	

Deputy Manager, Finance and Accounting Department (Finance Manager)	R.O.C.	Chien, Lin-Chin	Female	2020.08.01	275,000	0.03%	-	-	-	-	Education: Department of Accounting, Soochow University Experience: Deputy Manager of Finance, Delpha Construction Co., Ltd.	Accounting Manager, Huachien Construction Co., Ltd.	-	-	-	-
Manager, Corporate Governance Officer and Legal Affair Dept.	R.O.C.	Wang, Chen Kang	Male	2021.03.30	714,000	0.09%	-	-	-	-	Education: Department of Law, Fu Jen Catholic University Experience: Qualified in the high-level Bar Examination	-	-	-	-	-

Note 1: It shall include the information of the President, Deputy President, Assistant Vice President, Department Heads and Branch Officers, as well as those on the equivalent posits regardless of the titles, which shall be all disclosed.

Note 2: It refers to the experience related to the current position. If he worked in the accounting firm or its related party during the last disclosure period, it should specify his title and the responsibilities.

Note 3: If the President or the equivalent (top management) are the Chairperson are the same person or spouses or the relative within the first degree of kinship, it shall disclosure the related information such as the cause, rationality, necessity and measures taken (such as adding seats of independent directors, or requiring more than half of the directors not working as the employee or managers concurrently).

2. Remuneration Paid to Directors (Including the Independent Directors), President and Deputy President during the Most Recent Year

(1) Remuneration Paid to Directors and the Independent Directors (Name and Remuneration of Individual Personnel Disclosed):

Unit: NT1,000

Title	Name	Remuneration Paid to Directors								Ratio of Total Remuneration (A+B+C+D) to Net Income				Relevant Remuneration Received by Directors Who Are Also Employees						Ratio of Total Remuneration (A+B+C+D+E+F+G) to Net Income				Compensation Paid to Directors by Nonconsolidated Affiliates		
		Base Compensation (A)		Severance Pay (B)		Directors Compensation (C)		Allowance (D)		The company		Consolidated		Salary, Bonuses and Allowance (E)		Severance Pay (F)		Employee Compensation (G)		The company		Consolidated				
		The company	Consolidated	The company	Consolidated	The company	Consolidated	The company	Consolidated	The company	Consolidated	The company	Consolidated	The company	Consolidated	The company	Consolidated	The company	Consolidated	The company	Consolidated	The company	Consolidated			
Chairman	Hong Yi Investment Ltd.	960	960	0	0	286	286	50	50	1,296	0.08%	1,296	0.08%	0	0	0	0	0	0	0	0	1,296	0.08%	1,296	0.08%	None
	Representative: Cheng, Ssu-Tsung	-	-	-	-	-	-	-	10	-	-	10	-	-	-	-	-	-	-	-	-	-	-	10	-	None
Director	Lee, Chin-Yi	960	960	0	0	286	286	50	50	1,296	0.08%	1,296	0.08%	0	0	0	0	0	0	0	0	1,296	0.08%	1,296	0.08%	None
Director	Yan, Ming-Hung	120	120	0	0	286	286	45	45	451	0.03%	451	0.03%	0	0	0	0	0	0	0	0	451	0.03%	451	0.03%	None
Director	Dajie Investment Co., Ltd.	120	120	0	0	286	286	50	50	456	0.03%	456	0.03%	0	0	0	0	0	0	0	0	456	0.03%	456	0.03%	None
	Representative: Tseng, Ping-Joung	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent director	Chen Shih-Yang	300	300	0	0	286	286	120	120	706	0.04%	706	0.04%	0	0	0	0	0	0	0	0	706	0.04%	706	0.04%	None
	Yeh, Chien-Wei	300	300	0	0	286	286	120	120	706	0.04%	706	0.04%	0	0	0	0	0	0	0	0	706	0.04%	706	0.04%	None
	Yu, Hung-Da	300	300	0	0	286	286	120	120	706	0.04%	706	0.04%	0	0	0	0	0	0	0	0	706	0.04%	706	0.04%	None

1. Please explain the policy, system, criteria and structure of remuneration paid to independent directors, and describe the correlation with the amount of remuneration based on the factors such as responsibilities, risks, and time spent:

The Independent Directors' remuneration is composed of attendance fees, fixed monthly salary and Director remuneration, and the amounts are as resolved at the Remuneration Committee meetings. The aforementioned remuneration is based on the remuneration level in the industry while taking into consideration the Company's business operation, directors' contribution to the Company, future risks, and results of board performance evaluation.

2. Except for the sheet disclosed above, the remuneration to all the directors served for all the companies within the consolidated financial statement (such as a consultant not an employee) in the most recent year: None.

Note 1: The names of directors should be listed respectively (For the institutional shareholder, it should list its name and representative respectively), and the general directors and independent directors should be listed separately. The total amount paid in each item should be disclosed. If the director concurrently holds the position of President or deputy President, it should fill out this table and the table below (3-1) or (3-2-1) and (3-2-2).

Note 2: It refers to the compensation of directors in the most recent year (including the salary, pay rise, severance allowance, various bonuses and dividends).

Note 3: It refers to the amount of remuneration distributed to the directors upon the resolution of the board meeting in the most recent year.

Note 4: It refers to the allowance related to business of the directors in the most recent year (including the transportation expense, special subsidiary, various allowances, dormitory, vehicle, and other materialistic provisions). If the director is

provided with house, automobile or other vehicle or exclusive expenditures, it should disclose the nature and cost of the capital, rental paid actually or estimated based on the fair price in the market, fuel expense or other payments. If a driver is assigned, it should also specify the salary paid by the Company, which should be excluded from the remuneration.

Note 5: It refers to the amount received by the directors by holding the concurrent position in the most recent year (including President, deputy President, other managerial officer or employee), which includes the salary, pay rise, severance allowance, various bonuses and dividends, as well as transportation expense, special subsidiary, various allowances, dormitory, vehicle, and other materialistic provisions. If the director is provided with house, automobile or other vehicle or exclusive expenditures, it should disclose the nature and cost of the capital, rental paid actually or estimated based on the fair price in the market, fuel expense or other payments. If a driver is assigned, it should also specify the salary paid by the Company, which should be excluded from the remuneration. In addition, the remuneration expense recognized based on IFRS 2[Stock-based Payment], including the stock option certificate, the restricted new shares and the shares subscribed through capital increase by cash, should be included in the remuneration.

Note 6: It refers to the amount (including cash and stock) received by the directors by holding the concurrent position in the most recent year (including President, deputy President, another managerial officer or employee). It should disclose the amount distributed to the employees upon the resolution of the board meeting in the most recent year. If it can't be estimated, it should calculate the amount to be distributed based on the amount and percent distributed in the last year and fill out Table 1-3 in the Appendix.

Note 7: It should disclose the total amount of various compensations paid to the directors by all companies in the consolidated financial statement (including the Company).

Note 8: For the total amount of various remunerations paid to each director by the Company, it should disclose the director's name under that range.

Note 9: It should disclose the total amount of various remunerations paid to each director by all companies in the consolidated financial statements (including the Company) and disclose the director's name under that range.

Note 10: The after-tax net profit refers to the amount of net profit after tax specified in the individual financial report in the most recent year.

Note 11: a. The field should list the amount received by the director from any re-invested company other than the subsidiaries or the parent company (If no such amount is received, please fill in "None").

b. If the director of the Company has received the payment from the re-invested company other than the subsidiaries or the parent company, it should include the said payment in Column I in the table of remuneration range. Moreover, the column name should be changed into "The Parent Company and All Re-investment Companies".

c. The remuneration refers to the compensation, remunerations (including the remuneration paid to the employees, directors and supervisors), and the allowances received by the director of the Company by serving as the director, supervisor or managerial officer of the re-invested company other than the subsidiaries or the parent company

* The remuneration disclosed in this table is different from the concept of income defined in the Income Tax Act. Thus, this table is for information disclosure only, which can't be used for tax collection.

Remuneration Paid to General Directors, Independent Directors, Supervisors, President and Deputy President

1. Under any of the following circumstances, it should disclose the name of each individual director or supervisor and the corresponding remuneration amount, or opt to disclose aggregate remuneration information, with the name(s) indicated for each remuneration range, or to disclose the name of each individual and the corresponding remuneration amount (If it adopts disclosure by individual, please fill in the title, name and amount without listing the remuneration range):

- (1) A company that has posted after-tax deficits in the financial reports for the recent three fiscal years, shall disclose the name and remuneration paid to individual directors and supervisors. However, it doesn't apply if there is any profit after-tax in the financial report of the most recent year that is sufficient to make up the accumulated loss.
- (2) A company that has had an insufficient director shareholding percentage for 3 consecutive months or longer during the most recent fiscal year shall disclose the remuneration of individual directors; one that has had an insufficient supervisor shareholding percentage for 3 consecutive months or longer during the most recent fiscal year shall disclose the remuneration of individual supervisors [Note 2].
- (3) A company that has had an average ratio of share pledging by directors or supervisors more than 50 percent in any 3 months during the most recent fiscal year shall disclose the remuneration paid to each individual director or supervisor having a ratio of pledged shares more than 50 percent for each such month [Note 3].
- (4) If the remuneration received by all directors and supervisors exceeds 2% of the after-tax net profit of the remuneration paid for the directors and supervisors of all companies in the financial statement, and the amount of remuneration paid for individual director or supervisor exceeds NT\$15 million, it should disclose the remuneration of individual directors or supervisors. (Remarks: The remuneration of directors and supervisors is calculated based on the "director's remuneration" plus the "supervisor's remuneration" in the table attached, which doesn't include the related remuneration received by serving as employees concurrently.)
- (5) A listed company that is ranked in the last range according to the corporate governance assessment result in the most recent year, or is involved in changes in trading methods, suspension of trading, termination of listing on the counter in the most recent year and as of the date of publication of the annual report or is in other conditions that the corporate governance assessment committee approves exclusion from the assessment.
- (6) The average annual remuneration of a full-time employee of a listed company who doesn't hold a manager position has not reached NT \$ 500,000 in the most recent year.
- (7) If the net profit after tax of a TWSE/TPEX-listed company increased by 10% or more the most recent year, the average annual salary of full-time employees in non-managerial positions did not increase compared with the previous year. (Note 6)
- (8) If the after-tax profit of a TWSE/TPEX-listed company in the most recent year declined by 10% and exceeded NT\$5 million, the average remuneration of each director (excluding compensation as an employee) increased by 10% and exceeded NT\$100,000. (Note 7)

2. Under the circumstance 1 or 5 listed above, the remuneration information of the top five paid remuneration executives (such as President, deputy President, CEO or CFO) should be disclosed individually.

[Note 1] For example: When preparing the 2019 Annual Report during the 2020 shareholders' meeting, it should disclose the information of individual ones if the Company was in after-tax loss as specified in Individual Financial Statement for any year between 2017~2019. However, disclosure of individual directors may not be adopted if the after-tax net profit specified in 2019 Individual Financial Statement was sufficient to make up the accumulated loss even if it was in after-tax loss as specified in 2017/2018 Individual Financial Statement.

[Note 2] For example: When preparing the 2009 Annual Report during the 2010 shareholders' meeting, it should disclose the information of individual ones if the Company has had an insufficient director/supervisor shareholding percentage for 3 consecutive months or longer during January, 2009~December 2009. In addition, it should disclose the information of individual ones if the Company has had an insufficient director/supervisor shareholding percentage for 3 consecutive months or longer in January 2009 (namely, November and December 2008 and January 2009).

[Note 3] For example: When preparing the 2009 Annual Report during the 2010 shareholders' meeting, it should disclose the remuneration paid to each individual director having a ratio of pledged shares in excess of 50 percent for each of the three months if the company has had an average ratio of share pledging by directors in excess of 50 percent in February, May and August, 2009. In addition, it should disclose remuneration paid to each individual supervisor having a ratio of pledged shares more than 50 percent for each of the three months if the company has had an average ratio of share pledging by supervisors in excess of 50 percent in three months.

- ※Monthly pledge ratio of all directors: Shares pledged by all directors/shares held by all directors (including the No. of shares under trust with discretion reserved); Monthly pledge ratio of all supervisors: Shares pledged by all supervisors/shares held by all supervisors (including the No. of shares under trust with discretion reserved).
- 【Note 4】 For example, since the results of corporate governance evaluation mostly announced in April of each year, if the results of corporate governance evaluation are not yet announced for the most recent year (i.e., fiscal year 2021), the annual report of the shareholders' meeting for fiscal year 2022 should be based on the most recent results of corporate governance evaluation (e.g., fiscal year 2020). After the announcement of the results of the most recent annual corporate governance review, if it is the last level of the corporate governance review and the remuneration was originally disclosed by aggregating the names with the level of disclosure, the annual report of the shareholders' meeting shall be revised and uploaded to the Market Observation Post System in order to fulfill the integrity of information disclosure.
- 【Note 5】 For example, if a listed company prepares its annual report for 2021 after the end of the most recent year (i.e., fiscal 2021), it should be used the most recent year (fiscal 2021) to assess whether it has not reached NT\$500,000 and should disclose the remuneration of individual directors and supervisors for the most recent year (fiscal 2021).
- 【Note 6】 For example: When preparing the 2023 annual report for the 2024 shareholders' meeting, if the net profit after tax in the 2023 financial statements of a TWSE/TPEX-listed company increased by 10% or more compared with 2022 (also applicable if the company has a loss in 2022 and a profit in 2023), but the average annual salary of full-time employees in non-managerial positions did not increase compared with 2022, the remuneration of individual directors must be disclosed. Net profit after tax refers to the net profit after tax in the most recent standalone financial statements. The definition and calculation method of full-time employees and their salaries are in accordance with the provisions on reporting "salary information of full-time employees in non-managerial positions" set forth in the "Taiwan Stock Exchange Corporation Principles for Handling Information Disclosure on the Key Financials and Transactional Information Section of the Market Observation Post System" and the "Taipei Exchange Rules Governing Information Reporting by Companies with TPEX Listed Securities."
- 【Note 7】 For example: When preparing the 2023 annual report for the 2024 shareholders' meeting, if the after-tax profit in the 2023 financial statements of a TWSE/TPEX-listed company declined by more than 10% compared with 2022, and the amount reaches NT\$5 million and above (this is applicable regardless of whether the company has an after-tax net profit or loss), but the average remuneration of each director (excluding compensation as an employee) increased by 10% and exceeds NT\$100,000, the remuneration of individual directors must be disclosed. Net profit after tax refers to the net profit after tax in the most recent standalone financial statements.

(2) Remuneration paid to the President and the Deputy President Name and Remuneration of Individual Ones Disclosed

Unit: NT\$1,000

Title	Name	Base Remuneration (A) (Note 2)		Severance Pay (B)		Bonus and Allowance(C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 8)				Compensation paid to President and Deputy President from a reinvested company other than the subsidiary or the parent company (Note 9)
		The Company	All companies in the consolidated financial statement (Note 5)	The Company	All companies in the consolidated financial statement (Note 5)	The Company	All companies in the consolidated financial statement (Note 5)	The Company		All companies in the consolidated financial statement (Note 5)		The Company		All companies in the consolidated financial statement (Note 5)		
								Cash	Stock	Cash	Stock	A+B+C+D) Total	Ratio of Total Remuneration (A+B+C+D) to Net Income (%)	A+B+C+D)	Ratio of Total Remuneration (A+B+C+D) to Net Income (%)	
President	Huang, Chih-Chen	1,064	1,064	0	0	33	38	770	0	770	0	1,867	0.11%	1,872	0.11%	None
Vice President (VP)	Lee, Jun-Xian	2,182	2,182	0	0	126	136	1,256	0	1,256	0	3,564	0.21%	3,574	0.21%	None
Vice president (VP)	Hou, Po-Yao	1,576	1,576	0	0	31	31	2,927	0	2,927	0	4,534	0.27%	4,534	0.27%	None

Note 1: The names of Presidents and deputy Presidents should be listed respectively. The total amount paid in each item should be disclosed. If the director concurrently holds the position of President or deputy President, it should fill out this table and the table above (1-1) or (1-2-1) and (1-2-2).

Note 2: It refers to the salary, pay rise, and severance allowance of President and deputy President in the most recent year.

Note 3: It refers to the various bonuses and dividends, as well as transportation expense, special subsidiary, various allowances, dormitory, vehicle, other materialistic provisions, and other compensations received by the President and deputy President in the most recent year. If he is provided with house, automobile or other vehicle or exclusive expenditures, it should disclose the nature and cost of the capital, rental paid actually or estimated based on the fair price in the market, fuel expense or other payments. If a driver is assigned, it should also specify the salary paid by the Company, which should be excluded from the remuneration. In addition, the remuneration expense recognized based on IFRS 2[Stock-based Payment], including the stock option certificate, the restricted new shares and the shares subscribed through capital increase by cash, should be included in the remuneration.

Note 4: It refers to the amount (including cash and stock) distributed to the employees received by the President and the deputy President upon the resolution of the board meeting in the most recent year. If it can't be estimated, it should calculate the amount to be distributed based on the amount and percent distributed in the last year and fill out the Table 1-3 in the Appendix. The after-tax net profit refers to the amount of net profit after tax in the most recent year. For those that adopt IFRS, the after-tax net profit refers to the amount listed in the individual financial statement in the most recent year.

Note 5: It should disclose the total amount of various compensations paid to the President and the deputy President by all companies in the consolidated financial statement (including the Company).

Note 6: For the total amount of various remunerations paid to each President and deputy President by the Company, it should disclose the name of President and deputy President under that range.

Note 7: It should disclose the total amount of various remunerations paid to each President and deputy President by all companies in the consolidated financial statements (including the Company), and disclose the name of President and deputy President under that range.

Note 8: The after-tax net profit refers to the amount of net profit after tax in the most recent year. For those that adopt IFRS, the after-tax net profit refers to the amount listed in the individual financial statement in the most recent year.

Note 9: a. The field should list the amount received by the President and deputy President from any re-invested company other than the subsidiaries or the parent company (If no such amount is received, please fill in “None”).

b. If the President and deputy President of the Company has received the payment from the re-invested company other than the subsidiaries or the parent company, it should include the said payment in Column E in the table of remuneration range. Moreover, the column name should be changed into “The Parent Company and All Re-investment Companies”.

c. The remuneration refers to the compensations, remunerations (including the remuneration paid to the employees, directors and supervisors), and the allowances received by the President and deputy President of the Company by serving as the director, supervisor or managerial officer of the re-invested company other than the subsidiaries or the parent company.

* The remuneration disclosed in this table is different from the concept of income defined in the Income Tax Act. Thus, this table is for information disclosure only, which can't be used for tax collection.

(3) The remunerations of the top five paid executives (Name of individuals and remuneration methods disclosed)

(4) Name of Managerial officers Distributed with Employee Dividend and Distribution Situation:

Unit: NT\$1,000; March 26th, 2025

	Title (Note 1)	Name (Note 1)	Amount of stock dividend	Amount of cash dividend	Total	Percent of sum in the after-tax net profit (%)
Managerial Officers	President	Huang, Jyh Jen	0	7,092	7,092	0.42%
	Vice President	Lee, Jun-Xian				
	Vice President	Hou, Po-Yao				
	Assistant Vice President, Corporate Governance Office and Legal Affair Dept.	Wang, Chen-Kang				
	Manager, Finance and Accounting Department (Finance Manager)	Chien, Lin-Chin				
	Manager, Finance & Accounting Dept. (Accounting Manager)	Wu, Sing-Suei				

Note 1: It should disclose names and titles of individuals, but it may disclose the profit distribution situation in summary.

Note 2: It refers to the amount (including cash and stock) distributed to the employees received by the managerial officers upon the resolution of the board meeting in the most recent year. If it can't be estimated, it should calculate the amount to be distributed based on the amount and percent distributed in the last year. The after-tax net profit refers to the amount of net profit after tax in the most recent year. For those that adopt IFRS, the after-tax net profit refers to the amount listed in the individual financial statement in the most recent year.

Note 3: If application scope of the managerial officers, according to the official document Tai Zheng III No. 0920001301 released by the Association on March 27th, 2003, includes the following:

- (1) President and the equivalents.
- (2) Vice President and the equivalents.
- (3) Assistant Vice President and the equivalents.
- (4) Manager of Finance Dept.
- (5) Manager of Accounting Dept.
- (6) Others authorized to manage the affairs of the Company and sign on behalf of the Company

Note 4: If the remuneration distributed to the employees is received by the directors, President and deputy President (including stock and cash), it should fill in this table in addition to the Table 1-2 in the appendix.

(5) Analysis of the proportion of the total remuneration of directors, supervisors, Presidents, and vice Presidents of the Company paid by the Company and all companies in the consolidated financial statement to the net profit after tax in individual financial statements of the recent two years. Explanation of remuneration policies, standards and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

1. Analysis of the proportion of the total remuneration paid to directors, supervisors, President and deputy Presidents of the Company to the net profit after tax of the individual financial statement of the recent two fiscal years:

Year	2025				2024			
	Individual		Consolidated		Individual		Consolidated	
	Total amount (NT\$1,000)	Percent (%) in the net profit after tax	Total amount (NT\$1,000)	Percent (%) in the net profit after tax	Total amount (NT\$1,000)	Percent (%) in the net profit after tax	Total amount (NT\$1,000)	Percent (%) in the net profit after tax
Directors (including independent directors)	5,614	0.33%	5,624	0.33%	5,669	0.35%	5,679	0.35%
President and Vice President	9,965	0.59%	9,980	0.59%	11,599	0.71%	11,619	0.71%

2. Explanation of remuneration policies, standards and packages, the procedure for determining remuneration, and its linkage to operating performance:

(1) Directors

- A. Pursuant to the Company's Articles of Incorporation, the remuneration of directors and independent directors shall be based on the recommendations of the Remuneration Committee, referring to the results of the Board of Directors' self-evaluation on the five key aspects set out in the Company's Board Performance Evaluation Procedures, namely the level of involvement in operations, improvement of the quality of decision-making, composition and structure, appointment and training, and internal control, and taking into account general industry standards, and shall be determined by the Board of Directors.
- B. The Company's Articles of Incorporation also stipulate that no more than 2% of the Company's annual profits shall be paid as Directors' remuneration. Such remuneration shall also be based on the recommendation of the Remuneration Committee, referring to the results of the self-evaluation of the Board of Directors, and approved to be issued by the Board of Directors in accordance with the law.
- C. The Company's Directors and Independent Directors shall also receive fixed business execution fees on a per-time basis according to their actual attendance at meetings of the Board of Directors, Audit Committee, and Special Committee.

(2) Managers

The remuneration paid to managers by the Company can be mainly divided into salary and bonuses, as explained below:

- A. Salary is paid according to the Company's "Measures for Managing Employee Salaries/Positions" and references industry standards, job title, job level, education/experience, professional abilities, and responsibilities.
- B. Bonuses are based on the following items while taking into account other special contributions, and are approved by the chairman and subject to a resolution by the Remuneration Committee and Board of Directors.
- 1) Bonus: Various bonuses are paid based on the performance and contribution of business items employees are responsible for (such as land development and sales completion).
 - 2) Remuneration: The Company conducts performance evaluations regularly (middle and end of the year) to measure the degree of performance achievement. The evaluation results are used as the basis for promotion or bonuses. Evaluation contents include practice of the Company's core values and business management abilities, financial and business performance indicators and general management indicators, and participation in continuing education and in sustainable operation.
- C. The compensation of senior executives and department heads is linked to ESG-related performance, which accounts for 10% of their annual salary. This linkage is cascaded down to their respective supervisory levels to ensure the effective implementation of various ESG initiatives. These include areas such as operational performance, construction quality and safety, risk management, corporate governance, ethical business conduct, talent development, and supply chain management, all of which are aligned with material ESG issues. The Company remains committed to strengthening its ESG-related policies and will continue refining its performance-linked compensation mechanisms to encourage active participation in sustainability efforts. This approach aims to enhance the Company's brand value and market competitiveness while ensuring long-term sustainable development.

3. Implementation of Corporate Governance

(1) The operations of the Board of Directors:

The Board of Directors held 10 (A) meetings in the most recent year (2025). The attendance of the directors is as follows:

1. The current Board of Directors (term of office from June 28th, 2023, to June 27th, 2026) convened 10 board meetings (A) in the current year (2025).

Title	Name (Note 1)	Attendance (Presence) in Person B	Attendance by Proxy	Attendance (Presence) Rate (%) 【B/A】 (Note 2)	Remarks
Director	Hong-Yi Investment Limited Company Representative: Cheng, Ssu-Tsung	10	0	100%	-
Director	Lee, Chin-Yi	10	0	100%	-
Director	Yan, Ming-Hung	9	1	90%	-
Director	Dajie Investment Co., Ltd. Representative: Tseng, Ping-Joung	10	0	100%	-
Independent Director	Chen Shih-Yang	10	0	100%	-
Independent Director	Yeh, Chien-Wei	10	0	100%	-
Independent Director	Yu, Hung-Da	10	0	100%	-

Other Noticeable Particulars:

1. Should any of the following circumstances occur at the Board of Directors meeting, the date of the board meeting, terms, proposal content, opinions of all independent directors and the Company's handling of such opinions should be specified:

- (1) Matters specified in Article 14-3 of the Taiwan Securities and Exchange Act:

Date of board meeting	Proposal content
2025/01/16 1st meeting in 2025	<ol style="list-style-type: none"> 1. The Company has approved the provision of a guarantee for its subsidiary, Huajian Construction Co., Ltd., in relation to a financing arrangement with International Bills Finance Corporation. 2. The Company has approved the continuation of a guarantee on behalf of its subsidiary, Huajian Construction Co., Ltd., for a financing facility obtained from Mega Bills Finance Co., Ltd. 3. Proposal for the Company to sell "Metro Building" project to related parties. 4. Discussion on the 2024 year-end bonuses for the Company's managers and chief audit executive.
2025/01/23 2nd meeting in 2025	Discussion on employee compensation for the Company's managers and chief audit executive for fiscal year 2024.
2025/03/14 3rd meeting in 2025	<ol style="list-style-type: none"> 1. Approval of the Company's unaudited financial statements for fiscal year 2024. 2. Appointment and remuneration of the Company's certified public accountants. 3. Evaluation of the effectiveness of the Company's internal control system for fiscal year 2024.
2025/03/26 4th meeting in 2025	<ol style="list-style-type: none"> 1. Review of the Company's 2024 Business Report and Financial Statements. 2. Proposal for the Distribution of Earnings for the Fourth Quarter of 2024. 3. Proposal for the Distribution of Cash from Capital Surplus. 4. Proposal for the Distribution of Directors' Compensation and Employees' Compensation for 2024. 5. Discussion on the Three Major Holiday Bonuses for the Company's Managers. 6. Proposal to Amend the Company's Articles of Incorporation. 7. Proposal for Convening the Company's 2025 Annual General Shareholders' Meeting. 8. Resolution on Setting the Ex-Dividend Record Date for the Fourth Quarter 2024 Cash Dividend. 9. Proposal for the Supplemental Public Offering and Listing Application of the Company's First Private Placement of Common Shares in 2022. 10. Proposal for the Company to Enter into a Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the "New Construction Project on Land Lot No. 1115, Yisin Section, Fengyuan District, Taichung City."
2025/05/12 5th meeting	<ol style="list-style-type: none"> 1. Review of the Company's Business Report and Consolidated Financial Statements for the First Quarter of 2025.

in 2025	<ol style="list-style-type: none"> 2. Proposal for the Distribution of Earnings for the First Quarter of 2025. 3. Proposal to Pre-Approve the List of Non-Assurance Services to Be Provided by the Company’s External Auditors. 4. The Company provided a corporate guarantee for its subsidiary, Huajian Construction Co., Ltd., in connection with a financing facility obtained from Taiwan Bills Finance Corporation. 5. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “New Construction Project on Land Lot No. 1115, Yisin Section, Fengyuan District, Taichung City.”
2025/06/13 6th meeting in 2025	Application for Public Issuance and Listing for Trading of the Common Shares Issued under the Company’s Second Private Placement in 2022.
2025/08/12 7th meeting in 2025	<ol style="list-style-type: none"> 1. Review of the Company’s Business Report and Consolidated Financial Statements for the Second Quarter of 2025. 2. Proposal for the Distribution of Earnings for the Second Quarter of 2025. 3. Proposal to Authorize the Chairman with Decision-Making Authority Limits in Response to the Timeliness Requirements of Land Development Projects. 3. Proposal to Establish the “Sustainable Development and Nomination Committee Charter” of the Company. 4. Proposal to Appoint Members of the Company’s First Sustainable Development and Nomination Committee. 6. Proposal to Abolish the Company’s “Ethical Corporate Management Committee.” 7. Proposal to Abolish the Company’s “Ethical Corporate Management Committee Charter.” 8. Proposal to Amend the Company’s Organizational Structure Chart. 9. Proposal for the Company’s 2024 Corporate Sustainability Report. 10. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “New Construction Project on Land Lot No. 1115, Yisin Section, Fengyuan District, Taichung City.”
2025/09/19 8th meeting in 2025	<ol style="list-style-type: none"> 1. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “New Residential Building Project on Land Lot No. 258, Xinbi Section, Luzhu District, Taoyuan City.” 2. Proposal to Establish and Adjust the Job Grades and Compensation Packages for the Company’s Managers and Chief Audit Executive. 3. Proposal for the Payment of Attendance Fees to Members of the Sustainable Development and Nomination Committee.
2025/11/12 9th meeting in 2025	<ol style="list-style-type: none"> 1. Review of the Company’s Business Report and Consolidated Financial Statements for the Third Quarter of 2025. 2. Proposal for the Distribution of Earnings for the Third Quarter of 2025. 3. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “New Construction Project on Three Land Lots Including Lot No. 165, Lejie Section, Guishan District, Taoyuan City.” 4. Proposal to Revise and Consolidate the Company’s Various Management Regulations. 5. Proposal for the Company’s 2026 Internal Audit Plan.
2025/12/18 10th meeting in 2025	<ol style="list-style-type: none"> 1. The Company has provided a guarantee on behalf of its subsidiary, Huajian Construction Co., Ltd., for a financing facility obtained from International Bills Finance Corporation. 2. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “New Construction Project on Land Lot No. 692, Fuxi Section, Guanyin District, Taoyuan City.” 3. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “Temporary Works Project on Five Land Lots Nos. 332, 333-1, 333-2, 334, and 335, Qing’an Section, Shanhua District, Tainan City.” 4. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “Ground Engineering Project on Five Land Lots Nos. 332, 333-1, 333-2, 334, and 335, Qing’an Section, Shanhua District, Tainan City.” 5. Proposal to Amend the “Table of Authorization Limits.”
2026/02/12 1st meeting in 2026	<ol style="list-style-type: none"> 1. The Company has approved the continuation of a guarantee on behalf of its subsidiary, Huajian Construction Co., Ltd., for a financing facility obtained from Mega Bills Finance Co., Ltd. 2. Proposal for the Company to Enter into a Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “New Construction Project on 12 Land Lots Including Lot No. 154-2, Huaisheng Section Subsection, Da’an District, Taipei City.” 3. Proposal to Set the Record Date for the Conversion of the Company’s Fourth Domestic Unsecured Convertible Corporate Bonds into Common Shares. 4. Discussion on the 2025 Performance Bonuses for the Company’s Managers and Chief Audit Executive.
2026/03/12 2nd meeting in 2026	Review of the Company’s Unaudited Financial Statements for Fiscal Year 2025.
2026/03/30	1. Review of the Company’s Business Report and Financial Statements for Fiscal Year 2025.

3rd meeting in 2026	<ol style="list-style-type: none"> 2. Proposal for the Distribution of Earnings for Fiscal Year 2025. 3. Proposal to Offset Accumulated Losses Using Capital Surplus. 4. Appointment and Remuneration of the Certified Public Accountant. 5. Proposal for the Allocation of Directors' Compensation and Employees' Compensation for Fiscal Year 2025. 6. Proposal to Amend the Vehicle Purchase Subsidy Policy. 7. Evaluation of the Effectiveness of the Internal Control System for Fiscal Year 2025. 8. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the "New Construction Project on Land Lot No. 692, Fuxi Section, Guanyin District, Taoyuan City."
2026/04/08 4th meeting in 2026	<ol style="list-style-type: none"> 1. Proposal to Offset Accumulated Losses Using the Legal Reserve. 2. Election of the Company's Directors. 3. Proposal Regarding the Nomination Period, Number of Seats, and Submission Location for Director (Including Independent Director) Candidates. 4. Proposal for the Date and Agenda of the Company's 2026 Annual General Shareholders' Meeting.
<p>Opinions of all independent directors and the Company's handling of opinions : Approved by all independent directors.</p>	

(2) Unless otherwise stated, other independent directors who expressed dissenting or qualified opinions that were recorded or declared in writing: None

2. As for the execution situation that directors avoid the proposal for conflict of interest, items like director name, proposal content, reason for avoiding conflict of interest and participation in the voting process shall be detailed:

Date of Board of Directors' meeting	Name of Directors	Agenda	Reason for recusal	Participation in voting
2025/08/12 7th meeting in 2025	Chen Shih-Yang Yeh, Chien-Wei Yu, Hung-Da	Appointment of members of the Company's 1st Sustainable Development and Nomination Committee.	A conflict of interest.	Independent Director Chen, Shih-Yang, Independent Director Yeh, Chien-Wei, and Independent Director Yu, Hung-Da each recused themselves from the discussion and voting. After the chairperson sought opinions from the remaining attending directors regarding the remuneration of each recused director, all present directors expressed no objection, and the proposal was approved as submitted.
2025/09/19 8th meeting in 2025	Chen Shih-Yang Yeh, Chien-Wei Yu, Hung-Da	Proposal on the payment of attendance fees to members of the Sustainable Development and Nomination Committee.	A conflict of interest.	Independent Director Chen, Shih-Yang, Independent Director Yeh, Chien-Wei, and Independent Director Yu, Hung-Da each recused themselves from the discussion and voting. After the chairperson sought opinions from the remaining attending directors regarding the remuneration of each recused director, all present directors expressed no objection, and the proposal was approved as submitted.

3. The public companies shall disclose the evaluation cycle, period, scope, method and content for the self (peer) evaluation of the directors and fill out Table 2 Board Evaluation Implementation Situation.

(1) On November 12, 2019, the Company's Board of Directors approved the establishment of the "Regulations Governing the Performance Evaluation of the Board of Directors and Functional Committees," as well as the related self-assessment questionnaires. The results of the 2025 evaluation will be submitted to the Board of Directors on March 30, 2026, and disclosed on the Market Observation Post System.

(2) The contents of the evaluation report were as follows:

Evaluation cycle	Once every year (if an election is implemented in the same year, the performance of the previous term and the current term shall be completed before the election and at the end of the year)
Evaluation period	January 1 st to December 31 st , 2025
Evaluation scope and method	Scope of the evaluation: The performance evaluation of the board as a whole, individual Directors, and functional committees. Evaluation methods: Self-evaluation of the Board of Directors, self-evaluation of the Directors, appointment of external professional institutions or experts, or other appropriate methods for performance evaluation.
Evaluation procedures	The units responsible for the evaluation shall collect information about the activities of the Board of Directors and distribute the "Self-Evaluation Questionnaire on the Performance of the Board of Directors", "Self-Evaluation Questionnaire on the Performance of the Director", "Self-Evaluation Questionnaire on the Performance of the Audit Committee", "Self-Evaluation Questionnaire on the Performance of the Remuneration Committee", and "Self-Evaluation Questionnaire on the Performance of the Integrity Management Committee" for the performance evaluation of the Board of Directors. After the data are recovered, the Company records the evaluation results in accordance with the scoring standards for evaluation indicators in the Regulations, and reports to the Board of Directors for review and improvements.

●2025 evaluation indicators and options

Board performance evaluation	Self-evaluation of the performance of Directors	Performance evaluation of functional committees			
		Functional Committee	Audit	Remuneration Integrity Management	
Level of participation in the Company's operations Improvement of the quality of the Board of Directors' decision making Board composition and structure Election and continuing education of Directors Internal control	Familiarity with the goals and missions of the Company Awareness of the duties of Directors Level of participation in the Company's operations Management of internal relations and communication Directors' professional and continuing education and training Internal control	Level of participation in the Company's operations	V	V	V
		Understanding of duties of the functional Committee	V	V	V
		Improvement of the quality of the functional Committee' decision making	V	V	V
		Composition of the functional Committee and selection of committee members	V	V	V
		Internal control	V	V	V
25 evaluation indicators	20 evaluation indicators	20 evaluation indicators			

Excellent (5.00 to 4.01 points), good (4.00 to 3.01 points), and improvements required (less than 3 points)

●2025 evaluation results

Board performance evaluation	Self-evaluation of the performance of Directors	Performance evaluation of functional committees		
		Audit Committee	Remuneration Committee	Integrity Management Committee
Evaluation results: Excellent	Evaluation results: Excellent	Evaluation results: Excellent	Evaluation results: Excellent	Evaluation results: Excellent

4. Strengthening the functions of the Board in the current and recent years (such as setting up the Audit Committee, promoting information transparency, etc.) and conducting performance assessments:
- (I) The Company established the Audit Committee on May 31, 2017, to replace the functions of Supervisors. The Committee convened 8 meetings in 2025 to strengthen internal monitoring and control mechanisms and assist the Board of Directors in decision-making.
 - (II) The Company enhances newly appointed Directors' awareness of relevant laws and regulations and convenes at least one Board meeting each quarter. The Company also duly implements the Director conflict-of-interest recusal system and related-party recusal system in accordance with the "Rules of Procedure for Board of Directors Meetings" and the "Regulations Governing Related-Party Transactions."
 - (III) The Company's Board of Directors approved the amendments to the "Regulations Governing the Performance Evaluation of the Board of Directors and Functional Committees" and the related self-evaluation questionnaires on November 12, 2019. The evaluation results for 2025 have been duly filed. In December 2025, the Company commissioned the Taiwan Corporate Governance Association to conduct an external performance evaluation of the Board of Directors and issue the "Board Performance Evaluation Report." Please refer to the Company's website for detailed information.
 - (IV) The Company's Board of Directors approved the appointment of a "Corporate Governance Officer" on March 30, 2021, to assist the Board in promoting corporate governance.
 - (V) The Company established an English corporate website in July 2021.
 - (VI) The Company established the Sustainability Development and Nomination Committee in August 2025. The Committee held two meetings in 2025.
 - (VII) The Company renewed its directors' and officers' liability insurance on December 2, 2025.

Note 1: If the director or supervisor is a company, it should disclose the names of its shareholders and the name of its representative.

Note 2: (1) If any director/supervisor resigns before the end of the year, it shall specify the resignation date in the Remarks field. As for the attendance rate (%), it should be calculated based on the board meetings held during his service period and the times that he attended such meetings in person.

(2) If any director/supervisor is re-elected before the end of the year, it shall specify both the old and the new director/supervisor and add comments in the Remarks field to distinguish the old and new ones and the re-election date. As for the attendance rate (%), it should be calculated based on the board meetings held during his service period and the times that he attended such meetings in person.

(2) The operations of the Audit Committee:

A total of 8 (A) Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

The current Board of Directors (term of office from June 28th, 2023, to June 27th, 2026) convened 8 meetings of the Audit Committee (A) in the current year (2025):

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance ratio (%) (B/A) (Note)	Remarks
Independent director	Chen Shih-Yang	8	0	100%	
Independent director	Yeh, Chien-Wei	8	0	100%	
Independent director	Yu, Hung-Da	8	0	100%	

● Summary of key work items for the year:

The Audit Committee assists the Board of Directors in its supervisory duties and in fulfilling its responsibilities under the Company Act, the Securities and Exchange Act, and other applicable regulations. The Company established the Audit Committee on May 31, 2017. It consists of all three independent directors. The Committee holds at least one meeting each quarter, and a total of eight meetings were held in 2025. The Committee reviewed the following items:

1. Review of financial statements:

The Board of Directors has prepared the business report, financial statements, and earnings distribution proposal, of which the financial statements have been audited by Ernst & Young Global Limited which has submitted an audit report. The business report, financial statements, and earnings distribution proposal have been reviewed by the Audit Committee and deemed as correctly portraying the Company's business activities.

2. Evaluation of the effectiveness of internal control system:

The Audit Committee evaluates the effectiveness of the policies and procedures of the Company's internal control system.

3. Major asset transactions

4. Private placement or issuance of securities

5. Related-party transactions

6. Assessment of independence of the CPAs

Other Noticeable Particulars:

1. Should any of the following circumstances occur at the operations of Audit Committee, the date of the Audit Committee meeting, term, proposal content, opinions of all independent directors and the Audit Committee's handling of such opinions should be specified:

(1) Matters specified in Article 14-5 of the Taiwan Securities and Exchange Act

The current Board of Directors (term of office from June 28th, 2023, to June 27th, 2026)

Date of board meeting	Proposal content
2025/01/16 1st meeting in 2025	<ol style="list-style-type: none"> The Company has provided a guarantee on behalf of its subsidiary, Huajian Construction Co., Ltd., for a financing facility obtained from International Bills Finance Corporation. The Company has approved the continuation of a guarantee on behalf of its subsidiary, Huajian Construction Co., Ltd., for a financing facility obtained from Mega Bills Finance Co., Ltd. Proposal for the Company to sell "Metro Building" project to related parties.
2025/03/14 2nd meeting in 2025	<ol style="list-style-type: none"> Appointment and Remuneration of the Company's Certified Public Accountant. Evaluation of the Effectiveness of the Internal Control System for Fiscal Year 2024.
2025/03/26 3rd meeting in 2025	<ol style="list-style-type: none"> The 2024 business report and financial statements. Proposal for the Distribution of Earnings for the Fourth Quarter of 2024. Proposal for the Distribution of Cash from Capital Surplus. Proposal to Amend the Company's Articles of Incorporation. Proposal for the Company to Enter into a Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the "New Construction Project on Land Lot No. 1115, Yisin Section, Fengyuan District, Taichung City."
2025/05/12 4th meeting in 2025	<ol style="list-style-type: none"> Review of the Company's Business Report and Consolidated Financial Statements for the First Quarter of 2025. Proposal for the Distribution of Earnings for the First Quarter of 2025. Proposal to Pre-Approve the List of Non-Assurance Services to Be Provided by the Company's Certified Public Accountant. The Company provided a corporate guarantee for its subsidiary, Huajian Construction Co., Ltd., in connection with a financing facility obtained from Taiwan Bills Finance Corporation. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the "New Construction Project on Land Lot No. 1115, Yisin Section, Fengyuan District, Taichung City."
2025/08/12 5th meeting in 2025	<ol style="list-style-type: none"> Review of the Company's Business Report and Consolidated Financial Statements for the Second Quarter of 2025. Proposal for the Distribution of Earnings for the Second Quarter of 2025. Proposal to Authorize the Chairman with Decision-Making Authority Limits in Response to the Timeliness Requirements of Land Development Projects. Proposal to Establish the "Sustainable Development and Nomination Committee Charter." Proposal to Abolish the "Ethical Corporate Management Committee Charter" of the Company. Proposal to Amend the Company's Organizational Structure Chart. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the "New Construction Project on Land Lot No. 1115, Yisin Section, Fengyuan District, Taichung City."
2025/09/19 6th meeting in 2025	<p>Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the "New Residential Building Project on Land Lot No. 258, Xinbi Section, Luzhu District, Taoyuan City."</p>
2025/11/12 7th meeting in 2025	<ol style="list-style-type: none"> Review of the Company's Business Report and Consolidated Financial Statements for the Third Quarter of 2025. Proposal for the Distribution of Earnings for the Third Quarter of 2025. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the "New Construction Project on Three Land Lots Including Lot No. 165, Lejie Section, Guishan District, Taoyuan City." Proposal to Revise and Consolidate the Company's Various Management Regulations. Proposal for the Company's 2026 Internal Audit Plan.
2025/12/18 8th meeting in	<ol style="list-style-type: none"> The Company has approved the provision of a guarantee for its subsidiary, Huajian Construction Co., Ltd., in relation to a financing arrangement with International Bills Finance Corporation.

2024	<ol style="list-style-type: none"> 2. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “New Construction Project on Land Lot No. 692, Fuxi Section, Guanyin District, Taoyuan City.” 3. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “Temporary Works Project on Five Land Lots Nos. 332, 333-1, 333-2, 334, and 335, Qing’an Section, Shanhua District, Tainan City.” 4. Proposal for the Company to Enter into an Additional Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “Ground Engineering Project on Five Land Lots Nos. 332, 333-1, 333-2, 334, and 335, Qing’an Section, Shanhua District, Tainan City.” 5. Proposal to Amend the “Table of Authorization Limits.”
2026/02/12 1st meeting in 2026	<ol style="list-style-type: none"> 1. The Company has approved the continuation of a guarantee on behalf of its subsidiary, Huajian Construction Co., Ltd., for a financing facility obtained from Mega Bills Finance Co., Ltd. 2. Proposal for the Company to Enter into a Construction Contract with Its Subsidiary, Huajian Construction Co., Ltd., for the “New Construction Project on 12 Land Lots Including Lot No. 154-2, Huaisheng Section Subsection 1, Da’an District, Taipei City.” 3. Proposal to Set the Record Date for the Conversion of the Company’s Fourth Domestic Unsecured Convertible Corporate Bonds into Common Shares.
2026/03/30 2nd meeting in 2026	<ol style="list-style-type: none"> 1. Review of the Company’s Business Report and Financial Statements for Fiscal Year 2025. 2. Proposal for the Distribution of Earnings for Fiscal Year 2025. 3. Proposal to Offset Accumulated Losses Using Capital Surplus (Withdrawn). 4. Appointment and Compensation of the Independent Auditors. 5. Proposed Amendments to the Vehicle Purchase Subsidy Policy. 6. Assessment of the Effectiveness of the Internal Control System for Fiscal Year 2025. 7. Approval of the Supplemental Construction Contract for the “New Construction Project on Lot No. 692, Fuxi Section, Guanyin District, Taoyuan City” between the Company and its Subsidiary, Huajian Construction Co., Ltd.
2026/04/08 3rd meeting in 2026	Proposal to Offset Accumulated Losses Using the Legal Reserve.
Opinions of all independent directors and the Company’s handling of opinions : Approved by all independent directors	

(2) Except for the matters stated above, any resolution rejected by the Audit Committee but approved by more than two thirds of the directors: None

2. As for execution, in the event of independent directors’ avoidance of the proposal due to conflict of interest, the name of the director, proposal content, reason for conflict of interest and participation in the voting process shall be specified: None.

3. Communication between independent directors, Internal Chief Audit Executive and CPA (which should include materials, methods and results pertaining to corporate finance and business conditions):

(1) Communication between independent directors and Internal Chief Audit Executive:

1. The Chief Auditor organizes at least one meeting of the Audit Committee or a seminar each year to independently communicate with the Independent Directors regarding the internal audit items and follow up on the implementation of the Audit Report.

2. The main communication items with the Chief Auditor in 2024 are summarized in the table below:

Date	Name	Communication content	Opinion of independent directors
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2025/11/11 Internal audit report meeting	Independent director Chen Shih-Yang Independent director Yu, Hung-Da	1. Preparation of the 2026 internal audit plan based on risk assessment results.	No opinions
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	Head of Internal Audit: Li, Mei-Chan	2. Recent initiatives to revise the internal control system across the Company and its subsidiaries: (1) Follow-up on improvements to internal controls over electronic data processing operations. (2) In response to actual control procedures and the implementation of electronic forms, the Company plans to revise the “Delegation of Authority Matrix.	No opinions
		3. Explanation of the implementation of the self-assessment of the internal control system for the Company and its subsidiaries for fiscal year 2025.	No opinions
		4. Explanation of the internal audit staffing arrangement and the planned recruitment of additional internal audit personnel.	No opinions

The independent directors Yeh and Chien-Wei were not present at the meeting; however, the Internal Audit unit provided meeting materials to enable the independent directors to express their opinions.

(2) Communication between independent directors and CPA:

The Independent Directors and the Company's CPAs meet at least once a year for face-to-face communication. Where necessary, they communicate and discuss in writing on issues including the review of the Company's financial statements or audit results, and related legal communications. The Independent Directors also review the independence for the selection of CPAs and the audit and non-audit services provided by the CPAs.

Date	Key communication points	Opinions of the Independent Directors
2025/03/26 Individual meeting	1. The CPA explained the audit of the Company's financial statements for fiscal year 2024 and key audit matters (including significant areas of audit focus). 2. Explanation of recent amendments to securities and exchange regulations, tax regulations, and updates to IFRS standards. 3. Discussion and communication between the CPA and the independent directors.	No opinions
2025/05/12 Individual meeting	1. The CPA presented the review results of the Company's Q1 2025 financial statements. 2. Updates on securities and exchange regulations.	No opinions

	3. Updates on tax regulations.	
2025/08/12 Individual meeting	1. The CPA presented the review results of the Company's Q2 2025 financial statements. 2. Updates on securities and exchange regulations. 3. Updates on tax regulations.	No opinions
2025/11/11 Individual meeting	1. The CPA presented the review results of the Company's Q3 2025 financial statements. 2. Updates on securities and exchange regulations. 3. Updates on tax regulations. 4. Explanation of the Annual Audit Plan.	No opinions

Notes:

*If any independent director resigns before the end of the year, it shall specify the resignation date in the Remarks field. As for the attendance rate (%), it should be calculated based on the audit committee meetings held during his service period and the times that he attended such meeting in person.

*If any independent director is re-elected before the end of the year, it shall specify both the old and the new independent director and add comments in the Remarks field to distinguish the old and new ones and the re-election date. As for the attendance rate (%), it should be calculated based on the audit committee meetings held during his service period and the times that he attended such meeting in person.

(3) The operations of corporate governance, its discrepancy with Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons:

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary	
I. Has the Company established and disclosed Corporate Governance Best Practice Principles in accordance with [Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies]?	V		The Company has formulated the “Corporate Governance Code”, which is disclosed on the website of the Company.	In conformation to the regulations of Corporate Governance Best Practice Principles for Listed Companies
II. Corporate equity structure and shareholders' equity				
(1) Has the Company established internal operating procedures to handle shareholder proposals, questions, disputes and litigation, and acted accordingly?	V		(1) The Company has established spokesperson and acting spokesperson system and entrusts professional stock transfer agency to handle the shareholder proposals and questions. Moreover, the investors and stakeholder’s window are set upon the website of the Company.	In conformation to the regulations of Corporate Governance Best Practice Principles for Listed Companies
(2) Does the Company maintain a list of major shareholders and a final list of controlling shareholders?	V		(2) The Company can maintain the list of major shareholders and the final list of controlling shareholders.	
(3) Has the Company established and executed a risk control mechanism and firewall with its affiliates?	V		(3) The Company complies with the relevant laws and regulations and has established Operation Procedures for the supervision and management of the subsidiaries and the management of the transaction with related parties.	
(4) Has the Company established internal policies that prohibit corporate insiders from trading securities using undisclosed information?	V		(4) The Company has established the “Operation Procedures for the Processing of Material Information”, and the “Operation Procedures for Prevention of Insider Trading” to prohibit corporate insiders from trading of securities using undisclosed information.	
III. Structure and duties of the Board of Directors.				
(1) Does the Board of Directors have a diversity policy, specific management objectives and implementation?	V		(1) In accordance with Article 20 of the Company’s Corporate Governance Best Practice Principles, the composition of the Board of Directors shall consider diversity. In addition to the requirement that Directors concurrently serving as Company managers shall not exceed one-third of the total Board seats, the Company shall also formulate appropriate diversity policies based on its operations, business model, and development needs.	In conformation to the regulations of Corporate Governance Best Practice Principles for Listed

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary	
(2) Apart from the Remuneration Committee and Audit Committee, has the Company voluntarily set up other functional committees?			For details on implementation, please refer to page 18.	Companies
(3) Has the Company established standards to assess the Board's performance annually, reported the result of performance evaluation to the Board as reference for remuneration paid to the directors and their nomination for succession?	V		(2) The Company established the "Sustainability Development and Nomination Committee" in August 2025. For its operational status, please refer to page 45. (3) The Company's Board of Directors passed the Regulations Governing the Evaluation of the Performance of the Board of Directors on November 12th, 2019, and reported the evaluation results of the performance of the Board of Directors for 2025 to the Board of Directors on March 30, 2026. The results will be used as references for determining the remuneration for individual Directors, their nomination, and reappointment. (Refer to page 31 for information on the operations of the Board of Directors)	In conformation to the regulations of Corporate Governance Best Practice Principles for Listed Companies
(4) Does the Company regularly evaluate the CPA's independence?	V		(4) On March 30, 2026, the Audit Committee and the Board of Directors resolved to assess the independence and competence of CPAs Mr. Chien-Tse Huang and Ms. Su-Wen Lin (Note 1). Additionally, the Company obtained the 13 Audit Quality Indicators (AQIs) provided by the accounting firm, along with the CPA's Declaration of Independence. In accordance with the "Guidelines for the Interpretation of Audit Quality Indicators (AQIs)" issued by the competent authority, the Company conducted an evaluation of the audit quality of the accounting firm and its audit engagement team.	
IV. As a TWSE/TPEX-listed company, has the Company established adequate and competent corporate governance personnel, and assigned a corporate governance manager in charge of corporate governance affairs (including but not limited to providing data required by directors and supervisors for business implementation, assisting directors	V		The Company, following the resolution passed by the Board of Directors' meeting on March 30, 2021, appointed Wang, Chen-Kang to serve as the Company's Corporate Governance Officer and take charge of the Company's corporate governance affairs. The scope of duties includes: 1. Provide the data need by the directors when implementing business and pay attention to the latest regulatory developments related to the operation of the Company to assist the directors in regulatory	In conformation to the regulations of Corporate Governance Best Practice Principles for Listed Companies

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary	
and supervisors in regulatory compliance, dealing with matters relating to board meetings and shareholders' meetings, handling corporate registration and change in registration, preparing minutes of the board meetings and shareholders' meetings)?			<p>compliance and assistance to the Directors in taking office and continuing education.</p> <p>2. Handle matters related to the Audit Committee, Remuneration Committee, Integrity Management Committee and the Board of Directors and the Shareholders' Meeting and assist the Company in regulatory compliance.</p> <p>3. Handle the shareholders' meeting related affairs, including pre-registration before the date of the Shareholders' Meeting, make a meeting notice and handbook before the deadline, meeting minutes, and handle the reporting and announcements as required by laws.</p> <p>4. The Company organizes performance evaluations of the Board of Directors on a regular basis each year and reports the results to the Board of Directors.</p> <p>5. Promote corporate governance matters such as the preparation of ESG reports, integrity management education and training, and the implementation of corporate governance evaluations.</p> <p>6. The Corporate Governance Officer completed 12 hours of continuing education in 2024.</p>	
V. Has the Company established communication channels with interested parties (including but not limited to shareholders, employees, customers, and suppliers), set up a special zone on the website for stakeholders, and responded to critical CSR issues that concern interested parties?	V		The Company has established the spokesperson and acting spokesperson system. Moreover, the investors and stakeholder's window is set up on the website of the Company to respond to the issues concerned by the stakeholders properly.	In conformation to the regulations of Corporate Governance Best Practice Principles for Listed Companies
VI. Has the Company appointed a professional transfer agent to handle affairs pertaining to the shareholders' meeting?	V		The Company entrusts the professional Transfer Agency Department of CTBC Bank to handle the stock affairs of the Company.	In conformation to the regulations of Corporate Governance Best Practice Principles for Listed Companies
VII. Information Disclosure (1) Has the Company set up a website to disclose information regarding the Company's finance and corporate	V		(1) The Company has constructed www.delpha.com.tw to disclose information related to finance and corporate governance.	In conformation to the regulations of

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary	
<p>governance?</p> <p>(2) Does the Company have other information disclosure channels (e.g. creating an English website, appointing designated personnel to handle information collection and disclosure, developing a spokesman system, webcasting investor conferences)?</p> <p>(3) Does the Company announce and file its annual financial reports within 2 months from the end of the fiscal year? Does the company announce and file the financial reports for Q1, Q2 and Q3, as well as the operation status of each month before the due date?</p>	V	V	<p>(2) The Company has appointed designated personnel to handle information collection and finish the reporting operation as required by the competent authority. Moreover, it has practiced the spokesman system as required.</p> <p>The Company holds a corporate presentation at least once a year and discloses the relevant information on the Company's website and the Market Observation Post System.</p> <p>(3) The Company announces and files the annual financial report audited by the CPA within 3 months after the end of the fiscal year as required by the provisions of Article 36, Securities Exchange Act.</p> <p>The financial reports for Q1, Q2 and Q3, as well as the operation status of each month are announced within the required period.</p> <p>As for announcing before the due date, it depends on the board approval date and the operation time of the Company.</p>	<p>Corporate Governance Best Practice Principles for Listed Companies</p> <p>It will evaluate the operation time and the board operation for this issue.</p>
VIII. Does the Company have any other important information to facilitate better understanding of the Company's corporate governance practices (e.g. including but not limited to employee rights and interests, employee care, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, implementation of risk measures, implementation of customer relations policies, and purchase of liability insurance for directors and supervisors)?	V		<p>(1) Rights, benefits and care for employees: The Company has set up a staff welfare committee and set aside pensions under laws. Moreover, it purchases group insurance for employees, and conducts health check-ups regularly, to protect employee rights and get the employee's health status.</p> <p>(2) Investor's relations: The Company discloses the corporate information on the MOPS under laws, to provide transparent information for the investors in real time. Moreover, a spokesperson is set up to handle the advice made by the spokesperson.</p> <p>(3) Supplier's relations: The Company establishes long-term partnership with the suppliers and keep good interaction.</p> <p>(4) Continuing education situation of directors: The Company provides the course information for directors randomly. The continuing education situation of directors is disclosed in the Annual Report and the MOPS.</p> <p>(5) Implementation of customer policies: The Company sets up customer service line and email to provide comprehensive after-sale service.</p> <p>(6) Purchase of liability insurance for directors:</p>	In conformation to the regulations of Corporate Governance Best Practice Principles for Listed Companies

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary	
			The Company purchases liability insurance for directors in accordance with the Articles of Association of the Company.	
<p>IX. Based on the latest Corporate Governance Assessment System result from the Corporate Governance Center of the TWSE, describe the improvements and propose priority measures to strengthen unimproved aspects. (not applicable to companies that were not subject to evaluation)</p> <p>*Improvements:</p> <ol style="list-style-type: none"> 1. The Q1 and Q3 financial reports were approved by the Audit Committee and reported to the Board of Directors for resolution. 2. Added an English corporate website. 3. Conducted an external performance evaluation of the Board of Directors. 4. Provided regular reports to the Board of Directors on communication details with stakeholders. 5. Obtained third-party verification for the corporate sustainability report. 6. Disclosed information about the greenhouse gas emissions, water consumption, and total weight of waste in the last two years. 7. The continuous audio and video recordings of the Annual General Meeting was uploaded to the Company's YouTube channel. 8. The Board of Directors regularly evaluates the independence and competence of the signing CPA by referencing Audit Quality Indicators (AQIs). 				

Note 1: Criteria to evaluate the CPA independence:

Item	Evaluation item (during the two years before being elected and during the term of office)	Evaluation result
1	The tenure of the CPA did not exceed 7 years.	Yes
2	There are no direct or indirect financial interests between the CPA and the Company.	Yes
3	The CPA firm does not rely excessively on a single customer (the Company) for its source of remuneration.	Yes
4	The CPA and the Company do not have significant or close business relations.	Yes
5	There are no potential employment relations between the CPA and the Company.	Yes
6	The CPA is unrelated to the audit cases or audit fees.	Yes
7	No CPA or member of the audit service team currently serves or had served as the Company's Director, manager, or other positions that could seriously affect the audit in the most recent two years.	Yes

8	The non-audit services provided by the CPA to the Company did not directly impact critical items in the audit.	Yes
9	The CPA does not promote or serve as the intermediary for the stocks or other securities issued by the Company.	Yes
10	The CPA does not represent the Company in defense against third-party legal cases or other disputes.	Yes
11	No CPA or member of the audit service team is related to the Company's Director, manager, or individuals in other positions that could seriously affect the audit.	Yes
12	The certifying accountant has not held any position as a director or manager of the Company or had any significant influence on the audit within one year of his or her retirement.	Yes
13	The certifying accountant receives no gifts or special privileges of significant value from the Company or its directors, officers, or substantial shareholders.	Yes

(4) If a Remuneration Committee is set up, it should disclose the composition, responsibilities and operations:

1. Information on the members of Remuneration Committee

December 31, 2025

Identity (Note 1)		Condition Name	Professional Qualifications and Experience (Note 2)	Independence Attributes (Note 3)	Number of members of compensation committees of other public companies
Independent director (Convener)	Chen Shih-Yang		Refer to the Disclosure of Professional Qualifications of Directors and Independence of Independent Directors on page 18.		None
Independent director	Yeh, Chien-Wei				None
Independent director	Yu, Hung-Da				1

Note 1: Please specify the relevant years of service, professional qualifications and experience, and independence of each member of the Compensation Committee in the form. Please indicate the identity of an independent director or other (if you are a convener, please add a note).

Note 2: Professional qualifications and experience: Specify the professional qualifications and experience of each member of the Compensation Committee.

Note 3: Independence attributes: Specify the independence attributes of the members of the Compensation Committee, including but not limited to whether they are directors, supervisors or employees of the Company or its affiliates; the number and percentage of shares held by them (or in the name of others); and whether they hold positions in companies with specific relationships with the Company (refer to stock listings or stock exchanges). The amount of remuneration received from the Company or its affiliates for the provision of commercial, legal, financial and accounting services in the last two years.

Note 4: Please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange for disclosure methods.

2. Information on the Operations of Remuneration Committee

The Remuneration Committee of the Company is composed of 3 people.

(1) The current Remuneration Committee (term of office from June 28th, 2023, to June 27th,

2026) convened 4 (A) meetings of the Remuneration Committee in the most recent year (2025).

The attendance of Directors was as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate (%) (B/A) (Note)	Remarks
Committee Member	Chen Shih-Yang	4	0	100%	
Committee Member	Yeh, Chien-Wei	4	0	100%	
Committee Member	Yu, Hung-Da	4	0	100%	

Power and duties of the Remuneration Committee:

The Company set up the Remuneration Committee in December 2011. And the Committee should exercise the duty of care of a good faith manager to faithfully perform the following power and duties, and submit proposals to the Board meeting for discussion:

1. Establish and regularly review the policy, system, standards and structure of the salaries and remuneration for the Company's directors and managerial officers.
2. Evaluate on a regular basis the remuneration of the Company's directors and managerial officers.

The date of meeting, term, proposal content, resolution result in the most recent year, and the Company's handling of the opinion of the remuneration committee members:

Meeting date (term)	Proposal content
2025/01/16 1st meeting in 2025	Discussion on the year-end bonus and performance bonus for the Company's managers and head of internal audit for fiscal year 2024.
2025/01/23 2nd meeting in 2025	Discussion on the performance bonus for the Company's managers and head of internal audit for fiscal year 2024.
2025/03/26 3rd meeting in 2025	1. Distribution of directors' remuneration and employee compensation for fiscal year 2024. 2. Discussion of holiday bonuses for the Company's managers.
2025/09/19 4th meeting in 2025	Proposal to establish and adjust the job grades and compensation of the Company's managers and head of internal audit.
2026/02/12 1st meeting in 2026	Discussion on the performance bonus for the Company's managers and head of internal audit for fiscal year 2025.
2026/03/30 2nd meeting in 2026	Distribution of directors' remuneration and employee compensation for fiscal year 2025.
Opinion of all members and the Company's handling : Approved by all Independent Directors.	

Other Noticeable Particulars:

1. If the Board did not adopt or amend the recommendations of the Remuneration Committee, the date of the board meeting, term, proposal content, result of board resolution, and how the Company handled the proposal (If the remuneration approved by the board is higher than the proposal of the Remuneration Committee, the difference and reason should be specified.) should be specified: None
2. If members of the Remuneration Committee expressed opposition or qualified opinions that were recorded or declared in writing, the date of the remuneration committee meeting, term, proposal content, opinions of all members and the Company's handling of those opinions should be specified: None

Notes: (1) If any member of the Remuneration Committee resigns before the end of the year, the resignation date should be specified in the Remarks field. The attendance rate (%) is calculated based on the number of remuneration committee meetings held during the period of service and the frequency of attendance in person.

(2) If any member of the Remuneration Committee is re-elected before the end of the year, both the old and new members should be specified, and comments should be indicated in the Remarks field to distinguish the old and new members and the re-election date. The attendance rate (%) is calculated based on the number of remuneration committee meetings held during the period of service and the frequency of attendance in person.

(5) Organization, responsibilities, and operations of the Integrity Management Committee:

The Integrity Management Committee comprises three members, with a minimum of two members being Independent Directors. All members are appointed by the Board of Directors for the same term as their term for the Board.

1. The current term’s Integrity Management Committee (the term runs from August 12, 2025, to June 27, 2026) convened 2 meeting (A) in 2025. The details of attendance are as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate (%) (B/A) (Note)	Professional background
Independent Director (Convener)	Yeh, Chien-Wei	2	0	100%	Law
Independent Director	Chen Shih-Yang	2	0	100%	Accounting
Independent Director	Yu, Hung-Da	2	0	100%	Construction

2. Terms of reference for the Sustainable Development and Nomination Committee:

The Company established the Sustainable Development and Nomination Committee in August 2025. Its responsibilities are as follows:

- (1) Formulate the Company’s sustainable development policies and strategies on climate issues and oversee their implementation and effectiveness.
- (2) Oversee sustainability information disclosures and review the sustainability report.
- (3) Oversee the implementation of the Company’s sustainability code of conduct or other sustainability-related initiatives as resolved by the Board of Directors.
- (4) Establish standards on the expertise, skills, experience, diversity of backgrounds, such as gender, and independence required for Board members, and use these standards to identify, evaluate, and nominate candidates for the Board of Directors. In addition to the standards, the Committee shall comprehensively consider factors such as the candidate’s business judgment, commitment to the Company’s core values, reputation for ethical conduct and leadership, availability of sufficient time and attention to participate in Board of Directors affairs, and skills and experience aligned with the Board of Directors’ sustainability needs.
- (5) Conduct annual performance evaluations of the Board of Directors, individual directors, each committee and its members, and recommend to the Board of Directors whether replacements are necessary.
- (6) Establish and periodically review professional development plans for directors, as well as succession plans for directors and senior management.

- (7) Responsible for reviewing and supervising the ethical corporate management policies and reporting the compliance status to the Board of Directors on a regular basis.

The dates, session numbers, agendas, and resolutions of the Integrity Management Committee meetings held during the most recent fiscal year, as well as the Company’s responses to the Committee’s opinions on ethical corporate management matters, are as follows:

Date of meeting (Term)	Agenda
2025/09/19 1st meeting in 2025	Election of the Convener of the Sustainability Development and Nomination Committee.
2025/11/12 2nd meeting in 2025	Report on the Implementation of Corporate Governance for Fiscal Year 2025.
2025/03/30 1st meeting in 2025	<ol style="list-style-type: none"> 1. Report on the implementation status and results of the Board performance evaluation. 2. Report on the Company’s implementation plan for adopting the IFRS Sustainability Disclosure Standards. 3. Report on the progress of the fourth quarter 2025 greenhouse gas (GHG) inventory for the Company and its subsidiaries.

(6) Implementation of sustainable development and differences from the Code of Practice for Sustainable Development of Listed and OTC Companies and the reasons for such differences

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons		
	Yes	No	Summary (Note 2)			
I. Has the company established a governance structure to promote sustainable development and set up a special (part-time) unit to promote sustainable development, which is authorized by the board of directors to be handled by senior management, and is supervised by the board of directors?	V		<p>1. The Company's Corporate Governance Office is dedicated to developing corporate sustainability. The unit works across departments to evaluate, plan, implement, confirm, and report corporate sustainable development policies, systems, and management guidelines on a project basis. They provide regular progress reports to the Board of Directors on the operations and implementation.</p> <p>2. On November 12, 2024, the Company submitted a report on the implementation status and plans for cybersecurity, integrity management, and intellectual property management involving sustainable development to the Board of Directors according to instructions. The Board of Directors provided issues that require attention in each plan to the dedicated unit and required dedicated units to make adjustments.</p>	None		
II. Does the Company have a special (concurrent) unit to promote ESG initiatives, supervised by a Board-appointed member of the management team, who reports to the Board? (Note2)	V		<p>1. This disclosure covers January 1, 2024, to December 31, 2024, and mainly addresses the Company's offices and construction sites.</p> <p>2. The Sustainable Development Team is responsible for the planning, and in accordance with the GRI standards, and with reference to the results of previous sustainability issue assessments, domestic and international industry benchmarks, international ESG trends, industry focus issues, value chains and related indicators, an online questionnaire was used to conduct a stakeholder survey under three major sustainability dimensions, including environmental, social and governance, and a total of 11 key risk issues were identified. The Company's strategies for addressing these 11 risk issues are as follows. (For details, please refer to the Company's ESG report)</p>	None		
			<table border="1"> <thead> <tr> <th>Item</th> <th>Major Issues</th> <th>Management Measures</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Construction Quality and Safety</td> <td> <ul style="list-style-type: none"> Establish comprehensive construction management systems and conduct holistic reviews of work processes. Perform regular internal audits (monthly) and external inspections (quarterly) throughout the construction process. Strengthen supplier management to ensure compliance of construction material sources. </td> </tr> </tbody> </table>		Item	Major Issues
Item	Major Issues	Management Measures				
1	Construction Quality and Safety	<ul style="list-style-type: none"> Establish comprehensive construction management systems and conduct holistic reviews of work processes. Perform regular internal audits (monthly) and external inspections (quarterly) throughout the construction process. Strengthen supplier management to ensure compliance of construction material sources. 				

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons															
	Yes	No	Summary (Note 2)																
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	Yes	No	Summary (Note 2)		
			7	<p>Anti-Corruption and Ethical Business Conduct</p> <ul style="list-style-type: none"> • Conduct education and training programs. • Establish integrity management policies and preventive measures and regularly report implementation status to the Board of Directors. • Require insiders to sign declarations of integrity and ethical conduct. • Establish independent whistleblowing channels. 	
			8	<p>Customer Needs and Product Innovation</p> <ul style="list-style-type: none"> • Establish a real-time customer feedback and response mechanism. • Provide community and neighborhood services. • Organize regular events for existing customers. 	
			9	<p>Rising Average Temperature</p> <ul style="list-style-type: none"> • Promote smart building technologies and energy-efficient air-conditioning systems. • Install shading, cooling facilities, and water supply systems at construction sites. • Implement Energy Management Systems (EMS) at headquarters and construction sites. • Incorporate rising average temperatures into climate change risk assessments and regularly evaluate impacts on construction sites and development projects. 	
			10	<p>Climate-Related Supply Chain Risks</p> <ul style="list-style-type: none"> • Identify suppliers that comply with environmental regulations and 	

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
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			<ul style="list-style-type: none"> actively address climate-related risks. • Include ESG-related ISO certifications as supplier evaluation criteria. • Monitor supplier performance based on material quality, construction quality, professional capability, and speed of corrective actions. • Require corrective actions within a specified timeframe for suppliers with significant environmental, occupational safety, or integrity-related deficiencies; terminate cooperation in cases of serious violations. 	
			<p>11 Waste Management</p> <ul style="list-style-type: none"> • Require contractors and subcontractors to implement measures for air emission control, noise reduction, wastewater treatment, waste recycling, and pollution prevention prior to construction. • Ensure all construction waste is handled by qualified and legally authorized environmental service providers. • Assign dedicated personnel to supervise site environmental management, resource recycling, and waste sorting. • Promote zoned storage of cement materials, formwork reuse, and reuse of protective materials to reduce construction waste generation. 	
III. Environment issues (1) Does the Company establish proper	V		(1) The waste generated in each construction site is handled by a professional and qualified environmental	None

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons						
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environmental management systems based on the characteristics of its businesses?			protection company. Moreover, supervision personnel are assigned in the construction site to supervise the management and maintenance of the environment of the contract during the construction period.							
(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	V		(2) The Company complies with environment-related laws and regulations and relevant international standards to appropriately protect the natural environment, and in the execution of its operational activities and internal management, it strives to improve the efficiency of the utilization of various resources and use recycled materials with low impact on the environment, so that the earth's resources can be used sustainably, and strives to achieve the goal of environmental sustainability.	None						
(3) Does the Company evaluate the current and future potential risks and opportunities brought by the climate change, and take measure to respond to the climate related issues?	V		(3) In addition to referring to relevant climate change information, TCFD disclosure recommendations, and reports and information released by other domestic and foreign related institutions, the Company also identifies short-, medium-, and long-term climate change risks by considering industry characteristics, market trends, laws and policies, and accordingly lists relevant climate risk factors. Relevant departments are then asked to assess the potential impacts and effects of climate related transformation risks and physical risks, and the results of the risk analysis are used to formulate corresponding adaptation action plans to enhance the ability to adapt and mitigate the impacts of climate change. The Company has identified feasible opportunities and developed measures to address them as follows : Transition Risks	None						
			<table border="1"> <thead> <tr> <th>Category</th> <th>Risk Description</th> <th>Adaptation and Response Measures</th> </tr> </thead> <tbody> <tr> <td>Supply Chain Disruption</td> <td>Climate hazards, shortages of raw materials, or energy price fluctuations may affect the supply of critical construction materials such as steel, cement, and MEP equipment, potentially leading to</td> <td> <ul style="list-style-type: none"> Establish management mechanisms for key material and equipment suppliers. Reduce supply disruption risks through advance procurement, diversified sourcing, and local purchasing. Plan safety stock based on project schedule </td> </tr> </tbody> </table>	Category	Risk Description	Adaptation and Response Measures	Supply Chain Disruption	Climate hazards, shortages of raw materials, or energy price fluctuations may affect the supply of critical construction materials such as steel, cement, and MEP equipment, potentially leading to	<ul style="list-style-type: none"> Establish management mechanisms for key material and equipment suppliers. Reduce supply disruption risks through advance procurement, diversified sourcing, and local purchasing. Plan safety stock based on project schedule 	
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(4) Does the company calculate the greenhouse gases (GHG) emission, water consumption and total weight of wastes for the past two years, and formulated the strategies for energy conservation, carbon reduction, GHG emission reduction, water saving and management of other wastes?	V			higher project costs, construction delays, and uncertainty in delivery schedules.	and market price fluctuations. • Gradually implement supplier ESG evaluation, low-carbon procurement, and digital supply chain management.	None
			Waste Management Risk	Construction projects generate Large amounts of waste. Improper classification, transportation, and tracking may increase disposal costs and lead to environmental fines or reputational risks.	<ul style="list-style-type: none"> • Implement waste classification, legal disposal, and flow tracking at construction sites. • Reduce waste generation through precise material estimation and construction waste minimization. • Strengthen resource recycling and reuse management. • Increase future investment in recycled building materials, circular materials, and digital waste tracking systems. 	
			<u>Physical Risk</u>			
			Rising Average Temperature Risk	Prolonged periods of high temperatures may increase heat-related hazards at construction sites, reduce construction	<ul style="list-style-type: none"> • Install shading, cooling, and water supply facilities at construction sites. • Strengthen heat stress management and occupational safety training for workers 	

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				<p>efficiency, and increase demand for cooling equipment, air-conditioning, and energy consumption, thereby raising operating and project management costs.</p> <p>exposed to high-temperature conditions.</p> <ul style="list-style-type: none"> • Promote smart building technologies, energy-efficient air-conditioning systems, and energy management systems (EMS). • Gradually introduce heat warning systems, AI-driven air-conditioning controls, passive energy-saving building designs, and intelligent energy management solutions.
			<p>Extreme Precipitation and Climate Risk</p>	<p>Increasing occurrences of heavy rainfall, typhoons, and flooding may result in construction delays, interruptions to underground work, equipment damage, and higher insurance costs, therefore affecting project development schedules and increasing overall project costs.</p> <ul style="list-style-type: none"> • Incorporate climate hazard mapping and risk assessments during the land acquisition stage. • Equip construction sites with drainage systems, flood prevention measures, and disaster preparedness resources. • Implement detention, well-sealing, and safety monitoring measures according to project requirements. • Integrate water retention, flood control and drainage systems, rainwater harvesting facilities, and smart

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons																
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			<table border="1" style="margin-left: 40px;"> <tr> <td></td> <td></td> <td>monitoring systems into future project design processes.</td> </tr> </table> <p>A detailed description of the Company's analysis of climate change risks and opportunities is expected to be disclosed in the Company's 2025 ESG Report (to be uploaded at the end of August 2026).</p> <p>(4) The Company's greenhouse gas emissions, water consumption and total weight of waste for the past two years are as follows :</p> <p>1. GHG emission</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Scope 1(mt)</td> <td>6.9295</td> <td>26.4440</td> </tr> <tr> <td>Scope 2(mt)</td> <td>1,406.9737</td> <td>951.7300</td> </tr> </tbody> </table> <p>2. Water consumption</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>17,685 m3</td> <td>5,561.1086 m3</td> </tr> </tbody> </table> <p>The Company added energy data statistics and greenhouse gas inventory for its construction sites due to the reporting boundaries changes since 2022. As a result, there has been a significant increase in greenhouse gas emissions and water consumption. The Company continues to review greenhouse gas emissions and water management based on data such as water consumption and sets short-, medium-, and long-term goals to reduce greenhouse gas emissions and water consumption gradually.</p> <p>1.Total weight of construction waste</p>			monitoring systems into future project design processes.		2024	2025	Scope 1(mt)	6.9295	26.4440	Scope 2(mt)	1,406.9737	951.7300	2024	2025	17,685 m3	5,561.1086 m3	
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2024	2025							
15,749m3	20,914 m3							
IV. Social issues								
(1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		(1) The Company adheres to international human rights conventions universal such as the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Global Compact, and the UN International Labor Organization, and appoints the Corporate Governance Office as the responsible unit. The Company values and strictly adheres to important human rights issues.	None				
(2) Does the Company formulate and implement reasonable policies of staff welfare (including compensation, vacation and other welfares), and reflect the operating performance or achievement in the compensation of the employees properly?	V		(2) Staff welfare: 1. Compensation. a. Compensation is composed of basic salary, fringe benefits, bonus and so on. The basic salary is based on grade and duties and is in line with the local minimum salary requirements and emphasizes that the standard starting salary is equal pay for equal work, without any difference according to gender or age. The Company attaches great importance to female employees and has long been committed to promoting	None				

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			<p>female supervisors and senior managers. Currently, 30% of managers are female.</p> <p>b. Pursuant to Article 28 of the Articles of Incorporation: "If the Company makes profit for the year, no less than 0.5% shall be allocated as employee bonuses and no more than 2% as directors' remuneration. The Company conducts performance evaluations regularly (middle and end of the year) to measure the degree of performance achievement. The evaluation results are used as the basis for promotion or bonuses. Evaluation contents include practice of the Company's core values and business management abilities, financial and business performance indicators and general management indicators, and participation in continuing education and in sustainable operation.</p> <p>c. The industry average salary of full-time non-managerial employees was NT\$974 thousand in 2024, compared with NT\$1,137 thousand for the Company. The industry average for 2025 has not yet been published, while the Company's average salary was NT\$1,151 thousand. The Company will continue to motivate employees through effective performance evaluation mechanisms and share the results of its business success with its workforce. The Company will continue to effectively motivate employees through performance evaluation mechanisms and ensure that the results of business operations are shared with employees.</p> <p>2. Welfare measures.</p> <p>The Company places strong emphasis on providing a favorable working environment and comprehensive employee welfare programs. In addition to Labor Insurance, National Health Insurance, and group insurance coverage, the Company is committed to addressing employees' needs and enhancing their quality of life. By aligning employees' interests with those of the Company, it fosters a culture of mutual growth and shared prosperity.</p>	None

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary (Note 2)	
(3) Does the Company create a safe and healthy working environment and provide safety and health education for employees regularly?	V		<p>The Employee Welfare Committee actively promotes a variety of employee benefit programs. In addition to providing monetary gifts for marriage, childbirth, bereavement, and the three majors traditional festivals, the Company also offers travel subsidies and departmental gathering allowances. Furthermore, employee travel programs, department store gift vouchers, and other welfare benefits are provided on an occasional basis to further enhance employee well-being.</p> <p>(3) The Company provides a safe and healthy workplace for the employees:</p> <p>(A) Door access security: The company has a door access monitoring system and signs contract with the security company.</p> <p>(B) Fire safety: The building management committee checks the fire security from time to time.</p> <p>(C) Drinking water safety: The Company regularly replaces the drinking water filter.</p> <p>(D) Ambient air cleaning: The company regularly (once every six months) replaces the air cleaning machine filters and maintains the machine.</p> <p>(E) Safety in construction site:</p> <p>(1) All personnel entering construction sites are required to wear safety helmets and comply with site safety regulations. All construction activities are conducted in accordance with applicable labor safety and occupational health laws and regulations promulgated by the government.</p> <p>(2) The company attaches great importance to the occupational safety of employees. In accordance with the provisions of Paragraph 1 of Article 34 of the Occupational Safety and Health Act, the company</p>	

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	V		has formulated the "Code of Practice for Safety and Health" and reported it to the competent authority for approval. All employees of the company must abide by the code, operate according to the sub-items, management plans and standard operating procedures formulated by the code, and continue to conduct occupational safety and health training, including fire drills, daily occupational safety publicity, etc., so that employees can maintain a high level of crisis awareness. Through monthly meetings of the engineering management department, regular education and training, strict supervision, meeting review, site inspection and other measures before, during and after construction are implemented to reach occupational safety at construction sites in the construction industry. Strengthen the professional knowledge and education training of colleagues, hold professional training every year, and require site directors to obtain an "occupational safety card" and receive at least 6 hours of occupational safety and health related courses and professional license training.	None
	V		(3) The Company arranges a variety of occupational safety and health training programs, meetings, communications, and notifications for all employees and contractor personnel working at its construction sites to ensure compliance with safety requirements and enhance workplace safety awareness.	None
	V		(F) Health and Wellness: The Company conducts comprehensive employee health examinations on a biennial basis (once every two years). (G) Insurance Coverage: The Company maintains group insurance coverage for all employees to enhance their protection and well-being.	None

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary (Note 2)	
(4) Does the Company provide employees with opportunities for career development and training?			(H) No fire incidents were reported in 2025. Fire extinguishers and sprinkler systems are installed in offices and all construction sites to mitigate and respond to potential fire risks.	
(5) Does the Company follow regulations and international standards in the customer health, safety, customer privacy, marketing and labeling of its products and services, and set policies and appeal procedures for protection of consumer's rights and interests?			(4) In accordance with the Company's "Employee Training and Development Regulations," the Company subsidizes training expenses and actively encourages employee development, while establishing a comprehensive career development and talent cultivation mechanism. The training programs cover new employee orientation, professional competency courses, and managerial leadership development. These programs are tailored to employees at different levels based on their job roles and competency requirements, thereby enhancing both professional and managerial capabilities. In addition, the Company implements key talent development programs focusing on the potential development and career planning of younger employees, assisting them in establishing long-term development roadmaps and promoting talent sustainability and organizational prosperity. In 2025, the total external training hours amounted to 279 hours, with total training expenses of NT\$150,500.	
(6) Does the Company formulate the supplier management policies and require suppliers to follow relevant			(5) The Company complies with applicable laws and regulations regarding customer health and safety, customer privacy, marketing practices, and product labeling. Compliance is reviewed regularly. In the event of customer feedback regarding product quality or other issues, contact information is provided on the Company's website to ensure prompt after-sales service. In addition, a stakeholder section has been established to provide landowners, customers, and suppliers with channels for complaints and suggestions. The Company upholds the principle of integrity in handling and responding to such feedback appropriately, thereby safeguarding customer rights and interests.	
			(6) The Company, in accordance with its "Sustainable Development Best Practice Principles" and	

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary (Note 2)	
norms on environmental protection, occupational safety and health, or labor’s human rights, and disclose the implementation?			<p>“Subcontracting Procurement Procedures,” and with reference to ESG (Environmental, Social, Governance, and Economic) considerations, incorporates integrity and ethical management clauses into supplier contracts. Employees are prohibited, in the course of performing their duties, from directly or indirectly offering, promising, requesting, or accepting any improper benefits, or engaging in any other unlawful conduct or breach of fiduciary duty or integrity obligations.</p> <p>Through these measures, the Company clearly communicates its commitment to ethical management to its suppliers and strictly requires suppliers to comply with the following requirements:</p> <ol style="list-style-type: none"> 1. Responsibility for Ethical Business Conduct Suppliers shall not offer promises, bribes, commissions, agency fees, gratuities, kickbacks, gifts, hospitality, or any other form of improper benefit to any personnel, related parties, or designated persons of Delpha Construction. 2. Responsibility for Upholding Social Welfare Suppliers must adhere to internationally recognized labor rights, including freedom of association, the right to collective bargaining, care for disadvantaged groups, prohibition of child labor, elimination of all forms of forced labor, and elimination of employment and occupational discrimination. They must ensure that their human resource policies avoid discriminatory treatment based on gender, race, socioeconomic status, age, marital or family status, etc. 3. Responsibility for Occupational Safety Management Suppliers must provide safety training, supply personal protective equipment, and carry out risk identification procedures. 4. Responsibility for Environmental Protection 	

Item	Implementation Status (Note 1)			Discrepancy with Corporate Governance Best Practice Principles for Listed Companies, and the reasons
	Yes	No	Summary (Note 2)	
			<p>Suppliers must not engage in acts such as illegal dumping of waste or any behavior that causes negative environmental impact.</p> <p>5. Other Responsibilities for a Sustainable Business Environment</p> <p>The Company evaluates suppliers at four stages: prior to engagement, upon project acceptance, during the warranty phase, and after the warranty period. Assessment criteria include material quality, construction quality, professional competence, and responsiveness in correcting deficiencies. A total of 94 suppliers were evaluated this year. For further details, please refer to the Company's ESG Sustainability Report.</p>	
V. Does the Company, following internationally recognized guidelines, prepare and publish reports such as its corporate Sustainability report to disclose non-financial information of the Company? Does the Company obtain a third-party verification or assurance for such reports?	V		<p>The Company prepares its sustainability report per the core options of the GRI standards issued by the Global Reporting Initiative (GRI) Standards issued by the Global Sustainability Standards Board (GSSB), and incorporates the industry disclosure topics for <i>Home Builders</i> as set forth by the Sustainability Accounting Standards Board (SASB).</p> <p>The Chinese version of the 2024 Sustainability Report was uploaded to the Market Observation Post System (MOPS) and the Company's website on August 29, 2024.</p> <p>A limited assurance engagement was conducted by Ernst & Young in accordance with No. 1 Assurance Standard issued by the Accounting Research and Development Foundation of the Republic of China: "<i>Assurance Engagements Other than Audits or Reviews of Historical Financial Information.</i>"</p> <p>Please refer to the appendix of the Sustainability Report for the assurance statement.</p>	None
<p>VI. If the Company has its own code of conduct for sustainable development in accordance with the "Code of Conduct for Sustainable Development of Listed Companies", please describe the differences between its operation and the code.</p> <p>On April 15, 2021, the Company established the "Code of Conduct for Corporate Social Responsibility of Listed Companies" (the Code was renamed as "Code of Conduct for Sustainable Development" by resolution of the Board of Directors on May 12, 2022) and incorporated the principles and spirit of honest management into the relevant rules and regulations, which follows the Code of Conduct for Corporate Social Responsibility of Listed Companies.</p>				

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VII. Other important information for understanding the implementation of sustainable development:

Social Welfare

1. The Company participated in the “Save Hope – Support Program for Children of New Immigrants” by donating to the Pearl S. Buck Foundation. Through Lunar New Year gatherings and red envelope scholarships, the initiative delivered love and support to economically disadvantaged children of new immigrants and their families, while also subsidizing vocational training programs for these children.
2. The Company participated in the “ASUS Recycled Computer Program,” donating a total of 52 devices, including CRT monitors, LCD monitors, notebook computers, and desktop PCs, to promote environmental protection and contribute to social welfare.
3. In fulfilling its corporate social responsibility, the Company continuously engages in philanthropic efforts. During festive seasons, it prioritizes the use of products made by sheltered workshops as corporate gifts, thereby supporting the employment of people with disabilities and conveying care and warmth—demonstrating a positive corporate influence on society through concrete actions.

Corporate Governance

1. Included as a constituent in the MSCI Global Small Cap Index.
2. In July 2023, our company was included in the Corporate Governance 100 Index, earning further recognition in corporate governance.
3. Awarded the Bronze Award in the 17th TCSA Taiwan Corporate Sustainability Awards for our Sustainability Report in 2024.
4. Received a Low-Risk Rating from Sustainalytics.
5. Awarded the 2024 Silver Prize for Happy Enterprise.

Please see the Company’s sustainability report for more information.

Note 1: If yes is selected under Implementation Status, it shall explain the key policies, strategies, measures and implementation situation. If No is selected under Implementation Status, it shall explain the reason and the plan to implement related policies, strategies and measures to be taken in the future.

Note 2: If a CSR Report is compiled by the Company, inquiry and index page about the CSR Report should be specified under Summary.

Note 3: The materiality principle refers to those related to environmental, social and corporate governance issues that have significant influence on the Company's investors and other interested parties.

(VII) Implementation status of climate related information

Evaluation item	Implementation status			
<p>I. Explain how the Board of Directors and management oversee and manage climate-related risks and opportunities.</p>	<p>I. The Board of Directors is the highest oversight body for climate policies and risk management at the Company. They aim to adhere to laws and regulations while promoting and implementing risk management measures across the organization. A risk management team is set up under the Board of Directors. The team is comprised of the highest-level managers from each department and office and is led by the President. The team is responsible for identifying and managing economic, environmental, and social topics and their risks and opportunities and regularly reports to the Board of directors.</p>			
<p>II. State the impact of the identified climate risks and opportunities on the Company's business, strategy, and finances (short, medium, and long term).</p>	<p>II. The identification of the likelihood and impact level of climate-related risks and opportunities is as follows. For further details, please refer to Section VI: Transition Plans for Managing Climate-Related Risks, which outlines the content of such plans and the indicators and targets used to identify and manage physical and transition risks.</p>			
	Risk Category	Risk Item	Time Horizon	Impact Scope
	Transition Risk	Supply Chain Disruption	Short-term – Medium-term	Upstream Value Chain / Own Operations
		Waste Management Risk	Short-term – Medium-term – Long-term	Upstream Value Chain / Own Operations
	Physical Risk	Rising Average Temperature Risk	Medium-term – Long-term	Own Operations
		Extreme Precipitation Risk	Medium-term – Long-term	Own Operations
	Opportunity	Waste Management and Circular Economy	Short-term – Medium-term	Upstream Value Chain / Own Operations
		Enhancement of Building and Operational Energy Efficiency	Short-term – Medium-term – Long-term	Own Operations / Downstream Value Chain

Evaluation item	Implementation status			
		Strengthening Supply Chain and Procurement Resilience	Medium-term	Upstream Value Chain / Own Operations
		Adoption of Digital and Modular Construction Technologies	Medium-term – Long-term	Own Operations / Downstream Value Chain
<p>III. State the financial implications of extreme weather events and transformation actions.</p>	<p>III. Financial Impacts of Climate-related Risks and Transition Actions</p> <p>The Company’s core business activities include land development, project planning, construction, and property sales. Extreme weather events and the low-carbon transition may affect the Company’s financial performance through various channels, including project schedules, supply chain stability, raw material costs, waste management, and regulatory compliance. The relevant financial impacts are described as follows:</p> <p>(I) Financial Impacts of Extreme Weather Events</p> <p>1. Supply Chain Disruption and Raw Material Price Volatility</p> <p>Extreme weather events may affect the production, transportation, and delivery schedules of critical construction materials and equipment, such as steel, cement, and MEP systems. This may result in supply chain disruptions, delivery delays, or fluctuations in procurement prices, thereby affecting construction progress and project costs.</p> <p>2. Project Delays and Increased Liquidity Pressure</p> <p>Construction interruptions caused by heavy rainfall, typhoons, flooding, or extreme heat may increase costs related to schedule adjustments, temporary protective measures, material storage, and resumption of works. Such disruptions may also delay project completion and handover, extending the cash conversion cycle.</p> <p>3. Increased Working Capital Requirements Due to Advance Procurement and Safety Stock</p> <p>To mitigate supply chain disruption risks, the Company adopted advance procurement and increased safety stock policies in 2025. As a result, prepayments for raw materials and procurement expenditures increased, with related contractual costs amounting to NT\$973 thousand. If the frequency or severity of extreme weather events increases in the future, supply chain stability may continue to impact construction costs and liquidity management.</p> <p>4. Increased Costs for Disaster Prevention and Construction Site Safety Management</p> <p>Extreme weather conditions may increase the need for drainage systems, flood prevention measures, material protection, equipment maintenance, and construction safety management. This may lead to higher</p>			

Evaluation item	Implementation status
	<p>costs for temporary facilities, protective measures, and recovery works, thereby increasing overall project management expenses.</p> <p>(II) Financial Impacts of Transition Actions</p> <p>1. Increased Costs in Low-carbon and Sustainable Supply Chain Management In response to the low-carbon transition and ESG supply chain requirements, the Company has progressively established supplier management mechanisms for key materials and equipment. Measures such as advance procurement, diversified sourcing, local procurement, and safety stock planning have been implemented to reduce supply disruption risks. The Company also plans to introduce ESG supplier assessments, low-carbon procurement practices, and digital supply chain management systems. These initiatives may increase procurement and supplier management costs.</p> <p>2. Increased Waste Classification, Disposal, and Compliance Costs Construction activities generate significant waste. Improper classification, disposal, and tracking may result in environmental penalties and reputational risks. In 2025, the Company outsourced waste management and disposal services, resulting in cash outflows of NT\$45,061 thousand. As regulatory and compliance requirements continue to strengthen, related costs are expected to increase.</p> <p>3. Increased Investment in Waste Reduction and Resource Recycling Management The Company implements material optimization, construction waste reduction, and resource recycling and reuse practices to minimize waste generation. In the short term, related classification, labor, disposal, and management activities may increase costs. However, in the medium to long term, these measures are expected to reduce material waste, lower disposal costs, and improve site management efficiency.</p> <p>4. Increased Costs for Recycled and Circular Materials Adoption To respond to low-carbon construction and circular economy trends, the Company plans to increase the use of recycled, circular, and low-carbon materials, and to develop digital waste tracking systems. While these initiatives may increase procurement, testing, management, and system implementation costs in the short term, they are expected to reduce environmental risks, enhance project sustainability value, and strengthen ESG performance in the long term.</p> <p>5. Overall Financial Impact of Transition Actions Overall, transition-related actions may increase short-term expenditures in supplier management, low-carbon procurement, waste disposal, compliance management, and system development. However, in the long term, these measures are expected to enhance supply chain resilience, reduce construction waste, improve resource efficiency, and mitigate risks associated with supply disruptions, environmental</p>

Evaluation item	Implementation status															
	penalties, material waste, and project delays. Ultimately, they will contribute to improved construction quality, stronger brand trust, and enhanced sustainable competitiveness.															
IV. State how climate risk identification, evaluation and management processes are integrated into the overall risk management system.	IV. The Company's risk management team is responsible for analyzing climate-related risks and opportunities and identifying the possibility of climate-change risks occurring in the short, medium, and long term, their impact, time of occurrence, and financial impact. The team will also report to the Board of Directors regularly.															
V. For the scenario analysis used to assess the climate change risks and resilience, please describe the scenarios, parameters, assumptions, analysis factors and major financial impacts.	V. Based on the Fifth Assessment Report (AR5) published by the Intergovernmental Panel on Climate Change (IPCC), when Delphi Construction conducts risk assessment, it shall select, from the following items, the appropriate climate scenarios on impact analysis on the construction projects which are under development or already commenced operations:															
	<table border="1"> <thead> <tr> <th data-bbox="656 753 1010 810">Risk Type</th> <th data-bbox="1014 753 1368 810">Scenario instruments</th> <th data-bbox="1373 753 1592 810">Scenario selection</th> <th data-bbox="1597 753 2094 810">Evaluation content</th> </tr> </thead> <tbody> <tr> <td data-bbox="656 813 1010 903">Flood risk</td> <td data-bbox="1014 813 1368 903">Climate change disaster risk and adaptation platform</td> <td data-bbox="1373 813 1592 903" rowspan="2">IPCC SSP5-8.5</td> <td data-bbox="1597 813 2094 903">Identify the construction projects at level 5 on the flood disaster risk scale in the future (2036 to 2065).</td> </tr> <tr> <td data-bbox="656 906 1010 1062">Risk of changes in temperature and rainfall</td> <td data-bbox="1014 906 1368 1062">Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP)</td> <td data-bbox="1597 906 2094 1062">If temperature rise could not be effectively controlled amid intense heat waves, evaluate the impact on the construction project caused by extreme climate, annual average temperature and rainfall.</td> </tr> </tbody> </table>				Risk Type	Scenario instruments	Scenario selection	Evaluation content	Flood risk	Climate change disaster risk and adaptation platform	IPCC SSP5-8.5	Identify the construction projects at level 5 on the flood disaster risk scale in the future (2036 to 2065).	Risk of changes in temperature and rainfall	Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP)	If temperature rise could not be effectively controlled amid intense heat waves, evaluate the impact on the construction project caused by extreme climate, annual average temperature and rainfall.	
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	Note: IPCC fifth assessment report (AR5) covers four climate change scenarios: RCP 2.6, RCP 4.5, RCP 6.0 and RCP 8.5, which are labeled after a possible range of radiative forcing values in the year 2100 (2.6, 4.5, 6, and 8.5 watts respectively). RCP 2.6 is a global warming mitigation scenario which requires active carbon reduction measures, whereas RCP 8.5 is the Business-as-usual (BAU) climate scenario which may lead to high degree of global warming.															
VI. Whether the Company has established a transition plan to address climate-related risks, including a description of the plan, as well as the metrics and	VI. <table border="1"> <thead> <tr> <th colspan="4" data-bbox="656 1286 2094 1337">Transition Risks</th> </tr> <tr> <th data-bbox="656 1340 842 1382">Category</th> <th data-bbox="846 1340 1144 1382">Risk Item</th> <th data-bbox="1149 1340 1447 1382">Potential Financial</th> <th data-bbox="1451 1340 2089 1382">Key Response Strategies and Major</th> </tr> </thead> <tbody> <tr> <td data-bbox="656 1385 842 1398"></td> <td data-bbox="846 1385 1144 1398"></td> <td data-bbox="1149 1385 1447 1398"></td> <td data-bbox="1451 1385 2089 1398"></td> </tr> </tbody> </table>				Transition Risks				Category	Risk Item	Potential Financial	Key Response Strategies and Major				
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Evaluation item	Implementation status			
targets used to identify and manage physical risks and transition risks.			Impact	Achievements
	Regulatory Risk	Increased greenhouse gas (GHG) emission costs	Exposure to carbon fee obligations, increased investment in carbon reduction equipment, and higher carbon inventory costs	<ul style="list-style-type: none"> •Completed Scope 1 and Scope 2 GHG inventories. •Promoted low-carbon operations through paperless processes and energy-efficient building materials. •Participated in government low-carbon demonstration projects to obtain incentive floor area ratios (FAR).
		Strengthened regulatory oversight of energy efficiency	Increased construction costs due to the adoption of high-efficiency materials and equipment; potential penalties for non-compliance	<ul style="list-style-type: none"> •Adopted high-efficiency materials in compliance with the latest building regulations. •Continuously increased the proportion of new projects obtaining Green Building and Intelligent Building certifications.
	Market Risk	Changes in customer preferences	Failure to respond to market trends may affect project sales and brand competitiveness; delayed property delivery may create cash flow challenges	<ul style="list-style-type: none"> •Incorporated sustainable building features to strengthen the Company's "Sunlight, Air, and Water" brand image. •Conducted market research and carbon awareness assessments during project planning stages.
Technology	Transition to low-	Higher initial costs and	•Implemented BIM planning and adopted	

Evaluation item	Implementation status			
	Risk	carbon technologies and alternative materials	increased construction complexity associated with green building materials and new construction methods	aluminum formwork to replace traditional timber formwork. •Collaborated with green suppliers to develop recycled tiles and induction cooktops without open flames.
	Reputational Risk	Failure to meet external ESG expectations	Potential exclusion from green finance programs and ESG investment funds, resulting in higher financing costs and lower corporate valuation	•Regularly disclosed sustainability performance and TCFD-related information. • Enhanced sustainability website content and ESG engagement functions on the corporate website.
	Physical Risks			
	Category	Risk Item	Potential Financial Impact	Key Initiatives and Achievements
	Acute Risk	Extreme weather events (typhoons, heavy rainfall, flooding)	Construction delays, equipment damage, increased insurance premiums, and recovery costs	•Incorporated climate disaster risk mapping into land acquisition assessments. •Conducted emergency response drills and strengthened site facilities, including drainage systems and flood protection measures. • Developed climate disaster response plans and reviewed insurance coverage for each project.

Evaluation item	Implementation status			
	Chronic Risk	Rising average temperatures	Increased electricity consumption, higher incidence of heat-related illnesses among workers, and reduced productivity	<ul style="list-style-type: none"> •Promoted intelligent building technologies and energy-efficient air-conditioning systems. •Installed shading, cooling, and water supply facilities at construction sites. •Introduced Energy Management Systems (EMS) at headquarters and construction sites.
	Climate-Related Opportunities			
	Category	Opportunity	Potential Financial Impact	Key Initiatives and Achievements
	Energy Efficiency	Improving building and operational energy efficiency	Reduced long-term electricity costs, enhanced asset value, and lower carbon footprint	<ul style="list-style-type: none"> •Adopted LED lighting and variable-frequency equipment. •Implemented energy management systems and automated monitoring. • Assisted customers in reducing energy consumption, thereby enhancing customer satisfaction.
Market Opportunity	Growing demand for green and intelligent buildings	Increased project value and selling prices; eligibility for government incentives, certifications, and additional floor area	<ul style="list-style-type: none"> •Applied for Green Building certification (at least Certified Level) for all new projects. •Continuously increased the proportion of intelligent building projects. 	

Evaluation item	Implementation status									
			ratios							
	Technological Innovation	Adoption of digital and modular construction technologies	Reduced labor dependency and improved construction quality and efficiency	<ul style="list-style-type: none"> •Implemented BIM, aluminum formwork systems, and digital site inspection processes. •Developed a smart customer service application and online property inspection system. 						
	Financial Incentives	Access to green finance and ESG-related funding	Availability of lower-cost financing and increased attractiveness to ESG-focused investors and funds	<ul style="list-style-type: none"> •Enhanced disclosures in accordance with TCFD and SASB frameworks. • Applied for sustainability ratings and external certifications. •Established a sustainability performance indicator tracking system. 						
VII. If internal carbon pricing is utilized as a strategic planning and decision-making tool, the basis for determining the carbon price shall be disclosed.	VII. The Company established its internal carbon pricing framework in 2025. Detailed information regarding the methodology and pricing mechanism is available on the Company's website.									
VIII. If climate-related goals are set, please state the activities, scope of greenhouse gas emissions, planning schedule, annual progress and other relevant information. If carbon offsets or renewable energy credits (RECs) are used to achieve relevant goals, please state the source and quantity of carbon offsets or renewable energy credits (RECs).	VIII. <ul style="list-style-type: none"> (1) To align with disclosure standards, the Company has revised its targets to calculate carbon emission intensity based on revenue. The revised targets cover both office areas and construction sites. <ul style="list-style-type: none"> Target for 2026: Total carbon emission intensity below 0.2250 metric tons per NT\$1 million in revenue Target for 2030: Total carbon emission intensity below 0.2088 metric tons per NT\$1 million in revenue (2) Carbon Emission Targets and Performance in 2024 <table border="1" data-bbox="651 1300 2101 1396"> <thead> <tr> <th data-bbox="651 1300 1167 1353">2025 Set Targets</th> <th data-bbox="1167 1300 1525 1353">2025 Performance</th> <th data-bbox="1525 1300 2101 1353">Explanation of Discrepancies and Action</th> </tr> </thead> <tbody> <tr> <td data-bbox="651 1353 1167 1396">(1) GHG Scope 1 emission</td> <td data-bbox="1167 1353 1525 1396">0.0042 metric tons per</td> <td data-bbox="1525 1353 2101 1396">1. To comply with disclosure standard</td> </tr> </tbody> </table> 				2025 Set Targets	2025 Performance	Explanation of Discrepancies and Action	(1) GHG Scope 1 emission	0.0042 metric tons per	1. To comply with disclosure standard
2025 Set Targets	2025 Performance	Explanation of Discrepancies and Action								
(1) GHG Scope 1 emission	0.0042 metric tons per	1. To comply with disclosure standard								

Evaluation item	Implementation status		
	intensity below 0.005 kg/m ²	NT\$1 million	intensity was calculated based on revenue, making it incomparable with previous targets. 2. The revised targets will continue to be tracked throughout the year.
	(2) GHG Scope 2 emission intensity below 0.25 kg/m ²	0.1501 metric tons per NT\$1 million	
	(3) Initiate carbon inventory process	The Company began pilot carbon inventory in 2020; full inventory completed in 2024	No discrepancy
X. Greenhouse gas inventory and assurance (fill in 1-1). The Company's basic information	1. GHG inventory and assurance: The Company began disclosing GHG inventory information in sustainability reports in 2020. Pursuant to the sustainable development roadmap of TWSE/TPEX-listed companies, the parent company is required to complete assurance in 2027. Subsidiaries in the consolidated financial statements must complete assurance in 2028. 2. GHG emission reduction goals: Please refer to page 70~71. 3. Strategies and specific action plans: Please refer to ESG report.		
【1-1-1 Information on GHG inventory】 Describe the emission volume (tons CO₂e), intensity (tons CO₂e/million NTD), and data coverage of greenhouse gases in the past two years.			
Year	2024	2025	
Total emissions (mt of CO₂e)			
Direct GHG emission	6.9295	26.4440	
Total emissions (mt of CO₂e)			
Office areas	39.6785	57.9161	
Construction site	1,367.2952	893.8139	
Total emission volume	1,406.9737	951.7300	

Evaluation item		Implementation status	
Intensity mt per NT\$1 million			
Scope 1	0.0011		0.0042
Scope 2	0.2308		0.1501
Total	0.2320		0.1543

Note 1: Since the scope of calculation is different from the ESG report, the total emissions are different.

Note 2: Direct emissions (Scope 1, i.e., directly from emission sources owned or controlled by the Company), energy indirect emissions (Scope 2, i.e., indirect GHG emissions from electricity, heat or steam), and other indirect emissions (Scope 3, i.e., emissions generated by company activities that are not indirect energy emissions, but are from emission sources owned or controlled by other companies).

Note 3: The coverage of direct emissions and energy indirect emissions data shall be handled in accordance with the timetable specified in Paragraph 2 of Article 10 of the Guidelines. Information on other indirect emissions may be disclosed voluntarily.

Note 4: GHG inventory standard: The Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 5: The intensity of GHG emissions may be calculated per unit product/service or revenue. However, at a minimum, data calculated using revenue (NT\$ million) must be disclosed.

[1-1-2 GHG Assurance Information]

Describe the greenhouse gas reduction baseline year and its data, reduction targets, strategies, specific action plans, and achievement of reduction targets.

We appropriately adjusted our energy conservation and carbon reduction strategies and plans in response to the GHG inventory results in recent years, and hope to further achieve the short, medium and long-term goals set by the Company through the following specific actions. The Company encourages employees to save water, electricity, and paper in daily life, and replaces energy efficient flat dome lamps and air conditioners in terms of hardware equipment. In terms of construction, we order the accurate number of materials, properly store materials, use recycled building materials, and construction automation measures, mitigating the environmental impact of GHG through the green actions above, and gradually achieving the Company's medium and long-term goals.

Please refer to the previous pages for the **reduction targets, strategies, specific action plans, and achievement of reduction targets.**

Note 1: It should be handled in accordance with the timetable specified in Article 10, Paragraph 2 of these Guidelines.

Note 2: The baseline year should be the year in which the inventory is completed based on the boundaries of the consolidated financial statements. For example, according to Article 10, Paragraph 2 of the Guidelines, companies with a capital of NT\$10 billion or more must complete the inventory for the 2024 consolidated financial statements in 2025. Therefore, the baseline year is 2024. If the Company has completed the inventory for the consolidated financial statements in advance, then the earlier year may be used as the baseline year. In addition, data for the baseline year may be for a single year or the average of multiple years.

Note 3: Please refer to the sample template for best practices on the TWSE Corporate Governance Center Website for the contents of disclosure.

VII. Implementation of business integrity, Discrepancy with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons:

Item	Implementation Status (Note 1)			Discrepancy with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary	
I. Establishment of business integrity policies and programs				
(1) Does the Company have bylaws and external documents approved by the Board that uphold its policy and business integrity, and are the Board and top management team committed to implementing such policy?	V		(1) The Company has established the Integrity Management Principles, Reporting of Illegal and Unethical Behavior, and Integrity Management Operating Procedure and Guideline to guide the Company’s Board members and management and align their behavior with the integrity management principles. The Company has incorporated integrity management terms into supplier contracts to ensure suppliers abide by the integrity management policy and keep employees from directly or indirectly offering, promising, demanding, or accepting improper benefits during business transactions or committing unethical acts such as illegal acts or breach of fiduciary duty. The Integrity Management Committee, established in May 2022, is responsible for reviewing and supervising ethical corporate management policies and reporting on compliance status to the Board of Directors on a regular basis. In August 2025, the Sustainability Development and Nomination Committee was established to review and supervise ethical corporate management policies and to regularly report compliance status to the Board of Directors.	None
(2) Does the company establish the evaluation mechanism for the risk of unethical conducts, so as to regularly analyze and evaluate the operating activities associated with high risk of unethical conduct, and establish appropriate preventive measures at least for the business activities prescribed in Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?	V			None
(3) Has the Company established relevant programs which are duly	V			None

Item	Implementation Status (Note 1)			Discrepancy with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary	
enforced to prevent unethical conduct and provide implementation procedures, guidelines, penalties and grievance channels? Does the Company implement and regularly review to revise them?			(3) The Company has a "Ethical Corporate Management Best Practice Principles" and "Procedures for Handling Reports of Illegal, Unethical or Dishonest Conduct" and is expected to adopt " Operating Procedures and Conduct Guidelines for Ethical Corporate Management " in May 2022, which prohibit bribery and accepting bribes, making illegal political contributions, improper charitable donations or sponsorships, offering or accepting improper benefits, infringement of intellectual property rights, products or services to the detriment of stakeholders, and other dishonest conduct by the Company, its directors, officers, employees, appointees and persons under the Company's substantive control. The Company will review and amend the relevant regulations on a regular basis.	
II. Ethical Management Practice				
(1) Does the company check whether the counterparty has any record of ethical misconduct and if the contract terms require compliance of ethical corporate management policy?	V		(1) For important contracts, the Company requires vendors to issue a Declaration of Conflict of Interest. The Company has also incorporated integrity management terms into supplier contracts to ensure suppliers abide by the integrity management policy and keep employees from directly or indirectly offering, promising, demanding, or accepting improper benefits during business transactions or committing unethical acts such as illegal acts or breach of fiduciary duty.	None
(2) Has the company set up a special (concurrent) unit under the direct supervision of the Board, to handle the implementation of the Company's ethical standards and report the ethical policies and unethical conduct prevention program to the Board periodically (at least annually)?	V		(2) The Company expects to establish an Integrity Management Committee in May 2022, which will be part of the Board of Directors and consist of three members. The Corporate Governance Office will serve as the meeting service unit and will be responsible for assisting the Committee in agenda planning, convening notices, conducting business, taking minutes and other related matters, and reporting to the Board of Directors at least once a year on the integrity management policy and the prevention of misconduct and monitoring the implementation thereof.	None
(3) Has the Company established policies to prevent conflict of interest, provide appropriate reporting channels, and implement policies properly?	V		(3) The Company has established the "Ethical Corporate Management Best Practice Principles", "Organizational Procedures of the Integrity Management Committee" and "Operating Procedures and Conduct Guidelines for Ethical Corporate Management" to facilitate the effective operation and compliance of the members of the Integrity Management Committee. In addition, the Company has established various internal regulations, such as the "Regulations for Prevention of Insider Trading," "Regulations for Reward and Punishment of Employees," "Regulations for Complaint and Disciplinary Measures against Sexual Harassment in the	None

Item	Implementation Status (Note 1)			Discrepancy with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary	
(4) To implement relevant policies on ethical conduct, does the Company establish effective accounting and internal control systems? Does the internal audit unit make related audit plans based on the evaluation results of the unethical conduct prevention program, so as to audit the compliance with unethical conduct prevention program by the internal auditors or the entrusted CPA?	V		Workplace,” “Policies and Principles for the Implementation of Employee Opinion Boxes,” “Regulations for Handling Reports of Illegal, Unethical or Dishonest Conduct,” and “Operating Procedures for Handling Internal Material Information,” in order to appropriately handle various risks arising from honest management. (4)The Company established the "Ethical Corporate Management Best Practice Principles" on April 15th, 2021. The principles are effectively implemented along with the Company's existing accounting system and internal control system, and the internal auditors implement audits in accordance with the annual audit plan.	None
(5) Does the Company provide internal and external ethical conduct training programs on a regular basis?	V		(5)On December 18, 2025, Attorney Huang Li-Ping delivered a training session on “Prevention and Control of Insider Trading,” attended by the Company’s directors, managers, and employees.	None
III. Complaint Procedures (1) Has the Company established specific grievance and reward management procedures, as well as accessible grievance channels, and designated responsible individuals to handle complaints?	V		(1) Internal complaints The Company has established the Employee Opinion Box Implementation Policy and Principles. Employees who discover illegal or inappropriate behavior can report the incident in detail and file a complaint in their names. The President will handle reports personally. External whistleblower cases The Company has an external independent reporting mailbox (yecharles@galaxylaw.com.tw), which is announced on the company website for stakeholders to state their opinions. Galaxy Attorneys-at-law is the dedicated unit responsible for supervising the implementation of relevant matters and accepting complaints.	None

Item	Implementation Status (Note 1)			Discrepancy with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary	
(2) Has the Company established standard operating procedures for investigating complaints and the subsequent measures taken after the investigation, and ensuring that such complaints are handled in a confidential manner?	V		Furthermore, to protect whistleblowers, it is responsible for accepting complaints and submitting a report on the whistleblowing cases, actions taken, and subsequent reviews and corrective measures to the Board of Directors, depending on the circumstances. (2) Article 22 of the Company Ethical Corporate Management Best Practice Principles established the reporting system and standard operating procedures and confidentiality mechanisms for case acceptance, investigation processes, investigation results, and related documentation.	None
(3) Does the Company adopt proper measures to protect a complainant from retaliation?	V		(3) The Company provides channels for reporting and whistleblowing complaints and is committed to protecting whistleblowers from inappropriate disciplinary actions, such as dismissal and salary reductions, due to their whistleblowing. The Company will also adopt emergency protection measures when it is likely that whistleblowers are in danger due to their whistleblowing. There were no reports of illegal acts in 2024.	None
IV. Strengthening Information Disclosure (1) Does the Company disclose its Ethical Corporate Management Principles as well as information about implementation of such principles on its website and the MOPS?	V		The Company has established the Ethical Corporate Management Best Practice Principles”, “Organizational Procedures of the Integrity Management Committee” and “Operating Procedures and Conduct Guidelines for Ethical Corporate Management”, and has also disclosed the effectiveness of its promotion on MOPS.	None
V. If the Company has established its own Ethical Corporate Management Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any differences between its implementation and the adopted principles: The Company established the Sustainability Development and Nomination Committee in August 2025 and has incorporated the principles and spirit of ethical corporate management into relevant regulations, in compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies. The operational status for the current year is disclosed in this Annual Report under Section (V) Corporate Governance – Operation of the Sustainability Development and Nomination Committee.				
VI. Other important information to facilitate better understanding of the Company’s implementation of business integrity (e.g., review and amendments to				

Item	Implementation Status (Note 1)			Discrepancy with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary	
the Company's Ethical Code of Conduct)				
<ol style="list-style-type: none"> 1. The Company complies with the Company Act, the Securities and Exchange Act, and related regulations for listed companies and other codes related to business conduct, which are taken as the foundation for implementing business integrity. 2. The Company regulates avoiding the conflict of interests for directors and stakeholders in the "Handbook for Board Meeting" and "Regulations Governing the Transactions with Related Parties". 3. The Company has established the "Operation Procedures for the Processing of Material Information", and the "Operation Procedures for Prevention of Insider Trading" to prevent improper disclosure of information. 				

(9) If the company develops a corporate governance code and relevant regulations, it should disclose its inquiry method:

Please refer to the Company's official website and Sustainability Report.

<https://www.delpha.com.tw/> > Corporate Governance > Implementation of Corporate Governance Practices

(10) Implementation of internal control system:

1. Statement of Internal Control System:

Please refer to MOPS <https://mops.twse.com.tw/mops/#/web/home>

Home > Individual Company > Corporate Governance > Internal Control Section > Internal Control Statement Announcements

2. If CPA was engaged to conduct a Special Audit of Internal Control System, Provide Its Audit Report: None.

(11) Resolutions made during the shareholders' meeting or board meeting in the most recent year and as of the Annual Report publication date:

1. Review of the implementation of resolutions made during the shareholders' meeting in the most recent year:

Resolutions of the shareholders' meeting	Implementation
1. Approval of the Company's 2025 business report and financial statements.	Following the resolution of the shareholders' meeting, a material information disclosure was made in accordance with regulations on June 26, 2025.
2. Approval of the Company's profit distribution for fiscal year 2025.	
3. Proposal to amend the Company's Articles of Incorporation.	To be implemented in accordance with the revised procedures following the resolution of the shareholders' meeting.
4. Proposal for cash distribution from capital surplus.	Cash distribution from capital surplus in the amount of NT\$335,995,200 (NT\$0.4 per share). The ex-dividend record date is set as July 29, 2025, and the distribution will be completed on August 20, 2025.

2. Important resolutions made during the shareholders' meeting and board meeting

Date	Resolutions
2025/01/16 First meeting of 2025	<ol style="list-style-type: none">1. The Company approved the provision of an endorsement and guarantee for a financing facility extended by International Bills Finance Corporation to its subsidiary, Huajian Construction Co., Ltd.2. The Company approved the continuation of an endorsement and guarantee for a financing facility extended by Mega Bills Finance Co., Ltd. to its subsidiary, Huajian Construction Co., Ltd.3. The Board approved the sale of real property in the Company's "Metro Building" project to related parties.4. The Board reviewed and approved the 2024 year-end bonuses for the Company's managerial officers and Chief Audit Executive.

2025/01/23 The 2nd meeting of 2025	Discussion on employee remuneration for the Company's managers and head of internal audit for fiscal year 2024.
2025/03/14 The 3rd meeting of 2025	<ol style="list-style-type: none"> 1. The Company's 2024 unaudited financial statements. 2. Appointment and remuneration of the Company's external audit accountants. 3. Evaluation of the effectiveness of the Company's internal control system for fiscal year 2024.
2025/03/26 The 4th meeting of 2025	<ol style="list-style-type: none"> 1. The Company's 2024 business report and financial statements. 2. Proposal for profit distribution for the fourth quarter of 2024. 3. Proposal for cash distribution from capital surplus. 4. Distribution of directors' remuneration and employee compensation for fiscal year 2024. 5. Discussion on holiday bonuses for the Company's managers. 6. Amendments to the Company's Articles of Incorporation. 7. Proposal to convene the 2025 Annual General Shareholders' Meeting. 8. Determination of the ex-dividend record date for the cash dividend for the fourth quarter of 2024. 9. Application for retroactive public offering and listing of the Company's first private placement of common shares issued in 2022. 10. Proposal for the Company to enter a construction contract with its subsidiary, Huajian Construction Co., Ltd., for the new building project on Lot 1115, Yisin Section, Fengyuan District, Taichung City.
2025/05/12 The 5th meeting of 2025	<ol style="list-style-type: none"> 1. The Company's business report and consolidated financial statements for the first quarter of 2025. 2. Proposal for profit distribution for the first quarter of 2025. 3. Proposal to pre-approve the list of non-assurance services provided by the Company's external auditors. 4. The Company approved the provision of an endorsement and guarantee for a financing facility extended by Taiwan Bills Finance Corporation to its subsidiary, Huajian Construction Co., Ltd. 5. Proposal for an addendum to the construction contract between the Company and its subsidiary, Huajian Construction Co., Ltd., for the new building project on Lot 1115, Yisin Section, Fengyuan District, Taichung City.
2025/06/13 The 6th meeting of 2025	Application for retroactive public offering and listing of the Company's second private placement of common shares issued in 2022.
2025/08/12 The 7th meeting of 2025	<ol style="list-style-type: none"> 1. The Company's business report and consolidated financial statements for the second quarter of 2025. 2. Proposal for profit distribution for the second quarter of 2025. 3. Proposal to authorize the Chairman with discretionary approval authority in response to the timeliness requirements of land development. 4. Establishment of the "Sustainability Development and Nomination Committee Charter" of the Company. 5. Appointment of members to the Company's first "Sustainability Development and Nomination Committee." 6. Proposal to abolish the Company's "Integrity Management Committee." 7. Proposal to abolish the "Integrity Management Committee Charter." 8. Amendments to the Company's organizational structure chart. 9. The Company's 2024 Corporate Sustainability Report. 10. Proposal for an addendum to the construction contract between the Company and its subsidiary, Huajian Construction Co., Ltd., for the new building project on Lot 1115, Yisin Section, Fengyuan District, Taichung City.
2025/09/19 The 8th meeting of 2025	<ol style="list-style-type: none"> 1. Proposal for an addendum to the construction contract between the Company and its subsidiary, Huajian Construction Co., Ltd., for the new residential building project on Lot 258, Xinbi Section, Luzhu District, Taoyuan City. 2. Proposal to establish and adjust the job grades and compensation of the Company's managers and head of internal audit. 3. Proposal regarding attendance fees for members of the Sustainability Development and Nomination Committee.
2025/11/12 The 9th meeting of 2025	<ol style="list-style-type: none"> 1. The Company's business report and consolidated financial statements for the third quarter of 2025. 2. Proposal for profit distribution for the third quarter of 2025. 3. Proposal for an addendum to the construction contract between the Company and its subsidiary, Hua Jian Construction Co., Ltd., for the new construction project on three parcels of land (Lot 165, Lejie Section and others), Guishan District, Taoyuan City.

	<ol style="list-style-type: none"> 4. Proposal to amend and consolidate the Company's various internal management regulations. 5. The Company's internal audit plan for fiscal year 2026.
<p>2025/12/18 The 10th meeting of 2025</p>	<ol style="list-style-type: none"> 1. The Company approved the provision of an endorsement and guarantee for a financing facility extended by International Bills Finance Corporation to its subsidiary, Huajian Construction Co., Ltd. 2. Proposal for an addendum to the construction contract between the Company and its subsidiary, Huajian Construction Co., Ltd., for the new construction project on Lot 692, Fuxi Section, Guanyin District, Taoyuan City. 3. Proposal for an addendum to the construction contract between the Company and its subsidiary, Huajian Construction Co., Ltd., for temporary works related to the construction project on Lots 332, 333-1, 333-2, 334, and 335, Qing'an Section, Shanhua District, Tainan City. 4. Proposal for an addendum to the construction contract between the Company and its subsidiary, Huajian Construction Co., Ltd., for foundation engineering works related to the construction project on Lots 332, 333-1, 333-2, 334, and 335, Qing'an Section, Shanhua District, Tainan City. 5. Amendments to the Company's "Delegation of Authority Matrix."
<p>2026/02/12 First meeting of 2026</p>	<ol style="list-style-type: none"> 1. The Company approved the continuation of an endorsement and guarantee for a financing facility extended by Mega Bills Finance Co., Ltd. to its subsidiary, Huajian Construction Co., Ltd. 2. Proposal for a construction contract between the Company and its subsidiary, Huajian Construction Co., Ltd., for the new construction project on 12 parcels of land including Lot 154-2, Huaisheng Section 1 Subsection, Da'an District, Taipei City. 3. Proposal determines the record date for conversion into common shares of the Company's 4th domestic unsecured convertible corporate bonds. 4. Discussion on performance bonuses for the Company's managers and head of internal audit for fiscal year 2025.
<p>2026/03/12 The 2nd meeting of 2026</p>	<p>The Company's 2025 unaudited financial statements.</p>
<p>2026/03/30 The 3rd meeting of 2026</p>	<ol style="list-style-type: none"> 1. The Company's 2025 business report and financial statements. 2. Proposal for profit distribution for fiscal year 2025. 3. Proposal to offset accumulated losses using capital surplus. 4. Appointment and remuneration of the Company's external auditors. 5. Proposal for the appropriation amounts of directors' remuneration and employee compensation for fiscal year 2025. 6. Amendments to the Company's vehicle purchase subsidy policy. 7. Evaluation of the effectiveness of the Company's internal control system for fiscal year 2025. 8. Proposal for an addendum to the construction contract between the Company and its subsidiary, Hua Jian Construction Co., Ltd., for the new construction project on Lot 692, Fuxi Section, Guanyin District, Taoyuan City.
<p>2026/04/08 The 4th meeting of 2026</p>	<ol style="list-style-type: none"> 1. Proposal to offset accumulated losses using the Company's legal reserve. 2. Proposal for re-election of the Company's directors. 3. Determination of the nomination period, number of seats to be elected, and place of acceptance for director (including independent director) candidates. 4. Determination of the date and agenda of the Company's 2026 Annual General Shareholders' Meeting.

(12) Whereas, in the most recent year and as of the Annual Report publication date, a director has expressed a dissenting opinion with respect to an important resolution passed by the Board, and the said opinion has been recorded or prepared as a written declaration, with main content disclosed thereof: N/A

4. Information on CPA Fees:

(1) The company may opt to disclose CPA fees either by fee range or by individual amount disclosure, and given any one of the following conditions, shall disclose information as follows:

Unit: NT\$1,000

Name of accounting firm	Name of CPAs	Audit period	Audit fees	Non-audit fees	Total	Remark
Ernst & Young Global Limited, Taiwan	KyKy Lin	2025/01/01~ 2025/12/31	2,370	2,441	4,811	1. Assurance service fee for sustainability report: NT\$500 thousand. 2. Assurance service fee for greenhouse gas (GHG) inventory: NT\$700 thousand. 3. Tax certification fee: NT\$380 thousand. 4. Transfer pricing report fee: NT\$158 thousand. 5. Service fee for retroactive public offering following private placement: NT\$430 thousand. 6. Audit report for escrow account (price payment trust account): NT\$273 thousand.
	James Huang					

Note : If the Company changes its accountant or accounting firm during the year, please list the audit period and state the reasons for the change in the remarks column, and disclose the information of audit and non-audit fees paid in order. The non-audit fees should be accompanied by a description of the services provided.

(2) The accounting firm is changed and the audit fee for that year is less than in the previous year, it should disclose the amount of the audit fees paid before and after the replacement, and the reason: N/A.

(3) The audit fee is reduced by over 10% than that of the previous year, it should disclose the reduction amount, proportion and reason: N/A.

5. Information on replacement of CPA:

(1) About the Former CPA:

Replacement Date	2023.04. 11 Approved by the Board of Directors		
Replacement reasons and explanations	To meet long-term strategic development of the company's policy		
Describe whether the Company terminated or the CPA did not accept the appointment	Client	CPA	Consignor
	Status		
	Appointment terminated automatically	--	--
Appointment rejected (discontinued)	--	V	
Other issues (except for unqualified issues) in the audit reports within the last two years	None		
Differences with the Company	Yes	--	Accounting principles or practices
		--	Disclosure of financial statement
		--	Audit scope or steps
		--	Others
	No	V	
	Remarks: N/A		
Other Disclosed Matters	None		

(2) About Successor CPAs:

Name of accounting firm	Ernst & Young Global Limited, Taiwan
Name of CPA	James Huang and KyKy Lin
Date of appointment	2023/04/11 Approved by the Board of Directors
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

(3) The Reply of Former CPAs on Article 10.6.1 and Article 10.6.2.3 of the Standards:

The reply in Letter Xin-Yong-Zhong-He-Shen-Zi No. 1120412003 from Shine Wing CPAs (Taiwan) dated April 12, 2023 is as follows:

1. The accountants' contact with management is limited to matters related to financial statements. During the period of appointment, we have not found the moral character of the Company's management related to financial statements having a significant impact on the presentation of financial statements.
2. There were no major differences between the accountants and management of Delpha regarding accounting principles, audit procedures, and other important matters.
3. We did not find any non-compliance during the audit of the 2022 financial statements.

6. Employment of the Company's Chairman, President, Financial or Accounting Manager with the Accounting Firm or Its Affiliates in the Most Recent Year, It Should Disclose His Name, Title and Period when Employed by the Accounting Firm of the CPA Being or its Affiliated Companies: N/A.

7. Changes in Shareholding and Equity Pledge of Directors, Supervisors, Managerial Officers and Shareholders Holding More Than 10% of the Company's Shares in the Latest Year and as of the Annual Report publication date:

Unit: share

Title (Note 1)	Name	2025		The current year until April 28	
		Shareholding increase/decrease	Pledged shares increase/decrease	Shareholding increase/decrease	Pledged shares increase/decrease
Chairperson	*Hong Yi Investment Ltd. Representative: Cheng, Ssu-Tsung	6,400,000 (6,200,000)	12,065,000 (10,920,000)	50,000	90,000
Director	*Lee, Chin-Yi	100,000 (100,000)	0	0	0
Director	Dajie Investment Co., Ltd. Representative: Tseng, Ping-Joung	40,000	0	40,000	0
Director	Yan, Ming-Hung	0	800,000	0	0
Independent director	*Chen Shih-Yang	200,000 (200,000)	-	-	-
Independent director	*Yeh, Chien-Wei	181,000 (150,000)	0	0	0
Independent director	Yu, Hung-Da	0	0	0	0
General Manage	Huang, Jyh-Jen	0	0	0	0
Vice president	Lee, Jun-Xian	0	0	0	0
Vice president	*Hou,Po-Yao	200,000 (200,000)	0	0	0

Chief Financial Officer	Chien, Lin Chin	0 (35,000)	90,000 (90,000)	0 (40,000)	30,000
Accounting Manager	*Wu, Sing-Suei	255,534 (255,534)	0 (100,000)	0	0
Corporate Governance Officer	*Wang, Chen-Kang	158,000 (85,000)	127,000	0 -	0 -
Shareholder with the shareholding more than 10%	Chia Chun Investment Co., Ltd.	34,960,000 (34,960,000)	97,545,700 (160,177,700)	0 -	0 -

Note 1: The shareholders with the shareholding rate higher than 10% should be marked as major shareholders, which should be listed respectively.

Note 2: If the counterparty of equity transfer or equity pledge is a related party, it shall fill in the table as below.

Note 3: The listing date of the common shares issued under the 2022 private placement was May 29, 2025.

Holders marked with “*” represent the conversion of privately placed shares into common shares.

8. Relationship Information: Any one among the Company's 10 Largest Shareholders is a related party or relative within the second degree of kinship of another shareholder:

Name (Note 1)	Shareholding		Spouse & minor current shareholding		Current shareholding by nominee arrangement		Name and relationship of the top 10 largest shareholders with parties, spouses, or relatives within the second degree of kinship (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Chia Chun Investment Co., Ltd.	267,222,599	31.76%	-	-	-	-	-	-	
Representative of Chia Chun Investment Co., Ltd.: Lin, Jia-Hong	-	-	-	-	-	-	Chia Chun Investment Co., Ltd.	The Chairperson of this Company	
Da Shuo Investment Co., Ltd.	49,956,046	5.94%	-	-	-	-	Da Jie Investment Co., Ltd.	The Chairperson of the Company is also the Chairperson of this Company.	
Representative of Da Shuo Investment Co., Ltd.: Lin, Jian-Yu	235,874	0.03%	-	-	-	-	Da Jie Investment Co., Ltd.	The Chairperson of this Company	
							Da Shuo Investment Co., Ltd.	The Chairperson of this Company	
Neng Hong Investment Holdings Co., Ltd.	42,008,000	4.99%	-	-	-	-	-	-	
Representative of Neng Hong Investment Holdings Co., Ltd. Wu, Yu-Te	-	-	-	-	-	-	Neng Hong Investment Holdings Co., LTD.	The Chairperson of this Company	
							De Hong Investment Co., Ltd.	The first degree of kinship of the Chairperson of the Company	
De Hong Investment Co., Ltd.	41,953,000	4.99%	-	-	-	-	-	-	
Representative of De Hong Investment Co., Ltd. Lee, Li-Chen	53,000	0.01%	-	-	-	-	De Hong Investment Co., Ltd.	The Chairperson of this Company	
							Neng Hong Investment Holdings Co., LTD	The first degree of kinship of the Chairperson of the Company	
Hiyes International	21,030,000	2.50%	-	-	-	-	-	-	

Co., Ltd.									
Representative of Hiyes International Co., Ltd. : Huang, Hsi-Wen	-	-	-	-	-	-	Hiyes International Co., Ltd.	The Chairperson of this Company	
Da Jie Investment Co., Ltd.	17,080,773	2.03%	-	-	-	-	Da Shuo Investment Co., Ltd.	The Chairperson of this Company	-
Representative of Da Jie Investment Co., Ltd.: Lin, Jian-Yu	235,874	0.03%	-	-	-	-	Da Jie Investment Co., Ltd. Da Shuo Investment Co., Ltd.	The Chairperson of this Company The Chairperson of this Company	
Hong Yi Investment Co., Ltd	16,250,000	1.93%	-	-	-	-	-	-	
Representative of Hong Yi Investment Co., Ltd Cheng, Ssu-Tsung	-	-	-	-	16,250,000	1.93%	Hong Yi Investment Co., Ltd	The Chairperson of this Company	
Wan Tai Fu Construction Co., Ltd.	15,724,388	1.87%	-	-	-	-	-	-	
Representative of Wan Tai Fu Construction Co., Ltd.: Pan, Kuo-Shun	-	-	-	-	-	-	Wan Tai Fu Construction Co., Ltd.	The Chairperson of this Company	
Chang Yun Investment Co., Ltd.:	14,500,000	1.72%	-	-	-	-	-	-	
Representative of Chang Yun Investment Co., Ltd.: Lin Jin-yi	2,961,137	0.35%	-	-	-	-	Chang Yun Investment Co., Ltd.	The Chairperson of this Company	
Peng, Shu-Ing	11,526,000	1.37%	-	-	-	-	-	-	

Note 1: The top 10 shareholders should all be listed. For the institutional shareholder, its name and the name of its representative should be listed respectively.

Note 2: As for the shareholding, it should be calculated based on the shareholding under the name of himself, his spouse & minor, or others.

Note 3: The relations between the shareholders listed above, including companies and individuals, should be disclosed based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

1. Total Number of Shares and Total Equity Stake Held in Any Single Enterprise by the Company, its Directors and Supervisors, Managerial Officers, and Any Company Controlled Either Directly or Indirectly by the Company:

As of April 28, 2026 / Unit: Shares;(%)

Reinvestment business (Note)	Investment of the Company		Investment of the director, supervisor, manager and directly or indirectly controlled business		Comprehensive investment	
	Shares	%	Shares	%	Shares	%
Huachien Development Co., Ltd.	18,207,735	58.36%	-	-	18,207,735	58.36%
Huajian Construction Co., Ltd	66,082,588	100.00%	-	-	66,082,588	100.00%

Note 1: It refers to the Company's investment based on equity method.

【Capital Overview】

1. Capital and Shares (Including Preferred Stock)

(1) Source of capital stock

1. Formation of capital stock:

Year/ Month	Par value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital increase d by assets other than cash	Others
1985.04	1000	30,000	30,000,000	30,000	30,000,000	Capital increase by cash	--	None
1985.06	1000	50,000	50,000,000	50,000	50,000,000	Capital increase by cash	--	None
1988.10	1000	100,000	100,000,000	100,000	100,000,000	Capital increase by capital reserve	--	None
1990.09	10	19,500,000	195,000,000	19,500,000	195,000,000	Capital increase by cash	--	None
1992.02	10	37,375,000	373,750,000	37,375,000	373,750,000	Capital increase by cash Capital increase by earnings and capital reserve	--	A capital increase of NT\$178,750,000, composed of 17,875,000 shares with NT\$10 per share, which was approved in Document No. 00248 of (1992) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on February 28 th , 1992.
1992.11	10~12	54,233,750	542,337,500	54,233,750	542,337,500	Capital increase by cash Capital increase by earnings and capital reserve	--	A capital increase of NT\$168,587,500, composed of 16,858,750 shares with NT\$10 per share, which was approved in Document No. 02898 of (1992) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on November 9 th , 1992.

Year/ Month	Par value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital increase d by assets other than cash	Others
1993.07	10	62,452,812	624,528,120	62,452,812	624,528,120	Capital increase by earnings and capital reserve	--	A capital increase of NT\$82,190,620, composed of 8,219,062 shares with NT\$10 per share, which was approved in Document No. 30936 of (1992) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on July 22 nd , 1993.
1994.08	10	84,943,375	849,433,750	84,943,375	849,433,750	Capital increase by cash Capital increase by earnings	--	A capital increase of NT\$224,905,630, composed of 22,490,563 shares with NT\$10 per share, which was approved in Document No. 32556 of (1994) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on August 4 th , 1994.
1995.10	10~20	150,000,000	1,500,000,000	115,365,791	1,153,657,910	Capital increase by cash Capital increase by earnings	--	A capital increase of NT\$304,224,160, composed of 30,422,416 shares with NT\$10 per share, which was approved in Document No. 53734 of (1995) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on October 30 th , 1995.
1996.07	10	150,000,000	1,500,000,000	126,902,370	1,269,023,700	Capital increase by earnings	--	A capital increase of NT\$115,365,790, composed of 11,536,579 shares with NT\$10 per share, which was approved in Document No. 40392 of (1996) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on July 2 nd , 1996.
1996.10	10~27	300,000,000	3,000,000,000	169,902,370	1,699,023,700	Capital increase by cash	--	A capital increase of NT\$ 430,000,000,

Year/ Month	Par value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital increase d by assets other than cash	Others
								composed of 43,000,000 shares with NT\$10 per share, which was approved in Document No. 59106 of (1996) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on October 15 th , 1996. With the amount of total capital within NT\$800,000,000, it may issue the convertible corporate bond.
1997.06	10~30	330,000,000	3,300,000,000	240,484,796	2,404,847,960	Capital increase by cash Capital increase by earnings and capital reserve	--	A capital increase of NT\$705,824,260, composed of 70,582,426 shares with NT\$10 per share, which was approved in Document No. 40789 of (1997) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on June 4, 1997. With the amount of total capital within NT\$900,000,000, it may issue the convertible corporate bond.
1997.08	10	330,000,000	3,300,000,000	245,245,012	2,452,450,120	Conversion from certificate of entitlement to new shares form convertible bond Common shares	--	It converted the certificate of entitlement to new shares form convertible bond (Huachien A) into common shares with NT\$10 per share, with a total of NT\$47,602,160. It was approved in Document No. 62893 of (1997) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on August 9 th , 1997. With the amount of total capital within NT\$800,000,000, it may issue the convertible corporate bond.

Year/ Month	Par value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital increase d by assets other than cash	Others
1998.01	10	330,000,000	3,300,000,000	257,683,522	2,576,835,220	Conversion from certificate of entitlement to new shares form convertible bond Common shares	--	It converted the certificate of entitlement to new shares form convertible bond (Huachien B) into common shares with NT\$10 per share, with a total of NT\$124,385,100. It was approved in Document No. 11151 of (1998) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on January 13 th , 1998.
1998.05	10	500,000,000	5,000,000,000	326,902,009	3,269,020,090	Capital increase by earnings and capital reserve Conversion from certificate of entitlement to new shares form convertible bond Common shares	--	A capital increase of NT\$692,184,870, composed of 69,218,487 shares with NT\$10 per share, which was approved in Document No. 39123 of (1998) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on May 8 th , 1998. With the amount of total capital within NT\$1,000,000,000, it may issue the convertible corporate bond.
1998.08	10~36	500,000,000	5,000,000,000	356,902,009	3,569,020,090	Capital increase by cash	--	A capital increase of NT\$300,000,000, composed of 30,000,000 shares with NT\$10 per share, which was approved in the Document No. 65978 of (1998) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on August 7 th , 1998. With the amount of total capital within NT\$1,000,000,000, it may issue the convertible corporate bond.
1999.08	10	600,000,000	6,000,000,000	394,194,176	3,941,941,760	Capital increase by earnings	--	A capital increase of NT\$372,921,670, composed of 37,292,167 shares with

Year/ Month	Par value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital increase d by assets other than cash	Others
								NT\$10 per share, which was approved in Document No. 5074 of (2000) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on June 1 st , 1999. With the amount of total capital within NT\$1,000,000,000, it may issue the convertible corporate bond.
2000.08	10	533,613,592	5,336,135,920	433,613,592	4,336,135,920	Capital increase by earnings and capital reserve	--	A capital increase of NT\$394,194,160, composed of 39,419,416 shares with NT\$10 per share, which was approved in Document No. 52742 of (2000) Tai Cai Zheng (I) announced by the SFC under the Ministry of Finance on June 22 nd , 2000. With the amount of total capital within NT\$1,000,000,000, it may issue the convertible corporate bond.
2001.03	10	533,613,592	5,336,135,920	420,228,592	4,202,285,920	Buyback of treasury stock	--	A capital reduction of 13,385,000 shares, which was approved to be cancelled by the Ministry of Economic Affairs in Document No. 09001121830 of Jing (2001) announced on April 9 th , 2001.
2004.09	10	533,613,592	5,336,135,920	268,434,130	2,684,341,300	Capital reduction to offset losses	--	A capital reduction of 151,794,462 shares, which was approved to be changed by the Department of Commerce, Ministry of Economic Affairs in Document No. 09301165340 of Jing Shou Shang on September 3 rd , 2004.
2004.10	2.99	533,613,592	5,336,135,920	309,571,130	3,095,711,300	Capital increase by cash of private	--	A capital increase of NT\$411,370,000 composed of 41,137,000 shares with

Year/ Month	Par value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital increase d by assets other than cash	Others
						placement		NT\$10 per share, which was approved by the Department of Commerce, Ministry of Economic Affairs in Document No. 09301191540 of Jing Shou Shang on October 21 st , 2004.
2007.09	8	533,613,592	5,336,135,920	328,321,130	3,283,211,300	Capital increase by cash of private placement	--	A capital increase of NT\$187,500,000 composed of 18,750,000 shares with NT\$10 per share, which was approved by the Department of Commerce, Ministry of Economic Affairs in Document No. 09601222970 of Jing Shou Shang on September 11 th , 2007.
2009.08	10	533,613,592	5,336,135,920	253,891,529	2,538,915,290	Capital reduction	--	A capital reduction of NT\$744,296,010 composed of 74,429,601 shares with NT\$10 per share, which was approved to be changed by the Department of Commerce, Ministry of Economic Affairs in Document No. 09801177690 of Jing Shou Shang on August 6 th , 2009.
2010.08	10	533,613,592	5,336,135,920	258,969,360	2,589,693,600	Capital increase by earnings	--	A capital increase of NT\$50,778,310 by earnings, composed of 5,077,831 shares with NT\$10 per share, which was approved by the Department of Commerce, Ministry of Economic Affairs in Document No. 09901187360 of Jing Shou Shang on August 17 th , 2010.
2011.09	10	533,613,592	5,336,135,920	265,443,594	2,654,435,940	Capital increase by earnings	--	A capital increase of NT\$64,742,340, composed of 6,474,234 shares with NT\$10 per share, which was approved by

Year/ Month	Par value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital increase d by assets other than cash	Others
								the Department of Commerce, Ministry of Economic Affairs in Document No. 10001200540 of Jing Shou Shang on September 20 th , 2011.
2012.08	10	533,613,592	5,336,135,920	270,752,466	2,707,524,660	Capital increase by earnings	--	A capital increase of NT\$53,088,720, composed of 5,308,872 shares with NT\$10 per share, which was approved by the Department of Commerce, Ministry of Economic Affairs in Document No. 10101173500 of Jing Shou Shang on August 21 st , 2012.
2021.01	10	533,613,592	5,336,135,920	520,752,466	5,207,524,660	Capital increase by cash	--	A capital increase of NT\$2,500,000,000, composed of 250,000,000 shares with NT\$10 per share, which was approved by the Department of Commerce, Ministry of Economic Affairs in Document No. 10901245570 of Jing Shou Shang on January 6 th , 2021
2021.09	10	1,200,000,000	12,000,000,000	603,752,466	6,037,524,660	Capital increase by cash of private placement	--	A capital increase of NT\$830,000,000, composed of 83,000,000 shares with NT\$10 per share, which was approved by the Department of Commerce, Ministry of Economic Affairs in Document No. 11001183190 of Jing Shou Shang on September 29 th , 2021
2021.10	10	1,200,000,000	12,000,000,000	720,752,466	7,207,524,660	Capital increase by cash of private placement	--	A capital increase of NT\$1,170,000,000, composed of 117,000,000 shares with NT\$10 per share, which was approved by the Department of Commerce, Ministry of

Year/ Month	Par value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital increase d by assets other than cash	Others
								Economic Affairs in Document No. 11001183190 of Jing Shou Shang on October 14 th , 2021
2022.03	10	1,200,000,000	12,000,000,000	774,323,466	7,743,234,660	Capital increase by cash of private placement	--	A capital increase of NT\$535,710,000, composed of 53,571,000 shares with NT\$10 per share, which was approved by the Department of Commerce, Ministry of Economic Affairs in Document No. 11101040400 of Jing Shou Shang on March 18 th , 2022
2022.05	10	1,200,000,000	12,000,000,000	839,988,000	8,399,880,000	Capital increase by cash of private placement	--	A capital increase of NT\$656,645,340, composed of 65,664,534 shares with NT\$10 per share, which was approved by the Department of Commerce, Ministry of Economic Affairs in Document No. 11101085890 of Jing Shou Shang on May 27 th , 2022
2026.03	10	1,200,000,000	12,000,000,000	841,255,731	8,412,557,310	The Fourth Domestic Unsecured Convertible Corporate Bonds Converted into Common Shares	--	The Company's Fourth Domestic Unsecured Convertible Corporate Bonds were converted into 1,267,731 common shares, with a total amount of NT\$12,677,310, and such conversion was approved under Approval No. 11530029140 issued by the Department of Commerce on March 11, 2026.

Note: The date of incorporation is December 1960, with the amount of paid-in capital of NT\$900,000. During the period from 1960~1985, it increased capital by cash of NT29,100,000 in total.

2. Capital of the Company

Definition of Stock	Authorized capital stock			Remarks
	Outstanding shocks (issued)	Non-issued shocks	Total	
Registered common stock	841,255,731 shares	358,744,269 shares	1,200,000,000 shares	As of the Annual Report publication date, it has issued a total of 841,255,731 shares.

3. General information about the reporting system: N/A.

(2) Major shareholders

April 28, 2026

Name of major shareholders	Shareholding	Shareholding ratio (%)
Chia Chun Investment Co., Ltd.	267,222,599	31.76%
Da Shuo Investment Co., Ltd.	49,956,046	5.94%
Neng Hong Investment Holdings Co., Ltd.	42,008,000	4.99%
De Hong Investment Co., Ltd.	41,953,000	4.99%
Hiyes International Co., LTD.	21,030,000	2.50%
Da Jie Investment Co., Ltd.	17,080,773	2.03%
Hong Yi Investment Ltd	16,250,000	1.93%
Wan Dai Fu Construction Co., Ltd.	15,724,388	1.87%
Chang Yun Investment Co., Ltd.	14,500,000	1.72%
Peng, Shu-Ing	11,526,000	1.37%

(3) Company's dividend policy and implementation

1. The Company's dividend policy

Company's dividend policy considers factors such as the characteristics of the construction industry and the need for Company funds, the current and future development plans, the investment environment, and domestic competition, and takes into account shareholders' interests. Per the dividend policy in our Articles of Incorporation, we may allocate 0% - 100% of the distributable earnings as dividends to shareholders. However, if the distributable earnings fall below 5% of our paid-in capital, we will not distribute dividends to improve our financial structure. Dividends may be paid in either cash or stock shares; the cash dividend shall be at least 10% of the shareholders' dividends.

Amendment to Article 29 of the Articles of Incorporation to adjust the minimum allocation ratio for shareholders' dividends, as approved at the 2025 Annual General Shareholders' Meeting.

2. The implementation status of distributing the 2025 dividends is as follows:

Quarter	Board resolution date	Distribution per share (NT\$)	Amount of distribution (NT\$)	Distribution date
Q1	2025/05/12	-	-	-
Q2	2025/08/12	1.1	923,986,800	2025/10/03
Q3	2025/11/12	0.74886978	629,991,000	2026/01/07
Q4	2026/03/30	-	-	-

3. The Board of Directors resolved on March 26, 2025, and the shareholders approved at the shareholders' meeting held on June 26, 2025, a cash distribution from capital surplus in the amount of NT\$335,995,200 (NT\$0.4 per share), which was distributed on August 20, 2025.

(4) Effect on the operational performance, EPS, the shareholder’s ROI of the stock dividend distribution this time: N/A

(5) Compensation paid to employees and directors:

1. Percentage of compensation paid to employees and directors stated in Article 28 of the Articles of Incorporation:

If there is a surplus of the Company in the current year, it should set aside no less than 0.5% as the compensation for the employees, and no more than 2% as the compensation for the directors. However, if there is still an accumulated loss, the Company should retain the amount to offset the loss in advance before setting aside the amount stated above.

2. The base used to estimate the amount of compensation for employees and directors in the current period, the base used to calculate shares distributed in the form of stock dividend, and the account processing in case of any discrepancy between the actual amount distributed and the amount estimated:

(1) The base used to estimate the amount of compensation for employees and directors in the current period:

It is recommended by the Remuneration Committee on March 26, 2025, and resolved at the board meeting to allocate 1% of the year’s profit as employees’ remuneration and 0.1% as Directors’ compensation. Any difference between the resolved amounts and the actual distributed amounts is accounted for as changes in accounting estimates and recorded under the gain/loss adjustment of the year.

(2) Basis for estimating the amount of compensation of employees and Directors, basis for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount, for the current period: It doesn’t distribute the compensation to employees by stock. If it will distribute the remuneration for employees by stock in the future upon the resolution, base used to calculate shares should be the closing price on the date before the resolution during the board meeting.

3 · Compensation distribution approved by the board meeting:

(1) The amount of remuneration distributed to employees and directors in the form of cash or stock dividend (In case of any discrepancy from the amount estimated and listed as expense, the difference in figures, reason and response should be disclosed):

Item	Resolved amount	Actual distributed amount	Difference	Reasons and actions
Director compensation	1, 998, 500	1, 998, 500	–	–
Employee compensation	21, 775, 463	22, 856, 781	1, 081, 318	Recognized in profit or loss for the current period of 2026

- (2) The amount of stock distributed as compensation for employees, and the ratio of the total net profit after-tax and individual employee compensation or separate financial statement for the current period:

It doesn't distribute stock dividends for employees this year.

4. The actual distribution of compensation for employees and directors in the previous year (including the shares and amount distributed or the stock price), and any discrepancy from the amount listed as compensation for employees and directors; the difference in figures, reason and response should be stated.

The Company had a net loss before tax in 2023 and therefore did not distribute compensation to employees or Directors.

Item	Resolved amount	Actual distributed amount	Difference	Reasons and actions
Director compensation	1, 998, 500	1, 998, 500	-	-
Employee compensation	20, 484, 216	20, 484, 216	-	-

(6) Share buyback of the Company in the most recent year and as of the Annual Report Publication Date: None.

2. Corporate Bonds, Preferred Shares, Global Depository Receipt (GDR), Employee Stock Warrants, New Restricted Employee Shares, Status of New Shares Issuance in Connection with Mergers, Acquisitions and Split”

(1) Corporate Bonds:

1. To replenish operating capital, the Company processed the third and fourth domestic unsecured convertible corporate bonds in 2024, with estimated proceeds of NT\$1.5 billion. The cases have been declared effective by the Financial Supervisory Commission in the letters No. 1130368400 and No. 11303684001 dated January 15, 2025.
2. Progress of the utilization of funds from the corporate bonds up to the date of publication of this annual report:

Status of Corporate Bond Issuance

Type of corporate bonds (Note 2)	Third Domestic Unsecured Convertible Corporate Bonds	Fourth Domestic Unsecured Convertible Corporate Bonds
Issue (Processing) Date	2025/06/23	2025/06/30
Denomination	NT\$100,000	NT\$100,000
Issuance and Trading Location (Note 3)	Taiwan OTC Exchange	Taiwan OTC Exchange
Issue Price	34.7	32.5
Total Amount	NT\$500,000,000 (Public underwriting conducted through the book- building method at 100% of par value)	NT\$800,000,000 (Public underwriting conducted through the competitive auction method, issued at 100.37% of par value, with the actual total amount raised being NT\$802,988 thousand)
Interest Rate	Interest Rate 0%	Interest Rate 0%
Term	Three-year term Maturity Date:2028/06/23	Three-year term Maturity Date:2028/06/30
Guarantor	Not applicable	Not applicable
Trustee	Taiwan Cooperative Bank	
Underwriter	KGI Securities Co., Ltd.	

Legal Counsel	Han-Chen Law Firm, Attorney Yi-Cheng Peng		
CPA	Ernst & Young, CPAs: Su-Wen Lin, Chien-Tse Huang		
Repayment Method	Unless the bondholder converts the bonds into the Company's common shares in accordance with Article 10 of the regulations, exercises the put option under Article 19, the Company redeems the bonds early pursuant to Article 18, or the bonds are repurchased and cancelled through securities firms, the Company shall repay the convertible bonds in full in cash at face value upon maturity. Payment shall be made within 10 business days (inclusive) after the maturity date.		
Outstanding Principal (as of April 30, 2026)	500, 000, 000	760, 700, 000	
Redemption or Early Repayment Terms	Refer to Third Domestic Unsecured Convertible Corporate Bonds	Refer to Forth Domestic Unsecured Convertible Corporate Bonds	
Restriction Terms (Note 4)	Refer to Third Domestic Unsecured Convertible Corporate Bonds	Refer to Forth Domestic Unsecured Convertible Corporate Bonds	
Credit Rating Agency, Rating Date, Bond Rating Result	Not applicable		
Additi onal Rights	Amount converted into common shares, GDRs or other securities as of the annual report date	None	39,300,000
	Issuance and Conversion (or Subscription) Terms	Refer to Third Domestic Unsecured Convertible Corporate Bonds	Refer to Forth Domestic Unsecured Convertible Corporate Bonds
Terms of Issuance and Conversion/Subscription, Potential Dilution of Equity, and Impact on Shareholders' Rights	None		
Custodian of Exchange Underlying Securities	Not applicable		

Note 1: The status of corporate bond issuance includes both ongoing public offerings and private placements. Ongoing public offerings refer to those that have become effective (approved) by the Commission; ongoing private placements refer to those that have been approved by a resolution of the Board of Directors.

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

Note 3: To be filled in for overseas corporate bonds.

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

Note 5: Private placements should be clearly and prominently marked.

Note 6: For convertible bonds, exchangeable bonds, shelf-registered bonds, or bonds with warrants, relevant information shall be disclosed according to their nature using the respective formats for convertible bonds, exchangeable bonds, shelf-registered bond issuance status, and bonds with warrants.

Convertible Bond Information

Type of Corporate Bond (Note 1)		Domestic Third Unsecured Convertible Bond	
Fiscal Year		2025	Up to April 30, 2026 (Note 4)
Item			
Convertible bond (market conversion price) (Note 2)	Highest	98.9	97.5
	Lowest	91.0	93.1
	Average	94.6	95.98
Conversion Price		2025/07/29 34.3 (ex-dividend adjustment)	32.20
		2025/09/14 33.1 (ex-dividend adjustment)	
		2025/12/15 32.2 (ex-dividend adjustment)	
Issue date and initial conversion price at the time of issuance		Issue date: June 23, 2025 Initial conversion price at issuance: 34.70	
Method of fulfilling conversion obligations (Note 3)		Issuance of new shares	

Type of Corporate Bond (Note 1)	Domestic Fourth Unsecured Convertible Corporate Bond		
Fiscal Year	2025		Up to April 30, 2026 (Note 4)
Item			
Convertible bond (market conversion price) (Note 2)	Highest	101.5	99.85
	Lowest	92.40	93.55
	Average	96.97	96.98
Conversion Price	2025/07/29 32.1 (ex-dividend adjustment)	30.20	
	2025/09/14 31.0 (ex-dividend adjustment)		
	114/12/15 30.2 (ex-dividend adjustment)		
Issue date and initial conversion price at the time of issuance	Issue date: June 30, 2025 Initial conversion price at issuance: 32.50		
Method of fulfilling conversion obligations (Note 3)	Issuance of new shares		

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

Note 2: For overseas corporate bonds traded in multiple markets, information shall be presented separately by trading venue.

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

Note 4: Information should be filled in up to the current year as of the annual report printing date.

(2) Preferred Shares: None.

(3) Global Depository Receipt (GDR): None.

(4) Employee Stock Warrants: None.

(5) New Restricted Employee Shares: None.

(6) Status of New Shares Issuance in Connection with Mergers, Acquisitions and Split: None.

3. Status of Implementation of Capital Allocation Plans

Please refer to the Market Observation Post System (MOPS) website at the following link:

<https://mops.twse.com.tw/mops/#/web/home>

Home > Company > Equity Changes / Securities Issuance > Capital Raising Plan Execution Sectio

【Operational Highlights】

1. Businesses

(1) Business Scope

1. The Company's main businesses

- (1) Commissioning construction enterprises to build commercial buildings for rental and sale.
- (2) Commissioning construction enterprises to build public housing for rental and sale.
- (3) Brokerage services for house rentals and sales.
- (4) Agency and trading of various building materials for import and export.
- (5) Amusement parks operations.
- (6) Development of specialized zones.
- (7) Interior decoration services.
- (8) Development, rental, and sale of industrial facilities.
- (9) Agency services for land acquisition and urban redevelopment.

2. Main businesses and their operational proportion:

- (1) Commissioning construction enterprises to build public housing for rental and sale; in 2025, this business accounted for 100%.
- (2) Brokerage services for house rentals and sales; this business accounted for 0%.
- (3) Agency and trading of various building materials for import and export; this business accounted for 0%.

3. Current products and services and new products and services in the development plan:

(1) Current products and services:

The Company's principal business projects primarily involve investment in and construction of residential and office buildings.

(2) New products and services that will be developed

Public sales are scheduled to commence in 2026, subject to economic conditions and market circumstances. In the future, the Company will continue to develop general residential housing, premium leisure residences, and office buildings with convenient transportation access in response to urban development needs.

(2) Industrial overview

1. Current situation and development of industry

In recent years, Taiwan's real estate market has been influenced by macroeconomic conditions, interest rate environments, and policy regulations, gradually shifting from a liquidity-driven growth phase toward a development pattern centered on demand structure adjustment and risk management. The market has shown a trend of "declining volume with stabilization."

According to statistics from the National Land Management Agency of the Ministry of the Interior, the residential supply side has gradually retreated from its peak in 2022. The number of building permits issued decreased from approximately 180,674 units in 2022 to 146,118 units in 2023, slightly rebounded to 156,791 units in 2024, and then declined again to 138,792 units in 2025, indicating that developers' project launch strategies have become more cautious and market supply momentum has gradually contracted.

A similar trend is also observed in construction starts. Residential units under construction declined from 146,436 units in 2022 to 130,844 units in 2023, 127,886 units in 2024, and further to 125,497 units in 2025, reflecting a clear slowdown in overall development pace amid sales de-stocking pressure and rising financing costs.

On the other hand, building completion activity, as reflected by usage permits, remained relatively stable within the range of approximately 110,000 to 140,000 units during 2022 to 2025 (112,088 units in 2022, 118,287 units in 2023, 138,169 units in 2024, and 142,616 units in 2025). This indicates that previously launched projects continue to be completed and delivered, and the market still maintains a certain level of supply. In the near term, market absorption is still primarily driven by existing inventory.

On the demand and financing side, stricter credit controls and relatively high interest rates have led to more conservative housing financing conditions. Investment demand has noticeably cooled, and the market transaction structure has gradually shifted from short-term speculative activity to end-user and upgrader demand. Although overall transaction momentum has moderated compared to peak periods, market volatility has also become more stable.

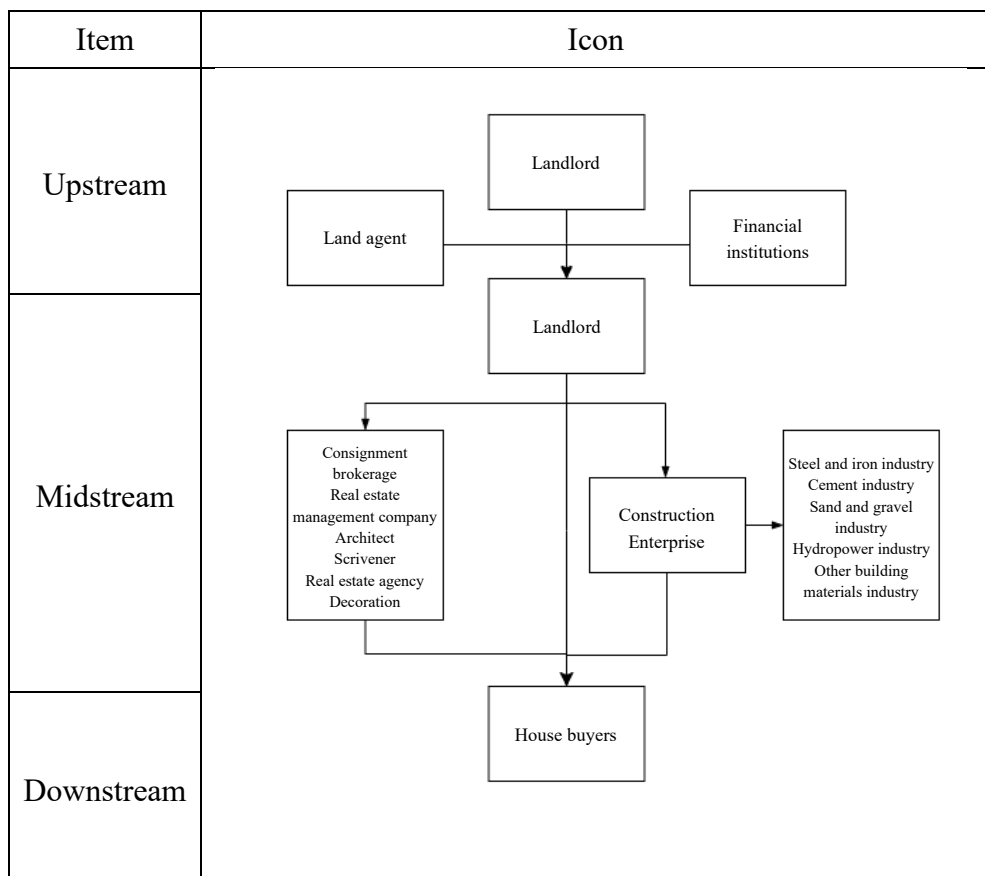
From a policy perspective, there have been phased adjustments. For example, the Central Bank of the Taiwan decided in its 2026 Q1 board meeting to relax the loan-to-value ratio for second-home mortgages for natural persons from 50% to 60%, indicating a shift from broad-based tightening toward more targeted regulation. This measure is expected to release part of the demand from home-upgraders and provide support to the market; however, the overall credit control framework remains in place, and financing constraints continue to be a key factors affecting industry development.

In summary, the real estate industry has shifted from a past expansion model driven by project launch volume and transaction scale to a development stage centered on absorption capability, product positioning, and financial stability.

The simultaneous slowdown in supply-side development pace and Structural changes in demand have led the market to gradually return to fundamentals. Going forward, industry development will continue to be influenced by interest rate trends, financial policies, and supply-demand adjustments. Companies with strong risk management capabilities and precise product strategies are expected to demonstrate greater operational resilience.

2.The relationship between upstream, midstream and downstream in industry

The real estate development industry involves a multi-stage process ranging from land acquisition, planning and design, and construction, to marketing, sales, and final delivery of properties. The industry chain is generally categorized into upstream land and capital supply, midstream development and construction, downstream sales, financial services, and end-user demand. These segments are closely interrelated and are subject to dynamic adjustments in response to policy and market conditions.



The upstream segment primarily consists of land suppliers (such as private landowners and government land auctions) and capital providers (such as financial institutions). Land acquisition costs are a critical foundation of project development and directly affect product pricing and profit margins. Meanwhile, the credit policies, loan-to-value ratios, and interest rate levels of financial institutions influence developers' financing flexibility and homebuyers' purchasing power. In recent years, financing conditions have become more conservative, leading to more cautious land development and investment decisions, and raising the overall capital threshold of the industry.

The midstream segment is composed of construction developers and contractors, forming the core development system. Developers are responsible for land integration, product planning, capital allocation, and overall development strategy, playing a central role in integration and risk management within the industry chain. Contractors, on the other hand, are responsible for construction execution and quality control, and their cost structure (such as raw material prices and labor costs) directly affects total project costs and development schedules. Amid fluctuations in costs and construction conditions, construction efficiency and cost control capabilities have become key factors influencing development risk.

The downstream segment includes marketing agencies, financial institutions (mortgage lending market), and end-users. Marketing agencies are responsible for market promotion and sales pacing, and their strategies directly affect sales velocity and cash flow recovery. Financial institutions provide mortgage financing, serving as a key enabler of end-user demand. When financing conditions tighten, homebuyers' affordability declines, which directly slows sales and feeds back to developers, thereby affecting project launch schedules and capital allocation.

Overall, the real estate industry chain is highly capital-intensive and sensitive to policy changes. Changes in each segment are transmitted through capital supply, housing demand, and sales performance. Financing conditions affect purchasing demand and sales outcomes, which in turn influence developers' investment decisions and land acquisition strategies, and further impact project absorption efficiency and overall development pace.

3.Product development trend

In recent years, the real estate market has been influenced by multiple factors, including shifts in demand structure, regulatory policies, and advancements in construction technology. Product development has gradually moved away from a past focus on scale and price, and toward a core emphasis on living quality, functional integration, and sustainability value. Overall, product development trends are mainly reflected in changes in demand structure, optimization of product design, and adjustments in development strategies, and exhibit the following key trends:

- (1) Product structure being adjusted towards "owner-occupancy and rigid demand"

Due to a change in market demand, product planning is gradually shifting towards small-to-medium-sized units, affordable total prices,

and high-functionality layouts. Housing development designs place greater emphasis on spatial efficiency, multifunctional flexibility, and convenience to meet long-term living needs, while balancing absorption and capital recovery efficiency.

(2) A shift in product positioning from “price competition” to “value competition”

Due to rising land and construction costs, the scope for using price as the sole competitive strategy is gradually shrinking. The focus of market competition has shifted towards product differentiation and the presentation of overall value. Factors such as location selection, architectural planning, the quality of public amenities, and brand trust have all become key determinants in home-buying decisions.

(3) Rising demands for health, safety, and living quality

In the post-pandemic era, consumers have higher expectations for living environments. Product designs are increasingly incorporating elements such as ventilation and natural lighting, pandemic prevention features, building material safety, and seismic resistance, while enhancing community management and the quality of public spaces. This trend is transforming architectural products from “basic living spaces” into “carriers for healthy and safe living”, driving architectural planning towards higher standards.

(4) Gradual introduction of smart buildings and digital applications

With technological advancements and changing user habits, smart home devices, community management systems, and digital services are gradually becoming standard features in new developments. These include functions such as access control, energy monitoring, and remote control, which enhance residential convenience, improve management efficiency, and strengthen added value of products.

(5) Increased adoption of energy-efficient design and environmentally friendly building materials

During the architectural planning phase, products are increasingly incorporating energy-efficient design and environmentally friendly materials. This includes improving the energy efficiency of building envelopes, optimizing ventilation and daylighting designs, as well as adopting energy-efficient equipment to reduce energy consumption during use and enhance the long-term benefits of products.

(6) A focus on “risk management and absorption efficiency” for product development

Amid slowing market growth and tightening capital conditions, product planning must balance sales timing with cash flow management. Emphasis is placed on aligning products with target customer segments to shorten sales cycles and reduce inventory risks. As a result, product strategy has shifted from a focus on scale expansion in the past to a balanced approach that prioritizes both sales stability and capital recovery efficiency.

4. Competition situation

Against the backdrop of slower overall market growth and more stringent regulatory environment, the competitive landscape of real estate development industry has shifted from an expansion-driven model—previously focused on project scale and sales velocity—to a more structural competition centered on product positioning, capital efficiency, and risk management

capabilities. Overall, the competitive conditions are primarily reflected in changes in competitive models, regional market differentiation, and corporate capability requirements, and are characterized by the following features:

- (1) The competition model has shifted from a “scale-driven” approach to a “quality- and efficiency-driven” approach

In the past, when market liquidity was abundant, developers primarily relied on expanding project volume and rapid sales as their main competitive strategies; however, under the influence of credit controls and interest rate conditions, market liquidity has slowed, and simply relying on scale expansion is no longer sufficient to maintain a competitive edge. The current focus of competition has shifted to product quality, planning capabilities, and sales efficiency. Developers with a stable development pace and precise market judgment are better positioned to maintain operational performance amid market volatility.

- (2) Significant regional market segmentation with competition shifting from national to local

The real estate market exhibits strong regional characteristics. Differences in demographic structure, industrial development, and transportation infrastructure across regions give rise to distinct demand conditions. Competition among developers has gradually shifted from cross-regional expansion to deepening presence in specific regional markets, with the aim of building competitive advantages through local operations, product positioning, and brand development. Imbalances in regional supply and demand have also intensified competition in some markets, requiring more flexible and precise project launch strategies.

- (3) Rising cost pressures squeeze room for price competition

In recent years, the costs of land acquisition, construction materials, and labor have continued to rise, thus increasing overall development costs and limiting developers’ ability to compete on price. Under these circumstances, companies are required to maintain profit margins through cost control, improved construction efficiency, and product differentiation. Price-cutting competition will be detrimental to long-term operations.

- (4) Brand trust and contractual capacity become key competitive factors

Amid heightened market uncertainty and increasingly conservative home-buying decisions, consumers are placing greater emphasis on developers’ brands, past performance, and the quality of completed projects. Developers with a strong brand image, a stable track record of contractual capacity, and comprehensive after-sales service are better positioned to gain market trust, thereby improving sales conversion rates and brand premiums.

- (5) Access to capital and financial structure affect competitive position

The real estate development industry is highly capital-intensive. Access to capital directly exerts an impact on land acquisition, project launch pace, and risk-bearing capacity. Amid tighter credit standards from financial institutions and heightened market volatility, developers with sound financial structures and strong capital allocation capabilities are better positioned to maintain development flexibility and mitigate operational risks, thereby gaining a competitive edge in the market.

- (6) Sustainable value is gradually being incorporated into competitive evaluation systems

As ESG awareness grows and international rating institutions incorporate product sustainability into evaluation frameworks, factors such as energy-efficient design, environmentally friendly materials, and full life-cycle management for

construction products have gradually become key considerations in market competition. Companies that integrate sustainability concepts into product planning and transparently disclosing their benefits will gain advantages in terms of brand image and long-term competitive edges.

3. Technical and R&D overview

The real estate development industry to which the Company belongs is primarily characterized by technical content in areas such as architectural planning and design, construction project management, construction quality control, and integrated product applications, rather than a traditional manufacturing-oriented R&D model. In recent years, as market demand has increased and the construction environment has evolved, relevant technological development has gradually moved toward enhancing quality, safety, efficiency, and sustainability value. The key developments are summarized as follows:

1. Architectural planning and design

The technical core of construction products lies in integrated planning and design capabilities, including spatial layout, circulation planning, lighting and ventilation, and the configuration of shared facilities. The Company continues to strengthen its product planning capabilities by implementing differentiated designs based on varying location conditions and target customer needs, to enhance living quality and product competitiveness in the market.

2. Enhancement of engineering management and construction

quality control techniques

Amid rising construction costs and an increasingly complex construction environment, engineering management capabilities have become a key factor influencing development effectiveness. Through rigorous construction management mechanisms, quality inspection processes, and collaborative efforts with contractors, the Company ensures engineering quality control and schedule management, while mitigating construction risks to maintain the quality of product delivery and the stability of contract fulfillment.

3. Gradual introduction of new construction methods and building

materials

To enhance building safety and durability, and to address labor shortages and efficiency demands in the construction industry, the Company continuously monitors and evaluates new construction methods and building materials, including precast construction, optimized seismic design, and high-performance building materials. These initiatives aim to improve construction efficiency, strengthen building quality, and reduce long-term maintenance costs.

4. Applications of smart buildings and digital management

Due to technological advancements, the Company is progressively introducing smart building equipment and digital management tools,

including community management systems, access control, and energy usage monitoring, to enhance residents' convenience and management efficiency. Concurrently, during the development and construction phases, digital tools are adopted to strengthen information integration and communication efficiency, thereby improving overall development management capabilities.

5. Adoption of sustainable construction technologies and energy-efficient design

In line with environmental sustainability trends, the Company is progressively incorporating energy-efficient design concepts and environmentally friendly materials during the architectural planning and design phases. This includes improving the energy efficiency of building envelopes, optimizing ventilation and daylighting designs, and adopting energy-efficient equipment to reduce energy consumption throughout a building's lifecycle and meet market demand for sustainable construction.

6. Technical integration capabilities as a key competitive foundation

Overall, the Company's technological development is not based on a single technical breakthrough, but rather on the multifaceted integration of planning and design, engineering management, construction quality, and product application, thereby forming a stable development and delivery capability. In the face of changing market conditions and intensifying competition, companies with technical integration and quality control capabilities are better positioned to effectively mitigate development risks and enhance operational resilience.

4. Long-Term and Short-Term Business Development Plans

1. Long-Term Business Development Plan

(1) Land Development Strategy

The Company adopts a diversified land acquisition mechanism, encompassing self-development, joint development, and urban renewal. While self-development serves as the primary approach; we also flexibly utilize joint development models and carefully evaluate urban renewal projects to control development risks and maintain a stable land inventory. By analyzing regional development trends and the momentum of transportation infrastructure, we prioritize investments in metropolitan areas and redevelopment zones with long-term development potential to ensure project momentum for the next 3 to 5 years.

(2) Product Positioning Strategy

The Company implements a differentiated product positioning strategy based on the characteristics of different regional markets and customer needs. In metropolitan core areas, we focus on small-to-medium-sized and high-functionality units; in redevelopment zones, we plan residential products suitable for family buyers to enhance market fitness and sales efficiency.

(3) Brand and Product Competitiveness

The Company continues to strengthen brand management by building market trust through high-quality construction, on-time completion, and comprehensive after-sales service. We also integrate smart building technology,

healthy housing concepts, and green building design to enhance the added value of products and brand premiums.

2.Short-Term Business Development Plan

(1) Sales Strategy Adjustment

In response to changes in the market environment, the Company is gradually shifting from its previous sales model focused primarily on presales to a strategy that combines pre-sales with completed unit sales. This shift aims to enhance absorption flexibility and mitigate the impact of market volatility on sales.

(2) Project launch and sales absorption management

The Company prudently adjusts the pace of project launches based on market demand and capital conditions, while strengthening sales management and inventory control to maintain stable cash flow and reduce inventory risk.

(3) Risk Management and Operational Stability

We continue to monitor financial policies, interest rate fluctuations, and changes in market demand. Through product adjustments and sales strategy optimization, we enhance operational resilience and risk response capabilities.

2.Market and Sales Overview

(1) Market Analysis

a. Sales (Service) Regions of the Company's Main Products:

The Company is primarily engaged in real estate development and sales. Its sales regions are mainly concentrated in metropolitan areas across Taiwan, with Northern Taiwan as its core market, while gradually expanding into regions in Central and Southern Taiwan with growth potential. Based on its current operational footprint, the Company's project development and sales areas include major metropolitan regions such as Taipei City and New Taipei City, Taoyuan City, Taichung City, and Tainan City. Priority is given to areas with advantages in population growth, industrial development, and transportation infrastructure.

Among these, Northern Taiwan remains the Company's key long-term market due to its mature commercial functions and stable housing demand.

Meanwhile, in Central and Southern Taiwan, the formation of industrial clusters and the promotion of major infrastructure projects have driven housing demand growth. The Company continues to evaluate and expand its project deployment in these regions to diversify regional risk and capture market opportunities.

Overall, the Company's regional sales strategy is centered on metropolitan areas and is flexibly adjusted according to regional development conditions and market demand changes, in order to sustain sales momentum and improve asset utilization efficiency.

b. Market Share

In 2025, the Company's operating revenue amounted to NT\$6,339,127 thousand, accounting for 1.30% of the total operating revenue of listed and OTC construction and real estate companies in Taiwan.

c. Future Supply and Demand Conditions and Growth Prospects of the Market:

(1) Supply Side

Continuing the trend of a more cautious supply momentum, the supply side of the real estate market in 2025 had shifted from expansion to contraction. Looking at the early stages of development, the number of residential building permits issued fell from 156,791 units in 2024 to 138,792 units in 2025, representing a year-on-year decrease of approximately 11.5%. This indicates that developers have become more cautious in land development and new project planning. The number of residential units that commenced construction also decreased from 127,886 units in 2024 to 125,497 units in 2025, showing a slowing trend and reflecting weak overall momentum in construction commencement.

Looking more closely at the situation in early 2025, statistics from the Ministry of the Interior shows that the commencement of residential construction across Taiwan totaled only about 12,000 units from January to February 2026, representing a decrease of over 44% compared to the same period last year. This indicates that developers are taking more conservative approach to managing the timing of project commencement, and the market remains cautious regarding future sales and funding conditions.

Furthermore, the contraction in supply is not only reflected in the decline in new building permits and construction commencement, but also in the increasing phenomenon of supply delays. According to the latest data from the Ministry of the Interior's Real Estate Information Platform, the total number of construction delays in Taiwan for the first three quarters of 2025 reached 4,890 cases, with the total number of delayed residential units amounting to 45,777, representing increases of 82.8% and 54.5%, respectively, compared to the same period in 2024. This indicates that even for some projects where preliminary planning has been completed, construction has been postponed due to factors such as rising construction costs, raw material supply issues, soil disposal, and the pace of market absorption.

Overall, the market supply in 2025 still showed a certain foundation. However, based on a comprehensive analysis of indicators such as building permits, construction commencement, and delayed construction, supply momentum has shifted from growth to contraction. Furthermore, the market structure has been gradually transitioning from "expansion of new supply" to "absorption of existing inventory and management of deferred supply". This trend implies that the growth in new project supply will be limited in the near term. Developers' project launch schedules, construction progress management, and inventory absorption capabilities will become key factors affecting the market supply structure.

(2) Demand Side

Under the influence of the contraction in supply momentum and tightening funding conditions, overall transaction momentum on the demand side of the real estate market weakened significantly in 2025. According to statistics from the Ministry of the Interior, the number of building transactions nationwide in 2025 were 261,308 units, a decrease of approximately 25.5% from approximately 350,000 units recorded in 2024, indicating a significant contraction in market transaction volume.

With respect to demand structure, the sharp decline in transactions volume primarily reflects the withdrawal of investment-driven and short-term capital from the market, with demand gradually returning to actual residential use. As the central bank continues to implement selective credit controls and banks tighten lending standards, home-purchase leverage has decreased, shifting the market from a previously capital-driven transaction model towards a structure dominated by owner-occupied and relocation needs.

However, overall demand has not disappeared; rather, it has been deferred due to the impact of the funding environment. As the market gradually absorbs the impact of previous policies, demand for home purchases are returning to a focus on actual residential needs, indicating that the market is adjusting from short-term fluctuations to fundamental development. According to statistics from the Ministry of the Interior, the average population per household in Taiwan is approximately 2.5 people. Small families and first-time homebuyers remain the primary sources of market demand, thus providing sustained support for small-to-medium-sized and owner-occupied units.

Looking ahead to 2026, with the overall financial environment remaining cautious, short-term market transaction momentum is expected to remain subdued. However, due to gradual adjustments in policies and delayed release of residential demand, market demand is expected to gradually stabilize, exhibiting a trend of “stabilization amid shrinking volume”. In this market environment, developers’ sales strategies have also shifted from the previous focus on rapid presales to an approach that combining presales with completed-unit sales, to enhance absorption flexibility and adapt to changes in demand structure.

(3) Growth Prospects

Based on a comprehensive analysis of both supply and demand, the real estate market in 2025 transitioned from a period of high growth to a phase of adjustment, with slowing growth momentum overall.

On the supply side, the decline in building permit approvals and construction commencement, coupled with the postponement of construction projects, indicates that the pace of new supply is becoming more conservative. On the demand side, market trading volume has

declined significantly due to credit controls and interest rate levels, and the withdrawal of investment-driven demand has put short-term pressure on the market's overall growth momentum.

However, in the medium-to-long term, the real estate market still possesses a foundation for stable growth. On the one hand, demographic shifts continue to drive demand from small households and first-time homebuyers; on the other hand, urban renewal, transportation infrastructure, and industrial development will continue to underpin regional housing demand, providing the market with structural support.

Furthermore, due to a policy shift from comprehensive tightening to differentiated regulation, market supply and demand will gradually return to fundamental operations. On the supply side, new supply will be limited in the short term because of a slower development pace and the deferral effect; on the demand side, the deferred release of owner-occupied housing demand will help the market gradually restore the balance between supply and demand.

In summary, the future growth of the real estate market will shift from the previous model of rapid expansion driven by transaction volume to a pattern of moderate growth supported by stable demand. The market will exhibit a development trend characterized by “stabilization amid shrinking volume and structural adjustment”. In response to this shift in market growth momentum, the Company will continue to strengthen its product positioning and sales strategies to adapt to market structural adjustments and maintain stable operational performance.

4.Competitive Advantages:

In an environment where growth momentum in the real estate market is moderating and competition is intensifying; the Company has established differentiated competitive advantages based on its long-term accumulated development experience and operating strategies. These advantages are primarily reflected in the following aspects:

(1) Diversified land acquisition mechanisms and sound development strategies

The Company adopts a variety of land acquisition methods, including self-development, joint development, and urban renewal, with a primary focus on self-development while leveraging the flexibility of joint development. This approach enables the Company to adjust development strategies flexibly in response to market fluctuations. Compared to competitors that rely heavily on single source of land, the Company can effectively diversify development risks and maintain a stable land inventory and project launch momentum.

(2) In-depth regional development and cross-regional expansion capabilities

The Company has long been deeply rooted in Taipei Metropolitan Area, accumulating extensive development experience and a strong brand foundation. We are gradually expanding into metropolitan areas with development potential, such as Taoyuan, Taichung, and Tainan. By simultaneously targeting both core and growth markets, the Companies can capitalize on stable demand and regional growth opportunities, while mitigating the impact of fluctuations in any single regional market.

(3) Differentiated product positioning and market adaptability

The Company implements a differentiated product strategy based on the characteristics of different regional markets and customer needs. In metropolitan core areas, we focus on small-to-medium-sized and high-functionality units; in emerging development areas, we plan residential products tailored to family needs. This approach enhances the alignment between our products and the market, thereby strengthening sales efficiency and absorption capacity.

(4) Flexible sales strategies and absorption capacity

In response to shifts in market demand, the Company has gradually shifted from its previous model focused primarily on pre-sales to a model that combines pre-sales with completed-unit sales, aiming to increase the flexibility of sales strategies. Amid market fluctuations, we can adjust sales pace according to changing demand, thereby effectively reducing inventory risk and maintaining stable cash flow.

(5) Brand trust and quality control advantages

The Company has long prioritized architectural planning, design, and construction quality. Our projects have received numerous architecture-related awards over the years, and we have established a strong brand reputation through on-time delivery and comprehensive after-sales service. In an environment where market demand has become more conservative, brand trust has emerged as a key factor influencing home-buying decisions. It helps boost product sales performance and market competitiveness.

(6) Integrated development system and professional division of labor

Through the professional division of labor system, which includes subsidiaries such as Hua Jian Construction and Delpha Construction, the Company has formed a complete development chain. We possess integrated capabilities spanning land acquisition, planning and design, construction management, and sales promotion. This enhances development efficiency, quality control, and cost management capabilities, thereby strengthening overall competitive advantages.

(7) Risk management and operational resilience

Amid increasingly conservative market demand and tightening funding conditions, the Company continues to strengthen its risk management mechanisms. We enhance overall operational resilience by adjusting the pace of project launches, optimizing sales strategies, and managing capital utilization.

In terms of development strategy, the Company adopts a prudent approach to project launches. We adjusted development schedules based on market demand and sales performance to avoid sales pressure resulting from an overly concentrated supply. Regarding sales strategy, the Company employs a model that combines presales with completed unit sales to increase absorption flexibility and reduce inventory risk. With respect to capital management, the Company maintains a sound financial structure and appropriate capital allocation in response to market fluctuations and policy changes.

5. Favorable and Unfavorable Factors for Future Development and Corresponding Strategies:

(1) Favorable Factors:

Following policy adjustments and a cyclical market correction, the real estate industry is experiencing a short-term slowdown in growth momentum. However, the overall development still benefits from several favorable conditions, as outlined below:

a. The policy environment has shifted from tightening to differentiated regulation

Under the central bank's framework of continued selective credit controls, the policy has gradually shifted from comprehensive tightening to differentiated adjustments. For example, relaxing loan conditions for certain homebuyer groups help release specific demand for owner-occupied homes and home upgrades. This policy shift indicates that market regulation has entered a more precise stage, which facilitates market stability and mitigates excessive volatility in transaction momentum.

b. Gradual release of deferred demand, supporting medium- to long-term momentum

The significant decline in market transaction volume in 2025 primarily reflects the postponement of demand caused by a tightening of the funding environment, rather than a disappearance of demand. As the market gradually absorbs the impact of policy changes and home-buying demand returns to actual residential needs, the previously deferred demand for owner-occupied homes and home upgrades is expected to be gradually released, thereby forming a key pillar of future market growth.

c. A contraction in supply helps improve market structure

In recent years, developers have become more cautious in launching new projects. Building permits, construction momentum, and the pace of new project launches have all shown a trend of contraction, along with delays in the commencement of some projects. This has alleviated the pressure of new supply in the short term. A gradual stabilization of demand will help improve the supply-demand structure, enhance market stability, and reduce the risk of price volatility.

(2) Unfavorable Factors:

Although the real estate market maintains a solid medium- to long-term foundation for development, the industry continues to face several unfavorable factors in the current economic and policy environment in the short term, as outlined below:

A. The financial environment remains tight in the short term, dampening market transaction momentum

The central bank continues to implement selective credit controls, with interest rates remaining at relatively high levels. Under these circumstances, mortgage lending conditions and barriers to accessing funds will remain strict in the short term, thereby dampening market transaction momentum. Despite partial policy adjustments, the overall financial environment remains under prudent control. This places certain pressure on the recovery of market demand.

B. Uncertainty in the pace of demand release

The significant decline in market transaction volume in 2025 indicates that home-buying demand has been deferred due to the funding environment. However, the timing and pace at which such demand is released are still subject to factors such as interest rate fluctuations, policy directions, and market confidence. It is still difficult to predict the pace of the recovery in demand in the short term, which may affect the progress of sales and the activity of market transactions.

C. Impact of rising construction costs and the introduction of a carbon fee system

In recent years, the continued volatility in construction material prices and labor costs has placed significant pressure on development costs. Additionally, as the government promotes a carbon fee system and related carbon reduction policies, future construction development may require adjustments in material selection and construction methods, further affecting the overall cost structure and pricing power.

D. Impact of construction environment and inventory pressure on operational flexibility

Given ongoing adjustments to construction regulations (such as regulations governing soil disposal) and the fact that labor shortages have not been fully resolved, construction progress and costs remain uncertain,

which may affect development schedules. On the other hand, a contraction in market transaction momentum may also extend the absorption period for some projects. This places pressure on inventory management and capital utilization, thereby affecting operational flexibility.

(3) Response Strategies:

In response to changes in the market environment and structural adjustments within the industry, the Company continues to strengthen its operational management mechanisms and adjust its strategies based on its existing operational foundation, to maintain operational stability and competitiveness. The key strategies are as follows:

A. Prudent adjustments in the pace of project launches and development strategies

In response to the tightening financial environment and the contraction of market transaction momentum, the Company continues to adjust project launch schedules and development scales based on market conditions to avoid a concentrated release of supply. By dynamically adjusting the pace of development, we align project scale with market demand to mitigate the impact of market volatility on operations.

B. Adjustments in sales models to enhance absorption flexibility

In response to uncertainties in the pace of demand release, the Company continues to adjust its sales strategies, and gradually shifts from its previous model focused primarily on presales to a model that combines presales with completed-unit sales to enhance sales flexibility. We also adjust the sales pace based on regional market characteristics and product positioning to accelerate absorption and stabilize cash flow.

C. Adjustments in product planning based on market research

Based on market research findings and regional demand characteristics, the Company timely adjusts product positioning and planning details to better align products with market needs. By continuously optimizing product design and layout, we strengthen sales competitiveness and adapt to changes in demand structure.

D. Enhancement in procurement and contracting systems and cost control mechanisms

In response to fluctuations in construction costs, the Company conducts engineering and material procurement in accordance with the established “Regulations on Engineering Procurement and Contracting”. Through vendor evaluations, price negotiation mechanisms, and contract management processes, we prudently control procurement costs and ensure the quality of contracted work. Furthermore, we take both schedules and costs into considerations

throughout the procurement and contracting process to minimize the impact of cost fluctuations on development profitability.

- E. Utilization of proprietary construction system to strengthen engineering management and schedule control

Most of the Company's projects are undertaken by our subsidiary construction companies. Through a vertically integrated construction system, we enhance construction management and coordination efficiency, thereby improving engineering quality and execution stability. In addition, we manage project schedules in accordance with the procurement and contracting timetable and review execution progress through regular construction meetings to mitigate the risk of construction delays.

- F. Implementation of sales target management and inventory control mechanisms

In response to a potential extension of the market absorption period, the Company sets weekly and monthly sales targets and promptly adjusts pricing strategies or marketing approaches based on sales performance. By dynamically managing sales progress and inventory levels, we enhance capital utilization efficiency and maintain operational flexibility.

2. Major Products: Key Uses and Production Process

1. Key Uses of Major Products

The Company's primary products are residential buildings, and various types of residential properties are planned according to development locations and market demand, including condominium-style residential buildings and certain mixed-use shop units.

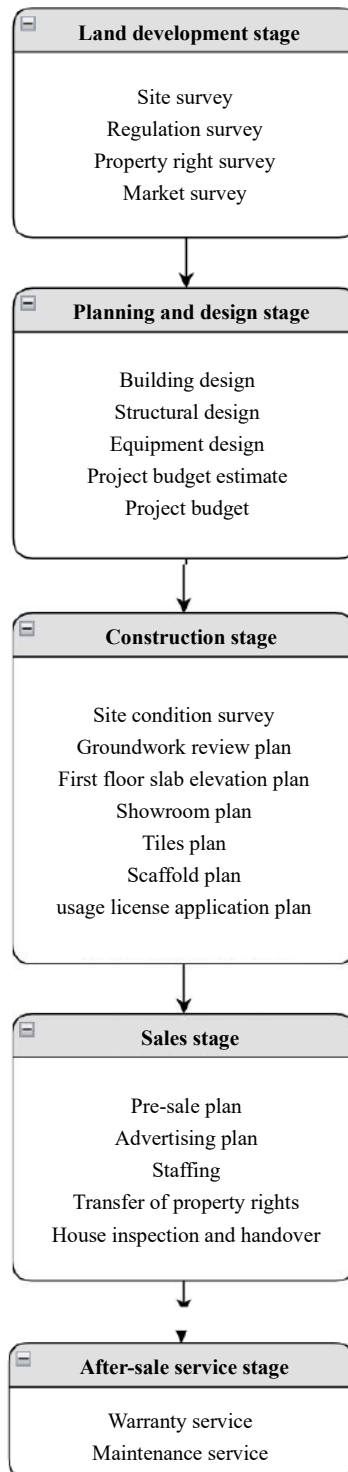
In terms of usage, residential products are primarily intended for end-users' self-occupation and long-term living needs, fulfilling fundamental requirements such as family living, residential safety, and daily functionality. With changes in demographic structure and lifestyle trends, greater emphasis is placed on spatial planning, functional integration, and improved living convenience. For certain products with commercial functions, mixed residential and commercial use is also available, catering to local business activities and service needs.

Overall, the Company's products are centered on meeting genuine housing demand. In response to regional development characteristics and customer requirements, the Company provides diversified residential functions to enhance product value and market applicability.

2. Production Process of Major Products

The Company's development process consists of several stages, including land development, planning and design, construction, sales and marketing, and after-sales service. Each stage is carried out in accordance with internal procedures and management systems.

During the construction phase, most projects are undertaken by the Company's subsidiary construction arm. Engineering contracts are awarded based on procurement schedules, and project progress and quality are managed through regular site meetings. During the sales stage, projects are marketed either through pre-sales or completed-unit sales depending on market conditions. Upon completion, property handover and after-sales services are conducted to ensure product quality and customer satisfaction.



(3) Supply of main materials:

The Company's key raw materials required for project development include reinforcing steel, cement, concrete, sand and gravel, as well as various construction materials and equipment. These basic materials are commonly used in the construction industry, and their supply conditions are influenced by domestic and international raw material markets, energy prices, and construction industry cycles.

In recent years, due to fluctuations in international raw material prices, changes in energy

costs, and construction demand, certain building material prices have experienced increases, thereby exerting pressure on overall construction costs. However, as market demand has stabilized and supply chains have gradually adjusted, the supply of major raw materials remains normal, with no significant shortages observed, and overall supply conditions remain stable.

In terms of procurement, the Company follows its established engineering procurement and contracting procedures for material purchasing and construction outsourcing. Through diversified supply sources and supplier evaluation mechanisms, the Company ensures material quality and supply stability. In addition, as most projects are undertaken by the Company's subsidiary construction arm, internal coordination and integration further enhance material allocation efficiency and reduce the impact of supply uncertainties on construction schedules.

Overall, the Company's major raw material supply sources are stable and supply chain operations remain normal. Although prices are still subject to market fluctuations, there are no significant supply disruption risks at present, and the impact on project development progress remains limited.

(4) List of major suppliers and customers in the last two fiscal years

1. List of major suppliers in the last two fiscal years with gross purchases over 10%, as well as the reason for increase(decrease)

Data of major suppliers in the last two fiscal years

Unit: NT\$1,000

Item	2024				2025				2026 and until April 30 (Note 2)			
	Company name	Amount	Ratio of net purchases in a year (%)	Relation with the issuer	Company name	Amount	Ratio of net purchases in a year (%)	Relation with the issuer	Company name	Amount	Ratio of net purchases in a year (%)	Relation with the issuer
1	A	740,476	10.09%	None	-				There is no financial data audited by the CPA in the current year and as of the Annual Report publication date.			
2	B	740,476	10.09%	None	-							
	Others	5,859,811	79.82%		Others	3,293,062	100.00%					
	Total	7,340,763	100.00%		Total	3,293,062	100.00%					

Note 1: List the major customers in the past two years with gross purchases over 10%, as well as amount and percentage of purchases. However, under the contract terms, it may not disclose the name of the customer or the trading counterparty if it is an individual or not a related party, which should be represented by a code.

Note 2: For the company that is publicly listed or has issued shares in TWSE, if the financial data in the most recent period is audited or reviewed by the CPA before the date of publishing the Annual Report, it should be disclosed.

Note 3: Reason for increase/decrease: Due to the industrial characteristics, the Company has no fixed contractor or supplier.

2. List of major suppliers in the last two fiscal years with gross sales over 10%

Data of major customers in the past two years

Unit: NT\$1,000

Item	2024				2025				2026 and until April 30 (Note 2)
	Company name	Amount	Ratio in the net amount of sales in a year (%)	Relation with the issuer	Company name	Amount	Ratio in the net amount of sales in a year (%)	Relation with the issuer	
1	-	0	0.00%	-	-	0	0.00%	There is no financial data audited by the CPA in the current year and as of the Annual Report publication date.	
2	-	0	0.00%	-	-	0	0.00%		
3	-	0	0.00%	-	-	0	0.00%		
	Others	6,095,261	100.00%		Others	6,339,127	100.00%		
	Net sales	6,095,261	100.00%		Net sales	6,339,127	100.00%		

Note 1: List the major customers in the last two fiscal years with gross sales over 10%, as well as amount and percentage of purchases. However, under the contract terms, it may not disclose the name of the customer or the trading counterparty if it is an individual or not a stakeholder, which should be represented by a code.

Note 2: For the company that is publicly listed or has issued shares in TWSE, if the financial data in the most recent period is audited or reviewed by the CPA before the date of publishing the Annual Report, it should be disclosed.

Note 3: Reason for increase/decrease: Due to the industrial characteristics, the Company has no fixed customer.

3. Information on Employees in the last two years and as of the Annual Report publication date:

Year		2024	2025	April 30 th , 2026
Number of employees	Number of employees	84	92	91
	Total	84	92	91
Average length of service		4.65	4.21	4.42
Average age		35.51	34.45	34.51
Distribution of education levels %	Doctor	0%	0%	0%
	Master	9%	8%	10%
	College	85%	86%	86%
	High School	6%	6%	4%
	Below than high school	0%	0%	0%

Note1: The length of service has been calculated since June 16th, 2001.

Note 2: The data includes that of subsidiaries

4. Environmental Expenditure Information

(1) The total amount of losses due to environmental pollution in the most recent year and as of the Annual Report publication date:

Type	Disposition date	Disposition No.	Provisions(s) violated	Content of provision(s) violated	Content of disposition
Noise Control Act	2025/03/25	22-114-030098	Paragraph 1, Subparagraph 4 of Article 8 of the Noise Control Act	Loud noise generated by pounding and impact sounds, disturbing the tranquility of others' living environment.	A fine of NTS\$3,000.
Noise Control Act	2025/04/23	22-114-040100	Paragraph 1, Subparagraph 4 of Article 8 of the Noise Control Act	Loud noise generated by pounding and impact sounds, disturbing the tranquility of others' living environment.	A fine of NTS\$3,000.
Waste Disposal Act	2025/04/14	41-114-040153	Subparagraph 2 of Article 27 of the Waste Disposal Act	Vehicles transporting earth and gravel failed to clean the roads and sidewalks after entering and exiting the construction site, resulting in sand, gravel, and mud contaminating the road surface.	A fine of NTS\$1,200.

(2) Countermeasures and estimated expenditures in the future:

1. The cases invested by the Company are contracted by the construction enterprises. The contractor is liable for environmental protection in the construction process. It doesn't need to apply for license for pollution facilities, approval for pollution discharge and payment of pollution prevention costs or set up a unit or assign a person responsible for the environmental protection.
2. For all environmental protection works such as reduction of construction noise, prevention of dust blowing or falling of gravel, the construction companies are strictly required to establish the most comprehensive measures and fulfill their environmental responsibility.
3. Estimated expenditure in the future: None.

5. Labor Relations:

(1) Current labor agreement and implementation of various measures:

1. Welfare measures:

The Company has always been committed to providing a good workplace and welfare system. In addition to labor insurance and national health insurance, we plan to establish the following employee benefits based on the needs of employees and their quality of life:

- . Group insurance
- . Labor Retirement Reserves Supervision Committee
- . Employee welfare committee
- . Cash gifts and vacation for the three important Chinese festivals
- . Regular staff health checkup
- . Discounts for staff purchasing houses
- . Employee stock subscription
- . Employee remuneration

2. Retirement system and implementation:

To strengthen employees' long-term professional service willingness, take care of employees' retirement life, increase work efficiency, and promote harmonious labor-management relations, the company has revised the company's employee retirement measures in accordance with the law. The Supervision Committee of Retirement Reserves shall review and verify the provision and expenditure of labor retirement reserves. After the establishment and implementation of the relevant mechanism, the willingness of employees to serve the company for a long time has indeed been strengthened.

The company has abided by the government policy to implement the new retirement system since July 1994. For employees who choose the new retirement system, they will pay 6% of their monthly wages to the labor pension monthly, and deposit them in the labor pension personal account established by the Labor Insurance Bureau.

The Company has set aside labor retirement reserves in accordance with the law. As of the date of publication of the 2026 Annual Report, employees under the old pension scheme account for approximately 10.8% of the Company's total workforce.

3. Other important agreements: None.

(2) List any loss sustained because of labor disputes in the recent year and as of the Annual Report publication date, the estimated amount and countermeasures to be taken in the future:

The Company has always attached great importance to labor relations and has established various personnel and welfare systems. The communication channels between labors and employers are adequate. There have been no labor disputes that have caused loss for the Company. Moreover, such labor disputes are not likely to occur in the Company in the future.

(3) Certificate specified by the competent authority and acquired by the personnel related to the transparency of financial information in the Company:

Internal Chief Auditor (Li, Mei-Chan)—acquired the CIA certificate.

(4) Employee continuing education and training:

External education and training

A total of 279 hours of education and training were conducted in 2025.

Total expenses: NT\$150,500.

Gender	Male		Female	
	Management	Non-management	Management	Non-management
Number of people who were trained	1	8	3	8
Course enrollments	1	11	4	17
Hours of training	12	99	36	132
Average hours of training	12		15	

(5) Code of Conduct or Ethical Code of Conduct:

The Company has established regulations for employee behavior and ethics in Article 2 and Article 10 of the Integrity Management Principles and in the Employee Rewards and Punishments and consistently reinforces the promotion of these regulations:

1. Employees may not take company property and tools out of the workplace and use them for personal purposes.

2. Phone etiquette for employees.

(6) Working environment and protection measures taken for employee safety:

The Company prioritizes safety and sustainable corporate development, focusing on achieving zero injuries, accidents, and occupational diseases. We strive to provide an optimal work environment for all employees and are dedicated to ensuring and boosting the safety and health of employees, customers, and suppliers of the Company and its industry in the workplace.

Labor safety policy and goals

Compliance	Participation from all employees	Boost safety	Vision of three zeros
Wear helmets when entering and exiting construction sites and strictly abide by the Occupational Safety and Health Act and related regulations.	We have implemented work rules for safety and health that all employees must follow.	We continue to organize occupational health and safety training and advocacy efforts, including conducting fire drills and emphasizing the importance of routine health and safety measures to eliminate potential hazards to safety and health.	To achieve zero disasters, zero accidents, and zero occupational diseases , we strictly supervise personnel before, during, and after entry to construction sites. We also convene engineering department review meetings, conduct site inspections, and provide regular education and training.

Personal and work environment protection measures

Item	Content
Door access security	The company has a door access monitoring system and signs contract with the security company.
Fire safety	It inspects the standards compliance of fire facilities and performs the fire security test randomly.
Drinking water safety	The Company regularly replaces the drinking water filter.

Cleanness of the environment and air	The Company regularly (semi-annually) replaces the air cleaner filter and maintains the machine.		
Safety in construction site	The company arranges all kinds of occupational safety and health education training, meetings, notifications and notices for all employees and contractors at our construction sites, and the frequency and number of applications are as follows :		
	Item	Purpose	Frequency of handling
	Safety and health protocols	At least once a month, we meet with contractors to coordinate, communicate and resolve safety and health issues among contractors.	Once a month
	Labor Approach Safety and Discipline Pledge	We inform the contractors about the working environment, hazards and occupational safety and related regulations before they approach the site and make them commit to comply with the relevant safety matters.	Pre-approach
Construction environmental hazards information sheet	According to each work item, we will inform the potential hazards and provide prevention measures before the contractor enters the site.	Pre-approach	
Physiological health	The Company regularly conducts health checkups for employees.		
Insurance	The Company purchases group insurance for employees.		

6. Information Security Management

(1) Describe the information security risk management framework, information security policy, specific management measures, and resources invested in information security management:

The Company's information security function is overseen by the Information Technology Section under the Administration Department, which is responsible for coordinating all information security matters and conducting regular internal security audits to ensure the proper operation of information systems and effective risk control.

To strengthen information security risk management, the Company has established an "Information Security Policy and Management Plan" to provide appropriate protection for its information assets. The policy aims to prevent unauthorized access, use, disclosure, or destruction of information systems, thereby ensuring the confidentiality, integrity, and availability of

information.

The Company continues to allocate necessary resources to enhance its overall cybersecurity protection capabilities.

• Specific management plan

management oriented	content
Network Security Controls	Firewalls are deployed to block malicious websites, and VPN connections are used to prevent unauthorized interception of data transmissions.
System Access Control	Access permissions are granted based on authorization levels. User accounts are promptly adjusted upon resignation or job transfer, and access rights are reviewed annually.
Antivirus Protection	Antivirus software is automatically updated, with email virus scanning and filtering functions enabled.
System Continuity and Resilience	Off-site backups are performed daily. In the event of system anomalies, operations are promptly restored according to established recovery procedures.
Computer Equipment Management	Server rooms are equipped with access control systems, air conditioning, and uninterruptible power supply (UPS) systems to ensure stable operations.
Enterprise Information Portal (EIP) and Electronic Approval System	Centralized information management, access control, and approval traceability are implemented to support paperless operations and enhance governance efficiency.
Active Directory (AD) Management	Centralized account management is adopted to restrict unauthorized access and enhance internal data security.
Off-site Backup	Daily off-site backups are performed, and annual data restoration tests are conducted to ensure backup integrity and reliability.

• The resources invested in the information security management

TYPE	directions
Human Resources	<p>Appoint dedicated personnel and supervisors; conduct regular internal and external meetings•</p> <ul style="list-style-type: none"> • AD Account Setup Meetings – 2 sessions • Enterprise Information Portal (EIP) & E-Approval System Meetings – 3 sessions • Offsite Backup Internal/External Meetings – 4 sessions

System Equipment	Implement EIP and BPM systems, set up firewalls, AD account control system, and UPS devices
Partner Vendors / Contracted Partners	Collaborate with backup vendors to perform daily backups; verify UPS and data restoration mechanisms
Management System / Governance Framework	Establish information security policies, access control systems, and annual access rights review processes
Review and Continuous Improvement	Conduct ad hoc information security awareness campaigns, system integration meetings, and internal control discussions

(2) List the losses suffered due to major information security incidents in the most recent fiscal year up to the publication date of the annual report, and the possible impact and countermeasures. If the amount cannot be reasonably estimated, facts of which estimation cannot be made shall be explained:

The Company has not yet taken out information security insurance and no significant information security incidents occurred in the most recent year and up to the date of printing of the annual report, and the relevant performance will be reported to the Board of Directors on November 12, 2025.

7. Important Contracts

Contract type	Party	Contract duration	Contract content	Restrictions
Construction Contract	Huajian Construction Co., Ltd.	2021/04/15~ completion of the project	New construction project on land serial No. 233, Xinbi Section, Luzhu District, Taoyuan City	None
		2021/06/22~ completion of the project	New construction project on 3 land plots including land serial No. 174, 177, 182, Lejie Section, Guishan District, Taoyuan City	None
		2021/04/06~ completion of the project	New construction project on land serial No. 488, Qingxi Section, Zhongli District, Taoyuan City	None
		2021/10/13~ completion of the project	New construction project (Geotechnical Engineering Part) on land serial No. 226, Qingxi Section, Zhongli District, Taoyuan City	None
		2022/02/14~ completion of the project	New construction project (Structural Engineering Part) on land serial No. 226, Qingxi Section, Zhongli District, Taoyuan City	None
		2022/08/11~ completion of the project	New construction project (Decoration Part) on land serial No. 226, Qingxi Section, Zhongli District, Taoyuan City	None
		2023/08/15~ completion of the project	New Construction Project Lot No. 465, Sanzuowu Subsection, Sanzuowu Section, Zhongli District, Taoyuan City	None
		2023/08/11~ completion of the project	New construction project on land serial No. 258, Xinbi Section, Luzhu District, Taoyuan City	None
		2022/11/11~ completion of the project	New construction project on land serial No. 124, Lejie Section, Guishan District, Taoyuan City	None
		2022/11/11~ completion of the project	New construction project (Structural projects) on 2 land plots including land serial No. 32 and 33, Shanjie Section, Guishan District, Taoyuan City.	None
		2023/11/10~ completion of the project	New construction project (Structural projects) on 2 land plots including land serial No. 32 and 33, Shanjie Section, Guishan District, Taoyuan City.	None
		2024/09/13~ completion of the project	New construction project on 3 land plots including land serial No. 165 Lejie Section, Guishan District, Taoyuan City	None
		2024/09/13~ completion of the project	New construction project on land serial No. 692, Fuxi Section, Guanyin District, Taoyuan City	None

		2021/11/12~ completion of the project	New construction project (Geotechnical Engineering Part) on 4 land plots including land serial No. 41, 42, 43, 50, Xinzhan Section, Shalu District, Taichung City	None
		2022/02/10~ completion of the project	New construction project (Structural projects) on 4 land plots including land serial No.41, 42, 43, 50, Xinzhan Section, Shalu District, Taichung City	None
		2022/11/11~ completion of the project	New construction project (Decoration projects) on land No. 41, Xinzhan Section, Shalu District, Taichung City	None
		2022/03/30~ completion of the project	New construction project (Geotechnical Engineering Part) on land serial No. 31, Shingaoie Section, Wuri District, Taichung City.	None
		2022/11/11~ completion of the project	New construction project (Structural projects) on land serial No. 31, Shingaoie Section, Wuri District, Taichung City. (Structural Engineering Part)	None
		2023/07/21~ completion of the project	New construction project (Decoration projects) on land serial No. 31, Shingaoie Section, Wuri District, Taichung City. (Decoration Part)	None
		2023/03/15~ completion of the project	New construction project (Geotechnical Engineering Part) on 5 land plots including land serial No. 332, 333-1, 333-2, 334 and 335, Qing'an Section, Shanhua District, Tainan City	None
		2023/05/12~ completion of the project	New construction project (Structural projects) on 5 land plots including land serial No. 332, 333-1, 333-2, 334 and 335, Qing'an Section, Shanhua District, Tainan City	None
		2024/11/12~ completion of the project	New construction project (Decoration projects) on 5 land plots including land serial No. 332, 333-1, 333-2, 334 and 335, Qing'an Section, Shanhua District, Tainan City	None
Joint construction contract	Three non-related parties including Chang, Chun	2020/09/01~ completion of the project	Land serial No. 237 on Xinbi Section, Luzhu District, Taoyuan City	None
	Seven non-related parties including Chiang, Chun	2020/10/22~ completion of the project	Land serial No. 174 on Lejie Section, Guishan District, Taoyuan City	None
	Three non-related parties including Chen, Chun	2021/12/09~ completion of the project	2 land plots including land serial No.32 and 33, Shanjjie Section, Guishan District, Taoyuan City	None
	Six non-related parties including Lin, Chun	2025/01/16~ completion of the project	Land serial No. 180, Lejie Section, Guishan District, Taoyuan City.	None
	22 non-related parties including Lin, Chun	2025/03/26~ completion of the project	Land serial No. 539, 546, 555 Longfu Section, Houlong Township, Miaoli County.	None

Credit Facilities Agreement

Credit Facilities Agreement	First Commercial Bank, Banqiao Branch	2022/05/12~2026/05/12	Medium-term Secured Loan – Land Financing Medium-term Loan – Floor Area Ratio Loan Medium-term Loan – Construction Financing	None
	Sales Department, Hwatai Bank	2020/11/09~2031/04/30	Medium-term Secured Loan – Land Financing Medium-term Secured Loan – Construction Financing Medium-term Loan – Construction Financing Medium-term Secured Loan – Working Capital	None
	Shanghai Commercial and Savings Bank Ren'ai Branch	2023/09/14~2027/09/14	Medium-term Secured Loan – Land Financing Medium-term Loan – Construction Financing Medium-term Loan – Floor Area Ratio Loan	None
	Shanghai Commercial and Savings Bank Ren'ai Branch	2023/11/28~2027/11/28	Medium-term Secured Loan – Land Financing	None
	CTBC Bank Co., Ltd.	2022/12/28~2027/04/29	Medium-term Secured Loan – Land Financing	None
		2024/04/29~2027/04/29	Medium-term Loan – Floor Area Ratio Loan	None
		2024/12/26~2027/12/26	Medium-term Loan – Construction Financing	None
	Taipei Fubon Commercial Bank Co., Ltd.	2024/06/17~2028/06/17	Medium-term Secured Loan – Land Financing	None
	Mega International Commercial Bank Nankan Branch	2021/05/19~2027/06/30	Medium-term Secured Loan – Land Financing	None
		2023/02/24~2027/06/30	Medium-term Construction Financing – Floor Area Ratio Loan	None
		2023/07/28~2027/06/30	Medium-term Construction Financing – Construction Financing	None
	Mega International Commercial Bank Nankan Branch	2023/10/06~2028/11/30	Medium-term Secured Loan – Land Financing	None
		From the date of first use to 2028/11/30	Medium-term Construction Financing – Construction Financing	None
			Medium-term Construction Financing – Floor Area Ratio Loan	None
	Mega International Commercial Bank Nankan Branch	2024/04/26~2028/04/26	Medium-term Secured Loan – Land Financing	None
Mega International Commercial Bank Nankan Branch	2024/08/30~2028/08/30	Medium-term Secured Loan – Land Financing	None	
	2025/08/12~2028/08/30	Medium-term Secured Loan – Land Financing	None	

Taiwan Cooperative Bank Banqiao Branch	2024/08/21~2028/12/31	Medium-term Secured Loan – Land Financing	None
Taiwan Cooperative Bank Banqiao Branch	2024/11/19~2029/08/31	Medium-term Secured Loan – Land Financing	None
Taiwan Cooperative Bank Shilin Branch	2021/05/28~2027/12/31	Medium-term Secured Loan – Land Financing	None
	2023/02/03~2027/12/31	Medium-term Loan – Floor Area Ratio Loan	None
	2024/11/25~2027/12/31	Medium-term Loan – Construction Financing	None
Far Eastern International Bank	2022/01/21~2027/01/21	Medium-term Combined Credit Facility Medium-term Secured Loan – Land Financing Medium-term Loan – Construction Financing Medium-term Loan – Floor Area Ratio Loan	None
Far Eastern International Bank	2026/01/28~2030/01/28	Medium-term Secured Loan – Land Financing	None
Far Eastern International Bank	2014/07/22~2027/07/22	Medium-term Loan	None
Far Eastern International Bank	2025/06/23~2028/06/23	Medium-term Loan	None
Chang Hwa Bank, Neihu Branch	2025/09/30~2027/09/30	Medium-term Loan	None
Chang Hwa Bank, Neihu Branch	2026/01/02~2028/01/02	Medium-term Loan	None
Bank of Panhsin Neihu Branch	2025/05/20~2027/05/20	Medium-term Loan	None
Bank of Panhsin Neihu Branch	2021/12/27~2026/12/27	Medium-term Loan	None
Bank of Panhsin Neihu Branch	2024/05/20~2027/05/20	Medium-term Loan	None

*Only construction contracts with a total contract value exceeding NT\$100 million are disclosed.

*Only medium- and long-term credit agreements with a credit facility amount exceeding NT\$100 million are disclosed.

*The following information is disclosed for supply and sales agreements, technical cooperation agreements, construction contracts, long-term loan agreements, and other significant contracts that may affect shareholders' interests, which remain effective as of the annual report publication date or expired during the most recent fiscal year: the contracting parties, principal terms and conditions, restrictive covenants, and contract commencement and expiration dates.

【Review of Financial Conditions, Operating Results, and Risk Management】

1. Financial Status

Comparative analysis table of financial status in the last two fiscal years
(consolidated reports):

Unit: NT\$1,000

Item \ Year	2025	2024	Difference	
			Amount	%
Current assets	30,448,102	28,919,296	1,528,806	5.29%
Non-current assets	249,673	166,674	82,999	49.80%
Total assets	30,697,775	29,085,970	1,611,805	5.54%
Current liabilities	19,069,681	15,706,193	3,363,488	21.42%
Non-current liabilities	1,324,008	2,654,290	(1,330,282)	-50.12%
Total liabilities	20,393,689	18,360,483	2,033,206	11.07%
Other equity interest	10,085,747	10,499,677	(413,930)	-3.94%
Total equity	10,304,086	10,725,487	(421,401)	-3.93%

Main reasons for material changes:

1. The increase in current assets in the current period was due to the increase in inventory and the increase in prepayments from customers for real estate, leading to a relative increase in other financial assets.
2. The increase in current liabilities was mainly due to the increase in short-term borrowings, contract liabilities and long-term borrowings due within a business cycle in the current period.
3. The increase in non-current liabilities was mainly due to the increase in long-term borrowings.

2. Financial Performance

(1) Comparative analysis table of financial performance in the last two fiscal years (consolidated reports):

Unit: NT\$1,000

Item \ Year	2025	2024	Difference (Amount)	Difference (%)
Net operating income	6,339,127	6,095,261	243,866	4%
Operating cost	3,742,923	3,583,851	159,072	4%
Gross profit	2,596,204	2,511,410	84,794	3%
Operating expense	445,909	470,525	(24,616)	-5%
Operating profit/loss	2,150,295	2,040,885	109,410	5%
Non-operating income and expenditure	(22,435)	(7,926)	(14,509)	-183%
Net income (loss) before tax	2,127,860	2,032,959	94,901	5%
Current net income (loss)	1,693,882	1,622,422	71,460	4%
<p>1. Main reasons for material changes: The significant increase in net operating revenue in the current period was mainly due to the higher volume of housing units handed over in the current period compared to the previous period, which resulted in an increase in operating profit, gross profit and net profit before tax.</p> <p>2. Expected sales volume and its basis, the possible impact on the Company's future financial business, and the response plan: Please refer to the 2025 Operation Plan on page 3 of this annual report.</p>				

3. Cash Flow

(1) Liquidity analysis for the last two fiscal years

Unit: NT\$1,000

Item \ Year	2025	2024	Increase/decrease (%)
Cash flow ratio (%)	10.01	-	100%
Cash adequacy ratio (%)	8.66	-	100%
Cash reinvestment ratio (%)	2.54	(11.76)	122%
<p>Analysis of changes: Cash flow ratio: As the net cash flow outflow from operating activities for the period is not analyzed. Cash adequacy ratio: As the net cash flow outflow from operating activities for the period is not analyzed. Cash adequacy ratio: The ratio decreased due to higher cash dividends paid during the period than net cash flow from operating activities.</p>			

(2) Cash liquidity analysis for the next year:

Unit: NT\$1,000

Beginning cash balance (1)	Cash flow from operating activities expected in the whole year (2)	Cash inflow (outflow) expected in the whole year (3)	Amount of cash balance (shortage) (1)+(2)-(3)	Cash shortage contingency plan	
				Investment Plan	Financing plan
3,206,058	9,097,981	(5,213,575)	7,090,464	-	0
Analysis of changes in cash flow in 2026: Operating activities: Net cash inflow from the expected handover of properties. Financing plans: Expected issuance of convertible corporate bonds.					

4. Impact of Major Capital Expenditure in the Current Year on Financial Status: None.

5. Re-investment Policy in the Current Year, the Main Reason for Profit or Loss, Improvement Plan and Investment Plan for the Next Year: None.

6. Analysis and Assessment of Risk Issues:

(1) The effect upon the Company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

The effect upon the Company's profits (losses)

Item	2025(NT\$1,000 ; %)
Net of interest income (Expenditure)	(31,162)
Net amount of exchange gain(loss)	(11)
Ratio of interest income (Expenditure) to net operating income	(0.49%)
Ratio of interest income (Expenditure) to pre-tax net profit/loss	(1.46%)
Ratio of net interest income and expenses to total assets	(0.10%)
Ratio of exchange gain(loss) to net operating income	(0.00%)
Ratio of exchange gain(loss) to pre-tax net profit/loss	(0.00%)
Ratio of net profit and loss on exchange to total assets	(0.00%)

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

The Company has good credit and is a popular client for major banks and

cooperatives. The current liabilities and liability ratios are lower than that of competitors. The Finance Department evaluates changes in interest rates based on the financing information of banks and requests banks to provide the most favorable interest rate for business transactions with the Company. The measures have been effective in reducing interest expenses for the Company.

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

The Company is a real estate development company and provides services to the domestic market. The regular payments are mainly in NTD and exchange rate fluctuations have no significant impact on the Company.

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

Real estate has long been seen as a valuable asset that can retain or even appreciate in value. It has a certain sales market. Inflation may be reflected in the sales price, but a certain level of profits can still be maintained. Thus, inflation has no significant impact on the Company's profit.

(2) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

1. High-risk and highly leveraged investments

The Company has not conducted any high-risk or highly leveraged investments.

2. Loans to others

The Company established the "Procedures for Extending Loans to Others" which were passed in resolutions of the Board of Directors and shareholders' meeting and used as the basis for the Company's related transactions. The Company has not lent funds to others in the most recent fiscal year up to the publication date of the Annual Report.

3. Endorsements and guarantees

The Company has established the "Procedures for Endorsement and Guarantee", which has been approved by the Board of Directors and the shareholders' meeting as the basis for the Company to engage in relevant transactions.

In response to the need of the Company's subsidiary, Huajian Construction Co., Ltd., to undertake the operational turnaround of the Company's construction projects, the Company endorsed the guarantee, which was approved by the

Audit Committee and the Board of Directors.

Details for endorsements/guarantees up to Dec 31st, 2024 as below :

Year	Endorsements		Maximum balance for the period	Ending Balance	Endorsement guarantee limit for a single enterprise	The maximum amount of endorsement guarantee
	Company Name	Relationship				
2025	Huajian Construction Co., Ltd.	The Company's Subsidiary	\$550,000	\$350,000	\$2,017,149	\$5,042,874

4. Derivative trading

The Company established the "Procedures for Acquisition or Disposal of Assets" which included related regulations on derivative trading. They were passed by the Board of Directors and shareholders' meeting and used as the basis for the Company's related transactions. The Company has not engaged in any derivatives trading in the most recent fiscal year up to the publication date of the Annual Report.

(3) Research and development work to be carried out in the future, and further expenditures expected for research and development work:

The Company is engaged in the construction industry. Since the industry doesn't require the development of new products like general manufacturing industry or other industries do, it has no expenditure for research and development.

(4) Effect on the Company's financial operations of important policies adopted and changes in the legal environment home and abroad, and measures to be taken in response:

Real estate is closely connected to the economic cycle and heavily influenced by the general economic and financial environment. Taiwan's real estate cycles in the past decade have been affected by changes in laws and regulations with significant impact on the real estate transaction volume. Government policies are also an important factor for the industry. To solve the problem of rapid increase in housing prices in metropolitan areas in Taiwan, the government has introduced measures to curb speculation in the housing market and contain the rapid rise in housing prices. Although changes in laws and regulations often reduces the transaction volume in the housing market, its main purpose is to counter the actions of investors who seek to own the properties for a short period of time and reduce real estate speculation. Therefore, the amendments of related real estate regulations will support the long-term development of the real estate industry. The Company operates in compliance with the relevant laws and regulations and pays close attention to the changes in government policies and laws in order to respond to potential impact on the real

estate industry. We actively start planning after land purchases, and rigorously monitor the progress of construction projects and case schedules to maintain the Company's overall competitiveness. There has been no significant adverse impact on the Company's financial conditions due to significant changes in domestic and foreign policies and changes in laws in the most recent year.

(5) Effect on the company's financial operations of developments in science and technology (Including cybersecurity risks) as well as industrial change, and measures to be taken in response:

The Company main businesses include the commissioned construction of commercial buildings and the lease and sales of public housing units. When designing individual projects, the Company adopts the latest building technologies to reduce construction time and uses new high-tech products in individual cases to make products more attractive. The Company's land development personnel have a professional and keen sense of the market. They obtain industry information from a variety of sources to monitor development trends. They actively seek land with potential for investment and development.

The Company has implemented a Cybersecurity Policy and Management Plan to mitigate cybersecurity risks. This plan provides adequate protection measures for our information assets and protects our information systems from unauthorized access, use, leaks, and damage.

Therefore, the changes in technologies and the industry as of the publication date of the Annual Report have had no significant adverse impact on the Company's financial and business operations.

(6) Effect on the company's crisis management of changes in the corporate image, and measures to be taken in response:

The Company upholds the business philosophy and implements corporate governance based on the values of integrity, accountability, and compliance with laws. As of the publication date of the Annual Report, the Company has not been subject to any change in corporate image that incurred a crisis in business management.

(7) Expected benefits and possible risks associated with any merger or acquisition, and mitigation measures to be taken:

The Company doesn't perform acquisition in the most current year and as of the Annual Report publication date.

(8) Expected benefits and possible risks associated with any plant expansion, and mitigation measures to be taken:

The Company doesn't perform any plant expansion in the most current year and as of the Annual Report publication date.

(9) Risks associated with any consolidation of sales or purchases, and mitigation measures to be taken:

As the Company is a real estate developer, the suppliers consist of landowners and construction companies. The Company's purchase of land for construction is based on the Company's internal consultation and evaluation and we select land with development value on the market. Since there are numerous and dispersed sources for land purchases, there is no risk of concentration of supply or interruption of supply shortage. For the construction contracts, the Company compares companies and prices and selects companies with abundant experience in construction and sufficient capital to take on the projects. We could also select the Company's subsidiary Huajian Construction Co., Ltd. for construction. To effectively control the quality and progress of the projects, the Company specifies relevant regulations in the contracts and maintains good partnerships with contractors. Therefore, the Company does not face risks in concentrated procurements due to the abundant supply of construction companies.

The Company sells products to the general public and does not face risks in concentrated sales.

(10) Effects of risks relating to large share transfers or changes in shareholdings by directors, supervisors, or shareholders with shareholdings of over 10%, and measures to be taken: None.

(11) Effect on the Company as well as risks associated with any change in management officers or top management: None.

(12) Litigation or non-litigation matters as of the Annual Report publication date: None.

(13) Other important risks: None

7. Other Important Matters: None

【Special Disclosures】

1. Summary of Affiliated Companies

Please refer to the Market Observation Post System (MOPS) website at the following link:
<https://mops.twse.com.tw/mops/#/web/home> Home > Company > Electronic Document Download > Related Party Transaction Disclosure Forms Section

2. Private Placement of Securities:

Please refer to the link of the Market Observation Post System (MOPS):
<https://mops.twse.com.tw/mops/#/web/home> Home > Thematic Section > Investment Area > Private Placement Area

3. Other matters that require additional description: None.

4. Matters Stated in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act, Specifying Their Substantial Impact on Owner's Equity: None.

Delpha Construction Co., Ltd



Chairman: Cheng Su-Tsung



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