Stock Code: 2514

Long Bon International Co., Ltd.

LONG BON INTERNATIONAL CO., LTD.

2024
Annual Report

Website for viewing the Annual Report:
Market Observation Post System: http://mops.twse.com.tw
Company Website: http://www.longbon.com.tw
Published on April 30, 2025

I. Name/Title/Contact Number/Email of the Company Spokesperson
Name and Title: Vice President Dong, Yi-Qing
Tel: (02)2375-6595
Email: 080@longbon.com.tw
Name/Title/Contact Number/Email of the Deputy Spokesperson
Name and Title: Manager Tsai, Ying-Chia
Tel: (02)2375-6595
Email: 080@longbon.com.tw

II. Addresses and phone numbers of Company headquarters/branches/factories
Headquarters: 9F, No. 50, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City
Tel: (02)2375-6595

III. Name, address, website and contact number of the institution that handles the Company's stock transfer
Name: Stock Affairs Department of Yuanta Securities Co., Ltd.
Address: B1, No. 67, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City
Website: http://www.yuanta.com.tw
Tel: (02)2586-3117

IV. Name, firm name, address, website and phone number of the Accountant of the financial report in the most recent year:
Accounting firm: Ernst & Young, Taiwan
Names: CPA KyKy Lin, CPA Maggie Yang
Address: 9F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City
Website: http://www.ey.com/taiwan
Tel: (02)2757-8888

V. The name of the trading place where the foreign securities are listed and traded and the method to request information of the foreign securities: None.

VI. Company website: http://www.longbon.com.tw

A. Letter to Shareholders

Business Report

I. 2024 Operating Performance

(I) Business implementation results

In 2024, Taiwan's housing market has experienced a number of policy adjustments and market changes. The government's "Preferential Housing Loans for the Youth Program" (referred to as the "Loans for the Youth") provided preferential interest rates and a longer grace period with the goal of reducing the pressure on young people. The implementation of the preceding policy has led to continued inelastic demand, which has boosted sales momentum for lower-priced properties in less central areas. However, the location and product positioning of housing property is still an important factor in determining whether prices rise or fall. The Company has continued to increase operating profits by carefully selecting prime locations and optimizing product features, establishing a solid early foothold in real estate property investment. At the same time, the Company has secured land in preparation for reconstruction of old unsafe buildings, integrating plans for urban revitalization. The Company has successfully obtained construction permits for the Xiyuan Road urban renewal project, and for the Huanhe South Road project it has adopted plans for urban renewal while simultaneously looking to rent out the property after renovation, securing a steady cash flow through this dual approach. The Company has moved towards steadily acquiring and developing neighboring pieces of land, acting in the best interests for all shareholders. Additionally, the Company has in recent years expanded the scope of its business operations through investing in other companies. The Company has extended its construction business model into other industries, including the construction, golf course management, mortuary services, professional investment, and food industry. The Company has steadily and gradually transitioned into a holding company with business interests in various different industries through diverse business development. Thanks to the efforts of all employees, the Company has been able to uphold its original mission and business philosophy, continuing to move towards its business target of achieving stable growth through its model for earning business revenues.

(II) 2024 financial status and profitability

The Company’s consolidated operating income in 2024 was NT$24,899,361 thousand, an increase of approximately 39.70% from NT$17,822,819 thousand in 2023. In terms of profits, the Company’s net profits attributable to the parent company were NT$1,024,021 thousand, after-tax earnings per share was NT$2.83, and return on equity was 8.55%.

II. 2025 Business Operation Plan

(I) Business direction

The Company’s business operations are mainly focused on property development, property sales and rental management, construction, mortuary services, golf course management, as well as the food industry. Plans for each business activity are as follows:

1. Property sales plan: Revitalize the Company's existing real estate property.
2. Rental management plan: The goal is for all properties to be fully rented out.
3. Domestic real estate investment plan: (1) In response to the future demand trends of the real estate property market, the Company has increased its construction expenditures, and plans to acquire land and conduct joint construction. The Company shall invest in or develop real estate property located in urban rezoning regions next to major transportation infrastructure projects or in areas with rich neighborhood amenities, in order to develop and construct housing properties for sale. (2) Factory and office space construction is unable to keep up with demand from businesses returning to Taiwan, resulting in the demand for land available for plant construction/expansion. With the uncertain international business landscape, the Company can evaluate acquisition of existing factory and office space in New Taipei City and Taoyuan City in order to achieve a hedging effect against the impact of inflation, thereby achieving the purpose of stable cash flows. (3) In addition to purchasing land for in-house construction projects, the Company plans to earn investment returns from property investment, land acquisition, joint construction etc., by individually investing in projects in key central areas of north and central Taiwan, including Taipei City, New Taipei City, and Taichung City, or by participating in the reconstruction of urban unsafe and old buildings in Taipei City or New Taipei City, choosing projects which can be rapidly developed. (4) In the future, the Company plans to integrate the resources of the Group to invest into the recreation industry, and to undertake the operational model of integrating stadiums with resort hotels. In addition, the Company also plans to enter the columbarium investment and development market. We will look for green park objects suitable for the funeral business throughout Taiwan to create development or integration plans.
4. Existing real estate investment plans: (1) Taipei Wanhua Xiyuan Road Urban Renewal Project: The estimated total development period for the project is approximately 8 years. The Company has been offering the property to the public through presales since September 2024. (2) Taichung Dakeng Project: In addition to effective property management, and cooperating with government agencies to implement procedures for reviewing and amending the Taichung Dakeng Scenic Area, the Company has also at the same time began procedures for obtaining land use change development permits and began making plans for short-term revitalization strategies. (3) Taipei Wanhua District Huanhe South Road: We will participate in the urban renewal model to create corporate profits.

(II) Sales forecast and its basis

Taking into account the growth of various business activities and the expanding market scale, the Company's various rental, sales, and development business activities are expected to achieve 100% of their annual goals for 2025.

(III) Important production and marketing policies

1. Real estate property rental and sales business: (1) Hire a reputable property agent company or commission a community bulletin board to display advertisements for rental and sales of the Company's properties. These advertisements shall also be updated when necessary to increase exposure and inquires, leading to more rental and sales opportunities. (2) Close transactions by relying on individual floor managers for each project, introductions made by local real estate agents, or by offering higher rental commissions.

2. Investment into domestic real estate: (1) Acquire land and property for development or management through active property development, hiring agents, acquiring land or entering into collaborations by acting on information provided by landowners, investing into individual projects, or participating in public auctions held by government agencies or other organizations. (2) Taking advantage of its niche as a publicly-listed company, the Company is able to obtain opportunities for acquiring land, collaboration, and joint development by acting on the information or projects actively provided by landowners, enabling it to discover profitable real estate investments. (3) Combining the professional integration and management capabilities of the Group, the Company plans to invest simultaneously into the housing and columbarium property markets, taking advantage of the development or integration synergies in these two markets. (4) Acquire real estate for development, and after taking into consideration whether an appropriate level of return in the form of rental income can be earned, acquire a variety of different commercial real estate or develop non-urban land for industrial use.

III. Future Company Development Strategies, Impacts of External Competition, Regulations, and Macro Business Environment

(I) Impact of external competition and regulatory environment

In terms of real estate policy, the purpose of the Central Bank's seventh round of selective credit control implemented on September 20, 2024 is mainly to impose the following restrictions: 1. If a home buyer already has a property, there will be no grace period for the home purchase loan. 2. For natural persons purchasing a second property, the loan ratio will be reduced from 60% to a maximum of 50%. 3. For corporate entities purchasing residential properties, individuals purchasing high-priced residential properties, and home purchase loans for the purchase of a third or subsequent property, the maximum loan available will be reduced to 30%. 4. The maximum loan available for a property construction company using its available-for-sale properties is reduced to 30%. The purpose is to crack down on short-term real estate speculators, but it is a double-edged sword. Overall, it has discouraged many home buyers, and even the existing inelastic demand has inevitably turned cautious in the second half of 2024. In addition, the attitude of those aiming to invest in property will turn even more conservative. Increased demand has only been seen from buyers purchasing homes for living purposes, encouraged by the "Loans for the Youth" program. While this means demand from first-time buyers and buyers of smaller-sized properties is strong, it remains to be seen if this strong demand will persist. Therefore, the real estate market in Taiwan may experience a slowing down and return to the most basic supply and demand in 2025.

(II) Impact of the macro business environment

The "Taiwan's Economic Situation and Outlook March 2025" report published by the National Development Council, Executive Yuan, indicated that, at the current stage, Taiwan's economic fundamentals are strong. Although the risk of a global economic downturn still exists, Taiwan's economic growth is expected to exceed 3% this year (2025) as Taiwan's foreign trade gradually recovers and domestic demand steadily expands. China and the United States have influenced global trade, prompting Taiwanese businessmen to return to Taiwan and set up factory facilities here. The southward industry migration has led to the development of new industrial zones, as well as the development of new business and residential areas near these zones, Construction costs remain high and severe labor shortages continue. Trends of labor shortages and rising construction costs continue. Whether the Sino-US trade war, the US' adjustment of global tariffs, and the launch of a new round of trade negotiations will have a significant impact on the global economy, and whether any of this will affect Taiwan, are key concerns that are continuing to be monitored.

(III) Future development strategy

The Company’s main business activities involve the development of real estate property and managing rentals and sales of these properties. Through investing in other companies, the Company has investments in the financial, construction, columbarium property, golf course management, and food industries. In the future, the development of those business activities described above shall allow the Company’s business operations to achieve sustainable management goals for growth, stability, and profitability. The Company’s development plans for these business activities are as follows:

1. For projects where land has already been acquired, integrate and conduct negotiations for surrounding land within the legally-allowed scope, achieving the benefits of urban renewal or reconstruction of unsafe old buildings for such land areas.

2. Create plans to invest in, acquire, enter into joint construction agreements, or win bids for city real estate property located in urban rezoning regions or in areas with rich neighborhood amenities, in order to develop and construct housing properties for sale.

3. Feasibility of investment and joint construction for individual projects located in Taipei City and New Taipei City.
4. Invest in urban renewal projects or projects for reconstructing unsafe older property in Taipei City's key central areas, and create a complete investment channel by working with professional consultants, maximizing urban renewal profits.
5. In the future, apart from integrating the resources of the Group to invest into the recreation industry through managing stadiums in order to diversify its business operations, the Company also plans to enter the columbarium market, and will look to create development or integration plans for suitable green columbarium park projects across Taiwan.
6. Assess feasibility of projects put up for auction by government agencies, and bid on and successfully obtain these property projects, creating operating revenues for the Group.

Looking to the future, the government shall not only prudently respond to international changes, it shall also strive to strengthen economic and social resilience, improve infrastructure resilience, and ensure economic growth. At the same time, the government shall take into account structural adjustments, allowing the Taiwanese economy to continue growing steadily and ensuring that drivers of economic growth persist. The Company shall rigorously evaluate projects for investment in ideal locations in northern and central Taiwan that are close to MRT stations or major construction projects, together with urban renewal projects or reconstruction projects close to completion. The Company shall look to directly acquire land for some of these projects before proceeding with a joint construction business model, mainly developing projects for residential high rises, residential villas, plants and offices, office complexes, and industrial parks. The Company shall integrate the Group's resources and expand its business scope to include the construction, mortuary services, columbarium development, elderly housing, recreation, and food industries, achieving business diversification and creating a beneficial outcome for all. Through these efforts, the Company will continue to make steady progress towards its green energy, environmental protection, and sustainability industry goals.

Chairman: Liu, Wei-Lung   Manager: Liu, Wei-Lung   Head of accounting: Tsai, Ying-Chia

B. Corporate Governance Report

I. Information of Directors, President, Vice Presidents, Assistant Presidents, and Department/Branch Supervisors

(I) Director Information

1. Director Information

Position	Nationality or place of registration	Name (Note 1)	Gender and age	Date elected/ appointed	Term	Date of first election	Shares held when elected		Current shareholding		Current shareholding by spouse and underage children		Shareholding by nominee arrangement		Major experience (education)	Other concurrent positions within the Company or elsewhere	Spouse or relatives within second degree of kinship acting as directors, supervisors, or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
Chairman	Republic of China	Fortune Base Development Corp. Ltd.	-	2022.06.29	3 years	2019.06.27	58,364,520	14.79	62,374,520	15.80	0	0	130,473,020	33.05			—			Note 2
		Representative: Liu, Wei-Lung	Male 51-60	2022.06.29	3 years	2021.02.01	0	0	0	0	0	0	0	0	Chairperson, Lungyen Life Service Corporation, Ltd. College of Law, National Taiwan University Chairperson, Reiju Construction Co., Ltd.	President of the Company Chairperson, Everwin Investment Co., Ltd. Chairperson, Taisun Enterprise Co., Ltd. Chairperson, Pin-Tai Distribution Enterprise Co., Ltd. Chairperson, Taishanyuan Co., Ltd. Director, Central Union Oil Corp. Director, Reiju Construction Co., Ltd.				
Vice Chairman	Republic of China	Global Funeral Services Co., Ltd.	–	2022.06.29	3 years	2019.06.27	69,889,080	17.71	69,889,080	17.71	0	0	0	0		–	—			
		Representative: Liu, Huang-Chi	Male 51-60	2022.06.29	3 years	2016.05.13	0	0	0	0	0	0	0	0	Independent Director, CTBC Life Insurance Co., Ltd.	Managing Director, Authenticity Attorneys-at-Law				

Position	Nationality or place of registration	Name (Note 1)	Gender and age	Date elected/ appointed	Term	Date of first election	Shares held when elected		Current shareholding		Current shareholding by spouse and underage children		Shareholding by nominee arrangement		Major experience (education)	Other concurrent positions within the Company or elsewhere	Spouse or relatives within second degree of kinship acting as directors, supervisors, or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
															Independent Director, Taiwan Life Insurance Co., Ltd. Director, Eastern Home Shopping & Leisure Co., Ltd. Rapporteur Judge, Taiwan High Court Judge and Presiding Judge, Taipei District Court	Vice Chairperson, Long Bon International Co., Ltd. Director, Taisun Enterprise Co., Ltd. Chairperson, WANZE Company Ltd. Chairperson, Jingpin Development Industrial Co., Ltd. Independent Director, Union Insurance Company Independent Director, Mayer Steel Pipe Corp. Independent Director, Chun Yuan Steel Industry Co., Ltd. Independent Director, Sung Gang Corp. Limited Director, Eastern Ocean Hot Spring Hotel Co., Ltd. Director, Eastern E-Commerce Co., Ltd. Director, Care Pet Bio-Tech Company Director, Sheng Cheng Co., Ltd. Director, Lee Lian Lai Social Welfare Foundation				

Position	Nationality or place of registration	Name (Note 1)	Gender and age	Date elected/ appointed	Term	Date of first election	Shares held when elected		Current shareholding		Current shareholding by spouse and underage children		Shareholding by nominee arrangement		Major experience (education)	Other concurrent positions within the Company or elsewhere	Spouse or relatives within second degree of kinship acting as directors, supervisors, or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
																Supervisor, Suneast Engineering and Development Co.				
Director	Republic of China	Fortune Base Development Corp. Ltd.	–	2022.06.29	3 years	2019.06.27	58,364,520	14.79	62,374,520	15.80	0	0	130,473,020	33.05			—			
		Representative: Tang, Shun-Jin	Female 51-60	2022.06.29	3 years	2021.09.28	0	0	0	0%	0	0	0	0	Department of Information and Data Processing, Kogakuin University of Technology & Engineering, Japan Vice President, Chan Yun Enterprise Co., Ltd. Marketing Manager, Nikken Co., Ltd.	Chairperson, Global Funeral Services Co., Ltd. Chairperson, Kuo-Ji Multi-marketing Co., Ltd. Chairperson, Sung Gang Corp. Limited Chairperson, Gobo Pets Co., Ltd. Chairperson, Oriental Sunstar Golf Club Co., Ltd. Chairperson, Kuo Fu Development Co., Ltd. Chairperson, Zhanyun Happiness Life Services Co., Ltd. Director, Long Bon International Co., Ltd.	–			

Position	Nationality or place of registration	Name (Note 1)	Gender and age	Date elected/ appointed	Term	Date of first election	Shares held when elected		Current shareholding		Current shareholding by spouse and underage children		Shareholding by nominee arrangement		Major experience (education)	Other concurrent positions within the Company or elsewhere	Spouse or relatives within second degree of kinship acting as directors, supervisors, or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
Director	Republic of China	Global Funeral Services Co., Ltd.	–	2022.06.29	3 years	2019.06.27	69,889,080	17.71	69,889,080	17.71	0	0	0	0			–	–	–	
		Representative: Shao, Ming-Bin	Male 61-70	2022.06.29	3 years	2019.06.27	0	0	500,000	0.13	0		0	0	Dongfang High School of Industry and Commerce COO, Funeral Business Unit of Global Funeral Services Corporation, Ltd. President, Chan Yun Enterprise Co., Ltd. Assistant Manager, Chinpaosan Ltd. Company	Chairperson, Fortune Base Development Corp. Ltd. Chairperson, Dream Water Cube Co., Ltd. Chairperson, Reiju Construction Co., Ltd. Chairperson, Yi Feng Investment Co., Ltd. Chairperson, Yulong Construction Development Co., Ltd. Chairperson, Mingxi Development Co., Ltd. Chairperson, Zheng-Chuang Co., Ltd. Chairperson, Hengchuang Industrial Co., Ltd. Chairperson, Shuidi Meworld Co., Ltd. Director, Long Bon International Co., Ltd. Director, Taisun Enterprise Co., Ltd.				

Position	Nationality or place of registration	Name (Note 1)	Gender and age	Date elected/ appointed	Term	Date of first election	Shares held when elected		Current shareholding		Current shareholding by spouse and underage children		Shareholding by nominee arrangement		Major experience (education)	Other concurrent positions within the Company or elsewhere	Spouse or relatives within second degree of kinship acting as directors, supervisors, or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
Independent director	Republic of China	Yang, Gui-Xiong	Male 71-80	2022.06.29	3 years	2016.05.13	0	0	0	0	0	0	0	0	Department of Law, Chinese Culture University Judge, Taiwan High Court Judge, Taiwan Taipei District Court Prosecutor of Yunlin, New Taipei, and Taipei District Prosecutors Offices, Taiwan	Independent Director, Long Bon International Co., Ltd. Independent Director, Sung Gang Corp. Limited –	—			
Independent director	Republic of China	Chen, Yun-Jin	Male 61-70	2022.06.29	3 years	2022.06.29	0	0	0	0	0	0	0	0	Master's degree in Political Economy, Nankai University, Tianjin, China Bachelor's degree in International Trade, Tamkang University Executive Vice President and CEO of Japan BU, CTBC Bank Co., Ltd. President, Chang Hwa Commercial Bank, Ltd.	Independent Director, Long Bon International Co., Ltd. Chairperson, CTBC Capital Ltd. Chairperson, HH-CTBC Capital Management Co., Ltd. Chairperson, Chailease Consumer Finance Co., Ltd. –	—			
Independent director	Republic of China	Xu, Pei-Ling	Female 41-50	2022.06.29	3 years	2022.06.29	0	0	0	0	0	0	0	0	Bachelor's degree, School of Law Independent Director, RECTRON LTD. Deputy Director, Department of Business and Economic Law, CTBC Business School Auditor, CTBC	Associate Professor/ Director, Graduate School of Technology in Finance, CTBC Business School Director of Cross-Strait Affairs, CTBC Business School –	—			

Position	Nationality or place of registration	Name (Note 1)	Gender and age	Date elected/ appointed	Term	Date of first election	Shares held when elected		Current shareholding		Current shareholding by spouse and underage children		Shareholding by nominee arrangement		Major experience (education)	Other concurrent positions within the Company or elsewhere	Spouse or relatives within second degree of kinship acting as directors, supervisors, or other department heads			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
															Business School PhD in Civil and Commercial Law, Renmin University of China Graduate degree, Department of Law, Ming Chuan University Soochow University					
Independent director	Republic of China	Wang, Cai-An	Male 51-60	2023.06.26	3 years	2023.06.26	0	0	0	0	0	0	0	0	Department of Industrial Management, National Taiwan University of Science and Technology Business Manager, Sparkle Global Co., Ltd. President, Jetway Information Co., Ltd.	Independent Director, Long Bon International Co., Ltd. Chairperson, Topway Technology Co., – Ltd. Chairperson, W | ÉCLAT Biomedical Inc. Independent Director, Taisun Enterprise Co., Ltd.	—			

Note 1: Fill in the current directors in office as of the date of publication of the Annual Report.

Note 2: Having the Chairperson concurrently serve as the President enables the Board of Directors to better understand the Company's operating conditions, improve operating efficiency, and smoother executions of resolutions. The Company has established an Audit Committee, which allows members to fully participate in decision-making, improve and supervise the management functions of the Board of Directors. Among the 8 directors (including 4 independent directors), only 2 are concurrent employees or managers of the Company. Going forward, it has been planned to increase the number of independent directors in accordance with the law.

2. Main shareholders of corporate shareholders

April 26, 2025

Name of institution	Main shareholders of corporate shareholders
Global Funeral Services Co., Ltd. (17.71)	1. Fortune Base Development Corp. Ltd. (78.16%) 2. Hengfu Development Co., Ltd. (15.73%) 3. Lian Sheng Co., Ltd. (1.58%) 4. Blue Star Development Co., Ltd. (0.63%) 5. Hsiao, Yu-His (0.53%) 6. Wu, Kuan-Ju (0.46%) 7. Wu, Hsin-Ting (0.23%) 8. Kuo, Man-Chin (0.13%) 9. Tsai, Yu-Hsiu (0.12%) 10. Cheng, Shu-Wen (0.12%)
Fortune Base Development Corp. Ltd. (15.74%)	1. Heng Bao Co., Ltd. (74.35%) 2. Eastmond Development Co., Ltd. (11.44%) 3. Hengfu Development Co., Ltd. (8.73%) 4. Dream Water Cube Co., Ltd. (2.24%) 5. Ontario Investment Co., Ltd. (2.12%) 6. Global Funeral Services Co., Ltd. (0.51%) 7. Henghui Real Estate Development Co., Ltd. (0.37%) 8. Yang, Kuei-Lan (0.02%) 9. Chu, Yue-Ming (0.02%) 10. Su, Jung-Fu (0.02%)

3. Major shareholders of major corporate shareholders

Name of institution	Main shareholders of corporate shareholders
Hengfu Development Co., Ltd.	Fortune Base Development Corp. Ltd. (100%)
Lian Sheng Co., Ltd.	Chang, Kuo-En (2.43%)
Blue Star Development Co., Ltd.	1. Liu, Nien-Tzi (88.89%), 2. Chu, Wen-Yen (11.11%)
Heng Bao Co., Ltd.	1. Blue Star Development Co., Ltd. (26.23%) 2. Qi-He Investment Co., Ltd. (26.23%) 3. Xin-Yi Investment Co., Ltd. (12.67%) 4. Shuo-Fu Investment Co., Ltd. (11.47%) 5. Hanyu Investment Co., Ltd. (9.93%) 6. Xing-Fa Investment Co., Ltd. (7.37%) 7. Ming-Zhu Investment Co., Ltd. (6.09%)
Eastmond Development Co., Ltd.	Fortune Base Development Corp. Ltd. (100%)
Dream Water Cube Co., Ltd.	1. Xin Wang Investment Co. Ltd. (60%) 2. Fortune Base Development Corp. Ltd. (40%)
Xin Wang Investment Co. Ltd.	1. Fortune Base Development Corp. Ltd. (100%)
Ontario Investment Co., Ltd.	2. Henghui Real Estate Development Co., Ltd. (18.02%) 3. Guo En Marketing Co., Ltd. (20.85%)

Name of institution	Main shareholders of corporate shareholders
	4. Eastmond Development Co., Ltd. (19.47%) 5. Hengfu Development Co., Ltd. (19.32%) 6. Fortune Base Development Corp. Ltd. (18.58%) 7. Global Funeral Services Co., Ltd. (3%) 8. Tuntex Distinct Corp. (0.64%) 9. Wei-Yu Global Investment Co., Ltd. (0.06%) 10. Yuansheng Venture Capital Co., Ltd. (0.03%)
Henghui Real Estate Development Co., Ltd.	Fortune Base Development Corp. Ltd. (100%)
Guo En Marketing Co., Ltd.	Qi-He Investment Co., Ltd. (100%)
Qi-He Investment Co., Ltd.	1. Hanyu Investment Co., Ltd. 2. Mu-Xiang Investment Co., Ltd.
Hanyu Investment Co., Ltd.	1. Chu, Wen-Yen (0.005%) 2. Liu, Nien-Tzi (99.995%)
Mu-Xiang Investment Co., Ltd.	Liu, Nien-Tzi (100%)

4. Professional knowledge of directors and independent directors and their status of independence

Name	Professional qualifications and experience	Compliance of independence criteria	Number of positions as an independent director in other companies
Liu, Wei-Lung	Possesses practical capabilities in legal affairs, business operations, financial accounting analysis, funeral management, risk management, crisis management, leadership and decision-making and marketing, and in charge of the Company's strategic planning, construction, promotion, and long-term development. Served as Chairperson of Lungyen Life Service Corporation, Ltd.	(1) Not a spouse or relative of second degree or closer to any other directors. (2) Does not meet any of the conditions stated in Article 30 of the Company Act.	0
Shao, Ming-Bin	Possesses practical capabilities in business operations, financial analysis, funeral management, risk management, crisis management, leadership and decision-making and marketing. Current Chairperson of Fortune Base Development Corp. Ltd. Served as COO of Funeral Business Unit of Global Funeral Services Corporation, Ltd.	(1) Not a spouse or relative of second degree or closer to any other directors. (2) Does not meet any of the conditions stated in Article 30 of the Company Act.	0
Tang, Shun-Jin	Possesses practical capabilities in business operations, financial analysis, funeral management, risk management, crisis management, leadership and decision-making and marketing. Current Chairperson of Global Funeral Services Co., Ltd. Served as Vice President of Chan Yun Enterprise Co., Ltd.	(1) Not a spouse or relative of second degree or closer to any other directors. (2) Does not meet any of the conditions stated in Article 30 of the Company Act.	0
Liu, Huang-Chi	Possesses practical capabilities in legal affairs, business operations, risk management, crisis management, and leadership and decision-making. Current Independent Director of Mayer Steel Pipe Corp. Served as Rapporteur Judge of the Taiwan High Court. Served as Judge and Presiding Judge of the Taipei District Court.	(1) Not a spouse or relative of second degree or closer to any other directors. (2) Does not meet any of the conditions stated in Article 30 of the Company Act.	4
Yang, Gui-Xiong	Holds qualification to practice as an attorney in Taiwan and possesses practical capabilities in legal affairs, risk management, crisis handling, and leadership and decision-making. Meets one of the professional	An independent director and meets all the relevant standards on independence of independent directors. For independent directors, please describe their compliance of independence	1

Name	Professional qualifications and experience	Compliance of independence criteria	Number of positions as an independent director in other companies
	qualification requirements for independent directors. Served as a Judge of the Taiwan High Court. Served as a Prosecutor of the Taiwan Taipei District Court.	criteria, including but not limited to the independent directors and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of the Company or any of its affiliates. The number of shares of the Company and the shareholding ratio of the independent directors and their spouses and relatives within second degree, or shares held in any third party's name. The independent director does not serve as a director, supervisor or employee of a company with a specific relationship with the Company (refer to Items 5 to 8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies). Compensations received by the independent directors and their spouses and relatives within second degree from providing business, legal, financial, or accounting service to the Company or any of its affiliates in the last two years.	
Chen, Yun-Jin	Possesses practical capabilities in financial accounting analysis, investment and mergers and acquisitions, risk management, and business management and education. Served as a senior manager and president in the banking industry. Meets one of the professional qualification requirements for independent directors.		0
Xu, Pei-Ling	Has academic background in finance and law. Currently an associate professor/director of a graduate institute. Meets one of the professional qualification requirements for independent directors.		0
Wang, Cai-An	Possesses practical capabilities in financial analysis, investment and mergers and acquisitions, risk management, and business management and education. Meets one of the professional qualification requirements for independent directors.		1

5. Diversity of the Board and Independence

(1) Diversity of the Board

A. Article 32 of the Company's "Corporate Governance Code of Practice" specifies that:

The Board of Directors shall provide guidance on the Company's strategies, supervise the management, be responsible for the Company and its shareholders, and shall ensure that it exercises its functions following the requirements of applicable laws and regulations and the Articles of Incorporation or decisions made during shareholders' meetings with regard to the respective operations and arrangements of the corporate governance system. The Board of Directors shall have a structure consisting of at least five members to meet the practical operational demand depending on the management and development scale of the Company and the holding status of major shareholders. The composition of the Board of Directors shall be determined by taking diversity into consideration, except that the number of the Company's directors serving as managers should not exceed one third of the Board, and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

I. Basic requirements and values: Gender, age, nationality, and culture.

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

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

I. Ability to make sound business judgments;

II. Ability to perform accounting and financial analyses;

III. Ability to manage a business;

IV. Ability to handle crisis management;

V. Industrial knowledge;

VI. An international market perspective;

VII. Leadership;

VIII. Decision-making ability.

B. The 8 members of the 14th term of the Board of Directors of the Company (including 4 independent directors)

Director / (Note) / Item		Liu, Wei-Lung	Liu, Huang-Chi	Shao, Ming-Bin	Tang, Shun-Jin	Yang, Gui-Xiong	Chen, Yun-Jin	Xu, Pei-Ling	Wang, Cai-An
Gender		Male	Male	Male	Female	Male	Male	Female	Male
Concurrently an employee of the Company		✓	✓						
Age	Below 60	✓	✓		✓			✓	✓
	61~70			✓			✓		
	Over 71					✓			
Operational judgment		✓	✓	✓	✓	✓	✓	✓	✓
Accounting analysis		✓					✓		✓
Financial analysis		✓		✓	✓		✓	✓	✓
Operational management		✓	✓	✓	✓	✓	✓	✓	✓
Crisis management		✓	✓	✓	✓	✓	✓	✓	✓
Industrial knowledge		✓	✓	✓	✓	✓	✓	✓	✓
An international market perspective		✓	✓	✓	✓	✓	✓	✓	✓
Leadership		✓	✓	✓	✓	✓	✓	✓	✓
Decision-making		✓	✓	✓	✓	✓	✓	✓	✓

Note: A current director in the most recent year and as of the printing date of the Annual Report

C. Of all the members of the Board of Directors, directors possessing employee status account for 25% In addition, the Company also attaches importance to the diversity of the gender composition of the Board members. The target number of female Board members is 3, and 2 females have been nominated as members of the 14th Board of Directors.

(2) Independence of the Board

A. The Company's Board of Directors has 4 independent directors, accounting for 50% of the total. The term of office ranges from 2 to 9 years, and none of the independent directors have served consecutively for three terms.

B. The Company's Board of Directors do not have any conditions stipulated by Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act, thereby meeting the status of independence.

(3) Specific management objectives and achievement status of the Board of Directors' diversity policy

Management goals	Achievement status
Directors who are concurrent employees of the Company are not advised to exceed 1/3 of the total directorship	Achieved
The Board of Directors must have at least 2 women members	Achieved
The term of office of an independent director shall not exceed 3 consecutive terms	Achieved

(II) Information of President, Vice Presidents, Assistant Presidents, and Branch Supervisors

Position	Nationality	Name (Note 1) (Note 2)	Gender	Date elected/appointed	Shareholding		Shares held by spouse & minors		Shareholding by nominee arrangement		Major experience (education)	Concurrent position in other companies	Manger who is a spouse or a relative within second degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
President	Republic of China	Liu, Wei-Lung	Male	2021.02.01	0	0	0	0	0	0	Chairperson, Lungyen Life Service Corporation College of Law, National Taiwan University	Chairperson of the Company Chairperson, Everwin Investment Co., Ltd. Chairperson, Taisun Enterprise Co., Ltd. Chairperson, Pin-Tai Distribution Enterprise Co., Ltd. Chairperson, Taishanyuan Co., Ltd. Director, Taiwan FamilyMart Co., Ltd. Director, Taiwan Nikomart Co., Ltd Director, Central Union Oil Corp. Director, Reiju Construction Co., Ltd. Chairperson, Taisun (Cayman) Investment Ltd.	No	No	No	
Vice President	Republic of China	Tao, Po-Wei	Male	2023.10.11	0	0	0	0	0	0	Vice President, Reicheng Construction Co., Ltd. Vice President, Reiju Construction Co., Ltd. Project Director, Shenzhen Taihua Property Co., Ltd. Department of Architecture & Interior Design, National Yunlin University of Science & Technology	No	No	No	No	

Position	Nationality	Name (Note 1) (Note 2)	Gender	Date elected/appointed	Shareholding		Shares held by spouse & minors		Shareholding by nominee arrangement		Major experience (education)	Concurrent position in other companies	Manager who is a spouse or a relative within second degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
Head of Finance Corporate Governance Officer	Republic of China	Dong, Yi-Qing	Male	2023.08.11	0	0	0	0	0	0	Assistant VP, Finance Division, Fortune Base Development Corp. Ltd. Manager of Finance Department, Long Bon International Co., Ltd. Director of Investment Banking Department of VTeam Financial Service Group Manager of Finance Department, Zenitron Corporation Department of Cooperative Economics, National Chung Hsing University	Supervisor, Reiju Construction Co., Ltd. Supervisor, Sky Honor International Co., Ltd.	No	No	No	
Assistant Vice President	Republic of China	Li, Man-man	Female	2023.10.11	22,947	0.01	0	0	0	0	Manager, Assets Division, Long Bon International Co., Ltd. Section Chief, Taiwan Life Insurance Co., Ltd. EMBA, Feng Chia University	No	No	No	No	
Head of Accounting	Republic of China	Tsai, Ying-Chia	Female	2023.08.11	0	0	0	0	0	0	Head of Accounting, Long Bon International Co., Ltd. Manager, PwC Taiwan B.A. In Accounting, National Taipei University	No	No	No	No	
Chief Auditor	Republic of China	Hsu, Ya-Lan	Female	2022.04.20	0	0	0	0	0	0	Audit Director of Mitake Information Corporation Graduate Institute of Library & Information Science, National Chung Hsing University	No	No	No	No	

Note 1: Fill in the current managers in office as of the date of publication of the Annual Report.
Note 2: Executive managers who have worked for the Company's audit and certifying accounting firm or its affiliated companies: None.

II. Remuneration paid to Directors, President and Vice Presidents in the most recent year

(I) Remuneration of Directors and Independent Directors

Unit: NT$ Thousand; %

Position Name	Remuneration of Directors								Total remuneration (A+B+C+D) and its ratio to net income		Remuneration to concurrent employees								Total remuneration (A+B+C+D+E+F+G) and its ratio to net income		Compensation paid to directors from an invested company other than the Company's subsidiary
	Remuneration (A)		Severance pay and pension (B)		Director remuneration (C)		Business expenses (D)				Salary, bonus and allowance (E) (Note 2)		Severance pay and pension (F)		Employee remuneration (G)						
	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
															Cash bonus	Stock bonus	Cash bonus	Stock bonus			
Fortune Base Development Corp. Ltd.					7,074	7,074			7,074 0.69	7,074 0.49									7,074 0.69	7,074 0.49	
Representative: Liu, Wei-Lung							35	636	35 0.00	636 0.04	9,072	12,872							9,107 0.89	13,508 0.93	
Representative: Tang, Shun-Jin							30	30	30 0.00	30 0.00									30 0.00	30 0.00	
Global Funeral Services Co., Ltd.					7,074	7,074			7,074 0.69	7,074 0.49									7,074 0.69	7,074 0.49	
Representative: Liu, Huang-Chi							35	636	35 0.00	636 0.04	1,459	1,799							1,494 0.15	2,435 0.17	
Representative: Shao, Ming-Bin					0	967	35	497	35 0.00	1,464 0.10									35 0.00	1,464 0.10	
Yang, Gui-Xiong	1,140	1,140					35	35	1,175 0.11	1,175 0.08									1,175 0.11	1,175 0.08	
Chen, Yun-Jin	1,140	1,140					35	35	1,175 0.11	1,175 0.08									1,175 0.11	1,175 0.08	
Xu, Pei-Ling	1,140	1,140					35	35	1,175 0.11	1,175 0.08									1,175 0.11	1,175 0.08	
Wang, Cai-An (Note 1)	1,140	1,841					35	75	1,175 0.11	1,916 0.13									1,175 0.11	1,916 0.13	
Total	4,560	5,261	0	0	14,148	15,115	275	1,979	18,983	22,355	10,531	14,671	0	0	0	0	0	0	29,514	37,026	0

Note 1: Appointed on June 26, 2023. Note 2: This expense includes vehicle allowance and fuel costs.

Note: Please describe the policy, system, standards and structure of the remuneration packages of the Company's directors and independent directors, and explain the relevance of the amount of remuneration paid to them based on factors such as responsibility, risk and time commitment: 1. In accordance with the Articles of Incorporation of the Company, the Board of Directors is authorized to determine the remuneration of the Company's directors (including the Chairman) in line with the directors' level of participation in the Company's operations, the value of their contributions, and the general level of the industry. 2. The payment of the directors' remuneration of the Company shall be handled in accordance with the "Regulations on the Payment of Directors' Remuneration". The remuneration can be classified as remuneration, compensation and business execution-related expenses (such as travel expenses, office expenses and other expenses required to facilitate the Company's operations). The Company's Articles of Incorporation also clearly stipulate that directors' remuneration shall not exceed 3.5% of annual profits.

(II) Scale of remuneration: President and VP

Unit: NT$ Thousand; %

Position	Name	Salary (A) (Note 1)		Severance pay and pension (B)		Bonuses, allowances, etc. (C) (Note 2)		Amount of employee remuneration (D) (Note 3) (Proposed figure)				Total remuneration (A+B+C+D) and its ratio to net income		Exercisable employee stock options		Restricted stock units		Compensation paid to directors from an invested company other than the Company's subsidiary
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	
								Cash bonus	Stock bonus	Cash bonus	Stock bonus							
President	Liu, Wei-Lung	7,250	11,050	0	0	1,822	1,822	0	0	0	0	9,072 0.89%	12,872 0.89%	0	0	0	0	0
Vice President	Tao, Po-Wei	2,159	2,159	0	0	0	0	0	0	0	0	2,159 0.21%	2,159 0.15%	0	0	0	0	0

(III) Remuneration of the top five remuneration top executives

Unit: NT$ Thousand; %

Position	Name (Note 4)	Salary (A) (Note 1)		Severance pay and pension (B)		Bonuses, allowances, etc. (C) (Note 2)		Amount of employee remuneration (D) (Note 3) (Proposed figure)				Total remuneration (A+B+C+D) and its ratio to net income (Note 5)	
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements
								Cash bonus	Stock bonus	Cash bonus	Stock bonus		
President	Liu, Wei-Lung	7,250	11,050	0	0	1,822	1,822	0	0	0	0	9,072 0.89%	12,872 0.89%
Vice President	Tao, Po-Wei	2,159	2,159	0	0	0	0	0	0	0	0	2,159 0.21%	2,159 0.15%
Head of Finance	Dong, Yi-Qing	2,021	2,021	0	0	0	0	0	0	0	0	2,021 0.20%	2,021 0.14%
Assistant Vice President	Li, Man-man	1,752	1,752	0	0	0	0	0	0	0	0	1,752 0.17%	1,752 0.12%
Head of Accounting	Tsai, Ying-Chia	1597	1,597	0	0	0	0	0	0	0	0	1,597 0.16%	1,597 0.11%

Note 1: This is the scale of remuneration for the President and VPs in 2024. Salaries include position allowances, retirement pensions, and severance pay.
Note 2: Refers to all payments made to the President and VPs in 2024, including bonuses, rewards, transportation allowance, special allowance, stipends, lodging, and vehicle.
Note 3: The proposed distribution amount for 2025 is calculated based on the proportion of the actual distribution amount in 2024. The distribution ratio of employee remuneration in 2024 has not yet been resolved by the Board of Directors.
Note 4: Refers to the remuneration information of the top five current executive officers with the highest actual remuneration in 2024.
Note 5: Net profit after tax refers to the net profit after tax from the 2024 individual financial report.

(IV) Manager's name and distribution of employee remuneration

December 31, 2024; Unit: NT$ thousand: %

	Position	Name (Note 1)	Stock value	Cash value (Note 2)	Total	Ratio of total amount to net income (loss) (Note 3)
Manager	Chairman and President	Liu, Wei-Lung	0	0	0	0
	Vice President	Tao, Po-Wei				
	Assistant Vice President	Dong, Yi-Qing				
	Assistant Vice President	Li, Man-man				
	Assistant Vice President	Liu, Fang-You				
	Manager	Tsai, Ying-Chia				

Note 1: The managers who have served in the Company as of 2024.

Note 2: It refers to the proportion of employee remuneration for 2024 that has not yet been resolved by the Board of Directors.

Note 3: Net profit after tax refers to the net profit after tax from the 2024 individual financial report.

(V) Remunerations to directors, President, and Vice Presidents and etc. as a percentage of net profit after tax in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision, and relation to business performance and future risks:

1. Analysis of the ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements as a percentage of net profit after tax for the most recent two fiscal years to directors, president, and vice presidents of the Company:

Year	The Company		All companies in the consolidated financial statements	
	2023	2024	2023	2024
Director	2.08	2.88	1.86	2.51
President and VP	1.28	1.10	1.15	1.04

2. The policies and standards of paying remunerations, and packages of remuneration:

(1) Directors' remuneration includes travel expenses and directors' and director/supervisors' remuneration from earnings distribution. With respect to the determination of travel expenses, reference is made to the industry standards.

(2) The remuneration of directors is the remuneration of directors/supervisors from earnings distribution, which shall be submitted to the special resolution of the Board of Directors for approval and reported to the Shareholders' Meeting, and handled in

accordance with the provisions of the Company's Articles of Incorporation.

3. Procedure for formulating the remuneration and its relation to business performance and future risks:

   The remuneration of the Company's non-independent directors and managers and the amount of employee remuneration are based on the usual level of payment from industry peers, while taking into account the time invested by the individual, the responsibilities undertaken, the achievement of personal goals, the performance of the individual while serving in other positions, the remuneration paid to equivalent ranks by the Company in recent years, and the reasonableness of the relationship between the individual's performance and the Company's operating performance and future risks, etc. At the same time, the Company also takes onto account the achievement progress of its short-term and long-term business goals, its financial position, etc. The Remuneration Committee reviews the content and amount of their individual remuneration and submits it to the Board of Directors for resolution.

III. Corporate Governance Practices

(I) Operations of the Board of Directors

The 14th term of the Board of Directors has met 7 [A] times in the most recent year (2024). The details of attendance are as follows:

Position	Name	Actual Attendance [B]	Attendance by proxy	Attendance rate (%) [B/A] (Note)	Remarks
Chairman	Fortune Base Development Corp. Ltd. Representative: Liu, Wei-Lung	7	0	100.00%	
Director	Global Funeral Services Co., Ltd. Representative: Liu, Huang-Chi	7	0	100.00%	
Director	Global Funeral Services Co., Ltd. Representative: Shao, Ming-Bin	7	0	100.00%	
Director	Fortune Base Development Corp. Ltd. Representative: Tang, Shun-Jin	6	1	85.71%	
Independent director	Yang, Gui-Xiong	7	0	100.00%	
Independent director	Chen, Yun-Jin	7	0	100.00%	
Independent director	Xu, Pei-Ling	7	0	100.00%	
Independent director	Wang, Cai-An	7	0	100.00%	

Other important information:

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

(1) Concerning provisions of Article 14-3 of the Securities and Exchange Act:

A total of 7 Board meetings were held in 2024, the content of the resolutions is shown on Page 43 to 45 of the Annual Report. None of the independent directors had expressed objection to the matters listed in Article 14-3 of the Securities and

Exchange Act and all resolutions were passed without dissent.

(2) Other Board resolutions with respect to objections or qualified opinions expressed by independent directors on record or in writing: None.

2. When there are recusals of directors due to conflicts of interests, names of the directors, contents of resolutions, reasons of recusal, and voting participation should be stated:

Date	Names of Directors	Major Resolutions	Reasons for recusal from conflicts of interests	Participation in voting
2024/01/30 14th-term 17th meeting Board of Directors	Chairman Liu, Wei-Lung Director Liu, Huang-Chi	Resolution passed for total performance bonus for the Company and performance bonus and adjustment for meal allowance for managers in 2023	As an interested party in this case, the director was recused from the relevant interests in accordance with the law.	Did not participate in discussion or voting
2024/03/13 14th-term 18th meeting Board of Directors	Chairman Liu, Wei-Lung Director Shao, Ming-Bin Director Tang, Shun-Jin Director Liu, Huang-Chi	Resolution passed for remuneration for directors and employees in 2023	As an interested party in this case, the director was recused from the relevant interests in accordance with the law.	Did not participate in discussion or voting
2024/05/14 14th-term 19th meeting Board of Directors	Chairman Liu, Wei-Lung	Resolution passed for the Company's proposed loan of funds to its subsidiary Everwin Investment Co., Ltd.	As an interested party in this case, the director was recused from the relevant interests in accordance with the law.	Did not participate in discussion or voting
2024/08/13 14th-term 20th meeting Board of Directors	Chairman Liu, Wei-Lung, Director Shao Mingbin Chairman Liu, Wei-Lung	1. Resolution passed for the Company's proposal to entrust its related party, Reiju Construction Co., Ltd., to construct a new urban renewal residential building project in the Juguang section of Wanhua District, Taipei City. 2. Resolution passed to cancel the Company's proposed additional loan of funds to its subsidiary Everwin Investment Co., Ltd.	As an interested party in this case, the director was recused from the relevant interests in accordance with the law.	Did not participate in discussion or voting

Date	Names of Directors	Major Resolutions	Reasons for recusal from conflicts of interests	Participation in voting
2024/09/19 14th-term 21st meeting Board of Directors	Chairman Liu, Wei-Lung Director Shao, Ming-Bin Independent director Wang, Cai-An	Resolution passed for the Company's proposed lease its property located at 6F., No. 50, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei City to its related party Taisun Enterprise Co., Ltd.	As an interested party in this case, the director was recused from the relevant interests in accordance with the law.	Did not participate in discussion or voting
2024/11/12 14th-term 22nd meeting Board of Directors	Chairman Liu, Wei-Lung Chairman Liu, Wei-Lung Chairman Liu, Wei-Lung	1. Resolution passed for the Company's proposed loan of funds to its subsidiary Everwin Investment Co., Ltd. 2. Resolution passed for the Company to provide endorsements/guarantees to its subsidiary Everwin Investment Co., Ltd. 3. Resolution passed for the appointment of members of the Company's Sustainable Development Committee	As an interested party in this case, the director was recused from the relevant interests in accordance with the law.	Did not participate in discussion or voting

3. Implementation Status of the Evaluation of Board of Directors:
   (1) Evaluation cycle Once every year.
   (2) Evaluation period: From January 01, 2024 to December 31, 2024.
   (3) Evaluation scope: Includes performance evaluation of the Board of Directors, individual directors, and functional committees.
   (4) Evaluation method: Internal self-evaluation of the Board of Directors, functional committees, and self-evaluation of individual directors.
   (5) Evaluation content:
      A. Board of Directors performance evaluation:
         Includes level of participation in the Company's operations, quality of board decision-making, board composition and structure, appointment of directors and their continuing studies, and internal controls.
      B. Individual Board member performance evaluation:
         Includes familiarity with the goals and missions of the Company, awareness of the duties of a director, participation in the operations of the Company, management of internal relationship and communication, director's professionalism and continuing education, and internal control system, etc.
      C. Functional committee performance evaluation:
         Degree of participation in the Company's operations, awareness of duties, decision-making quality, composition and selection of members, internal control, etc.

   The results of the 2024 internal self-evaluation of the Board of Directors of the Company were submitted to the Board of Directors on January 16, 2025. The evaluation results are as follows:
   (1) The overall self-evaluation result of the Board of Directors has met the required standards.
   (2) The overall self-evaluation results of the Board members were superior to the required standards.
   (3) The overall self-evaluation result of the Audit Committee was superior to the required standards.
   (4) The overall self-evaluation result of the Remuneration Committee was superior to the required standards.

   The evaluation results indicate that the overall operation of the Company's Board of Directors is sound and there are no major areas for improvement.
4. The goals of improving the professional competencies of the Board of Directors (e.g., establishing the Audit Committee and improving the transparency of information) in the current year and recent years and assessment of implementation:
   (1) To strengthen the Board governance system, the Company has formulated its Regulations Governing Procedure for Board of Directors Meetings as the basis for compliance. In order to improve the information transparency on Board

operations, key resolutions of the Board of Directors are disclosed in the Annual Report and the Company's website. Since 2017, the Company has been purchasing "Directors and Key Personnel Liability Insurance" for the compensation liability that directors and key personnel should bear in accordance with the law when performing their duties during their term of office.

(2) The Company approved the establishment of a "Corporate Social Responsibility Committee" at the 21st meeting of the 12th term of the Board of Directors on November 9, 2017, and the Board of Directors approved its revision to the "Sustainable Development Committee" on May 11, 2023. The Committee discusses and implements relevant matters in the management meetings and reports the progress of relevant matters to the Board of Directors on a regular basis.

(3) The Company established an Audit Committee during the term of the 13th Board of Directors. (Established in June 2019)

5. The attendance of independent directors at each Board meeting in 2024 is as follows:

Meeting date and term	Independent director Yang, Gui-Xiong	Independent director Chen, Yun-Jin	Independent director Xu, Pei-Ling	Independent director Wang, Cai-An
2024/01/30 14th-term 17th meeting	Attendance in person	Attendance in person	Attendance in person	Attendance in person
2024/03/13 14th-term 18th meeting	Attendance in person	Attendance in person	Attendance in person	Attendance in person
2024/05/14 14th-term 19th meeting	Attendance in person	Attendance in person	Attendance in person	Attendance in person
2024/08/13 14th-term 20th meeting	Attendance in person	Attendance in person	Attendance in person	Attendance in person
2024/09/19 14th-term 21st meeting	Attendance in person	Attendance in person	Attendance in person	Attendance in person
2024/11/12 14th-term 22nd meeting	Attendance in person	Attendance in person	Attendance in person	Attendance in person
2024/12/25 14th-term 23rd meeting	Attendance in person	Attendance in person	Attendance in person	Attendance in person

(II) Operations of the Audit Committee

In the most recent year (2024), the Audit Committee met 6 times (A). The attendance of the Audit Committee is as follows:

Position	Name	Actual Attendance (B)	Attendance by proxy Times	Attendance rate (%) (B/A)	Remarks
Audit Committee member	Yang, Gui-Xiong	6	0	100.00	
Audit Committee member	Chen, Yun-Jin	6	0	100.00	
Audit Committee member	Xu, Pei-Ling	6	0	100.00	
Audit Committee member	Wang, Cai-An	6	0	100.00	

Note: The actual attendance rate (%) is calculated based on the number of Board meetings held during the term of office and the number of actual attendances.

1. Key tasks and powers of the Audit Committee for the year:
   (1) The main function of the Audit Committee is to supervise the following matters:
      A. Fair presentation of the financial reports of the Company.
      B. The hiring (and dismissal), independence, and performance of certificated public accountants of the Company.
      C. The effective implementation of the internal control system of the Company.
      D. Compliance with relevant laws and regulations by the Company.
      E. Management of the existing or potential risks of the Company.
   (2) The powers of the Committee are as follows:
      A. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
      B. Assessment of the effectiveness of the internal control system.
      C. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
      D. Matters in which a director is an interested party.
      E. Asset transactions or derivatives trading of a material nature.
      F. Loans of funds, endorsements, or provision of guarantees of a material nature.
      G. The offering, issuance, or private placement of equity-type securities.
      H. The hiring or dismissal of a certified public accountant, or their compensation.
      I. The appointment or discharge of a financial, accounting, or internal audit officer.
      J. The annual financial report signed or sealed by the Chairman, manager and accounting manager and the semi-annual financial report audited and certified

by a certified public accountant.

K. Other material matters as may be required by the Company or by the competent authority.

2. The date of the Board meeting, the term, contents of the proposals, resolutions of the Audit Committee, and the Company's handling of the resolutions of the Audit Committee shall be recorded under the following circumstances in the operations of the Audit Committee meeting.

(1) Matters concerning the provisions of Article 14-5 of the Securities and Exchange Act:

A total of 7 Board meetings were held in 2024. The resolutions are as follows. All independent directors had no objection to the matters listed in Article 14-5 of the Securities and Exchange Act and all resolutions were passed without dissent.

Board of Directors	Major Resolutions	Resolutions of the Audit Committee	The Company's response to Audit Committee's opinions
2024/01/30 14th-term 17th meeting	1. Proposal to dispose of one piece of land located at No. 325, Section 5, Wende Section, Neihu District, Taipei City. 2. Proposal for total performance bonus for the Company and performance bonus and adjustment for meal allowance for managers in 2023.	All committee members attending the meeting approved	All directors attending the meeting approved
2024/03/13 14th-term 18th meeting	1. The Company’s 2023 Business Report and Financial Statements (including Consolidated and Individual Financial Statements). 2. Proposed remuneration for directors and employees in 2023. 3. Preparation of the Company’s 2023 Statement of Internal Control System.	All committee members attending the meeting approved	All directors attending the meeting approved
2024/05/14 14th-term 19th meeting	1. The Company's proposed loan of funds to its subsidiary Everwin Investment Co., Ltd.	All committee members attending the meeting approved	All directors attending the meeting approved
2024/08/13 14th-term 20th meeting	1. The Company's financial report for Q2 2024. 2. The Company's proposal to entrust its related party, Reiju Construction Co., Ltd., to construct a new urban renewal residential building project in the Juguang section of Wanhua District, Taipei City. 3. Proposal to cancel the loaning of additional funds to the subsidiary Everwin Investment Co., Ltd. 4. Proposal to amend the Company's "Internal Control System".	All committee members attending the meeting approved	All directors attending the meeting approved
2024/09/19 14th-term 21st meeting	Proposal to lease the Company's property located at 6F., No. 50, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei City to its related party Taisun Enterprise Co., Ltd.	All committee members attending the meeting approved	All directors attending the meeting approved
2024/11/12 14th-term 22nd	1. Proposal for the Company's loaning of funds to its subsidiary Everwin Investment Co., Ltd.	All committee members attending the	All directors attending the meeting

Board of Directors	Major Resolutions	Resolutions of the Audit Committee	The Company's response to Audit Committee's opinions
meeting	2. Proposal for the Company's provision of endorsement/guarantee for its subsidiary Everwin Investment Co., Ltd. 3. Proposal to amend the Company's "Internal Control System".	meeting approved	approved
2024/01/30 14th-term 17th meeting	The appointment, remuneration and independence assessment of the Group's certified public accountants (CPAs) for 2025, and the establishment of a process and general policy for the prior consent of non-assurance services in cooperation with the accounting firm and its affiliated companies	All committee members attending the meeting approved	All directors attending the meeting approved

3. When there are recusals of independent directors due to conflicts of interests, names of the independent directors, contents of resolutions, reasons of recusal, and voting participation should be stated:

Board of Directors	Name of independent director	Major Resolutions	Reasons for recusal from conflicts of interests	Participation in voting
2024/09/19 14th-term 21st meeting	Independent director Wang, Cai-An	Resolution passed for the Company's proposed lease its property located at 6F., No. 50, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei City to its related party Taisun Enterprise Co., Ltd.	As an interested party in this case, the director was recused from the relevant interests in accordance with the law.	Did not participate in discussion or voting

4. Communication between independent directors and internal auditors and accountants:
   (1) Communication method between independent directors (Audit Committee) and internal auditors:
   The Company's independent directors and internal audit supervisors hold regular meetings at least once a quarter and submit the previous month's audit report and deficiency tracking report before the end of each month, reporting on the implementation of the Company's annual audit plan and the improvement of internal control deficiency tracking. A meeting may be convened at any time if any major unusual event occurs.

(2) Summary of communication between independent directors (Audit Committee) and internal auditors in 2024

Date	Main points of communication	Processing result
2024.01.19	Submission of December 2023 audit report to independent directors for review	No objection from the independent directors
January 30, 2024 Audit Committee meeting	Report on Q4 2023 audit status	No objection after the report
2024.02.19	Submission of January 2024 audit report to independent directors for review	No objection from the independent directors
March 13, 2024 Audit Committee meeting	Preparation of the Company's 2023 Statement of Internal Control System.	Submitted resolution to the Board of Directors after review and approval
2024.03.21	Submission of February 2024 audit report to independent directors for review	No objection from the independent directors
2024.04.17	Submission of March 2024 audit report to independent directors for review	No objection from the independent directors
May 14, 2024 Audit Committee meeting	Report on Q1 2024 audit status	No objection after the report
2024.05.20	Submission of April 2024 audit report to independent directors for review	No objection from the independent directors
2024.06.24	Submission of May 2024 audit report to independent directors for review	No objection from the independent directors
2024.07.22	Submission of June 2024 audit report to independent directors for review	No objection from the independent directors
August 13, 2024 Audit Committee meeting	1. Report on Q2 2024 audit status	No objection after the report
	2. Amendment of the Company's Internal Control System	Submitted resolution to the Board of Directors after review and approval
2024.08.22	Submission of July 2024 audit report to independent directors for review	No objection from the independent directors
2024.09.24	Submission of August 2024 audit report to independent directors for review	No objection from the independent directors
2024.10.22	Submission of September 2024 audit report to independent directors for review	No objection from the independent directors
November 12, 2024 Audit Committee meeting	1. Report on Q3 2024 audit status	No objection after the report
	2. Amendment of the Company's Internal Control System	Submitted resolution to the Board of Directors after review and approval

Date	Main points of communication	Processing result
	3. The 2025 annual audit plan	Submitted resolution to the Board of Directors after review and approval
2024.11.22	Submission of October 2024 audit report to independent directors for review	No objection from the independent directors
2024.12.25	Submission of November 2024 audit report to independent directors for review	No objection from the independent directors

(3) Communication method between independent directors (Audit Committee) and accountants:

The Company's independent directors and certified public accountants hold regular meetings at least once a quarter. The CPAs discuss the results of the audit/review of the Company's financial reports in the Audit Committee meetings or at pre-meetings, and fully communicate whether the amendments to the laws and regulations have a significant impact on the Company.

(4) Summary of communication between independent directors (Audit Committee) and CPAs in 2024

Date	Attendees	Main points of communication	Processing result
2024/03/13 Audit Committee	Independent director Yang, Gui-Xiong Independent director Chen, Yun-Jin Independent director Xu, Pei-Ling Independent director Wang, Cai-An CPA KyKy Lin CPA Maggie Yang	2023 Business Report and Financial Statements (including Consolidated and Individual Financial Statements)	No objection from the independent directors
2024/05/14 Audit Committee	Independent director Yang, Gui-Xiong Independent director Chen, Yun-Jin Independent director Xu, Pei-Ling Independent director Wang, Cai-An CPA KyKy Lin CPA Maggie Yang	Financial report for Q1 2024	No objection from the independent directors
2024/08/13 Audit Committee	Independent director Yang, Gui-Xiong Independent director Chen, Yun-Jin Independent director Xu, Pei-Ling Independent director Wang, Cai-An CPA KyKy Lin	Financial report for Q2 2024	No objection from the independent directors
2024/11/12 Audit Committee	Independent director Yang, Gui-Xiong Independent director Chen, Yun-Jin Independent director Xu, Pei-Ling Independent director Wang, Cai-An CPA KyKy Lin CPA Maggie Yang	Financial report for Q3 2024	No objection from the independent directors

(III) Corporate governance practices and deviations thereof from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reason for such deviations

Evaluation Item	Operating Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Related Reasons
	Yes	No	Summary	
I. Has the company formulated and disclosed its corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	✓		The Company has formulated relevant procedures and regulations and disclosed relevant information on its official website as required by law.	No significant difference.
II. Shareholding structure and shareholders' rights (1) Has the company established internal operating procedures for dealing with shareholder proposals, doubts, disputes, and litigation as well as implemented those procedures?	✓		(1) The Company has dedicated personnel in the Finance Division to handle stock affairs, has appointed a spokesperson and acting spokesperson to deal with relevant matters, and has established communication channels by providing mailboxes on the official website; The Legal Office handles disputes and litigation related to shareholders.	No significant difference.
(2) Does the company possess a list of major shareholders that have actual control over the company and a list of ultimate owners of those major shareholders?	✓		(2) The Company keeps track of its major shareholders and their ultimate owners and discloses such information in accordance with regulations.	
(3) Has the company established and implemented risk management and firewall systems within its conglomerate structure?	✓		(3) The Company has formulated regulations in relation to the management of related party transactions with its affiliates, as well as endorsements, guarantees, and loaning of funds for its affiliates. In addition, the Company has established the “supervision and management of subsidiaries” procedure in accordance with the “Regulations Governing Establishment of Internal Control Systems by Public Companies” promulgated by the Financial Supervisory Commission, with the aim of implementing risk management mechanisms for subsidiaries.	
(4) Has the company formulated internal regulations to prevent its	✓		(4) The Company has established the “Ethical Corporate Management Operating Procedures and Code of	

Evaluation Item	Operating Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Related Reasons
	Yes	No	Summary	
insiders from trading securities based on information yet to be public on the market?			Conduct" and "Procedures for Handling Material Inside Information and Prevention of Insider Trading." In accordance with laws and regulations, the Company's internal control system has formulated insider trading prevention and material information management procedures to prohibit insiders from trading securities based on information yet to be public on the market and has disclosed the relevant contents on the Company's website.	
III. Composition and duties of the Board of Directors (1) Has the Board of Directors drawn up policies on diversity of its members and implemented them?			(1) The Company's Board of Directors consists of members with professional backgrounds such as lawyer licenses, business and funeral management, land development, real estate sales, and financial accounting analysis. Based on their professional backgrounds, all of them are able to make improvement suggestions for the Company's operation and management. Of all the members of the Board of Directors, directors possessing employee status account for 25%, and independent directors account for 50%; The average term of independent directors is 2 to 9 years; One director is 71 to 80 years old, three directors are 61 to 70 years old, three directors are 51 to 60 years and one director is 41 to 50 years old.	No significant difference.
(2) In addition to the Remuneration Committee and the Audit Committee, which are required by law, is the company willing to create other functional committees on a voluntary basis?	✓		(2) The Company has established a Corporate Social Responsibility Committee in accordance with the Corporate Governance Best Practice Principles and will set up other functional committees in the future based on actual needs.	No significant difference.
(3) Has the company formulated board performance evaluation guidelines and evaluation methods; and does it conduct annual and regular performance evaluations, report the results of the performance evaluations to the Board of Directors, and	✓		(3) The Company evaluates the final board meeting each year and reports the evaluation results at the board meeting in the following year. The results are also disclosed on the Company's official website. The subjects under evaluation include the overall operating status of the Board of Directors and the performance of individual board members.	No significant difference.

Evaluation Item	Operating Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Related Reasons
	Yes	No	Summary	
use them as a reference for the remuneration and nomination of individual directors?			Criteria for evaluating the performance of the Company's Board of Directors shall cover the following five aspects: 1. The degree of participation in the Company's operations. 2. Improving the quality of board decisions. 3. The composition and structure of the Board of Directors and each functional committee. 4. Election and continuing education of directors. 5. Internal control. Criteria for evaluating the performance of the directors shall include at least the following six aspects: 1. Mastery of company goals and missions. 2. Awareness of duties as directors. 3. The degree of participation in the Company's operations. 4. Internal relationship management and communication. 5. Profession and continuing education of directors. 6. Internal control. The results of the overall board performance evaluation for 2024 are all found to be good. Suggestions and improvement actions: None.	
(4) Does the company regularly evaluate the independence of CPAs?	✓		(4) In addition to requesting CPAs to issue their independence statements each year, the Company has formulated the "Certified Public Accountants Selection and Review Rules" to evaluate their independence and competency. The Company conducts such evaluations at the end of each year and reports the results to the final board meeting each year. Please refer to Table 1 for the evaluation results.	No significant difference.
IV. Does the company appoint competent and appropriate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing	✓		To safeguard shareholders' rights and strengthen the functions of the Board of Directors, the Company's Board of Directors appointed Vice President Dong, Yi-Qing as the Corporate Governance Officer on August 11, 2023, responsible for the supervision and planning of corporate governance. His qualifications comply with provisions related to the Corporate	No significant difference.

Evaluation Item	Operating Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Related Reasons
	Yes	No	Summary	
information required for business execution by directors, assisting directors' compliance of law, handling matters related to board meetings and shareholders' meeting according to law, and preparing minutes of board meetings and shareholders' meetings)?			Governance Officer under Article 3-1, Paragraph 1 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The scope of roles and duties for the Corporate Governance Officer includes handling matters related to board meetings and annual shareholders' meetings in accordance with the law, preparing minutes for board meetings and the shareholders' meetings, assisting the directors in their appointment and continuing education, furnishing information required for business execution by directors, and assisting the directors in compliance with laws and regulations. The implementation of matters related to corporate governance is managed by the Accounting Department. The implementation status of the business in 2024 is as follows: 1. In 2024, the Board of Directors held 7 meetings, the Audit Committee held 6 meetings, and the Remuneration Committee held 5 meetings. 2. The annual shareholders' meeting for 2024 was convened once. 3. The Company assisted board members in formulating annual continuing education plans and arranging courses. 4. The Company has insured liability insurance for directors and key employees and reported to the Board of Directors upon renewal. 5. The Company regularly communicates with independent directors and CPAs on the corporate financial and business status. For more information, please refer to Page 25 of the Annual Report and the Company's website (http://www.longbon.com.tw). 6. The agenda for board meetings is drafted and the directors are notified seven days prior to such meetings. The meetings are convened and information is provided accordingly. In the event of any conflict of interest in a motion, a prior reminder for recusal from specific motions is provided to those with a conflict of interest. The minutes of the Board of Directors are completed within 20 days upon meetings held.	

Evaluation Item	Operating Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Related Reasons
	Yes	No	Summary	
			7. The Company handled the pre-registration of shareholders' meeting dates in accordance with the law, prepared the notice of meetings, handbook, and minutes of shareholders' meetings within the statutory period, and conducted the registration of amendments to the Articles of Incorporation or the election of directors. 8. For continuing education of the Corporate Governance Officer, please refer to Page 32 of the Annual Report.	
V. Has the company established a channel to communicate with stakeholders (including but not limited to the shareholders, employees, customers and suppliers), set up a stakeholder section on the company's website, and appropriately responded to the important corporate social responsibility issues that are essential to stakeholders?			The Company's stakeholders include government agencies/other organizations/groups, shareholders/investors, customers, employees, and suppliers. Relevant communication channels include the Company's official website, which features sections such as "Investor Services", "Customers/Suppliers" and "Product Information," as well as mailboxes for media contact, anti-corruption reporting, and sustainable operations to fully address the concerns of stakeholders.	No significant difference.
VI. Has the company designated a professional shareholder service agency to deal with matters of the shareholders' meeting?	✓		The Company has hired the "Stock Affairs Department of Yuanta Securities Co., Ltd." to handle relevant matters.	No significant difference.
VII. Disclosure of Information (1) Has the company established a corporate website to disclose information regarding the company's financial, business, and corporate governance status? (2) Has the company established other information disclosure channels (e.g., maintaining an English-language website, appointing responsible people to handle	 ✓ ✓		 (1) The Company has set up a website and disclosed relevant information. (2) The Company has designated dedicated personnel to handle information collection and disclosure based on their duties and has appointed a spokesperson and acting spokesperson to implement the spokesperson system. The webcasting investor conference is held at least once a year as per	 No significant difference. No significant difference.

Evaluation Item	Operating Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Related Reasons
	Yes	No	Summary	
information collection and disclosure, appointing spokespersons, or webcasting investor conferences on the company website)?			regulations, and related materials such as clippings are placed on the Company's website.	
(3) Does the company announce and declare the annual financial report within two months after the end of the fiscal year, and publish and report the Q1, Q2 and Q3 financial reports and operating status of each month within the prescribed deadline?		✓	(3) All financial statements of the Company are published or reported by the deadlines stipulated by laws and regulations.	The Company will make adjustments based on the operation situation and communication with the CPAs.
VIII. Does the company have other information that contributes to a better understanding of its corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, training completed by directors and supervisors, implementation of risk management policies and risk evaluation criteria, implementation of customer policies, liability insurance policies purchased for directors and supervisors)?	✓		(1) The Company's official website has a section for disclosure of operating information and important financial updates and regularly discloses the latest information on the Market Observation Post System for investors' reference. (2) The Company's official website has been established to disclose employee rights, employee care, investor relations, and supplier relations, and a sustainability report is produced for reference. (3) For the actual continuing education of the Company's directors, please refer to Table 2. (4) The implementation status of risk management policies and risk assessment standards is disclosed in the "Review and analysis of financial status and performance and risks" of the annual report. (5) Implementation status of customer relations policies: The Company has set up a section for stakeholders on its official website to serve customers and has appointed dedicated personnel to handle customer complaints. (6) The Company purchases liability insurance for directors and managers in the first quarter of each year and reports and discloses it to the Market Observation Post System.	No significant difference.

Evaluation Item	Operating Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Related Reasons
	Yes	No	Summary	

IX. Please explain improvements made according to Corporate Governance Evaluation results released in the most recent year by the Corporate Governance Center of the Taiwan Stock Exchange Corporation and provide priorities to be reinforced and measures among those pending improvement. (Please fill in the reason)

Question No.	Indicator	Company Improvement Description
1.15	Has the company established internal regulations prohibiting insiders from trading securities based on information yet to be public on the market and disclosed the regulations on the Company's website, including (but not limited to) prohibiting directors from trading its shares during the closed period of 30 days prior to the publication of the annual financial reports and 15 days prior to the publication of the quarterly financial reports?	To be evaluated
1.16	Is the average ratio of pledged shares held by directors and major shareholders less than 50% in the year under evaluation?	To be cooperated
1.19	Does the company's shareholders' meeting live-stream online or upload the whole process of uninterrupted audio and video recording after the shareholders' meeting?	To be evaluated
2.14	Has the company established functional committees other than statutory ones, such as a Nomination Committee, Risk Management Committee, or Sustainable Development Committee, with no less than three members, more than half of whom serve as independent directors, and at least one member possessing the professional capabilities required by the committee, and disclosed their composition, duties, and operating status?	To be evaluated
2.22	Does the company supervise risk management through the Audit Committee or other functional committees at the board level (such as the Risk Management Committee), and have they formulated risk management policies and procedures approved by the Board of Directors, disclosed the risk management organizational structure, risk management procedures, and operating status thereof, and reported to the Board of Directors at least once a year?	To be evaluated
2.23	Has the company's Board of Directors Performance Evaluation Guidelines been approved by the Board of Directors, which stipulates that external evaluations shall be carried out at least once every three years; Has the company conducted the evaluation in the year under evaluation or in the past two years and disclosed the implementation status and evaluation results on the company's website or annual report?	To be evaluated
2.27	Has the company formulated an intellectual property management plan linked to its operational goals, disclosed the implementation status thereof on the company website or annual report, and reported to the Board of Directors at least once a year?	To be evaluated
3.4	Has the company published its annual financial report that has been audited and certified by CPAs within two months after the end of the fiscal year?	To be evaluated
3.20	Has the company been invited (on its own) to organize at least two webcasting investor conferences during the year under evaluation, with a span of more than 3 months between the first and the last conference?	To be evaluated
4.5	Has the company obtained third-party assurance or certification for its sustainability report?	To be cooperated
4.7	Has the company uploaded the English version of the sustainability report on the Market Observation Post System and the company website?	To be evaluated
4.13	Has the company obtained ISO 14001, ISO50001 or similar environmental or energy management system certification?	To be evaluated

Evaluation Item	Operating Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Related Reasons
	Yes	No	Summary	

Question No.	Indicator	Company Improvement Description
4.19	Has the company invested in environmentally friendly and sustainable machinery and equipment related to energy-saving or green energy, or has it invested in Taiwan's green energy industry (such as renewable energy plants), or issued or invested in sustainable development financial products with substantial benefits whose funds are used in green or social projects, and disclosed investment status and specific benefits thereof?	To be evaluated

Table 1 (1): Evaluation criteria for the independence of CPAs:

Item		Result
1	The CPAs have no material financial interest in the Company.	■Yes □No
2	The CPAs have no inappropriate interest in the Company.	■Yes □No
3	The CPAs and their assistants regularly participate in evaluations conducted by trade associations or other relevant organizations to ensure honesty, impartiality, and independence.	■Yes □No
4	Within the first two years of practice, the CPA shall not audit and certify the financial statements of the service organization.	■Yes □No
5	The CPAs shall not permit others to practice under his or her name.	■Yes □No
6	The CPAs shall not hold shares of the Company.	■Yes □No
7	The CPAs shall not engage in any money lending or borrowing with the Company, except for normal dealings with the financial industry.	■Yes □No
8	The CPAs shall not have joint investment or interest-sharing relationships with the Company.	■Yes □No
9	The CPAs shall not concurrently hold regular positions in the Company or receive a fixed salary.	■Yes □No
10	The CPAs shall not receive any commissions related to business.	■Yes □No
11	Does the term of any CPA not exceed seven consecutive years, or is the interval between the return of any CPA not less than two years?	■Yes □No
12	Except for the business permitted by laws and regulations, CPAs or members of the audit service team do not represent the Company in defending legal cases or other disputes between the Company and third parties.	■Yes □No

Table 1 (2): Topics of concern to stakeholders, communication channels and response methods

Key Stakeholders	Topics of Concern	Communication Channels/Frequency	Communication Outcome
Government agencies /Other organizations and groups	Corporate governance Ethical integrity Occupational safety Risk management Legal compliance Climate change	Policy advocacy meetings with competent authority/ irregular Market Observation Post System/ irregular Company website/irregular Telephone/irregular E-MAIL/irregular Written correspondence/irregular	1. Correspondence with respective competent authorities via official documents 10 times 2. Phone correspondence 20 calls
Shareholders/ Investors	Corporate governance Operating performance Risk management Legal compliance Complaint mechanism	Telephone/irregular E-MAIL/irregular Annual shareholders' meeting Investors section on the official website /irregular Market Observation Post System/irregular	1. The number of shares present at the annual shareholders' meeting accounts for 72.34% 2. Investor hotline received 15 calls 3. Held 1 investor conference
Customers	Corporate governance Legal compliance Operating performance Complaint mechanism Information security/ personal information protection Green product Customer service	Telephone/irregular E-MAIL/irregular Written correspondence/irregular Whistle-blowing and Complaints sections on the official website/irregular	No cases were established upon acceptance via the complaint channel
Employee	Operating performance Ethical integrity Remuneration and benefits Talent cultivation Labor-management communication Occupational safety Human rights protection	Telephone/irregular E-MAIL/irregular Written correspondence/irregular Whistle-blowing and Complaints sections on the official website/irregular	1. No emails were received in the employee mailbox 2. No cases were established upon acceptance via the complaint channel
Suppliers	Energy conservation and carbon reduction Sustainable supply chain Water resources management Waste management Human rights protection	Telephone/irregular E-MAIL/irregular Written correspondence/irregular Whistle-blowing and Complaints sections on the official website/irregular	No cases were established upon acceptance via the complaint channel

Table 1 (2): Continuing education of directors in 2024

Name	Date of Continuing Education	Organizer	Course Name	Hours of Continuing Education
Liu, Wei-Lung	2024.07.03	Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit	6
Shao, Ming-Bin	2024.07.03	Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit	6
Liu, Huang-Chi	2024.03.06	Taiwan Corporate Governance Association	Global Economic Outlook in 2024	1
	2024.04.12	Taiwan Corporate Governance Association	General Shareholders' Meetings, Management Rights, and Stock Right Strategies	3
	2024.04.19	Taiwan Corporate Governance Association	Director’s Responsibility in Corporate Control Disputes - Focusing on the Protection of Shareholders’ Rights	3
	2024.07.30	Taiwan Corporate Governance Association	The Vision and Megatrend of ESG Evaluation	1
	2024.09.30	Taiwan Institute of Directors	Discussing the Principle of Elderly-friendly Service and Financial Exploitation from the Perspective of Fair Customer Treatment	3
	2024.10.04	Taiwan Institute of Directors	ESG Sustainable Development Trend and Nature-related Risks in TNFD Framework	3
Tang, Shun-Jin	2024.07.03	Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit	6
Yang, Gui-Xiong	2024.07.03	Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit	6
Chen, Yun-Jin	2024.06.03	Taiwan Securities and Futures Institute	Interpret the Key Messages of Financial Reports	3
	2024.06.18	Taiwan Corporate Governance Association	Sustainable Development Practices Seminar for TWSE-listed Companies	3
Xu, Pei-Ling	2024.05.31	Taiwan Securities and Futures Institute	Sustainable Development Practices Seminar for TWSE-listed Companies	3
	2024.07.03	Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit	6

Name	Date of Continuing Education	Organizer	Course Name	Hours of Continuing Education
Wang, Cai-An	2024.04.19	Taiwan Corporate Governance Association	Director's Responsibility in Corporate Control Disputes - Focusing on the Protection of Shareholders' Rights	3
	2024.05.10	Taiwan Corporate Governance Association	Nomination and Compensation Committees in the U.S. Law: Case Analysis	3

Table 2 (2): Continuing education of the Corporate Governance Officer:

Name	Date of Continuing Education	Organizer	Course Name	Hours of Continuing Education
Dong, Yi-Qing	2024.07.03	Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit	6

(IV) Composition, duties and operating status of the Remuneration Committee:

1. Members of the Remuneration Committee

Qualification / Identity Type and Name		Professional Qualifications and Experiences	Independence Status	Number of Other Public Companies where the Individual Concurrently Serves as a Member of the Remuneration Committee
Independent director (Convener)	Yang, Gui-Xiong	Please refer to the disclosure of directors' information and directors' professional qualifications in this annual report	Please refer to the disclosure information on the independence of independent directors in this annual report.	1
Independent director	Chen, Yun-Jin			0
Independent director	Xu, Pei-Ling			0

2. Operation of the Remuneration Committee

(1) The Company's Remuneration Committee comprises 3 members. The Company's Remuneration Committee members exercise the care of a prudent manager to fulfill the following duties, and offer recommendations to the Board of Directors for deliberation:

A. Regularly review the Organizational Rules for Remuneration Committee and propose amendment recommendations.

B. Establish and regularly review the performance evaluation criteria, annual and long-term performance targets for the company's directors and managers, as well as the remuneration policies, systems, standards, and structures, and disclose the content of the performance evaluation criteria in the annual report.

C. Assess regularly the progress of the Company's directors and managers toward their performance targets and set the contents and amounts of individual remuneration packages based on the evaluation results obtained from the performance evaluation criteria.

The Remuneration Committee performs its duties in accordance with the following criteria:

A. Salary management shall be in line with the Company's remuneration philosophy.

B. The performance evaluation and remuneration of directors and managers shall refer to the usual level of remuneration in the industry, and consider the reasonableness of the relationship between individual performance and the company's operating performance and future risks.

C. Committee members shall not participate in discussions and votes on their individual remuneration decisions.

(2) Term of 5th-term committee members: From June 29, 2022 to June 28, 2025; a total of 2 meetings (A) of Remuneration Committee were held in the most recent year (2024). The qualifications and attendance of committee members are as follows:

Position	Name	Actual Attendance	Attendance by proxy	Attendance rate (%) (B/A) (Note)	Remarks
Convener	Yang, Gui-Xiong	2	0	100%	
Member	Chen, Yun-Jin	2	0	100%	
Member	Xu, Pei-Ling	2	0	100%	

Other important information:

I. No instances occurred where the Board of Directors of the Company failed to adopt or amend the recommendations from the Remuneration Committee.

II. If a member has a dissenting or qualified opinion, if a member has a dissenting or qualified opinion, that a member has a record or reservation that is recorded or stated in a written statement, the date and session of the Remuneration Committee, the content of the proposal, all members' opinions, and the handling of the opinions of the member of the Remuneration Committee shall be stated: None.

(3) Resolutions of the Remuneration Committee and the Company's handling of committee members' opinions:

Date of the Board Meeting	Date of the Remuneration Committee Meeting	Major Resolutions	Resolutions of the Remuneration Committee	The Company's handling of the opinions of the Remuneration Committee
2024/01/30 14th-term 17th meeting	2024/1/30 5th-term 7th meeting	1. Proposed total performance bonus for the Company and performance bonus for managers in 2023. 2. Proposed adjustments to meal allowance for managers of the Company.	All committee members attending the meeting approved	All directors attending the meeting approved
2024/03/13 14th-term 18th meeting	2024/3/13 5th-term 8th meeting	Proposed remuneration for directors and employees in 2023.	All committee members attending the meeting approved	All directors attending the meeting approved

(V) Members and operating status of the Nomination Committee: Not applicable; the Company has not established the Nomination Committee.

(VI) Sustainable Development implementation and deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reason for such deviations:

Implementation Items	Implementation Status			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
I. Has the company established a governance structure to promote sustainable development, and has it set up a unit which specializes (or is involved) in promoting sustainable development and is run by senior managerial officers authorized by the Board of Directors, and does the Board of Directors supervise its implementation status?	✓ ✓		(1) In 2011, the Company established the "Sustainability Development Committee" (formerly known as "Corporate Social Responsibility Committee"), which serves as the highest-level organization for promoting sustainability development within the Company and is responsible for formulating the Company's sustainability policies and strategies. The Sustainable Development Committee consists of the President as its Convener, and dedicated personnel are assigned as General Secretary or Executive Secretary as needed. (2) The Company has set up a dedicated department as an organization responsible for promoting sustainable development. The Board of Directors	No significant difference.

Implementation Items	Implementation Status			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			formulated the Company's Corporate Social Responsibility Best Practice Principles on November 9, 2017. These Principles were amended to the Sustainable Development Best-Practice Principles upon approval by the resolution of the Board of Directors on May 11, 2023, to align with international developments, achieve sustainability goals, and strengthen the government's promotion for sustainable development among TWSE/TPEx listed companies, thereby enhancing the quality of sustainable development information disclosure.	
II. Has the company conducted risk assessments of environmental, social, and corporate governance issues related to the company's operations in accordance with materiality principles and formulated related risk management policies or strategies?	✓		The Company has established the Sustainable Development Committee, which is supervised by senior management authorized by the Board of Directors.	No significant difference.
III. Environmental topics (1) Has the company developed an appropriate environmental management system, given its distinctive characteristics? (2) Is the company committed to achieving efficient use of resources, and using renewable materials that produce less impact on the environment? (3) Has the company evaluated the potential risks and opportunities in climate change with	✓ ✓ ✓		(1) The Company has formulated regulations related to environmental management. Its dedicated unit for environmental management is the Administrative Department of the Administration Division, which is responsible for the supervision of office environment and equipment management, regularly assigning personnel to maintain the normal operation of equipment, and ensuring environmental cleanliness and aesthetics. (2) The Company actively promotes electronic document management, strives to improve the efficiency of resource utilization, implements garbage classification and resource recycling, and recycles reusable resources, thereby reducing the environmental impact of pollution. (3) The Company actively commits to energy conservation and carbon reduction by turning off lights when unnecessary to reduce energy	The Company is not classified as a polluting industry in Taiwan and does not generate harmful environmental factors such as air, water, waste, toxins and noise that affect the environment. However, we continue to reduce the environmental impact caused by daily living and office operations. No significant difference.

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>regard to the present and future of its business, and taken appropriate action to counter climate change issues?
(4) Has the company compiled statistics on its greenhouse gas emissions, water consumption, and total waste over the past two years and formulated energy conservation and carbon reduction, water consumption reduction, or waste management measures?</td><td>

✓</td><td></td><td>consumption and mitigate greenhouse gas emissions, thereby minimizing the impact of climate change.

(4) The Company has compiled statistics on water usage, electricity consumption, and carbon emissions for 2023 and 2024, and formulated specific measures to reduce water and electricity consumption. These measures have effectively reduced the use of water and electricity and the generation of waste.
<table>
<tr><th>Item \ Year</th><th>2023</th><th>2024</th></tr>
<tr><td>Total water consumption (metric tons)</td><td>1,361</td><td>1,368</td></tr>
<tr><td>Water usage intensity (total water consumption (metric tons)/million revenue)</td><td>24.8730</td><td>1.0846</td></tr>
<tr><td>Total electricity consumption (kWh)</td><td>57,105</td><td>55,440</td></tr>
<tr><td>Energy consumption (billion joules, GJ)</td><td>205.6150</td><td>199.6199</td></tr>
<tr><td>Electricity intensity (Energy consumption in gigajoules/million in revenue)</td><td>3.7577</td><td>0.1583</td></tr>
</table></td><td></td></tr>
<tr><td>IV. Social topics
(1) Has the company developed its policies and procedures in accordance with laws and the International Bill of Human Rights?</td><td>
✓</td><td></td><td>
(1) The Company complies with relevant labor laws and regulations and no labor-management disputes or lawsuits deemed as violations of labor laws and regulations occurred. The Company has formulated the Human Rights Policy in accordance with the spirit of the International Bill of Human Rights. Additionally, relevant employee appointment, dismissal, and remuneration are handled in accordance with the Company's management regulations, and employees are insured for labor insurance and national health insurance as required by law; Group insurance is provided for employees, and health examinations are arranged once a year for employees; Pension benefits are administered in accordance with the Company's Employee Retirement Guidelines and the relevant provisions of the Labor Pension Act; The Employee Welfare Committee is established to</td><td>No significant difference</td></tr>
</table>

Implementation Items	Implementation Status			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			organize various welfare activities, thereby protecting employee rights.	
(2) Has the company established and implemented reasonable policies of employee benefits (including remuneration, leave, and other benefits), and does it ensure business performance or results are reflected adequately in employee remuneration?	✓		(2) The Company has set up the Remuneration Committee to regularly review and formulate the Company's salary and welfare policies. Remuneration for employees is distributed annually based on the profits of the Company according to the proportion stipulated in the Articles of Incorporation.	
(3) Has the company provided employees with a safe and healthy working environment, and routinely implemented safety and health education for employees?	✓		(3) The Company provides employees with health examinations annually and arranges health seminars irregularly to protect the health of employees. Relevant personnel are arranged to participate in professional education and training and obtain certificates to ensure the safety of the work environment.	
(4) Has the company established effective career and competence development and training plans?	✓		(4) The Company regularly provides employee education and training and offers subsidies for those to apply for external education and training.	
(5) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	✓		(5) The Company's website provides a channel for consumer feedback to protect consumer rights. The Personal Data Protection Rules has been formulated to safeguard customer privacy; Standard form contracts required by the government are provided for real estate rentals and sales businesses to protect consumer rights.	
(6) Has the company formulated supplier management policies to demand that suppliers follow regulations related to environmental, occupational safety and health, and labor rights? If so, describe the implementation status.	✓		(6) The Company has formulated the Supplier Corporate Social Responsibility Guidelines, requiring suppliers to comply with relevant regulations regarding labor rights, labor health and safety, environmental protection and ethical corporate management; For collaboration with suppliers, the Company prioritizes legality and quality of supplies as the primary considerations and reviews the supplier's past records as a reference for collaboration. The Company also	

<table>
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<tr><td>Yes</td><td>No</td><td>Summary</td></tr>
<tr><td></td><td></td><td></td><td>continues to require our suppliers to adhere to relevant regulations, and strengthens relevant contract terms to fulfill their social responsibilities.</td><td></td></tr>
<tr><td>V. Does the company prepare sustainability reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Has the report mentioned above received third-party assurance or certification opinions?</td><td>✓</td><td></td><td>The Company has prepared the sustainability report in accordance with the relevant guidelines of the Global Reporting Initiative (GRI) but has not obtained third-party assurance or certification opinions.</td><td>No significant difference</td></tr>
<tr><td colspan="5">VI. If the company has established the sustainable development best practice principles based on “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,” please describe deviations between the principles and their implementation: No significant difference.</td></tr>
<tr><td colspan="5">VII. Other important information to facilitate a better understanding of the company's implementation of sustainable development:
(1) Environmental protection: The Company is not classified as a high-pollution industry and has no environmental protection-related issues.
(2) Community engagement, social contribution, social services, social welfare, human rights, safety, health, and other social responsibility activities: The Company actively participates in social welfare activities and cares for disadvantaged groups and medical academic research by participating in foundation activities. We also engage in social welfare activities through the donation of columbaria by relevant subsidiaries.
(3) Consumer rights: A toll-free complaint hotline of the Company is available for customers to protect their rights.
(4) Human rights, safety and health: The Company has furnished employees with labor insurance, national health insurance, pension contributions and group insurance in accordance with the law, and regularly conducts employee health examinations.</td></tr>
</table>

Climate-related information

1 Implementation status of climate-related information

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td>I. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</td><td>The President serves as the convener of the Sustainable Development Committee.
The Company has not yet discussed climate-related risks and opportunities at the Board level. Nevertheless, the Sustainable Development Committee identifies short-, medium- and long-term climate and opportunities, discusses with the responsible departments to formulate subsequent risk and opportunity responses, and then reports to the President (or Corporate Governance Officer).
A cross-departmental "Sustainable Development Committee" was established to identify climate risks and assess and respond to climate impacts within each department's area of responsibility.
The President (Chairman of the Sustainable Development Committee) leads senior executive managers to address management tasks related to climate change.
After identifying the major short-term, medium-term and long-term risks and opportunities, the Sustainable Development Committee would discuss with the responsible departments to prioritize the formulation of follow-up response measures for material short-term risks and opportunities, and implement green operations to improve environmental management performance and environmental risk control.</td></tr>
<tr><td>II. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</td><td>Short-term:
Transition risks: Strengthening emission reporting obligations and rising raw material costs.
Physical risks: The severity of extreme weather events such as typhoons and floods will increase.
Medium-term:
Transition risks: Strengthening emission reporting obligations and rising raw material costs.
Physical risks: The severity of extreme weather events such as typhoons and floods will increase, changes in rainfall (water) patterns and extreme changes in climate patterns, and rising average temperatures.
Long-term:
Transition risks: Strengthening emission reporting obligations, replacing existing products and services with low-carbon products, and rising raw material costs.
Physical risks: The severity of extreme weather events such as typhoons and floods will increase, changes in rainfall (water) patterns and extreme changes in climate patterns, and rising average temperatures.
Opportunities: Opt to use more energy-efficient buildings, reduce water use and consumption.</td></tr>
</table>

Item	Implementation Status
III. Describe the financial impact of extreme weather events and transitional actions.	● Response to material short-term transitional risks: ▪ Business impact: ESG regulations are becoming stricter; invest in greenhouse gas inventory of Scope 1 and Scope 2 emissions; Increased construction costs will affect profit margins and bidding competitiveness. ▪ Strategy adjustment: It will be necessary to invest in training relevant talents to conduct inventories as soon as possible; Find stable suppliers and sign long-term purchasing contracts. ▪ Financial planning: Increased investment cost in manpower required for such inventories. Increase the use of low-carbon building materials (such as recycled concrete and steel recycling) to reduce procurement costs; Establish a long-term supply chain and sign long-term contracts with low-carbon material suppliers to stabilize prices and reduce supply chain risks; Obtain financial support through green financing, carbon rights trading, etc. to alleviate long-term financing pressure. ● Response to material short-term physical risks: ▪ Business impact: Typhoons, heavy rains, heat waves, etc. affect the progress of construction sites, delay completion time, and increase risks of compensation. ▪ Strategy adjustment: Install a safety monitoring system on construction sites to monitor on-site conditions and provide early detection and warning; Formulate disaster prevention plans and conduct simulation drills for both pre-disaster prevention and immediate response. ▪ Financial planning: Invest in disaster-resilient infrastructure, increased insurance spending, and strengthened supply chain management are needed to reduce the impact of climate disasters.
IV. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. GHG emissions, product requirements and supervision, low-carbon t management.	● The Sustainable Development Committee listed the climate risks and opportunities that the Company may face based on the assessment factors of the risk management system and by researching the future development trends of climate in external markets, regulations, technologies and entities. After taking the degree of their impact and the probability of occurrence into consideration, the committee has identified material short-term, medium-term and long-term climate risks and opportunities. For higher risks identified in the evaluation result, a separate climate scenario analysis was carried out by taking into account the current operating layout and calculating the potential financial impact. It has been determined that such risk may cause construction costs to increase by 3% to 5%, which is not a significant risk to the Company in the short-term. ● After identifying the major risks, the Sustainable Development Committee discussed relevant response measures with the Company's various business units, and the relevant risk assessments were submitted to the Sustainable Development

Item	Implementation Status
	Committee for supervision.
V. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	1. The AR6 simulation built by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) is used to simulate the impact of future climate change as a reference for Long Bon's operational strategy adjustments. 2. Taking the Long Bon construction project on Xiyuan Road, Taipei City as an example, typhoons and heavy rains are becoming more severe, which may expose the Company's operating sites to natural disasters and cause operational interruptions. (1) Using average temperature: ▪ SSP1-2.6: Before 2040, the temperature rise of the Xiyuan Road project will reach approximately 0.7 degree Celsius. Before 2060, the temperature rise of the Xiyuan Road project will reach approximately 1 degree Celsius. ▪ SSP5-8.5: Before 2040, the temperature rise of the Xiyuan Road project will reach approximately 0.8 degree Celsius. Before 2060, the temperature rise of the Xiyuan Road project will reach approximately 1.6 degrees Celsius. (2) Using annual rainfall: ▪ SSP1-2.6: Before 2040, the annual rainfall of the Xiyuan Road project will increase by approximately 3.4%. Before 2060, the temperature rise of the Xiyuan Road project will reach approximately 1 degree Celsius. ▪ SSP5-8.5: the annual rainfall of the Xiyuan Road project will increase by approximately 0.5%. Before 2060, the temperature rise of the Xiyuan Road project will reach approximately 1.6 degrees Celsius. ▪ Based on long-term trend observations, no matter what scenario analysis is used for the Xiyuan Road project, the annual rainfall will not differ much and no special disclosure is necessary. 3. In response to the high temperature trend of Xiyuan Road in Taipei City in the next 20 to 40 years, which may cause occupational injuries (such as heat exhaustion) to construction workers during daytime work, temporary sunshade facilities such as tents and temporary rest areas should be added on construction sites to reduce workers' continuous exposure to environments with high temperature. We will urge construction during off-peak hours to reduce outdoor exposure to periods of time with increased temperature. We will also establish an emergency response mechanism, ensure that first aid kits are available on construction sites, and train workers to identify symptoms such as heat exhaustion and heat stroke to respond to occupational hazards in a timely manner.
VI. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks	● In terms of climate change mitigation, since the Company is located in a commercial building and does not consume or emit excessive energy, the energy intensity and greenhouse gas emission intensity of commercial office buildings are used as indicators.

Item	Implementation Status
and transition risks.	● As the Company is located in a commercial office building, we have limited means to improve the efficiency of energy resource utilization, so we can only set targets to maintain the energy intensity and greenhouse gas emission intensity from previous years. Targets: ▪ Energy intensity: Do not exceed the values from 2023. ▪ Greenhouse gas emission intensity: Do not exceed the values from 2023.
VII. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated. VIII. If climate-related goals are set, information such as the activities covered, the scope of greenhouse gas emissions, the planning period, and annual achievement progress should be explained. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	● Long Bon currently does not implement internal carbon pricing, and no renewable energy certificates have been used.
IX. Greenhouse gas inventory and assurance, and reduction goals, strategies, and specific action plans (fill in 1-1 and 1-2 separately).	● In accordance with the "Sustainable Development Roadmap" issued by the Financial Supervisory Commission (FSC), the Company shall complete the 2025 Scope 1 and Scope 2 greenhouse gas inventory of Long Bon by 2026. ● Currently, Long Bon has initiated greenhouse gas inventory operations and reports the progress and plans to the Board of Directors every quarter.

1-1 Greenhouse gas inventory and assurance status of the Company in the last two years

1-1-1 Greenhouse gas inventory information (stating greenhouse gas emissions in the last two years (metric tons CO_2e), intensity (metric tons CO_{2e}/ NT$ million) and data coverage.)

Long Bon plans its greenhouse inventory timeline according to the Sustainable Development Roadmap. Currently, the Company does not have complete greenhouse gas inventory data, only internal estimates.

1-1 Greenhouse gas inventory and assurance status of the Company in the last three years						
Item/Year	**2022**		**2023**		**2024**	
	Total emissions (metric tons CO2e/year)	**Intensity (metric tons CO2e/NT$ million)**	**Total emissions (metric tons CO2e/year)**	**Intensity (metric tons CO2e/NT$ million)**	**Total emissions (metric tons CO2e/year)**	**Intensity (metric tons CO2e/NT$ million)**
Scope 2						
long Bon (Individual company)	27.0532	0.4059	28.2099	0.5156	26.2786	0.0208

1-1-2 Greenhouse Gas Assurance

Long Bon plans its greenhouse inventory timeline according to the Sustainable Development Roadmap. Currently, the Company has not yet conducted assurance for its GHG information.

1-2 Greenhouse gas reduction goals, strategies, and specific action plans

Long Bon plans its greenhouse inventory timeline according to the Sustainable Development Roadmap. Currently, the Company has not yet conducted greenhouse gas inventories for companies included in its consolidated financial statements; therefore the greenhouse gas reduction targets, strategies and specific action plans are not disclosed.

(VII) Implementation of ethical corporate management as well as deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and related reasons

Evaluation Item	Operating Status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
I. Establishment of ethical corporate management policy and plans (1) Has the company implemented a board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the board of directors and management towards enforcement of such policy?	✓		(1) The Company has established the "Ethical Corporate Management Best Practice Principles" and promotes that the Company's board members and management shall perform their duties with due care and diligence and exercise their powers with a high degree of prudence. The Company's ethical management policy has been specified in the Ethical Corporate Management Best Practice Principles, Corporate Governance Best Practice Principles, Sustainable Development Best Practice Principles, Code of Ethics for Directors and Managers and other regulations of Long Bon International Co., Ltd. approved by the Board of Directors. The Company has also incorporated the ethical management policy and practices into various internal rules and external documents, such as the Employee Code of Conduct and the Supplier Corporate Social Responsibility Code of Conduct, strictly requiring employees to adhere to the Company's integrity policies. Additionally, the Company's annual report or sustainability report elaborates on the ethical management policies and the commitment of the Board of Directors and the management to actively implement these policies.	No significant difference.
(2) Has the company established an evaluation	✓		(2) In response to Article 7, Paragraph 2 of the "Ethical Corporate	

Evaluation Item	Operating Status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
mechanism for the risk of unethical conduct that regularly analyzes and evaluates business activities with higher risks of unethical conduct in its scope of business? Has the Company formulated plans to prevent unethical conduct, which at least covers the precautionary measures prescribed in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?			Management Best Practice Principles for TWSE/TPEx Listed Companies" promulgated by the Taiwan Stock Exchange Corporation, and other business activities with higher risks of unethical conduct in the scope of the Company's business, the Company has established relevant preventive measures and requires relevant departments to implement them; The Corporate Governance and Ethical Management Promotion Team supervises the above execution and continues to track the implementation for improvement. Regular audits are conducted to assess whether the preventive measures are effectively functioning, and reviews and revisions are made accordingly. Furthermore, the Company requires all employees to thoroughly understand the aforementioned regulations, which are posted on the Company's official website and intranet for internal and external personnel to access at any time. The Company continues to use regular education and training, as well as diversified dissemination methods, to ensure that employees are clearly aware of the regulations they must abide by, thereby reducing the occurrence of unethical conduct.	
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	✓		(3) The Company has formulated the "Code of Ethics" and the "Ethical Corporate Management Operating Procedures and Code of Conduct." The "Employee Code of Conduct" and the "Supplier Corporate Social Responsibility Code of Conduct" also include provisions to prevent unethical conduct, which all employees and suppliers shall follow.	

Evaluation Item	Operating Status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			The Company adopts an attitude of neither condoning nor unjustly accusing any unethical conduct, and rigorously investigates reported cases. In the event of any violation, the Company will take appropriate legal action based on relevant laws and work rules.	
II. Implementation of ethical corporate management (1) Does the company assess business partners' records of ethics, and include integrity clauses in the contracts with its business partners?	✓		(1) When the Company conducts commercial activities externally, the Finance Division reviews the business partners and the Legal Office clearly includes integrity clauses in the contracts signed to avoid transactions with those with records of unethical conduct.	No significant difference.
(2) Has the company established a dedicated unit under the Board of Directors to implement ethical corporate management, and report to the Board of Directors on a regular basis (at least once per year) on ethnic operation policies as well as precautionary measures against unethical conduct and their implementation information?	✓		(2) The Company has set up the Ethical Corporate Management Promotional Team, which is responsible for supervising internal violations of integrity management.	
(3) Has the company established policies to prevent conflicts of interest, implemented such policies, and provided adequate channels of communication?	✓		(3) To effectively prevent potential conflicts of interest and to take necessary measures in a timely manner, employees are obliged to report their private external business activities to the Human Resources Department to avoid potential conflicts of interest. Such reports shall be approved by the head of department and submitted to the Human Resources Department. for reference; Managers shall report their	

Evaluation Item	Operating Status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			concurrent positions to the Board of Directors for approval before engaging in concurrent employment. The Company will carefully evaluate the reported concurrent employment to ensure no conflicts of interest exist. The Company has formulated the "Ethical Corporate Management Best Practice Principles" and the "Ethical Corporate Management Operating Procedures and Code of Conduct" to prevent conflict of interest and provide appropriate channels for presenting opinions.	
(4) Has the company established effective accounting and internal control systems to implement ethical corporate management? Has the internal audit unit followed the results of unethical conduct risk assessments and devised audit plans to audit these systems accordingly to prevent unethical conduct, or engaged CPAs to perform such audits?	✓		(4) The Company has established effective accounting and internal control systems to ensure the implementation of integrity management. Internal auditors regularly audit compliance with the above systems. Additionally, the Company complies with relevant regulations such as the "Company Act" and the "Securities and Exchange Act," with CPAs responsible for auditing and certifying related financial statements.	
(5) Does the company provide regular internal and external education and training on ethical corporate management?	✓		(5) The Company's managers regularly participate in relevant external education and training courses, and internal auditors regularly check compliance to ensure the implementation of ethical corporate management.	
III. Operating status of the whistleblowing system			The Company's established regulations on ethical management and behavior have explicitly specified the whistleblowing system, which includes:	No significant difference.
(1) Has the company established a concrete whistleblowing and reward system, established	✓		(1) A concrete whistleblowing and reward system, along with the establishment of convenient whistleblowing channels, and the	

Evaluation Item	Operating Status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
convenient whistleblowing channels, and designated appropriate personnel to handle the case being exposed by the whistleblower? (2) Has the company formulated a standard investigation procedure for reported matters, measures for handling the procedures after the investigation, and related confidentiality measures? (3) Has the company provided proper whistleblower protection?	 ✓ ✓		assignment of appropriate personnel to handle the case being exposed by the whistleblower. (2) The formulation of standard operating procedures for investigating whistleblowing matters and related confidentiality mechanisms. (3) Measures to protect whistleblowers from improper treatment as a result of their reports. The Ethical Corporate Management Promotional Team is the unit responsible for handling whistleblowing within the Company. In 2024, no whistleblowing cases were received.	
IV. Information disclosure improvement (1) Has the company disclosed the contents of its ethical corporate management best practice principles as well as relevant implementation results on its website and on the Market Observation Post System?	✓		(1) The Company has disclosed the contents and implementation results of the Ethical Corporate Management Best Practice Principles on the Company's website. (2) The Company has disclosed information to the competent authorities or the public through the Market Observation Post System in a complete, appropriate, timely and accurate manner.	No significant difference.
V. If the company has established its own ethical corporate management principles based on "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," please describe deviations between the principles and their implementation: The Company has formulated the Ethical Corporate Management Best Practice Principles of Long Bon International Co., Ltd. in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and disclosed it on the Company's website and Market Observation Post System. All employees and affiliates of the Company are required to comply with				

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Operating Status</th><th rowspan="2">Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td colspan="5">these Principles. No significant difference from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
<tr><td colspan="5">VI. Other key information useful for explaining operating status of ethical corporate management: (such as review and amendment of the Company's Ethical Corporate Management Best Practice Principles)
(I) The Company adheres to the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, and regulations applicable to the TWSE/TPEx listed companies and other relevant business law and regulations, as the foundation for ethical corporate management.
(II) The Company's "Rules of Procedure for the Board of Directors' Meetings" clearly outline the director recusal mechanism. A director may offer his opinion and answer related questions but is prohibited from participating in discussion of or voting on any proposal of a board meeting where the director or any institution that the director represents is an interested party, and such participation is likely to prejudice the interests of the company; neither shall a director vote on such proposal as a proxy for any other director in such circumstances.
(III) The Company has established the "Guidelines for the Prevention of Insider Trading" and the "Procedures for Handling Material Inside Information," explicitly stating that directors, managers, and employees of the Company are prohibited from disclosing material inside information known to them to others, inquiring about or collecting the Company's undisclosed material inside information from those who possess such information, and material inside information that is not gained in the process of performing their business shall not be disclosed to others.
(IV) The Company has always adhered to the principle of integrity in its operations, followed relevant regulations and sound internal control systems, strictly prohibited unethical or illegal behavior, and established the Legal Office to serve as a necessary consultation and approval basis.
(V) The Company has insured directors, managers and key employees with directors and officers liability insurance (D&O), which significantly reduces the risks associated with their performance of duties on the company and safeguards the interests of investors.</td></tr>
</table>

(VIII) Other useful information that may improve the understanding of the Company's governance practices may be disclosed herein:

1. The Company has Regulations Governing Major Internal Information Disclosure, which explicitly define the Company's handling and disclosure mechanism for important disclosures. We also regularly review these regulations to comply with current laws and regulations and the needs of practical management. The regulations have been announced within the Company and all employees have received relevant training and education.

1. Succession planning and operation of Board members and key management: The Company implements a policy of diversity of Board members in accordance with the Corporate Governance Best Practice Principles. Currently, there are 8 directors (including 4 independent directors) who have industry knowledge and international market perspectives and possess professional competencies including leadership, operational judgment, business management, crisis management etc. One of whom also serves as the Company's senior management. In the future, the composition structure and experience and background of the Company's Board of Directors will continue to follow the current framework. The results of the performance evaluation of the Company's Board of Directors in each year will be used as a reference for the nomination and re-election of directors.

   Regarding the succession planning of the Board of Directors, the Company trains senior managers to join the Board of Directors, familiarizes them with the operation of the Board of Directors and the business of each unit of the Company (including subsidiaries), and fosters their industry experience through job rotation. Currently, the Company and its subsidiaries have a number of senior management professionals; hence, the Company and its subsidiaries have a sufficient talent pool to be selected as future directors. In addition to taking diversity into account, we will also focus on gender equality and the directors are also required to possess the knowledge, skills and qualities necessary to perform their duties.

   The successor training plan is to formulate personal development plans based on future development and potential talents' abilities, and is mainly divided into: Various stages include selecting high-potential talents, training and developing their experiences (developing potentials), observations while acting in deputy roles (trying out leadership roles), and formal succession. During this period, courses and action learning, project assignment, and management authorization, job posting and rotation, etc. are provided, and the feasibility of a candidate's formal succession is assessed through systems such as performance evaluation and review by senior personnel evaluation committees. In addition to internal learning, we also encourage senior managers and potential talents to pursue continuing studies at top universities to enhance their knowledge and capabilities in corporate management.

(VIII) Status of implementation of internal control system:

1.Internal Control System Statement: For details, please refer to the Public Information Observation Station (website: http://mops.twse.com.tw), query path: Home> Single Company> Corporate Governance> Company Regulations/Internal Control> Internal Control Statement Announcement> Listing 113 Longbang, for investors to query and reference.

2.Those who entrust a certified public accountant to conduct a special audit of the internal control system shall disclose the certified public accountant's audit report: None.

(X) Important resolutions of the Shareholders' Meeting and the Board of Directors this year and up to the printing date of the Annual Report:

1. Important resolutions of the 2024 General Shareholders' Meeting: Date June 26, 2024

Major Resolutions	Results of Resolution	Implementation Status
Adoption of the Company's 2023 business report and financial statements	Based on the voting results, the number of votes in favor meets the statutory requirements and the proposal is recognized as such.	The relevant forms and records have been announced in accordance with the Securities and Exchange Act and other relevant laws and regulations
Adoption of the 2023 earnings distribution proposal	Based on the voting results, the number of votes in favor meets the statutory requirements and the proposal is recognized as such.	The announcement has been made in accordance with relevant laws and regulations
Amendment to the Company's "Rules for Election of Directors"	Based on the voting results, the number of votes in favor meets the statutory requirements and the proposal was passed as such.	Approval of the amendments to the Company's "Rules for Election of Directors"

2. Important resolutions of the Shareholders' Meeting and the Board of Directors in 2024 and up to the printing date of the Annual Report:

Date	Meeting Name	Major Resolutions
2024/01/30	14th-term 17th meeting of Board of Directors	1. Proposal to dispose of one piece of land located at No. 325, Section 5, Wende Section, Neihu District, Taipei City. 2. Proposal to apply for short-term credit line renewal from Songshan Branch of Taichung Commercial Bank Co., Ltd. 3. Proposal to apply for short-term credit line renewal from Wanhua Branch of Taiwan Business Bank, Ltd. 4. Proposal to apply for short-term credit line renewal from Chungxin Branch of Bank SinoPac Co., Ltd. 5. Proposal for total performance bonus for the Company and performance bonus and adjustment for meal allowance for managers in 2023.
2024/03/13	14th-term 18th meeting of Board of Directors	1. The Company's 2023 Business Report and Financial Statements (including Consolidated and Individual Financial Statements). 2. Earnings distribution for 2023. 3. Proposed remuneration for directors and employees in 2023. 4. Proposed date, location, agenda and other related matters for the convening the 2024 General Shareholders' Meeting. 5. Preparation of the Company's 2023 Statement of Internal Control System. 6. Amendment to the Company's "Rules for Election of Directors".

Date	Meeting Name	Major Resolutions
2024/05/14	14th-term 19th meeting of Board of Directors	1. The Company's financial report for Q1 2024. 2. Proposal for the Company's loaning of funds to its subsidiary Everwin Investment Co., Ltd. 3. Proposal to apply for short-term credit line renewal from Mingquan Branch of Union Bank of Taiwan. 4. Proposal to apply for short-term credit line renewal from Wenshan Branch of The Shanghai Commercial & Savings Bank, Ltd. 5. Proposal to apply for medium-term credit line renewal from Minsheng Branch of Bank of Panhsin. 6. Proposal to apply for a medium-term credit line from Minsheng Branch of Bank of Panhsin.
2024/08/13	14th-term 20th meeting of Board of Directors	1. The Company's financial report for Q2 2024. 2. The Company's proposal to entrust its related party, Reiju Construction Co., Ltd., to construct a new urban renewal residential building project in the Juguang section of Wanhua District, Taipei City. 3. Proposal to cancel the loaning of additional funds to the subsidiary Everwin Investment Co., Ltd. 4. Proposal to apply for short-term credit line renewal from Minsheng Branch of Bank of Panhsin. 5. Proposal to apply for short-term credit line renewal from Dazhi Branch of Chang Hwa Commercial Bank, Ltd. 6. The Company's organizational restructuring. 7. Proposal to amend the Company's "Internal Control System". 8. Proposal to formulate the Company's “Sustainable Development Committee Organizational Rules”.
2024/09/19	14th-term 21st meeting of Board of Directors	Proposal to lease the Company's property located at 6F., No. 50, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei City to its related party Taisun Enterprise Co., Ltd.
2024/11/12	14th-term 22nd meeting of Board of Directors	1. The Company's financial report for Q3 2024. 2. Proposal to apply for short-term credit line renewal from Business Division of First Commercial Bank, Ltd. 3. Proposal to apply for short-term credit line renewal from Songshan Branch of Taichung Commercial Bank Co., Ltd. 4. Proposal for the Company's loaning of funds to its subsidiary Everwin Investment Co., Ltd. 5. Proposal for the Company's provision of endorsement/guarantee for its subsidiary Everwin Investment Co., Ltd. 6. Appointment of members of the Company's Sustainable Development Committee.

Date	Meeting Name	Major Resolutions
		7. The Company's 2025 annual audit plan. 8. Proposal to amend the Company's "Internal Control System".
2024/12/25	14th-term 23rd meeting of Board of Directors	1. 2025 Group Budget and Business Plan. 2. The appointment, remuneration and independence assessment of the Group's certified public accountants (CPAs) for 2025, and the establishment of a process and general policy for the prior consent of non-assurance services in cooperation with the accounting firm and its affiliated companies. 3. Establishment of the Company's "Sustainable Information Management Procedures".

(XI) The main content of different opinions expressed by directors or the Audit Committee on important resolutions passed by the Board of Directors for which there exist records or written statements, in the most recent year and up to the date of publication of the Annual Report: None.

IV. Information of Fees to CPA

(I) Audit fees and non-audit fees paid to the certified public accountants, their accounting firm, and its affiliates, and the nature of the non-audit service:

<table>
<tr><th>Name of accounting firm</th><th>Name of accountants</th><th>Accountant's duration of audit</th><th>Audit fee</th><th>Non-audit fee</th><th>Total</th><th>Remarks</th></tr>
<tr><td rowspan="2">Ernst & Young, Taiwan</td><td>KyKy Lin</td><td rowspan="2">2024</td><td rowspan="2">5,680</td><td rowspan="2">150</td><td rowspan="2">5,830</td><td rowspan="2">Non-audit fee:
Funeral facility account management report fees, real estate trust account verification and certification, and others.</td></tr>
<tr><td>Maggie Yang</td></tr>
</table>

1. If the accounting firm has been changed and the annual audit fees were lower for the year of the firm change compared to that of the previous year, audit fees before and after the changes and the reason for such changes should be disclosed: None.
2. If the audit fees have decreased by more than 10% compared to the previous year, the amount, ratio, and reason for the reduction in audit expense should be disclosed: None.

(II) Audit fees refer to the fees paid by the Company to the certifying accountants for the audit, review, and re-examination of financial reports and the review of financial forecasts.

V. Information on replacement of accountants:

(I) Regarding former CPA

<table>
<tr><td>Date of replacement</td><td colspan="4">October 11, 2023</td></tr>
<tr><td>Reasons and explanations for replacement</td><td colspan="4">In response to the Group's organizational structure adjustment and business management needs.</td></tr>
<tr><td rowspan="3">Describe whether the client or accountant has terminated or is no longer accepting the appointment</td><td colspan="2">Parties / Condition</td><td>CPA</td><td>Client</td></tr>
<tr><td colspan="2">Voluntary termination of appointment</td><td></td><td>V</td></tr>
<tr><td colspan="2">No longer accepting (continuing) appointment</td><td></td><td></td></tr>
<tr><td>Audit report opinions other than unqualified opinions issued within the last two years and the reasons therefor</td><td colspan="4">No</td></tr>
<tr><td rowspan="7">Any disagreement with the issuer</td><td rowspan="5">Yes</td><td></td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="2">Disclosure of financial report</td></tr>
<tr><td></td><td colspan="2">Scope or procedure of audit</td></tr>
<tr><td></td><td colspan="2">Other</td></tr>
<tr><td></td><td colspan="2"></td></tr>
<tr><td>No</td><td colspan="3">V</td></tr>
<tr><td colspan="4">Description</td></tr>
<tr><td>Other matters
(Disclosures required in accordance with provisions of Item 1-4 to Item 1-7, Paragraph 6, Article 10 of these Regulations)</td><td colspan="4">None.</td></tr>
</table>

(II) Regarding the successor CPA

Name of firm	Ernst & Young, Taiwan
Name of accountants	KyKy Lin, Maggie Yang
Date of appointment	October 11, 2023
Consultation matters and results regarding accounting treatment methods or accounting principles for specific transactions and possible opinions on financial reports before appointment	No
Written opinion of the succeeding CPA on matters with differing opinions than those of former CPA	No

(III) The former CPA's reply to the matters regarding Item 1, Paragraph 6 and Item 2-3 of Article 10 of these Regulations: No

VI. The Company's directors, president, managerial officers in charge of finance or accounting who have served in the CPA firm or its affiliated companies in the most recent year: None.

VII. Changes to equity transfer or pledge loan of directors, managers, and major shareholders whose shareholding ratio exceeds 10% in the most recent year and up to the printing date of the Annual Report

(I) Changes in the equity of directors, managers, and major shareholders

Position	Name (Note 1)	2024		As of April 26, 2025	
		Increase (decrease) in shares held	Increase (decrease) in pledged shares	Increase (decrease) in shares held	Increase (decrease) in pledged shares
Chairman	Fortune Base Development Corp. Ltd.	437,000	(2,000,000)	235,000	0
	Representative: Liu, Wei-Lung	0	0	0	0
Director	Global Funeral Services Co., Ltd.	0	1,000,000	0	0
	Representative: Shao, Ming-Bin	0	0	0	0
Director	Fortune Base Development Corp. Ltd.	437,000	(2,000,000)	235,000	0
	Representative: Tang, Shun-Jin	0	0	0	0
Director	Global Funeral Services Co., Ltd.	0	1,000,000	0	0
	Representative: Liu, Huang-Chi	0	0	0	0
Independent director	Yang, Gui-Xiong	0	0	0	0
Independent director	Chen, Yun-Jin	0	0	0	0
Independent director	Xu, Pei-Ling	0	0	0	0
Independent director	Wang, Cai-An	0	0	0	0
President	Liu, Wei-Lung	0	0	0	0
Vice President	Tao, Po-Wei	0	0	0	0
Headof Finance	Dong, Yi-Qing	0	0	0	0
Corporate Governance Officer	Dong, Yi-Qing	0	0	0	0
Headof Accounting	Tsai, Ying-Chia	0	0	0	0
Assistant Vice President	Li, Man-man	0	0	0	0

Note 1: Fill in the those who are in office as of the date of publication of the Annual Report.

(II) Equity transfer information:

In the most recent year (2024) and as of the date of publication of the Annual Report, the directors, managers and shareholders of the Company with a shareholding ratio exceeding five percent have not had situations where the counterparty to the equity transfer is a related party of the Company.

(III) Equity pledge information:

In the most recent year (2024) and as of the date of publication of the Annual Report, the directors, managers and shareholders of the Company with a shareholding ratio exceeding five percent have not had situations where the counterparty to the equity pledge is a related party of the Company.

VIII. Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and the relationship between them

Name	Shareholding		Shares held by spouse & minors		Total shares held by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them.	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Title (or name)	Relationship
Global Funeral Services Co., Ltd.	69,889,080	17.71	0	0	0	0	Reiju Construction	Supervisor
Representative: Tang, Shun-Jin	0	0	0	0	0	0	Sung Gang Limited Corp. Fortune Base Development	Chairman Director
Fortune Base Development Corp. Ltd.	62374520	15.80	0	0	130,473,020	33.05	No	No
Representative: Shao, Ming-Bin	500,000	0.13	0	0	0	0	Yifung Investment Yulong Construction Development Reiju Construction Global Funeral Services	Chairman Chairman Chairman Director
Ontario Investment Co., Ltd.	37,933,600	9.61	0	0	0	0	No	No
Representative: Li, Chin-Chieh	0	0	0	0	0	0	No	No
Reiju Construction Co., Ltd.	36,608,592	9.27	0	0	0	0	No	No

Name	Shareholding		Shares held by spouse & minors		Total shares held by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them.	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Title (or name)	Relationship
Representative: Shao, Ming-Bin	500,000	0.13	0	0	0	0	Fortune Base Development Yulong Construction Development Yifung Investment Global Funeral Services	Chairman Chairman Chairman Director
Yifung Investment Co., Ltd.	34,542,100	8.75	0	0	0	0	No	No
Representative: Shao, Ming-Bin	500,000	0.13	0	0	0	0	Fortune Base Development Yulong Construction Development Reiju Construction Global Funeral Services	Chairman Chairman Chairman Director
Yulong Construction Development Co., Ltd.	26,041,840	6.60	0	0	0	0	No	No
Representative: Shao, Ming-Bin	500,000	0.13	0	0	0	0	Fortune Base Development Yifung Investment Reiju Construction Global Funeral Services	Chairman Chairman Chairman Director
Wu, Chin-Chuan	10,262,000	2.60	0	0	0	0	No	No
Sung Gang Corp. Limited	6,843,340	1.73	0	0	0	0	No	No
Representative: Tang, Shun-Jin	0	0	0	0	0	0	Global Funeral Services Fortune Base Development	Chairman Director
Lo, Ming-Yi	6,014,187	1.52	0	0	0	0	No	No
Lo, Ming-Ling	5,167,897	1.31	0	0	0	0	No	No

IX. The shareholding of the Company, directors, supervisors, managers, and enterprises that are directly or indirectly controlled by the Company in the same re-invested company

Comprehensive shareholding ratio

December 31, 2024 Unit: Thousand shares; %

Reinvested entities (Note)	Investment by the Company		Investments by directors, supervisors, presidents and directly or indirectly controlled enterprises		Total investment	
	Number of shares	Ownership	Number of shares	Ownership	Number of shares	Ownership
Everwin Investment Co., Ltd.	244,025	100.00	0	0.00	244,025	100.00
Long Bao International Co., Ltd.	60,000	100.00	0	0.00	60,000	100.00
Reiju Construction Co., Ltd.	73,928	90.10	0	0.00	73,928	90.10
Longfu Real Estate Co., Ltd.	70,000	100.00	0	0.00	80,000	100.00
Long Bon International Co., Ltd.	100	100.00	0	0.00	100	100.00
Sky Honor International Co., Ltd.	1,350	45.00	0	0.00	1,350	45.00
Taisun Enterprise Co., Ltd.	191,721	38.34	58,279	11.66	250,000	50.00
Longhui Development Co., Ltd.	0	0.00	56,000	100.00	56,000	100.00
Tong Hwa International Golf Recreation Co., Ltd.	0	0.00	3,000	100.00	3,000	100.00
Sanzhi Chih An Garden Co., Ltd. (Note 1)	-	0.00	-	100.00	-	100.00
North Bay Recreation Co., Ltd.	0	0.00	8,947	99.41	8,947	99.41
Ruicheng Construction Co., Ltd.	0	0.00	5,950	100.00	5,950	100.00
Ryan Development Co., Ltd.	0	0.00	7,000	100.00	7,000	100.00
Reiju Construction Co., Ltd.	0	0.00	390	39.00	390	39.00
Pin-Tai Distribution Enterprise Co., Ltd.	0	0.00	21,256	99.93	21,256	99.93
Taiwan Nikomart Co., Ltd.	0	0.00	36,1086	98.12	36,1086	98.12
Innovation Logistics Co., Ltd.	0	0.00	9,989	97.47	9,989	97.47
Taishanyuan Co., Ltd.	0	0.00	500	100.00	500	100.00
Taisun (Cayman) Investment Ltd. (Note 1)	0	0.00	-	100.00	-	100.00
Central Union Oil Corp.	0	0.00	20,000	33.33	20,000	33.33

Note: It is an investment recognized under the equity method.

Note 1: A limited company is registered based on its capital contribution.

C. Fundraising

I. Capital and share issuance

(I) Source of capital

1. Type of shares

Type of shares	Authorized capital			Remarks
	Shares issued and outstanding	Unissued shares	Total	
Ordinary shares	394,729,278	325,270,722	720,000,000	

2. Changes in capital in the most recent year and as of the printing date of the Annual Report

Unit: NT$; Share(s)

Month/year	Price of issuance	Authorized capital		Paid-in Shares		Remarks		
		Number of shares (shares)	Amount (NT$)	Number of shares (shares)	Amount (NT$)	Source of capital (NT$)	Shares acquired by non-cash assets	Other
1988.01	10	6,000,000	60,000,000	6,000,000	60,000,000	Founding	No	Jing (77) Shang-Zi No. 2143 dated January 22, 1988
1988.09	10	19,980,000	199,800,000	19,980,000	199,800,000	Cash capital increase 139,800,000	No	Jing (77) Shang-Zi No. 27405 dated September 9, 1988
1990.05	10	46,000,000	460,000,000	46,000,000	460,000,000	Cash capital increase 260,200,000	No	
1990.08	10	48,997,000	489,970,000	48,997,000	489,970,000	Capitalization of profits 29,970,000	No	
1991.07	10	53,896,700	538,967,000	53,896,700	538,967,000	Capitalization of profits 48,997,000	No	
1992.08	10 10	70,290,000	702,900,000	70,290,000	702,900,000	Capitalization of profits 161,690,100 Capital increase from employee bonus 2,242,900	No	
1993.08	35 10 10	180,000,000	1,800,000,000	122,212,500	1,222,125,000	Cash capital increase 200,000,000 Capitalization of profits 316,305,000 Capital increase from employee bonus 2,920,000	No	
1994.08	10 10	180,000,000	1,800,000,000	146,800,000	1,468,000,000	Capitalization of profits 244,425,000 Capital increase from employee bonus 1,450,000	No	

Month/year	Price of issuance	Authorized capital		Paid-in Shares		Remarks		
		Number of shares (shares)	Amount (NT$)	Number of shares (shares)	Amount (NT$)	Source of capital (NT$)	Shares acquired by non-cash assets	Other
1995.08	10 10	195,200,000	1,952,000,000	183,800,000	1,838,000,000	Capitalization of profits 367,000,000 Capital increase from employee bonus 3,000,000	No	
1996.08	10	302,360,000	3,023,600,000	202,180,000	2,021,800,000	Capitalization of capital surplus 183,800,000	No	
1997.08	10 10 10	450,000,000	4,500,000,000	242,776,000	2,427,760,000	Capitalization of capital surplus 202,180,000 Capitalization of profits 202,180,000 Capital increase from employee bonus 1,600,000	No	
1997.09	30	450,000,000	4,500,000,000	272,776,000	2,727,760,000	Cash capital increase 300,000,000	No	
1998.05	10	450,000,000	4,500,000,000	299,779,166	2,997,791,660	Conversion of convertible bonds to equity 270,031,660	No	
1998.08	10 10 10 33	520,000,000	5,200,000,000	425,950,766	4,259,507,660	Capital increase from undistributed earnings 681,940,000 Capital increase from employee bonus 7,000,000 Capitalization of capital surplus 272,776,000 Cash capital increase 300,000,000	No	
1999.01	10	520,000,000	5,200,000,000	437,264,477	4,372,644,770	Conversion of convertible bonds to equity 13,137,110	No	
1999.07	10 10 10	720,000,000	7,200,000,000	525,717,372	5,257,173,720	Capitalization of capital surplus 437,264,477 Capitalization of profits 437,264,473 Capital increase from employee bonus 10,000,000	No	
1999.10	10	720,000,000	7,200,000,000	527,925,164	5,279,251,640	Conversion of convertible bonds to equity 22,077,920	No	
2000.08	10	720,000,000	7,200,000,000	580,717,680	5,807,176,800	Capitalization of capital surplus 527,925,160	No	

Month/year	Price of issuance	Authorized capital		Paid-in Shares		Remarks		
		Number of shares (shares)	Amount (NT$)	Number of shares (shares)	Amount (NT$)	Source of capital (NT$)	Shares acquired by non-cash assets	Other
2003.12	10	720,000,000	7,200,000,000	552,685,680	5,526,856,800	Capital reduction from write-off of treasury stock 280,320,000	No	
2005.08	-	720,000,000	7,200,000,000	502,685,680	5,026,856,800	Capital reduction 500,000,000	No	
2008.10	10	720,000,000	7,200,000,000	527,753,964	5,277,539,640	Capitalization of capital surplus 250,682,840	No	
2011.03	10	720,000,000	7,200,000,000	526,433,964	5,264,339,640	Capital reduction from write-off of treasury stock 13,200,000	No	Jing-Shou-Shang-Zi No. 10001071990 dated April 13, 2011
2011.09	10	720,000,000	7,200,000,000	514,433,964	5,144,339,640	Capital reduction from write-off of treasury stock 120,000,000	No	Jing-Shou-Shang-Zi No. 10001219490 dated September 22, 2011
2013.01	10	720,000,000	7,200,000,000	563,214,290	5,632,142,900	Conversion of convertible bonds to equity 487,803,260	No	
2016.05	10	720,000,000	7,200,000,000	556,923,290	5,569,232,900	Write off of treasury stock 62,910,000	No	Jing-Shou-Shang-Zi No. 10501126300 dated June 15, 2016
2016.10	10	720,000,000	7,200,000,000	548,123,290	5,481,232,900	Write off of treasury stock 88,000,000	No	Jing-Shou-Shang-Zi No. 10501252850 dated October 25, 2016
2016.11	10	720,000,000	7,200,000,000	536,613,290	5,366,132,900	Write off of treasury stock 11,510,000	No	Jing-Shou-Shang-Zi No. 10501291940 dated December 22, 2016
2016.12	10	720,000,000	7,200,000,000	506,613,290	5,066,132,900	Write off of treasury stock 30,000,000	No	Jing-Shou-Shang-Zi No. 10601003670 dated January 10, 2017
2017.03	10	720,000,000	7,200,000,000	499,053,290	4,990,532,900	Write off of treasury stock 75,600,000	No	Jing-Shou-Shang-Zi No. 10601039100 dated March 27, 2017

Month/year	Price of issuance	Authorized capital		Paid-in Shares		Remarks		
		Number of shares (shares)	Amount (NT$)	Number of shares (shares)	Amount (NT$)	Source of capital (NT$)	Shares acquired by non-cash assets	Other
2017.07	10	720,000,000	7,200,000,000	493,572,290	4,935,722,900	Write off of treasury stock 54,810,000	No	Jing-Shou-Shang-Zi No. 10601101200 dated July 28, 2017
2018.08	10	720,000,000	7,200,000,000	505,911,597	5,059,115,970	Capitalization of profits 123,393,070	No	
2019.10	10	720,000,000	7,200,000,000	404,729,278	4,047,292,780	Capital reduction 1,011,823,190	No	
2020.07	10	720,000,000	7,200,000,000	394,729,278	3,947,292,780	Write off of treasury stock 100,000,000	No	Jing-Shou-Shang-Zi No. 10901122340 dated July 20, 2020

(II) Major shareholders:

Shareholders whose shareholding ratio is more than 5% or the names of the top ten shareholders with the shareholding ratios, the amounts, and proportions of shares held

Shareholding / Name of major shareholder	Number of shares held	Ownership
Global Funeral Services Co., Ltd.	69,889,080	17.71%
Fortune Base Development Corp. Ltd.	62,374,520	15.80%
Ontario Investment Co., Ltd.	37,933,600	9.61%
Reiju Construction Co., Ltd.	36,608,592	9.27%
Yifung Investment Co., Ltd.	34,542,100	8.75%
Yulong Construction Co., Ltd.	26,041,840	6.60%
Wu, Chin-Chuan	10,262,000	2.60%
Sung Gang Corp. Limited	6,843,340	1.73%
Lo, Ming-Yi	6,014,187	1.52%
Lo, Ming-Ling	5,167,897	1.31%

(III) Dividend policy and implementation

1. Dividend policy in the Articles of Incorporation

If the Company was profitable during the year, no less than 0.1% of the profit shall be allocated as employee remuneration, and no more than 3.5% may be allocated as remuneration for directors and supervisors. However, if the Company has incurred loss, the profits shall be reserved to offset against any deficit. In case of a profit, net earnings should first be used to offset the prior years' deficits, if any, after paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve. No limit should apply, when the statutory surplus reaches the actual paid-in capital of the Company. Additionally, depends on the Company's operation needs and legal requirements, it may appropriate or reverse the special surplus reserve. Any surplus shall be combined with the undistributed retained earnings from the beginning of the period, and distributed according to the distribution plan proposed by the Board of Directors and submitted to the shareholders' meeting for approval.

The Company's dividend policy must take its mid- to long-term operating growth funding needs and a sound financial structure into account while balancing the interests of shareholders. In principle, dividends are distributed in both stock and cash, with a cash dividend ratio of no less than 10%. If the cash dividend per share is less than NT$0.5, it may be distributed in the form of stock dividends.

2. Implementation status

The Company is currently promoting the Long Bon Harvest urban renewal project. In order to continuously improve the debt ratio and adjust our financial structure, we do not plan to distribute dividends this year.

3. Description is required if a significant change in dividend policy is to be expected: No

(IV) Effect of stock grants proposed in the latest shareholders' meeting on the Company's business performance and earnings per share:

The Company's 2024 earnings distribution proposal has been approved by the Board of Directors in a Board meeting convened on March 13, 2025 (it is not yet approved by the shareholders' meeting), and it has been proposed that the Company will not distribute stock dividends at this time; hence, this is not applicable.

(V) Remuneration of employees, directors and supervisors

1. Percentages and ranges of employee remuneration and director and supervisor remuneration as specified in the Company's Articles of Incorporation:

If there is any profit in the year, no less than 0.1% will be distributed as employee remuneration, and a maximum of 3.5% will be allocated as remuneration to directors. However, if the Company has incurred loss, the profits shall be reserved to offset against any deficit.

Employees who are entitled to receive the aforementioned employee remuneration, in share or cash, may include the employees of the Company's subsidiaries who meet certain specific requirements. The criteria and method shall be approved by the Board through a special resolution and reported to the Shareholders' Meeting.

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

(1) Employee and director remuneration is estimated based on the Company's Articles of Incorporation and past experience.

(2) The basis for calculating the number of shares of employee remuneration distributed in shares: No employee remuneration was distributed in the form of shares in 2024;

hence, this is not applicable.

(3) Accounting treatment when the actual distribution differs from the estimated amount: The differences, if any, between the actual distributed amounts as resolved by the Shareholders' Meeting and estimated amounts will be treated as changes in accounting estimates, and will be used to adjust the profit or loss in the year through resolution from the Shareholders' Meeting.

3. Information on the Board of Director's approved distribution of director and employee remuneration in 2024:

(1) In accordance with provisions from Article 31 of the Company's Articles of Incorporation, the Company's pre-tax profit before deducting directors' and employees' remuneration in 2024 was NT$1,131,858,782 (denoted in NTD, same below), of which 1.25% was appropriated as directors' remuneration of NT$14,148,234, and 0.1% was allocated as employee remuneration of NT$1,131,859.

(2) The number of shares proposed to be distributed as employee remuneration and their proportion to the capitalization of profits: None.

4. Any discrepancy between actual remuneration distribution of director and employee remuneration (including the number of shares, the amount and share price) and the recognized director and employee remuneration, and disclosure of the differences, reasons, and responses: No discrepancies.

(VI) Buyback of the Company’s shares: None.

II. Issuance of corporate bonds: None.

III. Issuance of special shares: None.

IV. Issuance of global depositary receipts (GDR): None.

V. Issuance of employee stock options: None.

VI. Issuance of new restricted employee shares: None.

VII. Mergers and acquisitions (including mergers, acquisitions, and demergers)

None.

VIII. Implementation of capital allocation plan: The Company has not had any conditions that have not yet been completed or that have been completed within the last three years but the benefits of which have not yet materialized.

D. Business Overview

I. Business activities

(I) Business activities

1. The Company's main business activities: Urban renewal construction, commercial building leasing and sales business, funeral facility management and operation, entertainment facility operation, investment and development, civil engineering, and food processing and retail.

2. Revenue breakdown

Year / Products	2023		2024	
	Operating revenues	Percentage	Operating revenues	Percentage
Construction revenues	10,399,622	58.35%	11,084,545	44.52%
Revenue from consumed food	6,516,495	36.56%	10,684,405	42.91%
Service revenue	388,167	2.18%	67	0.00%
Income from recreation services	254,056	1.43%	235,295	0.94%
Income from sales of cemetery plots and columbarium pagoda niches	183,187	1.03%	172,090	0.69%
Rental income	62,886	0.35%	57,224	0.23%
Income from funeral services	18,406	0.10%	22,203	0.09%
Income from sales of buildings and land	-	0.00%	2,643,532	10.62%
Total	17,822,819	100.00%	24,899,361	100.00%

3. Current products and services:

Urban renewal construction, engineering construction, real estate construction and development, real estate and parking space leasing/sales, development of housing and columbariums, leisure and entertainment operations, food processing and retail, and oil product manufacturing.

4. Development of new products (services) that have been planned:

(1) Domestic housing development planning.

(2) Domestic columbarium development planning.

(3) Recreational course operation facilities.

(4) Land activation and reuse.

(5) Oil products.

(6) Consumer products.

(7) Feed products.

(8) Urban renewal construction- Long Bon Harvest.

(II) Industry overview

1. Current industry trends and future outlook

(1) Real estate development and construction industry

In the first half of 2024, the number of property sales and transfers have increased in all six special municipalities. The main reason was economic growth in addition to the government's Preferential Housing Loans for the Youth 2.0 policy, leading to continued inelastic demand, which has boosted sales momentum for lower-priced properties in less central areas. However, the location and product positioning of housing property is still an important factor in determining whether prices rise or fall. The Central Bank implemented the seventh round of credit controls in the second half of the year, and housing market transaction volume declined. The overall environment is fairly challenging for real estate development, construction and housing sales.

(2) Oil and consumer food products industry

Soybean oil is the most widely used vegetable oil in Taiwan. Soybeans imported from abroad are processed and refined in Taiwan to produce soybean powder and soybean oil. Soybean powder is one of the main ingredients of complete feed, while soybean oil is used for cooking in everyday life. The vegetable oils currently sold are generally used for two main purposes. One is for commercial use in restaurants and food factories, such as 18-liter barrels of soybean oil and palm oil, and the other is for household use in small packages. In recent years, health awareness has risen among citizens, and diverse edible oils with healthy concepts has become an industry trend. Due to the rising awareness of health, more emphasis is placed on the use of raw materials in products, and products are advertised as natural and healthy, without additives or with high milk content, and with high added value. Food safety incidents in recent years have also raised consumers' awareness of health and safety, prompting them to be more willing to pay higher prices for products produced by major brands, with certificates of origin, production certification standards, or more third-party certifications, which have become indicators for consumers to feel safer.

(3) Leisure and entertainment industry (golf)

The golf industry has flourished during the COVID-19 pandemic. Research data disclosed by the R&A and Sports Marketing Survey (SMS) show that golf has become highly popular and participation has increased significantly around the world, especially during the COVID-19 pandemic in the past two years. Outdoor sports can be carried out in a safer and healthier way, and golf is an outdoor sport that can maintain suitable social distance. Compared with indoor sports, it has a safe and excellent sports environment. The overall golf population in the world has increased significantly. Golf driving ranges and golf courses in Taiwan are also seeing a boom that has not been seen for a long time. People who already knew how to play golf began to play more frequently. Adults and children who have never played golf before are starting to learn golf, and golf started to become more popular.

The United States does not have such as serious attitude when promoting golf, and uses the concept of family travel for promotion. Families goes to the mini golf course together to eat and drink and have fun together. Mini golf courses are almost packed every single night. This concept has begun to be used in Taiwan. The Gold Coast Golf Country Club hosted a family competition for the first time in 2022, and many interactions could be seen between parents and children that improved their relationships. Seeing the enthusiastic response from golfers, the club hosted the Happy Family Tournament in 2023.

(4) Mortuary service industry

With the joint efforts of the government, industry, and academia to reform the mortuary service industry, industry and schools have actively promoted death studies and mortuary education, allowing mortuary etiquette to officially move forward into a new era. The mortuary service industry began to change the way it was viewed by people once it began to transition towards a high-quality, customized business model, emphasizing the last wishes of the deceased, adjusting the ritual process according to the needs of the family, and making the rituals simpler, innovative, and systematic. Mortuary service companies have more abundant manpower and resources. Employees only need to learn standard or single work items, dividing the work among employees. The training of new personnel has also become more specialized, and it changed the impression of workers in the industry into professional funeral directors. With the changes in the funeral culture, people are less repulsive and less fearful towards the mortuary service industry, and can view the mortuary service industry with solemnness. As Taiwan's population ages, the government and people's awareness of environmental protection has risen. Coupled with the limited land in Taiwan, the demand for both mortuary services and columbariums has increased.

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

(1) Real estate development and construction industry

The main raw materials upstream of the real estate development and construction industry are land, construction materials, and financial institutions that providing funding. The sources of land supply include private land sales, joint construction releases, state-owned land auctions and land developed through urban renewal procedures. Construction materials mainly include sand and gravel, steel bars, and tiles. The midstream mainly consists of construction companies, as well as sales-related industries, including consignment brokerages, construction management companies, and real estate agencies. The downstream of the real estate industry is mainly general customers and companies. In recent years, the real estate agencies have the advantage of multiple store channels, which diversified real estate sales options. The chain effect of upstream, midstream, and downstream industries of real estate is greater than that of other industries. Hence, the real estate industry is often regarded as a leading industry in economic development, and serves as a leading indicator. Therefore, business of the construction industry will directly or indirectly affect the economy that year. The construction industry chain refers to the upstream and downstream industries related to building design, construction or turnkey for residential buildings, commercial offices, factories, or public construction projects. The upstream consists of suppliers of construction materials and manpower, the midstream consists of electrical and machinery companies, financial institutions, insurance companies, security companies, and architects, and the downstream consists of construction supervision units and owners. Main construction materials include steel bars, section steel, cement, ready-mixed concrete, sand and gravel, tiles, and glass. Owners include public/private institutions, construction investors, and landowners.

(2) Oil and consumer food products industry

The main upstream raw materials for soybean oil are soybeans from the United States and Brazil, while vegetable oils come from Australia, Spain, the United Kingdom, Malaysia, and Thailand. The main customers of oil products for commercial purpose are food factories or chain restaurant groups, or are sold to restaurants through dealers across the country. Oil products in small-packages for households are sold by Pin-Tai Distribution Enterprise Co., Ltd., mainly in hypermarkets, supermarkets, and chain convenience stores.

The raw materials for food products are mainly sourced domestically and a portion is source overseas. Several high-quality suppliers have been doing business with the Company for many years, so the quality and delivery of their raw materials are stable. Sales is handled by Pin-Tai Distribution Enterprise Co., Ltd.

(3) Leisure and entertainment industry (golf)

The leisure and entertainment industry (golf) provides golf courses facilities for golfers to play. Golf course facilities include turf, sand for the green, and golf balls. The raw materials required by construction companies are naturally supplied by upstream suppliers, while golfers and the Company's customers are downstream.

(4) Mortuary service industry

The scope of business of the mortuary service industry can be divided into cemetery products (including columbariums) and funeral service products. As far as cemetery products (including columbariums) are concerned, the upstream is the construction company. Suppliers of materials required for funeral service products are naturally their upstream suppliers. The downstream of the mortuary service industry is customers who require columbariums and funeral services.

3. Product development trends

(1) Real estate development and construction industry

MRT houses and small and medium-sized luxury houses:

There is a serious imbalance between supply and demand on land in downtown areas. Large plots of land are almost never released. In addition, Taiwan's housing structure is affected by low birth rates and aging population. Large luxury homes exceeding 100 ping are no longer easy to sell and do not meet future requirements. Due to the total price, the floor area must be controlled within two to three-bedroom products. Projects of well-known brands in a good location and designed with high specs will have a chance to achieve excellent sales performance.

Age-friendly housing: The low birth rates and aging population have caused developers to rethink their product positioning. Many developers have begun planning age-friendly housing and future products will be adjusted according to housing market trends and demand.

Customers changing houses due to urban renewal and reconstruction of urban unsafe and old buildings: The percentage of customers changing houses due to the government's policy for urban renewal and reconstruction of urban unsafe and old buildings will significantly increase. The number of old houses over 30 years old remains high in urban areas, which will create demand for replacement of old houses with new ones.

Green residential buildings:

In response to ESG sustainable development, the industry is currently actively using green construction materials as raw materials for construction. In accordance with requirements of the Public Construction Commission, all new public buildings must obtain a green building label. As for new general buildings of private developers, many iconic developers continue to develop residential buildings using green building design concepts. Foreign energy-saving building certifications have become an important variable in valuation.

(2) Oil and consumer food products industry

To become aligned with international trends and meet customer requirements, the entire production line of food factories and oil factories has obtained SQF 9.0 certification to strengthen source management, implement more stringent food safety and quality standards for product acceptance, and obtain certifications recognized by GFSI, which will drive project sales worldwide. The Company continue to direct its efforts to obtain certifications and awards for related management systems. This rigorous management system and verification will serve as quality assurance for the Company's product, enhance the Company's product competitiveness, and win the trust of society and customers.

(3) Leisure and entertainment industry (golf)

The leisure and entertainment industry (golf) is combined with tourism and organizes international events, coupled with various marketing techniques and media dissemination, so that golf is no longer limited to a single sport, and will allow the public to have more diverse options to participate in this sport.

(4) Mortuary service industry

The percentage of the elderly population has increased significantly. To avoid the dilemma of the dead and the living competing for land, and with the rising environmental awareness, the Ministry of the Interior calls on the public to support the government's promotion of eco-friendly natural burial methods, such as tree burial, scatter ashes over the sea, or burial at sea. It will require promotions and encouragement over a long period of time to change concepts.

4. Product competition

Real estate development and construction industry

Due to the massive scale and wide geographic distribution of the real estate development market, and products that vary with the location, market competition is unlike other industries and there is less competition between companies. Instead, the competition is usually between projects within the same region. In recent years, the Company has mainly been land hunting in Taipei City and New Taipei City with the Greater Taipei area as the core, and extending outward to Taichung and other metropolitan areas. The Company's niche is the construction brand built by its strong management team together with affiliate Reiju Construction Co., Ltd., a grade A construction company. As national income increases, home buyers have increasingly strict requirements for exterior design, internal layout, construction materials and equipment, and public facility planning. Product planning and spatial utilization have become important considerations for home buyers when choosing a house. Construction quality is the key to a good reputation. How to enhance functions of software and hardware facilities, such as healthcare, technology, environmental protection, leisure, safety, and comfort will be the key to future competition. In addition, as competition in the real estate industry becomes increasingly fierce, customer satisfaction has also become an important indicator for measuring a company's competitiveness. Companies must pay attention to consumer needs and market changes in order to adopt appropriate and effective service actions and sales strategies.

(III) Overview of Technology and R&D

1. Real estate development and construction industry

(1) Real estate development

A. In response to trends in future demand in the real estate market, land and real estate that the Company plans to acquire or has purchased by tender is located in urban redevelopment zones, next to major transportation infrastructure projects, or in areas with complete residential functions, and will be used to construct housing properties for sale.

B. In addition to purchasing land for in-house construction projects, the Company plans to earn investment returns from property investment, land acquisition, or joint construction by individually investing in projects in key central areas of north and central Taiwan, including Taipei City, New Taipei City, and Taichung City, or by participating in urban renewal or the reconstruction of urban unsafe and old buildings in Taipei City or New Taipei City, choosing projects which can be rapidly developed.

C. In the future, the Company plans to integrate the resources of the Group to invest into the recreation industry through managing stadiums in order to diversify its business operations. The Company also plans to enter the columbarium investment and development market, and will look to create development or integration plans for suitable green columbarium park projects across Taiwan.

(2) Construction plans and building products are all customized projects, but the design of the products is based on the ideas of the architect and the needs of customers. What construction companies do is construct the building that is designed, so there will not be the same production environment and the same building. Hence, they will face different challenges in the product development process. The R&D and innovation process takes more than one year, and each production process requires constant inspection and testing to ensure product quality requirements. Starting from the designer's architectural drawings, the design needs to be constantly reviewed and better construction methods or alternatives determined through value engineering, in order to provide customers with more options and the most beneficial products.

2. Oil and consumer food products industry

We will continue to invest capital and manpower to develop new products and improve process technology, and control the quality of formulas and raw materials from the source, releasing hygienic, healthy, and safe new products in response to future market demand to seize the best profit opportunities.

3. Leisure and entertainment industry (golf)

The industry provides golf course facilities for golfers to use. It can only improve the convenience and comfort of various hardware facilities to meet the needs of golfers. The stadium industry is different from the manufacturing industry and does not have departments for product development.

4. Mortuary service industry

The industry provides funeral services and cemetery facilities. It provides personalized, refined and diverse funeral services to customers, thereby improving the overall quality of funeral services.

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

1. Short-term business development plans

(1) Real estate development and construction industry

A. Accelerate the development of existing land assets.

B. Properly activate idle land while they are held to increase income.

C. Obtain high-quality land resources in prime urban areas.

D. Obtain projects for urban renewal and reconstruction of urban unsafe and old buildings in high-integrated and conveniently located areas.

E. Actively participate in bidding for highly feasible projects.

F. Effectively grasp the pulse of the market, differentiate product positioning based on regional characteristics, and combine ESG-related product positioning to improve building quality.

(2) Oil and consumer food products industry

Focus on the development of high-priced and high-quality oil products in response to consumer trends, continue to increase the sales of rice bran oil and sunflower oil, accumulate the image of chef-selected professional oils, and continue to research cooking oils with healthy concepts.

(3) Leisure and entertainment industry (golf)

Provide more diverse hardware facilities and golf course staff services.

(4) Mortuary service industry

Provide customers with diverse high-quality products to choose from, actively expand the market, improve sales capabilities, and increase market share through insurance channels.

2. Long-term business development plans

(1) Real estate development and construction industry

A. Build the Company's brand value, fully utilize core competitiveness, and continue to actively seek to achieve sustainability.

B. Plan products through a customer-oriented and market-oriented approach to increase added value.

C. Develop high-quality land in prime areas of Taipei City, New Taipei City, and Taichung City, actively expand land reserves and development in suburban areas with development potential, zone expropriation, and redevelopment zones.

D. Maintain a high renewal rate.

E. Actively explore new markets.

F. Provide owners with diverse channel services.

(2) Oil and consumer food products industry

Develop food products towards high value-added products that are natural and healthy, without additives, or have innovative ingredient changes.

(3) Leisure and entertainment industry (golf)

Provide more diverse hardware facilities and golf course staff services.

(4) Mortuary service industry

Improve quality and gain recognition from customers through professional services provided by funeral directors.

II. Market, production, and sales overview

(I) Market analysis

1. Market share and future market supply/demand and growth

(1) Market share

The Company's operating revenue is mainly from real estate construction and sales, real estate investment, leasing, and sales, columbarium sales, and funeral service income. Real estate investment projects will still be determined by government policy. The Company's real estate projects will feature major construction or transportation development projects in each metropolitan area. Combined with the investment pattern, it will form double-loop parallel operations that are expected to maintain stable operating revenue every year.

Operating revenue from construction is mainly from the construction of buildings. Besides being affected by the government's annual budget for public construction, the private sector's willingness to carry out projects is also affected by the economy. At the end of each year, Reiju Construction will make timely adjustments based on the overall social environment and international trends, and set the target for project acceptance strategies and total contract amount in the following year. It is expected to maintain stable revenue growth every year.

(2) Future market supply, demand, and future growth

A. Supply side

At present, it is becoming increasingly difficult to obtain land asset, and there is a continuing shortage of labor as well as green building requirements etc., leading development cost to remain high. Although Taipei City does not have a large supply of land from redevelopment zones like other regions. The government's policy for urban renewal and reconstruction of urban old and unsafe buildings seems to have gradually produced good results. The Company will continue to cooperate with the government's policy in investing in joint construction or using our own real estate to actively integrate and promote urban renewal and reconstruction of urban old and unsafe buildings. The increase in new projects will increase market supply, and for there will be more newly constructed properties available to make comparisons and decisions for the consumers. And the quantity and quality of construction workers need to be further improved to handle the volume of projects, and the number of suppliers needs to increase to meet the demand.

B. Demand side

Currently, demand on residential buildings for self-use and commercial real estate remain speculative; nevertheless, there continues to be some inelastic, self-use need for high-quality residential buildings and factory offices, and this in turn will increase the willingness of developers to launch new products. Therefore, in the medium to long-term, demand in the real estate market of the Greater Taipei area can be expected to exceed supply.

C. Growth

The demand on food, clothing, housing, and transportation are rigid demands in daily life. There are many factors that affect the construction industry, ranging from changes in population structure to social changes (for example: low birth rates and aging population), which will drive demand in the housing market back to the fundamentals. Therefore, high-quality housing units, such as small houses in prime downtown areas with convenient transportation and complete living facilities and urban renewal of old communities, still have good prospects.

2. Competitive niches:

The Company is the first listed/OTC-traded construction company in Central Taiwan. The domestic real estate market has been suppressed by the government in recent years. Coupled with the overall sluggish economy, the market is in a correction and it is necessary for construction companies to engage in transformation and diversification. Combining the Group's current resources, the Company will simultaneously start from the real estate investment market.

(1) Excellent brand image and understanding of the market.

(2) Abundant working capital and stable financial position.

(3) Understanding of market demand and professional R&D planning.

(4) Guarantee project quality and sustainable after-sales service.

(5) New projects rely on innovation and old projects rely on service and quality.

(6) Differentiated products.

(7) Continue to implement projects using the Group's advantages and existing resources.

(8) Participate in clubs for networking.

(9) Strengthen the integration of technology R&D (green promotion, enterprise resource integration system, preventive management, and obtain patents for innovative technologies and new construction methods).

3. Favorable and unfavorable factors for future development and response strategies

(1) Favorable factors:

China's economy is expected to remain sluggish and will continue to accelerate the return of Taiwanese businessmen to invest in Taiwan. The preferential mortgage program for young adults will attract first-time home buyers. According to the latest forecast results from the Taiwan Institute of Economic Research (TIER), the domestic economic growth rate in 2025 will be 3.42%. Based on the National Comprehensive Development Plan, the future development direction for housing policies includes stable supply of residential land with appropriate locations and reasonable prices to build affordable housing, provide sufficient reasonably priced housing, and meet the demand for high-quality life and living environment as income increases. Furthermore, incentives for private participation in urban renewal and the development and construction of new communities to provide high-quality housing and living environment will have a positive impact on market development.

(2) Unfavorable factors:

A. Prime land in the Greater Taipei area is becoming increasingly scarce, and the cost for developers to acquire land has increased.

B. There are still many variables in the external environment, including geopolitics, the US-China tariff and trade war, NTD exchange rates, and Central Bank's policy to curb real estate speculation through implementing the seventh round of credit controls etc., which will all continue to affect the direction of monetary policy and directly affect consumer confidence in buying homes.

C. Currently, the shortage of workers and engineers continue to be the greatest unfavorable factor faced by the construction industry. Influences such as subsequent carbon taxes being imposed on materials will lead construction costs to significantly increase and thereby affect profits. Moreover, rising wages and labor shortage makes it impossible to control construction progress.

(3) Response measures:

A. Real estate investment targets are still mainly residential buildings in prime areas in the Greater Taipei area with convenient transportation and close proximity to surrounding shopping districts. The Company is also carefully evaluating suburban areas with development potential. Real estate investment targets are still mainly residential buildings in prime areas in the Greater Taipei area with convenient transportation and close proximity to surrounding shopping districts. The Company is also carefully evaluating suburban areas with development potential.

B. Expand diverse development methods, including prudent acquisition through purchase, bidding, joint construction, urban renewal, projects under the Statute for Expediting Reconstruction of Urban Unsafe and Old Buildings, individual investments, land activation, and leisure industry golf course development and operation.

C. Effectively use the Group's resources for real estate investment, factory and office development, tourism, leisure and recreation industries, and the development of columbariums to increase the Company's overall profits.

D. Seek assistance from the competent authority to bringing foreign workers and alleviate the labor shortage.

E. Train high-quality structural workers to become formwork workers and steel bar workers.

(II) Important applications and production processes of main products

1. Important applications of major products

(1) Shop: Location for doing business.

(2) Office buildings and factory offices: Companies set up offices or corporate headquarters.

(3) Residential: Includes residential buildings and houses.

2. Production process

Real estate development business: Shops, commercial buildings, factory office buildings, residential buildings, and houses

Land development → { Construction / Sales } → Planning and design → Completion and hand over → After-sale service

(III) Supply Status of Main Materials

1. Land: In addition to developing into an investment holding company, the Company also continues to carry out development and investment business in its core real estate business. Currently, the locations of upcoming projects are in Taipei City, New Taipei City, and Taichung. In the future, the Company also does not rule out the possibility of purchasing land in the six metropolitan areas to increase its land reserves.
2. Construction and engineering: The Company has invested in a Class A construction company; hence, we have a clear grasp of the market trends and supply conditions of building materials and subcontracting.
3. Leases: The main raw materials for the disposal and leasing business of the Company's existing real estate are the conditions of the real estate properties we own, and the supply is in good condition.

(IV) Names of customers who accounted for more than 10% of the purchases/sales in the last two years, and purchases/sales amount and percentage:

1. Major suppliers in the last two years

	2023				2024				Current year as of March 31, 2025			
Item	Name	Amount	As a percentage of annual net purchase (%)	Relationship with the issuer	Name	Amount	As a percentage of annual net purchase (%)	Relationship with the issuer	Name	Amount	As a percentage of annual net purchase as of March 31, 2025 (%)	Relationship with the issuer
	No suppliers account for more than 10%				No suppliers account for more than 10%				No suppliers account for more than 10%			
	Net total purchases		15,230,880		Net total purchases		19,967,101		Net total purchases		3,904,288	

2. Major customers in the last two years

	2023				2024				Current year as of March 31, 2025			
Item	Name	Amount	As a percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	As a percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	As a percentage of annual net sales as of March 31, 2025 (%)	Relationship with the issuer
1	No customers account for more than 10%				0H	2,560,271	10.28	Non-related party	C0002	591,774	12.37	Related party
2					Other	22,339,090	89.72		Other	4,194,037	87.63	
	Total	17,822,819			Total	24,899,361	100.00		Total	4,785,811	100.00	

III. Employees

Year		2023	2024	As of April 30, 2025
Number of employees (persons)	On-site engineers	315	279	265
	Office workers/administrative and management staff	291	295	296
	Total	606	574	561
Gender	Male	392	365	350
	Female	214	209	211
Average age (years)		48.56	43.77	43.90
Average years of service (years)		4.15	4.27	4.42
Education distribution and ratio	Ph.D	0	0	0
	Master's	57	58	55
	College	438	402	394
	High school	61	79	79
	Below high school	50	35	33

IV. Information on Environmental Protection Expenses

(I) According to laws and regulations if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made:

1. The Company established an Occupational Safety and Health Management Department effectively manage the company's environmental protection regulatory risks. The department is responsible for supervising the implementation of relevant laws and regulations at each construction site, such as the Waste Disposal Act, Water Pollution Control Act, Air Pollution Control Act, and Soil and Groundwater Pollution Remediation Act.

2. The Company has appointed environmental protection personnel to be responsible for this matter in accordance with the law. Such personnel are required to participate in regular/irregular environmental protection promotional events or training organized by the local environmental protection authority that has jurisdiction over the construction project.

3. The air pollution control fees payable shall be borne by the owner or the Company according to the terms of the contract.

4. During the project, the construction project air pollution control fee collection number, the name and phone number of the person in charge of the construction site, and the

local environmental protection authority's telephone number for reporting pollution must be specified on the construction signage set up in accordance with the law.

(II) The Company's investment in environmental pollution prevention equipment, use, and expected benefits:

Since November 2019, the Company has been evaluated by SGS Taiwan Ltd. and obtained the ISO 14001 Environmental Management Systems certification. And we have continued to pass the re-certification and annual renewal operations. With the active participation of all employees, we will take major environmental factors into consideration in all operations to reduce the impact on the environment. To further implement pollution prevention and environmental protection measures, the Company has implemented the following major policies:

1. Carry out environmental protection measures in accordance with regulations: Adhere the regulatory requirements of the construction management agencies and environmental protection units in various counties and cities, strictly implement relevant environmental protection operations, and ensure that the construction projects comply with legal regulations.
2. Introducing environmental considerations starting from project planning stage: Priority is given to low-pollution construction methods during the project planning and design stage to reduce the potential impact of the project on the environment, and pollution prevention and control strategies are introduced as early as possible.
3. Pollution prevention during the construction stage: During the construction process, we give priority to using low-noise construction machinery and tools, and pollution prevention and control equipment such as dust prevention, wastewater treatment, and noise insulation are installed as needed to reduce interference with the surrounding environment and community of the construction site.

In order to effectively prevent and control the pollution that may be caused to the environment during construction, the Company has invested in various pollution prevention equipment and facilities in accordance with legal standards and actively promoted the implementation of environmental policies. The following is an explanation of the investments and actual uses of the main pollution prevention equipment:

I. Air pollution prevention and treatment measures

1. Main equipment: Full-height sight-blocking barrier fence, overflow protection base, dust-control fabric (mesh), car washing equipment, monitoring instrument, water spraying facilities, paving materials (such as: Coarse grade aggregate, steel plate) etc.
2. Application: Effectively prevent dust and fly ash, reduce dust pollution, and avoid deterioration of surrounding air quality during construction

II. Noise prevention measures

1. Main equipment: Low-noise machinery and equipment (power driven, hydraulic system), muffler, acoustic wall, shock-absorption pad, etc.
2. Application: Reduce the noise and vibration during the construction process of machinery and avoid affecting the peace and quiet of nearby residents

III. Water pollution and waste treatment measures

1. Main equipment: Grit chambers, drainage and diversion facilities, waste sorting/recycling bins, rain shelter facilities, etc.
2. Application: Properly collect and treat runoff wastewater generated by construction, prevent construction waste and domestic garbage from being scattered and affecting the cityscape and water bodies

IV. Environmental protection and green office environment construction

1. Main equipment: Energy-saving lighting, water-saving facilities, indoor air quality monitoring and outsourced water quality testing, etc.
2. Application: Create a healthy and comfortable office environment, promote energy conservation, carbon reduction and environmental protection concepts in office areas

Through the investment and application of the preceding environmental pollution control equipment, we will not only achieve the benefits of meeting regulatory requirements and avoiding the risk of being penalized, but also optimize the working environment, promote friendly relations with surrounding residents, enhance the corporate image, and implement corporate social responsibility, thereby moving towards the goal of sustainable operation.

(III) The Company's improvement of environmental pollution and how disputes related to pollution, if any, were handled in the last two years and up to the publication date of the Annual Report: There were no pollution disputes.

(IV) Total amount of losses (including compensation) sustained by and penalties imposed on the Company due to environmental pollution in the past two years and up to the publication date of the Annual Report, and the disclosure of its future response measures (including improvement measures) and possible expenditures (including the estimated amount of losses, penalties and compensation that may occur if response measures are not taken. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained):

The statistics of penalties imposed on the Company for environmental pollution in recent years are as follows:

Unit: NT$ Thousand

Year	2023	2024	In 2025 up to March 31
Pollution status	Violation of the Noise Control Act, Waste Disposal Act, Air Pollution Control Act, and Water Pollution Control Act	Violation of the Noise Control Act, Waste Disposal Act, and Air Pollution Control Act	Violation of the Noise Control Act
Penalties	318.2	103.2	6

Date of penalty	Number/code of the penalty	Provisions of the statute violated	Content of the statute violated	Content of the punishment	Amount of penalty
2025/04/09 (2025/03/07)	22-114-040015	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	During the noise control period, an inspection revealed that grouting operations (using premix concrete mixer trucks and conveyors) were ongoing, causing noise	NT$6,000
2025/02/10 (2024/12/02)	40-114-020022	Paragraph 2, Article 27 of the Waste Disposal Act	Punishment enforced under Paragraph 3, Article 50 of the Waste Disposal Act	Failure to properly clean up after construction projects, resulting in waste or remaining debris contaminating adjacent roads or sidewalks (Level of pollution A=2, pollution characteristics B=1, hazard degree C=1)	NT$2,400
2025/02/03 (2024/11/30)	22-114-020008	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	Unauthorized construction work using power machinery during noise control periods, disturbing public order.	NT$3,000
2025/02/11 (2024/11/13)	22-114-020013	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	During the noise control period, an inspection revealed that grouting operations (using premix concrete mixer trucks) were undertaken, disturbing the peace and quiet of the living environment of others.	NT$12,000
2024/09/02 (2024/08/12)	23-113-080017	Paragraph 2, Article 23 of the Air Pollution Control Act	Punishment enforced under Article 62 of the Air Pollution Control Act, environmental seminar is required under Article 23 of	(1) Material stacking: Failure to cover with dust-control fabric, dust-control mesh or spray chemical stabilizer as required. (2) Vehicle route: The thickness of the coarse grade aggregate or particle paving the vehicle route within the construction site was insufficient, and the paving	NT$20,000

Date of penalty	Number/code of the penalty	Provisions of the statute violated	Content of the statute violated	Content of the punishment	Amount of penalty
			the Environmental Education Act	surface was not cleaned. (3) Bare surface: Regular water spraying was implemented. (4) Site entrance and exit: Bodies and tires of construction vehicles leaving the site were not effectively cleaned, causing color differences on the road surface. (5) Building structure: The dust-control mesh did not completely cover the construction scaffold. (6) Material conveyance to upper levels: There were no fences or sprinkler facilities installed at the pipe outlet to suppress dust dispersion. (7) Monitoring images and records: No monitoring instrument or video surveillance system was installed	
2024/08/29 (2024/06/18)	23-113-080009	Paragraph 2, Article 23 of the Air Pollution Control Act	Punishment enforced under Article 62 of the Air Pollution Control Act, environmental seminar is required under Article 23 of the Environmental Education Act	(1) The fence set up around the construction site did not cover the entire construction site area. (2) Car washing spaces were not designated at the entrances and exits for vehicles transporting dusty construction materials, sand, gravel, earth or waste at construction sites, and cleaning was not done with pressurized washing equipment. (3) The construction scale met the specified conditions, but monitoring instruments were not installed.	NT$20,000
2024/08/06 (2024/05/19)	40-113-080003	Paragraph 1, Article 36 of the Waste Disposal Act	Punishment enforced under Article 52 of the Waste Disposal Act	There was an exposed pile of construction waste left from the engineering works in the open space behind the work area. The storage location was not labeled with the waste name in Chinese and was not classified for storage, and no measures were taken to prevent rainwater.	NT$6,000
2024/04/18 (2024/04/12)	41-113-040441	Paragraph 2, Article 27 of the Waste Disposal Act	Punishment enforced under Paragraph 3, Article 50 of the Waste Disposal Act	The sewage from the septic tank at the construction site was not properly collected and treated, and overflowed outside the perimeter, polluting the road.	NT$4,800

Date of penalty	Number/code of the penalty	Provisions of the statute violated	Content of the statute violated	Content of the punishment	Amount of penalty
2024/05/07 (2024/03/26)	22-113-050003	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	Upon inspection, it was found that the construction site was grouting during the noise control period and did not obtain the certification document of the competent authority approving of construction during this time of day.	NT$6,000
2024/05/14 (2024/03/20)	23-113-050001	Paragraph 2, Article 23 of the Air Pollution Control Act	Punishment enforced under Article 62 of the Air Pollution Control Act, environmental seminar is required under Article 23 of the Environmental Education Act	(1) The stacked materials were not covered with dust-control cloth or dust-control mesh. (2) The thickness of the coarse grade aggregate or particle paving the vehicle route was insufficient.	NT$20,000
2024/05/02 (2024/03/01)	22-113-050002	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	During the noise control period, an inspection revealed that power machinery (polishing machine) was used to carry out construction work, disturbing the peace and quiet of the living environment of others.	NT$6,000
2024/02/27 (2024/01/21)	22-113-020668	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	During the inspection, workers were found doing construction work on the site. The sound of power machinery and tools could be heard on site, disturbing public order.	NT$3,000
2024/04/02 (2023/12/26)	30-113-040003	Article 18 of the Water Pollution Control Act	Punishment enforced under Article 46 of the Water Pollution Control Act	The person in charge of the runoff wastewater pollution reduction plan has been changed; however, the basic information of the person was not changed within 30 days.	NT$10,000
2024/04/02 (2023/12/26)	30-113-040002	Article 18 of the Water Pollution Control Act	Punishment enforced under Article 46 of the Water Pollution Control Act	During soil excavation operations, the on-site rain-shielding, rainproofing, rainwater-guiding facilities and grit chambers were not regularly maintained and cleaned of silt as required, and the time and method for cleaning and maintenance was not recorded.	NT$10,000

Date of penalty	Number/code of the penalty	Provisions of the statute violated	Content of the statute violated	Content of the punishment	Amount of penalty
2024/10/03 (2023/11/30)	41-113-100323	Paragraph 2, Article 27 of the Waste Disposal Act	Punishment enforced under Paragraph 3, Article 50 of the Waste Disposal Act	During construction, vehicles entering and leaving the site carried mud and dirt with their tires, causing the ground to be contaminated.	NT$2,400
2024/03/05 (2023/10/06)	22-113-030072	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act, environmental seminar is required under Article 23 of the Environmental Education Act	During the noise control period from 10 p.m. To 8 a.m. in the following morning, power machinery (polishing machine) was used to carry out construction work, disturbing public order.	NT$6,000
2023/12/15 (2023/10/26)	23-112-120003	Paragraph 2, Article 23 of the Air Pollution Control Act	Punishment enforced under Article 62 of the Air Pollution Control Act, environmental seminar is required under Article 23 of the Environmental Education Act	(1) Failure to use measures such as covering with dust-control fabric, dust-control mesh or spray chemical stabilizer. (2) The thickness of the coarse grade aggregate or particle paving the vehicle route or car-washing area within the construction site was insufficient. (3) Vehicle bodies and tires were not effectively cleaned when vehicles were leaving the construction site, and mud adhered to the surface, causing color variations in the road surface at the entrance and exit of the construction site and its pathway. (4) The cargo compartment of the transport vehicle did not have the function or facilities to prevent the transported materials from dripping with sewage and sludge. (5) Boundaries of water spraying did not cover the area where dust-producing operations were carried out or the area was not kept moist. (6) The water supply of the pressurized water spraying facility was insufficient or the water spraying was not done continuously. (7) Scale of construction was reached, but there is no monitoring instrument or video surveillance system.	NT$225,000

Date of penalty	Number/code of the penalty	Provisions of the statute violated	Content of the statute violated	Content of the punishment	Amount of penalty
2023/12/13 (2023/10/30)	23-112-120001	Paragraph 2, Article 23 of the Air Pollution Control Act	Punishment enforced under Article 62 of the Air Pollution Control Act, environmental seminar is required under Article 23 of the Environmental Education Act	(1) Vehicle route: The paved vehicle route or car-washing area within the construction site was not washed or cleaned. (2) Site entrance and exit: Vehicle bodies and tires were not effectively cleaned when vehicles were leaving the construction site, and mud adhered to the surface, causing color variations in the road surface at the entrance and exit of the construction site and its pathway. None of the above situations were improved before re-inspection	NT$30,000
2023/11/22 (2023/10/25)	40-112-110072	Paragraph 2, Article 27 of the Waste Disposal Act	Punishment enforced under Paragraph 3, Article 50 of the Waste Disposal Act	Failure to properly clean up after construction projects, resulting in waste or remaining debris contaminating adjacent roads or sidewalks. (Level of pollution A=2, pollution characteristics B=2, hazard degree C=1)	NT$4,800
2023/09/01 (2023/08/16)	40-112-080038	Item 1, Paragraph 1, Article 31 of the Waste Disposal Act	Punishment enforced under Article 52 of the Waste Disposal Act, environmental seminar is required under Article 23 of the Environmental Education Act	The industrial waste disposal plan was not yet reviewed and approved by the competent authority; however, the Bureau conducted an on-site inspection on August 16, 2023 and found that the project had already started on February 1, 2023.	NT$6,000
2023/08/28 (2023/08/13)	40-112-080077	Paragraph 2, Article 27 of the Waste Disposal Act	Punishment enforced under Paragraph 3, Article 50 of the Waste Disposal Act	Failure to properly clean up after construction projects, resulting in waste or remaining debris contaminating adjacent drains. (Level of pollution A=1, pollution characteristics B=1, hazard degree C=1)	NT$1,200
2023/08/15 (2023/06/21)	22-112-080107	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act, environmental seminar is required under Article 23 of the Environmental Education Act	Upon inspection, it was found that cement mixing trucks were still used for grouting during 10 p.m. to 8 a.m. in the following morning, thereby disturbing public order.	NT$6,000

Date of penalty	Number/code of the penalty	Provisions of the statute violated	Content of the statute violated	Content of the punishment	Amount of penalty
2023/08/15 (2023/06/20)	22-112-080106	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	Upon inspection, it was found that cement mixing trucks were used for grouting during 10 p.m. to 8 a.m. in the following morning, thereby disturbing public order.	NT$3,000
2023/06/19 (2023/04/27)	22-112-060102	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	Upon inspection, it was found that cement mixing trucks were used for grouting during 10 p.m. to 8 a.m. in the following morning, generating noise and disturbing public order.	NT$3,000
2023/05/11 (2023/03/15)	41-112-050264	Paragraph 2, Article 27 of the Waste Disposal Act	Punishment enforced under Paragraph 3, Article 50 of the Waste Disposal Act	No effective prevention measures were taken during the construction process, resulting in mud, sludge, and waste polluting the road surface.	NT$4,800
2023/02/07 (2023/02/01)	22-112-020031	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	Use of power machinery (cranes) to carry out construction during the prohibited period without obtaining prior approval from the industry competent authority, thereby disturbing public order.	NT$3,000
2023/01/13 (2023/01/08)	22-112-010025	Paragraph 4, Article 8 of Noise Control Act	Punishment enforced under Article 23 of the Noise Control Act	Use of power machinery (cranes) to carry out construction during the prohibited period without obtaining prior approval from the industry competent authority, thereby disturbing public order.	NT$3,000

For violations of environmental regulations, the Company will strengthen the following response measures:

1. Air Pollution Prevention and Treatment

(1) Cover gravel and other materials on the surface of the ground or piled at the construction site that can generate fugitive dust emissions with a dust-control fabric (mesh).

(2) Set up a dust screen that completely covers the scaffolds on the outer wall of the structure to effectively suppress dust.

(3) Cover vehicle routes in the construction site with coarse grade mixture, steel plates, AC, or RC to effectively suppress dust.

(4) Install car wash platforms at the entrance and exit to properly clean the tires before leaving the construction site.

(5) The car wash station shall be equipped with monitoring instruments or non-recording surveillance systems, and accurate records shall be kept.

(6) Vehicles transporting soil, sand, and gravel must be properly covered and bundled to prevent environmental pollution during driving.

(7) Roads inside and outside the construction site are cleaned regularly to prevent pollution of the environment and surrounding roads.

2. Noise control

(1) Install noise control equipment on construction vehicles in accordance with regulations, and use low-noise transport vehicles where possible.

(2) Select hours that have the least impact on the surrounding environment to carry out construction, and avoid sensitive hours, such as early morning, late night, or lunch break. Use high-noise or vibration construction machinery that cannot be avoided during the day where possible.

(4) Announce construction during restricted hours, which must be approved in advance by the competent authority of the target industry.

(5) Depending on actual needs of construction, explain to local residents and the police in advance, and maintain close contact to improve the understanding and cooperation of local residents.

(6) Sound insulation and shock-absorbent measures shall be set up according to the needs of each project.

3. Waste disposal and water pollution prevention measures

(1) Properly clean the construction site during engineering to avoid soil and stone contamination of adjacent roads, ditches, or sidewalks

(2) After the runoff wastewater is treated in the sedimentation pond, it may be discharged from the approved runoff wastewater outlet.

(3) Set up facilities for keeping off, blocking, and channeling rainwater, regularly maintain the facilities, clean the grit on a regular basis and to maintain proper documentation.

(4) Waste muddy water or sludge must be properly treated before being transported (discharged) away from the construction site, and may not be allowed to overflow or be discharged without permission. Minimize the amount of waste soil and reuse it.

(V) Describe the current status of pollution, the effect of improvements on the Company's earnings, competitive position, and capital expenditure, and major environmental protection capital expenditures expected in the next two years:

1. Future response measures:

The promotion of pollution prevention in construction projects and the practice of environmental protection have become important parts of an enterprise's fulfillment of its social responsibility, as well as a common trend for sustainable development. In response to this goal, in addition to implementing various environmental protection measures ourselves, the Company also actively educates and requires contractors to cooperate in its implementation, and to work with us to jointly create a low-pollution, low-impact construction environment.

Going forward, the Company will continue to strengthen pollution prevention and control facilities at construction sites, and at the same time, we will cooperate with the environmental protection competent authority's policy and regulatory amendment objectives. We will also actively carry out advocacy, plan, and formulate operations that reduce environmental risks and losses that may be caused by pollution. Specific measures are as follows:

A. Company management level:

(1) Set the goal to reduce environmental fines each year.

(2) Strengthen the on-site inspection of environmental protection measures.

(3) Continue to implement ISO 14001 environmental management system verification.

(4) Provide training to improve the environmental protection knowledge and skills of contractor workers and the importance they attach to environmental protection.

(5) Implement the three-level construction site management system.

B. Environmental facilities and response measures in the work area:

(1) Implement occupational safety and health standardization and 6S management.

(2) Comply with environmental laws and regulations, such as the Waste Disposal Act, Water Pollution Control Act, and Air Pollution Control Act.

(3) All projects include an environmental testing budget, regular environmental monitoring, and the installation of waste and resource recovery equipment, monitoring instruments, or monitoring systems.

(4) Cover vehicle routes in the construction site with coarse grade mixture, steel plates, AC, or RC to effectively suppress dust.

(5) The vehicle paths in the construction site are sprinkled with water at least twice a day to reduce major pollution emissions from operations.

(6) Automatic car washing equipment is installed at the entrance and exit of construction sites, and assistance is provided for the maintenance of nearby roads.

(7) When engaging in excavation, backfilling, transportation, loading and unloading, and compaction, water should be sprinkled to keep the soil moist. When engaging in crushing, grinding, cutting, and removal, fugitive dust emissions should be effectively suppressed.

2. Potential future expenses:
The Company complies with environmental protection laws and regulations in the construction process of each project, and strictly requires contractors to carry out environmental protection work to reduce penalties for pollution. At present, environmental protection work is carried out at existing construction sites.

3. Explain the current status of pollution, the effect of improvements on the Company's earnings, competitive position, and capital expenditure, and major environmental protection capital expenditures expected in the next two years: None.

V. Employment Relations

(I) The Company's employee welfare measures, continuing education, training, retirement regulations and their actual implementation, along with employer-employee agreements, and measures for protecting employee rights:

1. Employee benefits measures

(1) The Company's Employee Welfare Committee was established in 1990 and is responsible for handling the following employee welfare:

A. Birthday gift voucher, Labor Day gift voucher.

B. Emergency relief measures.

C. Wedding, childbirth and funeral subsidies, hospitalization subsidies, and children's scholarships.

D. Allowance for employee travels.

(2) Employee bonuses.

(3) Provide special education and training to employees based on their job functions.

(4) Work completion bonus, on-time completion bonus. (Applicable to the construction industry)

(5) Project subsidies for certain construction sites, dormitory provision, and special allowances. (Applicable to the construction industry)

2. Retirement system and its implementation
The Company has been complying with the implementation of the Labor Pension Act (new system) starting from July 1, 2005. For employees eligible for the original pension scheme and opt for the calculation of years of services under the new system, and employees appointed after the implementation of the new system who opt for the appropriation system, the Company appropriates pension equivalent to 6% of the monthly salary and deposits the funds in the personal labor pension account set up for

each employee. The appropriations are recognized as expenses in the current period.

3. Employees' continuing education, training, and its implementation

The Company provides a mechanism for pre-employment training for new employees and on-the-job training for current employees, and provides special education and training to employees based on their job functions to enhance the professional quality of employees and the Company's competitiveness. Relevant continuing education courses participated by the Company's managers, accountants, and chief internal auditor include the following:

Position	Name	Date of Continuing Education	Organizer	Course NameHours	
Manager	Tsai, XX-Chia	2024/7/22	Accounting Research and Development Foundation	Professional Development Course for First-time Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	30
Manager	Hsu, XX-Lan	2024/5/22	Accounting Research and Development Foundation	Analysis of Common Internal Control Management Deficiencies in Enterprises and Case Studies	12
Assistant Manager	Huang, XX-Chen	2024/10/31	Securities and Futures Institute	Auditing of Property, Plant, and Equipment Cycles and Salary Cycles	6
Assistant Manager	Huang, XX-Chen	2024/11/15	Securities and Futures Institute	Internal Control and Audit Practices for Sustainable Information	6
Specialist	Huang, XX-Hsiang	2024/7/25	The Institute of Internal Auditors - Chinese Taipei	Management Audit Courses	6
Specialist	Hsu, XX-Chuan	2024/10/25	The Institute of Internal Auditors - Chinese Taiwan	"Analysis of Sustainability Information Disclosure Policy" and Discussion on Key Points of Internal Control and Internal Audit	6
Specialist	Huang, XX-Hsiang	2024/11/25	The Institute of Internal Auditors - Chinese Taipei	Interpretation of Financial Analysis Indicators and Prevention of Business Risks	6
Specialist	Liao, XX-Hong	2024/12/04	The Institute of Internal Auditors - Chinese Taipei	"Analysis of Sustainability Information Disclosure Policy" and Discussion on Key Points of Internal Control and Internal Audit	6
Specialist	Liao, XX-Hong	2024/12/19	The Institute of Internal Auditors - Chinese Taipei	Practical Auditing Skills	6

4. Employee-employer agreements and measures for protecting employee rights and interests:

The Company signs employment contracts with its employees regarding the employee-employer and employment relationship. An "Employment Relations Committee" and a "Personnel Review Committee" were established to promote friendly communication between the management and employees. There are also "Employee Grievance System Implementation Measures" in place, where employees can submit grievances to the Human Resources Department or the electronic employee feedback mailbox through filling out grievance forms, and can also file grievances through the Employment Relations Committee.

5. Other important agreements

The Company belongs to an industry that is subject to the Labor Standards Act, and all operations are based on compliance with the Labor Standards Act. Since we attach great importance to employee benefits and two-way communication with employees, the employer-employee relations is very harmonious. The Company will continue to strengthen communication and coordination between both parties and do our best to implement welfare measures to promote a more harmonious employer-employee relationship in order to eliminate the possibility of employment disputes.

6. Preventive measures taken to ensure a safe working environment and maintain employee safety

No.	Target/Goal	Program	Current situation	Implementation status
1	Implement employee health management.	Thoroughly implement comprehensive employee health examinations.	We implement employee health examinations every year and their executions are entrusted to medical institutions or health examination agencies.	1. Employee health examination activities held in 2024. 2. In 2024, we strengthened the evaluation and guidance from on-site occupational doctors.
2	Provide a comfortable and safe office environment.	Strictly implement workplace management and stipulate that smoking is prohibited in the office.	1. Regularly announce the execution of various operations such as office carpet cleaning, office disinfection, and toilet cleaning. 2. Regularly carry out fire safety inspections to ensure a safe office environment. 3. In accordance with the Tobacco Hazards Prevention Act, smoking is prohibited in all indoor office spaces with more than three people, thereby creating a smoke-free working environment. 4. Establish a lactation room to provide a safe environment for	All cleaning activities in 2024 were carried out according to the annual plan. In addition, cleaning and repair services were also provided at any time as needed. Clear no-smoking signs are set up at the Company and construction sites, and posters are also put up to prevent smoking hazards. Management personnel are also ready to help discourage any violations at any time.

No.	Target/Goal	Program	Current situation	Implementation status
			breastfeeding colleagues.	
3	Building a gender-equal working environment	The Company's "Measures on Prevention of Sexual Harassment in the Workplace" are formulated in accordance with the "Amendments to the Regulations for Establishing Measures on Prevention of Sexual Harassment in the Workplace".	The "Measures on Prevention of Sexual Harassment in the Workplace" stipulates that employees are provided with a work environment free from sexual harassment, and are also protected from unauthorized and unacceptable sexual assault or behavior, whether physical or verbal.	Various complaint methods and channels have been provided, including a dedicated hotline, fax and email.
4	Life insurance protection is provided to reduce worries.	To provide free employee group term insurance.	Employees are also provided with publicly funded group insurance, thus providing them with comprehensive protection.	If employees fall ill or suffer from an accident, they can receive appropriate compensation and enhanced medical care.

(II) Losses incurred as a result of employer-employee disputes (including labor inspection results that violate the Labor Standards Act; the date of punishment, the number/code of the punishment, the provisions of the statute violated, the content of the statute violation, and the content of the punishment should be listed) in the most recent year and as of the date the annual report was printed, estimated values that might be incurred now and in the future, and their countermeasures:

1. List any loss sustained as a result of labor disputes in the most recent year up to the date of publication of the Annual Report: NT$50,000.
2. An estimate of losses likely to be incurred in the future, and indicate mitigation measures being or to be taken:
   The company has harmonious employer-employee relations, and we regard employees as important assets of the Company. We spare no effort in maintaining harmonious employer-employee relations, and we conduct annual employee opinion surveys and ask the Employment Relations Committee to submit proposals to enhance various coordination measures and systemic improvements. We estimate that the possibility of losses due to employer-employee disputes occurring in the future to be extremely low.

VI. Information Security Management

(I) The Company's information security risk management framework, cybersecurity policies, specific management plans, and the resources invested in information security management

1. **Information security risk management framework**
   Currently, the Head of the Management Department concurrently serves as a management role in information security, and a cross-departmental Information Security Committee has not yet been established. In the future, we will gradually establish a more complete information security governance framework to enhance management efficiency and responsiveness, depending on the scale of operations and information security governance needs.

2. **Information security policy**
   To ensure the security of information assets and operational stability, the Company has established relevant information security policies and operating standards, including:
   (1) Organize information security and personal data protection training and promotional activities regularly and on an ad hoc basis to enhance the information security awareness of all employees.
   (2) All outsourced vendors are required to sign confidentiality agreements to protect the Company's information assets from unauthorized access, alteration, destruction or disclosure.
   (3) Backup and redundancy mechanisms have been established for key information system and equipment to ensure continuous business operations.
   (4) Legally authorized anti-virus software are installed across the computers of all employees, and updates of virus patterns are regularly checked and updated. The use of unauthorized software is prohibited.
   (5) Request employees to properly store and to regularly change their accounts, passwords and permissions. The password strength should be more than 8 characters and contain numbers and uppercase and lowercase English letters. It must not be the same as the account number.

3. **Specific management plans**
   (1) Firewall construction and monitoring: A network firewall has been established in place to control internal and external connections, shared resources, and application access, and instantly block and notify when abnormal traffic is detected.
   (2) Malware protection: Anti-virus software is installed on every computer and virus codes are updated regularly. New employee training is also used to promote general knowledge of information security protection and anti-virus scanning operations.
   (3) Information security education and drills: New employee training is included in the information security curriculum, and simulation drills are also conducted on a regular basis to strengthen the information security awareness and response capabilities of all employees.
   (4) Copyright management policy: Promote the comprehensive use of legally licensed

software, strictly prohibit the use of pirated software, and the related legal risks are thoroughly explained.

(5) Auhority and access control during personnel transfer: New employee registration, department personnel changes and resignation processes are automatically controlled through the information system management account permissions to strengthen the information security lines of defense.

4. **Resource investment in information security management**
   The Company continues to review information security-related resource requirements based on risk assessment and system load, and has invested the following resources:

   (1) Regularly evaluate and replace firewalls and other information security equipment to maintain effectiveness in security protection.

   (2) Regularly purchase legal anti-virus software licenses to ensure that devices are equipped with the latest protection capabilities.

   (3) VPN is deployed at key locations to ensure the security of cross-regional connections.

   (4) Partner with Chunghwa Telecom's "HiNet Cybersecurity Fleet" to perform the first line of defense and traffic control for major network paths, effectively improving overall network security.

(II) List any losses sustained by the company in the most recent year and up to the date of report due to major information security incidents, the possible impacts, and response measures. If a reasonable estimate cannot be made, provide an explanation of the facts of why it cannot be made: None.

VII. Important Contracts

Contract type	Parties	Commencement date/Expiration date	Major content	Restrictive clauses
Engineering contracts	Taipei Hospital, Ministry of Health	Estimated year of completion: 2025	No. 127, Siyuan Road, Xinzhuang District, New Taipei City	Engineering contracts
Engineering contracts	Li-Zhu Development Co., Ltd.	Estimated year of completion: 2025	Four plots of land including Lot No. 0102-0000, Section 1, Lihe Section, Xinyi District, Taipei City	Engineering contracts
Engineering contracts	Datong Property Inc.	Estimated year of completion: 2025	16 plots of land including Lot No. 29 Houlongzi Section 98, West District, Taichung City	Engineering contracts
Engineering contracts	Kaohsiung Medical University	Estimated year of completion: 2025	26 plots of land including Land No. 1520, Xinyi Section, Gangshan District, Kaohsiung City	Engineering contracts
Engineering contracts	Taiwan Power Company	Estimated year of completion: 2025	Lot No. 56-23, Lugong Section, Lukang Township, Changhua County	Engineering contracts
Engineering contracts	National Housing and Urban Regeneration Center	Estimated year of completion: 2025	Four plots of land including Lot. No. 1018, 1091 and 1098-1 in Historical Street of Ceramics, Yingge District, New Taipei City	Engineering contracts
Engineering contracts	Office of Housing Development, Taoyuan City Government	Estimated year of completion: 2025	Lot No. 14-7, Daniuchou Section, Dayuan District, Taoyuan City	Engineering contracts
Engineering contracts	National Land Management Agency, Ministry of the Interior	Estimated year of completion: 2025	Lots 627, 628, 629, 630 and part of Lots 631 and 632, Chaoyang Section, Qianzhen District, Kaohsiung City	Engineering contracts
Engineering contracts	Jingle Construction Co., Ltd.	Estimated year of completion: 2025	63 plots of land including Lot No. 48, Daren Section, Beitun District, Taichung City	Engineering contracts
Engineering contracts	Office of Housing Development, Taoyuan City Government	Estimated year of completion: 2025	Lot. G17-3, Puxin Village, Dayuan District, Taoyuan City	Engineering contracts
Engineering contracts	Tatung Asset Development Co., Ltd.	Estimated year of completion: 2027	Lot No. 123, Yuanhe Section, Tucheng District, New Taipei City	Engineering contracts
Engineering contracts	Teco Electric and Machinery Co., Ltd.	Estimated year of completion: 2025	Lot No. 42-9, Lunhai Section, Lukang Township, Changhua County (Changhua Coastal Industrial Park)	Engineering contracts

Contract type	Parties	Commencement date/Expiration date	Major content	Restrictive clauses
Engineering contracts	San Hsiung Fongshan LaLaport CO., LTD.	Estimated year of completion: 2026	Lot No. 11, Huatai Section, Fengshan District, Kaohsiung City	Engineering contracts
Engineering contracts	NTU Hsin-Chu Hospital	Estimated year of completion: 2027	No. 1-8, Shixing Section, Zhubei City, Hsinchu County (No. 2, Section 1, Shengyi Road, Zhubei City, Hsinchu County)	Engineering contracts
Engineering contracts	Sannan Outlet Co., Ltd.	Estimated year of completion: 2025	Five plots of land including Lot No. 70-1, 70-2, 71, 72, 73, Wudong Section, Guiren District, Tainan City	Engineering contracts
Engineering contracts	Taichung City Government	Estimated year of completion: 2030	Guoan Section, Xitun District, Taichung City	Engineering contracts
Engineering contracts	Long Bon International Co., Ltd.	Estimated year of completion: 2030	34 plots of land including Lot No. 57-2, Section 4, Juguang Section, Wanhua District, Taipei City	Engineering contracts

E. Discussion and Analysis of Financial Standing and Financial Performance and Risks

I. Financial Standing (Consolidated financial statements)

Unit: NT$ Thousand

Item \ Year	2023 years	2024 years	Difference	
			Amount	%
Current assets	16,341,819	16,220,194	(121,625)	(0.74)
Investment	2,550,589	2,368,415	(182,174)	(7.14)
Other assets	20,880,058	21,170,537	290,479	1.39
Total assets	39,772,466	39,759,146	(13,320)	(0.03)
Current liabilities	15,708,502	12,938,780	(2,769,722)	(17.63)
Non-current liabilities	5,232,375	6,517,145	1,284,770	24.55
Total liabilities	20,940,877	19,455,925	(1,484,952)	(7.09)
Share capital	3,947,293	3,947,293	-	-
Capital surplus	178,349	201,106	22,757	12.76
Retained earnings	7,608,947	8,637,495	1,028,548	13.52
Other equity interests	(199,958)	(189,590)	10,368	(5.19)
Treasury shares	(614,333)	(614,333)	-	-
Total equity attributable to owners of parent	10,920,298	11,981,971	1,061,673	9.72
Non-controlling interest	7,911,291	8,321,250	409,959	5.18
Total equity	18,831,589	20,303,221	1,471,632	7.81

(I) Main reasons for the material changes in assets, liabilities and shareholders' equity in the last two years (changes of more than 20%):

1. The increase in non-current liabilities was mostly attributable to the Company's long-term loans maturing and the use of new loans to repay existing loans.

(II) Impacts of changes in the financial position over the past two years: No significant impact.

(III) Future response plan: Not applicable

II. Financial Performance (Consolidated financial statements)

Unit: NT$ Thousand

Item \ Year	2023 years	2024 years	Amount of increase (decrease)	Change ratio %
Net operating revenues	17,822,819	24,899,361	7,076,542	39.70
Operating costs	16,178,955	21,552,314	5,373,359	33.21
Gross profit	1,643,864	3,347,047	1,703,183	103.61
Operating expenses	1,179,798	1,760,377	580,579	49.21
Operating net profit	464,066	1,586,670	1,122,604	241.91
Non-operating income and expenses	284,949	204,367	(80,582)	(28.28)
Pre-tax profit	749,015	1,791,037	1,042,022	139.12
Income tax expense (gains)	271,212	345,344	74,132	27.33
Profit for the period	477,803	1,445,693	967,890	202.57
Other comprehensive income for the current period (net, after-tax)	(163,079)	12,451	175,530	(107.63)
Total comprehensive income of the Period	314,724	1,458,144	1,143,420	363.31
Net profit attributable to				
Owners of the parent	372,761	1,024,021	651,260	174.71
Non-controlling interest	105,042	421,672	316,630	301.43
Comprehensive income attributable to				
Owners of the parent	338,406	1,038,916	700,510	207.00
Non-controlling interest	(23,682)	419,228	442,910	(1,870.24)

(I) Main reasons for the material changes in operating income, operating net profit and pre-tax net profit in the most recent two years (changes of more than 20%):

1. This is attributable to the increase in land sales revenue from the Company's sale of two pieces of land in 2024 and the growth in revenue of its subsidiaries.
2. The Company acquired control over Taisun Enterprise Co., Ltd. on May 31, 2023 and has included it in the consolidated financial statements from that date, resulting in differences between the two periods.

(II) Impacts of changes in the financial position over the past two years: No significant impact

(III) Future response plan: Not applicable

III. Cash flow review and analysis

(I) Analysis of change in cash flows

Unit: NT$ Thousand

Opening balance of cash and cash equivalents (1)	Net cash inflow from operating activities for the year (2)	Total annual cash outflow (3)	Cash surplus (deficit) (1)+(2)-(3)	Remedial measures for cash deficit	
				Investment plan	Financing plan
2,748,076	5,019,960	2,092,563	5,675,473	No	No

1. Operating activities: Mostly attributable to the net cash flows generated from the sale of land and operations.
2. Investing activities: Mostly attributable to cash outflows from investments in financial assets and acquisitions of property, plant and equipment.
3. Financing activities: Mostly attributable to the cash outflow for repayment of short-term and long-term loans.

(II) Improvement plan for insufficient liquidity: There is no cash shortage in this period.

(III) Cash flow analysis for the coming year (2025)

Unit: NT$ Thousand

Opening balance of cash and cash equivalents (1)	Net cash inflow from operating activities for the year (2)	Total annual cash outflow (3)	Cash surplus (deficit) (1)+(2)-(3)	Remedial measures for cash deficit	
				Investment plan	Financing plan
5,675,473	23,656,014	23,416,366	5,915,124	No	No

1. Cash flow analysis:
   (1) Operating activities: Mostly expect cash inflows to be generated from operations.
   (2) Investing activities: Mostly expect net cash outflows from acquiring financial assets.
   (3) Financing activities: Mostly expect net cash outflows to be generated from repayment of bank loans and other borrowings.
2. Remedial measures for expected cash deficit and liquidity analysis: None.

IV. Impact of major capital expenditures on corporate finances and business in the most recent year

(I) There has been no significant capital expenditure in the past three years.

(II) Impact on financial operations: None.

V. Policy on investment in other companies, main reasons for profit/losses resulting therefrom, improvement plan, and investment plans for the upcoming year

(I) Policy on investments in other companies:

In terms of investee companies, Taisun Enterprise Co., Ltd. was incorporated into Long Bon Group's consolidated financial report in the second quarter of 2023. The Group is moving towards diversified operations to increase revenue and profitability.

The Company's future business development strategy will focus on real estate development and related property management as its main business. Through investing in other companies, the Company will invest in construction, columbarium property, food industries, and golf course and educational entertainment businesses. The Company has accumulated extensive experience and capabilities in the real estate business, achieving favorable performance; In the future, the continuous increase in the proportion of long-term investment through investments in other companies shall allow the Company′s business operations to achieve sustainable management goals for growth, stability, and profitability.

(II) Analysis of profit from investment in other companies:

The profit from investment of the Consolidated Company in 2024 reached NT$72,565 thousand, primarily due to the Group's control over Taisun Enterprise Co., Ltd. as of May 31, 2023, leading to the adoption of the accounting treatment of the business combination.

(III) Improvement plan of investment in other companies, and investment plan for the coming year:

We actively coached and assisted investee companies to enhance their business performance, and future development strategies will focus on the real estate business, life service business, educational entertainment business and food industry.

VI. Risk analysis and assessment

(I) The effects that interest rates, exchange rate fluctuations, and inflation have on earnings and losses of the Company as well as response measures:

1. Interest rate risk: The interest rate risk of the consolidated company mainly stems from the increase in interest rates on bank loans, which increases interest expenses. Part of the risk is offset by cash and cash equivalents held at floating interest rates.
2. Currency risk: The Consolidated Company has no significant foreign currency exchange rate risk.
3. Future response measures for inflation: With the continuous development and commencement of public projects and urban renewal plans, the consolidated company also continues to review and manage information such as real estate and raw material prices, conducts appropriate control of costs and expenses, and timely reflects these costs by adjusting product prices within the range acceptable to customers. Such prices of the products minimize the impact of inflation on the profit and loss of the consolidated company. No significant impact in the short term.

(II) Policies of engaging in high-risk, high-leverage investments, lending to others, providing endorsement and guarantee, and derivatives transactions, profit/loss analysis, and future response measures:

The Company does not engage in high-risk, high-leverage investments. In accordance with the laws and regulations related to the Securities and Futures Bureau, the Company has formulated internal management regulations and operating procedures based on sound finance and operations, including Procedures for Engaging in Financial Derivative Transactions, Procedures for Extending Loans to Others, Procedures for the Acquisition or Disposal of Assets, and Procedures for Endorsements and Guarantees.

1. Based on prudent and conservative operating principles, the Company has not engaged in high-risk or high-leverage investments in 2024 and as of the publication date of the annual report.
2. The Company and the legal entities in the consolidated financial statements provide endorsements and guarantees to others in accordance with the "Procedures for Endorsements and Guarantees" of each relevant company. The endorsements and guarantees provided by the Company and the legal entities in the consolidated financial statements are solely for well-operating subsidiaries, thus the risk is extremely low.
3. The Company and the legal entities in the consolidated financial statements loan funds to others in accordance with the “Procedures for Extending Loans to Others” of each relevant company. The Company and legal entities in the consolidated financial statements loan funds to borrowers required for short-term financing.
4. The Company has not engaged in derivatives transactions as of the end of 2024 and up to the date of the annual report.

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

The Company did not have any product R&D plans except for the food processing business in 2025 and up to the date of publication of the Annual Report. We also do not expect to incur any investments in R&D expenses.

R&D expenses of the food processing industry in the past year and up to the date of report

Unit: NT$ Thousand

Year	2023	2024 up to March 31
Total Amount	18,239	4,445

(IV) Impact of major changes in domestic and overseas policies and laws on corporate finance and business, and response measures:

The Company closely monitors developments in domestic and international political and economic conditions and changes in laws and proposes countermeasures at any time. Major domestic and foreign policy and legal changes have had no significant impact on the Company's finances and business in 2024 and as of the publication date of the annual report.

(V) Impact of changes in technology and industry on corporate finance and business, and response measures:

The Company primarily engages in real estate investment and columbariums, and is involved in many industries such as golf courses and educational entertainment, construction, and food processing through reinvestments. Due to its multi-faceted business development, Long Bon International Co., Ltd. is involved in diversified industries. Each industry's development has its own internal logic and objective constraints. Therefore, each industry's development trends and changes must be analyzed individually to assess their potential impact on Long Bon International Co., Ltd.'s finances and the corresponding countermeasures.

In terms of real estate investment, in 2024, the Central Bank's seventh round of selective credit controls included prohibiting home buyers from exercising grace period for the home purchase loan if they already had properties under their names. For natural persons purchasing a second house, the loan ratio will be reduced from 60% to a maximum of 50%. For corporate entities purchasing residential properties, individuals purchasing high-priced residential properties, and home purchase loans for the purchase of a third or subsequent property, the maximum loan available will be reduced to 30%. The maximum loan available for a property construction company using its available-for-sale properties is reduced to 30%. This will hit short-term real estate speculators and investors, and in turn affect the inelastic demand to turn more sluggish, resulting in a significant slowdown in Taiwan's building turnover registration in the second half of 2024. It is expected that the housing market will continue to shrink in 2025. In the face of high uncertainty in the housing market, Long Bon will carefully select relevant projects and focus on scheduled land purchases and joint construction to invest in or develop urban rezoning and other projects. We will also evaluate and bid on tender projects from the public sector.

Taiwan's funeral industry can be described as a combination of construction, service, and insurance industries. The construction sector covers the sales and revenue of columbaria; the service sector includes funeral services such as encoffinment, the placement of bodies within coffins in a morgue, memorial ceremonies, and worship ceremonies; and the insurance sector involves pre-sale markets for pre-need funeral contracts. Long Bon International Co., Ltd. has invested in the columbarium market, while funeral services and pre-need funeral contracts are operated by its affiliate, Global Funeral Services Corporation, Ltd. As Global Funeral Services has been established for 35 years, it is a longstanding, reputable funeral service company in Taiwan, the columbarium business of Long Bon, supported by Global Funeral Services' marketing and sales expertise, is expected to achieve remarkable results through synergies within the Group.

Rei Ju Construction Co., Ltd., a subsidiary of Long Bon International Co., Ltd., is a Class-A construction plant, primarily engaged in the construction of residential buildings, commercial buildings, technology factories, public projects, and turnkey projects. Its professional quality and services are well-known in the industry. Due to the impact of the COVID-19 pandemic in recent years, construction costs have soared. Additionally, as the construction industry is part of the 3D (dangerous, difficult, dirty) sector, it faces severe labor shortages. However, Rei Ju Construction Co., Ltd. mitigates this issue through effective management of upstream and downstream suppliers and government policies on labor replenishment, which allow for the employment of migrant workers.

In recent years, there has been a number of food safety incidents, such as the Polam Kopitiam and InParadise incidents. In the event of the occurrence of the food poisoning incidents, food businesses not only face substantial fines but also significant damage to their goodwill. Therefore, in its investment in Taisun Enterprise Co., Ltd., Long Bon International Co., Ltd. emphasizes stringent controls from its R&D and raw material OEM to production and laboratory testing. Furthermore, impartial third-party audits ensure that the products of Taisun Enterprise Co., Ltd. purchased by consumers are safe and of high quality.

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

The Company has maintained a good corporate image, actively participates in charity events, and there has not been any crises caused by major changes in corporate image.

(VII)Expected benefits and potential risks of merger and acquisition and response measures:

There were no merger and acquisition plans in the most recent year and up to the date of report.

(VIII)Expected benefits and potential risks of capacity expansion and response measures:

The Company did not have any plant expansion plans in the most recent year and up to the date of report.

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

The Company's suppliers and customers are extremely dispersed, and there is no risk of concentration of sales and purchase.

(X) The effects and risks of large-scale share transfers or conversions by directors, supervisors, or major shareholders holding more than 10% of the Company's shares, and response measures: The composition of the Company's Board of Directors is sound, and there has been no large-scale transfer of equity, so there are no significant risks or impacts on the Company.

(XI) The effect of changes in management right on the Company, risks, and response measures: The Company has a professional management team and there is no negative impacts on the Company's management and operating advantages from changes in ownership and operating rights, and we continue to assess the other risks.

(XII)Litigation or non-litigation events:

1. Major litigation, non-litigation, or administrative events in the most recent year and up to the date of report that have been determined by verdict of the court or are still pending:

The major lawsuits currently pending are as follows:

(1) The Intellectual Property and Commercial Court confirmed the invalidity of a board resolution in Judgment Shang-Su-Zi No. 16 in 2023: Summary: Long Bon International Co., Ltd. filed a lawsuit to confirm that the resolution of the board of directors of Taisun Enterprise Co., Ltd. on December 2, 2022 to dispose of shares of Taiwan FamilyMart Co., Ltd. was invalid.

Recent progress:

i. Procedural matters of main disputes on March 17, 2025: Was the gain verified? Does Long Bon International Co., Ltd.'s additional matter of dispute violate Item 2, Paragraph 1, Article 2.5.5 of the Code of Civil Procedure? Prior claim: Long Bon International Co., Ltd. claims that the resolution from Taisun's Board of Directors on December 2, 2022 was invalid. Is there any reason? Subordinated claim: Long Bon International Co., Ltd. claims that the aforementioned Board resolution had illegal convening procedures, resolution methods and resolution content, and requests the revocation of the disputed Board resolution based on the preceding defects. Is there any reason for this?

ii. The judge announced that the preparatory procedures have ended and asked all parties to submit their arguments before April 30. The date of the oral argument is scheduled for July.

(2) Taiwan Taipei District Court Civil Case Zhong-Su-Zi No. 853 in 2023:

Summary: The Board of Directors of Taisun Enterprise Co., Ltd. on May 5, 2023 resolved to acquire 40.39% of the common shares of JKO FinTech Co., Ltd. for NT$3.6 billion. Many questions were raised by the Taiwan Stock Exchange Corporation, and the Financial Supervisory Commission imposed a fine of NT$960,000 on Ching-Chao Chan, former chairman of Taisun Enterprise Co., Ltd., for violating the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies" and "Regulations Governing Procedure for Board of Directors Meetings of Public Companies." Taisun Enterprise′s previous letter requested JKO FinTech Co., Ltd. to return the investment above, but to no avail. In order to show caution and safeguard the interests of Taisun Enterprise and shareholders′ interests, Taisun Enterprise filed a lawsuit requesting that JKO FinTech Co., Ltd. return the investment of NT$3.6 billion.

Recent progress:

i. The oral argument was held on April 15, 2025. The main issues were: 1. Whether the share purchase agreement was valid 2. Was Taisun a bona fide third party 3. Was the resolution of Taisun's Board of Directors invalid? Previously, Taisun sent a letter to the Department of Investment Review, MOEA, to inquire about the review results of its acquisition of equity from JKO FinTech Co., Ltd. The Department of Investment Review has rejected the investment in JKO FinTech Co., Ltd.'s equity, and JKO FinTech Co., Ltd. plans to submit a reapplication.

ii. The verdict was announced on May 13, 2025.

(3) Civil Case Jin-Zhong-Su-Zi No. 12 criminal case with companion civil case in 2024:

Summary: CGS International, Inc. claimed that it acquired the construction land located at Plot No. 325, Wende Section, Neihu District, Taipei City on May 16, 2013. Its chairman Deng, Kuang-Ming sold the land to Long Bon International Co., Ltd. in violation of CGS International, Inc.'s internal regulations, causing CGS International, Inc. to suffer losses of approximately NT$251.79 million. Therefore, the plaintiff requested Long Bon International Co., Ltd. to bear the liability for compensation.

Recent progress:

Because this case is a criminal case with companion civil case, the Criminal Court has not yet ruled to transfer the case to the Civil Court. After waiting for the Criminal Court to rule on transferring the case to the Civil Court, we will appoint a lawyer to handle subsequent related litigation matters.

3. Major litigation, non-litigation, or administrative events in which the Company's directors, president, substantial persons-in-charge, major shareholders holding more than 10% of shares, or subordinate companies are involved in and have been determined by a verdict of the court or are still pending in the past year and up to the date of report: None. (Search the Judicial Yuan Judgment System)

(XIII) Other significant risks and response measures

Cybersecurity risks and response measures

The Company has established regulations for computer room management, system recovery planning system, test procedures, and information security inspections. The Company's Audit Office regularly audits the IT Department according to the aforementioned electronic data processing cycle. The accounting firm also conducts regular audits every year. Establish the principles of an information security management system to ensure the confidentiality, integrity, and availability of information. Strengthen information security management, establish a safe and trustworthy electronic information operating environment, and ensure the security of the Company's information systems. It can quickly report and take related emergency response mechanisms to resume normal operations in the shortest possible time, ensuring the Company's business continuity.

The Company regularly educates employees on information security concepts through the "Boot Promotion Platform." The e-mail sender verification mechanism is used to reduce the risk of receiving phishing emails.

VII.Other important matters: None.

F. Special Disclosures

I. Summary of Affiliated Companies (Indexed)

(I) Organizational diagram of affiliates

(II) Affiliate profiles

(III) Information on controlling and subordinate companies with identical shareholders: No

(IV) Overall businesses covered by affiliates
The businesses operated by the Company and its affiliates include real estate development and related property management, investment in finance, construction, real estate development in China, and food processing and other related businesses.

(V) Information on directors, supervisors, and president of affiliates

(VI) Business overview of affiliates

(VII) Consolidated financial statements of affiliates

(VIII) Affiliation Report: Not applicable

II. Private placement of securities in the most recent year as of the publication date of the Annual Report: None.

III. Holding or disposal of shares in the Company by subsidiaries in the most recent year and up to the publication date of this Annual Report: None.

IV. Other supplementary information: None.

G. Corporate events with material impact on shareholders' equity or stock prices set forth in Subparagraph 2, Paragraph 3, Article 36 of Securities and Exchange Act in the most recent year and up to the publication date of this Annual Report should be listed individually: None.