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Dacin Construction Co., Ltd.

2025

Annual Report

Printed On April 28, 2026

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V. Overseas trade places for listed negotiable securities: None

VI. Company Website: [http : //www.dacin.com.tw](http://www.dacin.com.tw)

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Chapter 1. Letter to Shareholders

I. Business Report for Fiscal Year 2025

The consolidated operating results for our company in fiscal year 2025 were as follows: consolidated operating revenue was NT\$22,072,399 thousand, an increase of NT\$7,382,206 thousand compared to the previous year's NT\$14,690,193 thousand. Consolidated net profit after tax for 2025 was NT\$1,662,456 thousand, an increase of NT\$345,946 thousand compared to the previous year's NT\$1,316,510 thousand. For the full fiscal year 2025, the net cash inflow from operating activities was NT\$3,992,106 thousand, net cash outflow from investment activities was NT\$48,963 thousand, and net cash outflow from financing activities was NT\$1,891,483 thousand. Earnings per share after tax were NT\$6.50.

The individual operating results for our company in fiscal year 2025 were as follows: operating revenue was NT\$19,380,688 thousand, an increase of NT\$4,861,074 thousand compared to the previous year's NT\$14,519,614 thousand. Net profit after tax for 2025 was NT\$1,690,097 thousand, an increase of NT\$335,646 thousand compared to the previous year's NT\$1,354,451 thousand. For the full fiscal year 2025, the net cash inflow from operating activities was NT\$2,202,461 thousand, net cash outflow from investment activities was NT\$52,338 thousand, and net cash outflow from financing activities was NT\$550,824 thousand. Earnings per share after tax were NT\$6.50.

II. Summary of the 2026 Business Plan:

(1) Management Policy:

As a full-service construction company, we not only focus on our core business but also participate in land development projects and invest in construction projects. By integrating design and project management, we provide comprehensive engineering solution, committed to providing customers with outstanding products and services. To strengthen its foundation for sustainable growth, the Company continues to enhance talent development and professional knowledge transfer while optimizing workforce allocation. The Company has also intensified the recruitment and on-site assessment of subcontractors to reinforce the stability of its supply chain, and strengthened project completion and close-out processes to ensure full contractual performance and improve project management quality.

In response to recent changes in construction industry policies and regulatory requirements—including the implementation of new earthwork regulations, occupational safety records, and stricter management requirements for tower cranes and man-lift cranes—the Company, supported by its well-established management framework, has mitigated potential impacts through cross-project deployment and integration of construction capacity during the transition period. As a result, the Company is able to assist its partners in reducing operational disruptions and volatility. Going forward, the Company will continue to serve as a strong partner by maintaining stable financial and profitability performance, supporting resource allocation and problem-solving efforts, and jointly enhancing operational resilience and long-term sustainability.

(2) Important Production and Sales Policies:

Looking ahead to the coming year, the Company will continue to prioritize high-tech plant construction projects as the core focus of its contracting business, while

architectural construction projects will primarily serve long-standing strategic clients. At the same time, the Company will deepen engagement with potential customers by providing professional planning and technical evaluation advice, and will prudently position itself in projects with strategic value and long-term partnership potential, so as to maintain a diversified project pipeline and strong technical capabilities. For its property development business, the Company will focus on delivery quality and schedule management, advance sales in accordance with project plans, closely manage development pacing, and strengthen capital recovery and operational stability.

III. Future company development strategy, external competitive environment, regulatory environment, and macroeconomic environment all have an impact:

The recent judicial reversal of the United States' reciprocal tariff case once again highlights the high level of uncertainty in the global political and economic environment. In response, the Company's development strategy has returned to the fundamentals of its contracting business, with a focus on continuously enhancing service quality. In terms of talent strategy, in addition to maintaining competitive compensation, the Company has promoted recruitment in rural areas and supported the training of work crews to build stable construction capacity. With respect to human rights and carbon management, the Company continues to deepen the implementation of relevant systems and strengthen supply chain management mechanisms, with the goal of completing Scope 3 greenhouse gas inventory and external assurance ahead of schedule within the year, thereby assisting customers in maintaining international competitiveness. At the same time, the Company continues to strengthen occupational safety and health management to ensure construction safety and stable contract performance quality; actively monitors the introduction of AI applications and optimizes handover and delivery process management to enhance operational efficiency and customer experience, ensuring timely and quality delivery; and reinforces transparency and collaboration mechanisms in supply chain management to deepen long-term partnership trust.

The Company sincerely thanks all shareholders for their continued support. On behalf of all employees, we wish you good health and every success!

Chairman:
Jen-Jeng Wang

General Manager:
Tien-Ho Hsieh

Accounting Supervisor:
Vickie Hsu

Chapter 2. Corporate Governance

I. Information on the Company Directors, Supervisors, General Manager, Assistant General Manager, Deputy Assistant General Manager and Supervisors of All the Company Divisions and Branch Units

1. Directors and supervisors:
 1. Information about directors and supervisors

April 11, 2026

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Current Shareholding		Current Shareholding in the name of others		Experience (Education)	Current Positions at The Company and Other Companies	Executives, Directors, or Supervisors who are spouses or within two degrees of kinship			Notes
							Quantity	%	Quantity	%	Quantity	%	Quantity	%			Title	Name	Relation	
Chairman	Taiwan	Jen-Jeng Wang	Male 81-90	2023.06.21	3	2005.06.27	30,266,284	8.94	24,213,027	8.94	0	0.00	0	0.00	National Taiwan University of Arts Dacin Construction Co., Ltd	Pin Cin Investment Co., Ltd.: Chairman Cheng Cin Investment Co., Ltd.: Chairman Caesar Park Hotel: Director Dacin Holdings(Pte.) Ltd.: Chairman Mayang Dacin Development Sdn Bhd: Director	Directors	Jen-Chih Wang	Brother	
Vice Chairman	Taiwan	Jen-Chih Wang	Male 71-80	2023.06.21	3	2008.06.13	13,977,309	4.13	11,254,647	4.16	0	0.00	0	0.00	Shih Hsin University Dacin Development Co., Ltd.	Dacin Development Co., Ltd.: Chairman	Directors	Jen-Jeng Wang	Brother	
Directors	Taiwan	Pin Cin Investment Co., Ltd.	Male 71-80	2023.06.21	3	2005.06.27	9,533,838	2.82	7,627,070	2.82	0	0.00	0	0.00	Shih Hsin University Dacin Development Co., Ltd.	Phuoc Dien Investment Comoaany Limited: Director	None	None	None	
		Representative: Li-Chun Dai		2023.06.21	3	2005.06.27	0	0.00	0	0.00	0	0.00	0	0.00	Director of Dacin Construction Co., Ltd					
Directors	Taiwan	Pin Cin Investment Co., Ltd.	Male 61-70	2023.06.21	3	2005.06.27	9,533,838	2.82	7,627,070	2.82	0	0.00	0	0.00	EMBAof National Chengchi University National Chengchi University Department of Business Administration Chung Hua University Department of Construction Management Dacin Construction Co., Ltd	Dacin Malaysia: Chairman Mayang Dacin Development Sdn Bhd: Director Tailyn Technologies, Inc.: Independent Director	None	None	None	
		Representative: Chao-Bang Liao		2023.06.21	3	2005.06.27	130,996	0.04	320,424	0.12	0	0.00	0	0.00						
Independent director	Taiwan	Victor Wang	Male 71-80	2023.06.21	3	2017.06.08	0	0.00	0	0.00	0	0.00	0	0.00	Soochow University EMBA of National Taiwan University University Chief Operating Officer of Deloitte & Touche	TCC: Independent Director TNC: Independent Director Fulin Plastic Industry (Cayman) Holding Co., Ltd. Taiwan Branch: Independent Director Yageo: Director YFY: Director	None	None	None	
Independent director	Taiwan	Yu-Kung Ding	Male 71-80	2023.06.21	3	2017.06.08	0	0.00	0	0.00	0	0.00	0	0.00	Bachelor of National Taiwan University MBA of University of Detroit Mercy General Manager of JPMorgan Chase Bank Taipei Branch General Manager of Taipei Fubon Bank Chairman of EnTie Commercial Bank	Global Unichip Corporation : Independent Director LITE-ON Technology Corp.: Independent director	None	None	None	
Independent director	Taiwan	Xin-Cheng Lin	Male 61-70	2023.06.21	3	2020.06.16	0	0.00	0	0.00	0	0.00	0	0.00	Chairman and General Manager of TING HO Development Co., Ltd.	Shihlin Development Co., Ltd. : Director and General Manager Huide Development Co., Ltd.: Director	None	None	None	

2. Major shareholders of institutional shareholders

April 11, 2026

Name of Institutional Shareholder	Name and shareholding of the major shareholders of institutional shareholders
Pin Cin Investment Co., Ltd.	Jen-Jeng Wang (91.96%), Nancy Chang (8%), Tsai-Chi Wang (0.02%), and Tsai-Bin Wang (0.02%)

iii. Information about directors and supervisors (ii)

(i). Disclosure of professional qualifications of Directors and Supervisors and Independence of Independent Directors :

Criteria Name	Professional Qualification and Experiences (Note 1)	Status of Independence (Note 2)	Concurrent Service as An Independent Director of Other Public Companies
Jen-Jeng Wang	National Taiwan University of Arts Chairman of Dacin Construction Co., Ltd.	None	None
Jen-Chih Wang	Shih Hsin University Chairman of Dacin Development Co., Ltd.	None	None
Representative of Pin Cin Investment Co., Ltd.: Li-Chun Dai	Shih Hsin University Phuoc Dien Investment Comoany Limited: Director	None	None
Representative of Pin Cin Investment Co., Ltd.: Chao-Bang Liao	EMBA of National Chengchi University National Chengchi University Department of Business Administration Chung Hua University Department of Construction Management CEO of Dacin Construction Co., Ltd. Director of Dacin Construction Co., Ltd. Independent Director of Tailyn Technologies, Inc.	None	One
Victor Wang	Soochow University EMBA of National Taiwan University Chief Operating Officer of Deloitte & Touche Independent Director of TCC Independent Director of TNC Independent Director of Fulin Plastic Industry (Cayman) Holding Co., Ltd. Taiwan Branch Director of YAGEO Corporation Director of YFY Inc.	complied with independence	Three
Yu-Kung Ding	National Taiwan University MBA of University of Detroit Mercy General Manager of JPMorgan Chase Bank Taipei Branch General Manager of Taipei Fubon Bank Chairman of Entie Commercial Bank Independent Director of Global Unichip Corporation Director of QBIC Technology CO., LTD Independent director of LITE-ON Technology Corp.	complied with independence	Two
Xin-Cheng Lin	Urban Planning Group, Graduate School of Industrial Planning, Chinese Culture University General Manager of Shihlin Development Company Ltd	complied with independence	None

	Director and General Manager of TING HO Development Co., Ltd.		
	Director of Huide Development Co., Ltd		

Note 1: There are no circumstances under Article 30 of the Company Act.

Note 2: Independent Directors have complied with independence: Neither the Director, spouse, nor any of the relatives within two degrees are Directors, Supervisors, or employees of the Company or its affiliates; neither the Director, spouse, nor any of the relatives within two degrees (or nominees) hold the Company's shares; Not a Director, Supervisor or employee of the companies of specific relations with the Company (referring to Item 5~8 of Article 3, Clause 1 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); no compensation for business, legal, finance, or accounting services provided by the Company or its affiliates in the last two years.

(ii). Diversification and Independence of the Board of Directors:

A. Diversification of the Board of Directors: the Company selects and appoints the Directors based on the overall allocation of the Board of Directors and the Company's Code of Corporate Governance. The members of Board of Directors shall generally possess the knowledge, skills and qualifications necessary for performing their duties. To achieve diversity in the background of the board of directors, the goal is for at least half of the independent directors to have industry experience outside of construction, and at least one member should possess expertise in accounting, finance, law, or other complementary fields to the construction industry. During the shareholders' meeting on June 21, 2023, the election of new independent directors resulted in 100% of the members having industry experience outside of construction. Among them, one has qualifications as an accountant, one is a finance professional, and one is a construction expert, totaling three seats with complementary expertise to the construction industry, meeting the policy objectives. Additionally, due to the nature of the industry, the current board members are 100% male (7 members) and 0% female. A target has been set to increase the number of female directors. Future board elections will strive to increase female representation to achieve this goal. The status of implementation is as follows:

Key items of diversification (◎ referring to possessing specialized professions)		Nationality	Gender	Possess identity of employee	Years of service as an Independent Director	Operational judgement	Accounting and financial analysis	Management administration	Crisis management	International market perspective	Leadership	Decision making ability	Industrial knowledge and experience			
													Construction	Development	Finance	Accounting advisor
Chairman	Jen-Jeng Wang	Taiwan	Male			○	○	○	○	○	○	○	◎	○		
Deputy Chairman	Jen-Chih Wang	Taiwan	Male			○	○	○	○	○	○	○	○	◎		
Directors	Representative of Pin Cin Investment Co., Ltd.: Li-Chun Dai	Taiwan	Male			○	○	○	○	○	○	○	○	◎		
Directors	Representative of Pin Cin Investment Co., Ltd.: Chao-Bang Liao	Taiwan	Male			○	○	○	○	○	○	○	◎	○		
Independent director	Victor Wang	Taiwan	Male		2017.6~	○	◎	○	○	○	○	○				◎
Independent director	Yu-Kung Ding	Taiwan	Male		2017.6~	○	◎	○	○	○	○	○			◎	
Independent director	Xin-Cheng Lin	Taiwan	Male		2020.6~	○	○	○	○	○	○	○		◎		

B. Independence of Board of Director: Three Independent Directors accounted for 42.86% of the total number of Directors. None of the three independent directors has served more than three consecutive terms of service and only the Chairman, Jen-Jeng Wang, and the Director, Jen-Chih Wang, are related to each other or to the Independent Directors within two degrees of consanguinity. There is no violation of Article 26-3, Clause 3 and 4 of the Securities and Exchange Act.

2. Information of Managerial Personnel

April 11, 2026

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Current Shareholding in the name of others		Experience (Education)	Current Positions at Other Companies	Other Managerial Personnel Whose Relation is Spouse or Relative within the Second Degree of Kinship			Notes
					Quantity	%	Quantity	%	Quantity	%			Title	Name	Relation	
General Manager	Taiwan	Chao-Bang Liao (Note 1)	Male	2020.01.14	320,424	0.12%	0	0.00	0	0.00	National Chengchi University EMBA National Chengchi University Department of Business Administration Chung Hua University Department of Construction Management Dacin Construction Co., Ltd	Dacin Malaysia: Chairman Dacin Integration Technology Co., Ltd.: Chairman Mayang Dacin Development Sdn Bhd: Director Tailyn Technologies, Inc.: Independent Director	None	None	None	
Acting General Manager	Taiwan	Tien-Ho Hsieh (Note 2)	Male	2025.08.05	13,600	0.01	0	0.00	0	0.00	National Taiwan Ocean University Master of Harbor and River Engineering Dacin Construction Co., Ltd	None	None	None	None	
Executive Vice President	Taiwan	Mark Pan (Note 3)	Male	2025.08.05	39,498	0.01	0	0.00	0	0.00	RICE University, Civil and Environmental Engineering Dacin Construction Co., Ltd	None	None	None	None	
Senior Vice President, Business Development	Taiwan	Eric Chen	Male	2025.01.01	4,751	0.00	0	0.00	0	0.00	National Taipei University of Technology, Department of Civil Engineering Dacin Construction Co., Ltd	Dacin Malaysia: Director; Mayang Dacin Development Sdn Bhd: Director	None	None	None	
Finance and Administration Department Vice President	Taiwan	Vickie Hsu	Female	2014.11.14	44,000	0.02	0	0.00	0	0.00	National Chengchi University Master of Laws, Tamkang University Department of Banking and Finance Dacin Construction Co., Ltd TransAsia Airways Taiwan Video System Co., Ltd.	None	None	None	None	
Vice President, Construction Department	Taiwan	Chang-Cheng Tsao	Male	2021.12.28	83	0.00	0	0.00	0	0.00	Kao Yuan University Master of Civil Engineering dept. Dacin Construction Co., Ltd	None	None	None	None	
Special Assistant to the General Manager	Taiwan	Yu-Di Hsiao (Note 4)	Male	2023.08.08	1,622	0.00	0	0.00	0	0.00	National Chengchi University EMBA China University of Technology Department of Architecture Dacin Construction Co., Ltd	None	None	None	None	
Vice President BIM Center	Taiwan	Shao-Hung Wang	Male	2024.11.08	0	0.00	0	0.00	0	0.00	University of London, UK Master of Architecture in Design Dacin Construction Co., Ltd	None	None	None	None	
Vice President Development Department	Taiwan	Fu-Ming Ye	Male	2024.07.31	9,562	0.00	0	0.00	0	0.00	EMBA of National Sun Yat-sen University Dacin Construction Co., Ltd Dacin Development Co., Ltd.	None	None	None	None	
Assistant Vice President	Taiwan	Kwok-Ho Tam	Male	2024.09.01	0	0.00	0	0.00	0	0.00	University of Massachusetts, Master of Civil Engineering Dacin Construction Co., Ltd	None	None	None	None	
Assistant Vice President	Taiwan	Shi-Song Lin	Male	2017.12.13	0	0.00	0	0.00	0	0.00	National Taiwan University Master of Construction, Engineering and Management(CEM) Chung Yuan Christian University Department of Civil Engineering Dacin Construction Co., Ltd	None	None	None	None	

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Current Shareholding in the name of others		Experience (Education)	Current Positions at Other Companies	Other Managerial Personnel Whose Relation is Spouse or Relative within the Second Degree of Kinship			Notes
					Quantity	%	Quantity	%	Quantity	%			Title	Name	Relation	
Assistant Vice President	Taiwan	Ming-Bin Hsieh	Male	2017.12.13	3,200	0.00	0	0.00	0	0.00	National Taiwan University Master of Construction, Engineering and Management(CEM) Tamkang University Department of Civil Engineering Dacin Construction Co., Ltd	None	None	None	None	
Assistant Vice President	Taiwan	Linda Chen	Female	2022.01.01	6,400	0.00	0	0.00	0	0.00	National Chengchi University EMBA Soochow University Department of Accounting Dacin Construction Co., Ltd	None	None	None	None	
Assistant Vice President	Taiwan	Jin-Zhong Lee	Male	2023.08.08	12	0.00	0	0.00	0	0.00	National United University Department of Architecture Dacin Construction Co., Ltd	None	None	None	None	
Assistant Vice President	Taiwan	Ting-Yuan Chen	Male	2024.08.05	1,600	0.00	0	0.00	0	0.00	Tamkang University Department of Civil Engineering Dacin Construction Co., Ltd	None	None	None	None	
Assistant Vice President	Taiwan	Tzu-Ye Bian	Male	2025.02.10	0	0.00	0	0.00	0	0.00	Chung Yuan Christian University Department of Civil Engineering Dacin Construction Co., Ltd	None	None	None	None	
Assistant Vice President	Taiwan	Ren, An	Male	2025.02.10	0	0.00	0	0.00	0	0.00	National Taiwan University Master of Construction, Engineering and Management (CEM) Chung Yuan Christian University Department of Civil Engineering Dacin Construction Co., Ltd	None	None	None	None	

Note 1: Retired on August 5, 2025.

Note 2: Promoted on August 5, 2025.

Note 3: Promoted on August 5, 2025.

Note 4: Transferred on August 5, 2025.

II. Remuneration Paid to Director, Independent Director, Supervisor, General Manager and Vice President

1. Remunerations of Directors

Unit: NTD thousand

Title	Name	Remuneration								The Proportion of A+B+C+D to Net Income		Relevant remuneration received by directors who are also employees (Note 3)								The Proportion of A+B+C+D+E+F+G to Net Income		Compensation Paid by Non-Consolidated Affiliate (Note 6)
		Salary(A) (Note 1)		Severance Pay		Directors Compensation (C) (Note 2)		Allowances (D) (Note 3)				Salary, Bonuses and Allowances (E) (Note 4)		Severance Pay (F)		Employee Compensation (G) (Note 5)						
		The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	
Amount in Cash	Amount in Stock																					Amount in Cash
Chairman	Jen-Jeng Wang	19,824	25,997	0	0	30,000	30,000	75	75	3.00	3.37	1,812	1,812	20,461	20,461	0	0	0	0	4.34	4.71	None
Deputy Chairman	Jen-Chih Wang																					None
Directors	Pin Cin Investment Co., Ltd. Representative: Li-Chun Dai																					None
Directors	Pin Cin Investment t Co., Ltd. Representative: Chao-Bang Liao																					None
Independent director	Victor Wang	7,020	7,020	0	0	0	0	180	180	0.43	0.43	0	0	0	0	0	0	0	0	0.43	0.43	None
Independent director	Yu-Kung Ding																					None
Independent director	Xin-cheng Lin																					None

Note 1: Directors' remuneration for the year 2025 (including directors' salaries, position allowances, severance payments, various bonuses, incentive payments, etc.).

Note 2: The amount of directors' remuneration approved for distribution by the Board of Directors for the year 2025.

Note 3: Transportation and travel allowances paid to directors for expenses related to the performance of their duties in the year 2025.

Note 4: Compensation received by directors concurrently serving as employees (including those concurrently serving as President, Vice Presidents, other executives, and employees) during the year 2025, including salaries, position allowances, severance payments, various bonuses, incentive payments, transportation and travel allowances, discretionary expense allowances, various subsidies, housing, company vehicles, and other benefits in kind.

Note 5: Employee compensation received by directors concurrently serving as employees (including those concurrently serving as President, Vice Presidents, other executives, and employees) during the year 2025.

Note 6: Refers to the directors' remuneration received as business execution fees for serving as directors in investee companies other than subsidiaries in 2025.

Note 7: Independent directors' remuneration is determined based on prevailing industry standards, while taking into account the company's operating performance and the rationality of its correlation with future risks.

2. Range of Remunerations Paid to the Directors

Range of remuneration paid to the directors of the Company	Names of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement
Under NT\$1,000,000	0	0	0	0
NT\$1,000,000 (included) ~ NT\$2,000,000 (excluded)	0	0	0	0
NT\$2,000,000 (included) ~ NT\$3,500,000 (excluded)	Victor Wang, Yu-Kung Ding, Xin-Cheng Lin	Victor Wang, Yu-Kung Ding, Xin-Cheng Lin	Victor Wang, Yu-Kung Ding, Xin-Cheng Lin	Victor Wang, Yu-Kung Ding , Xin-Cheng Lin
NT\$3,500,000 (included) ~ NT\$5,000,000 (excluded)	Li-Chun Dai, Chao-Bang Liao	Li-Chun Dai, Chao-Bang Liao	Li-Chun Dai	Li-Chun Dai
NT\$5,000,000 (included) ~ NT\$10,000,000 (excluded)	0	0	0	0
NT\$10,000,000 (included) ~ NT\$15,000,000 (excluded)	Jen-Chih Wang	0	Jen-Chih Wang	
NT\$15,000,000 (included) ~ NT\$30,000,000 (excluded)	Jen-Jeng Wang	Jen-Jeng Wang, Jen-Chih Wang	Jen-Jeng Wang, Chao-Bang Liao	Jen-Jeng Wang, Jen-Chih Wang, Chao-Bang Liao
NT\$30,000,000 (included) ~ NT\$50,000,000 (excluded)	0	0	0	0
NT\$50,000,000 (included) ~ NT\$100,000,000 (excluded)	0	0	0	0
Over NT\$100,000,000	0	0	0	0
Total	7	7	7	7

3. Remuneration paid to each individual director

Title	Name	Remuneration								The Proportion of A+B+C+D to Net Income		Relevant remuneration received by directors who are also employees (Note 3)								The Proportion of A+B+C+D+E +F+G to Net Income		Compensation Paid by Non-Consolidated Affiliate (Note 6)
		Salary(A) (Note 1)		Severance Pay (B)		Directors Compensation (C) (Note 2)		Allowances (D) (Note 3)				Salary, Bonuses and Allowances (E) (Note 4)		Severance Pay (F)		Employee Compensation (G) (Note 5)						
		The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock			
Chairman	Jen-Jeng Wang	14,024	14,024	0	0	13,800	13,800	25	25	1.68	1.68	0	0	0	0	0	0	0	0	1.68	1.68	None
Vice Chairman	Jen-Chih Wang	5,400	11,573	0	0	9,000	9,000	25	25	0.87	1.24	0	0	0	0	0	0	0	0	0.87	1.24	None
Director	Chao-Bang Liao	400	400	0	0	3,600	3,600	25	25	0.24	0.24	1,812	1,812	20,461	20,461	0	0	0	0	1.58	1.58	None

Note 1: Directors' remuneration for the year 2025 (including directors' salaries, position allowances, retirement benefits, various bonuses, incentive payments, etc.).

Note 2: The amount of directors' remuneration approved for distribution by the Board of Directors for the year 2025.

Note 3: Transportation and travel allowances paid to directors for expenses related to the performance of duties in the year 2025.

Note 4: Compensation received by directors concurrently serving as employees (including those concurrently serving as President, Vice Presidents, other executives, and employees) during the year 2025, including salaries, position allowances, retirement benefits, various bonuses, incentive payments, transportation and travel allowances, special expense allowances, various subsidies, housing, company vehicles, and other benefits in kind.

Note 5: Employee compensation received by directors concurrently serving as employees (including those concurrently serving as President, Vice Presidents, other executives, and employees) during the year 2025.

Note 6: Transportation and travel allowances received in the year 2025 by directors serving in investee companies other than subsidiaries for expenses related to the performance of duties.

4. Remunerations paid to the General manager and Vice President

Unit: NTD thousand

Title	Name	Salary (A)		Severance Pay (B)		Bonus and Allowances (C)		Employee Compensation (D)				The Proportion of A+B+C+D to Net Income (%)		Compensation Paid by Non-Consolidated Affiliate
		The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company	All companies in the consolidated financial statement	The Company		All companies in the consolidated financial statement		The Company	All companies in the consolidated financial statement	
								Cash Amount	Amount in Stock	Amount in Cash	Stocks Amount			
General Manager	Chao-Bang, Laio (Note 1)	18,519	18,519	21,026	21,026	26,944	26,944	3,497	0	3,497	0	4.21%	4.21%	None
Acting general manager	Tien-Ho Hsieh (Note 2)													
Executive Vice President	Mark Pan (Note 3)													
Special Assistant to the General Manager	Yu-Di Hsiao (Note 4)													
Business Department Senior Vice President	Eric Chen													
Finance and Administration Department Vice President	Vickie Hsu													
BIM Center Vice President	Shao-Hung Wang													
Construction Department Vice President	Chang-Cheng Tsao													
Development Department Vice President	Fu-Ming Ye													
Vice President	Joseph Lee (Note 5)													

Note 1: Retired on August 5, 2025.

Note 2: Promoted on August 5, 2025.

Note 3: Promoted on August 5, 2025.

Note 4: Transferred on August 5, 2025.

Note 5: Retired on January 31, 2025.

5. Range of remuneration paid to the General manager and Vice President

Range of remuneration paid to the General manager and Vice President of the Company	Names of General Managers and Vice President	
	The Company	All companies in the consolidated financial statement
Under NT\$1,000,000	Joseph Lee	Joseph Lee
NT\$1,000,000 (included) ~ NT\$2,000,000 (excluded)	0	0
NT\$2,000,000 (included) ~ NT\$3,500,000 (excluded)	0	0
NT\$3,500,000 (included) ~ NT\$5,000,000 (excluded)	Shao-Hung Wang, Eric Chen	Shao-Hung Wang, Eric Chen
NT\$5,000,000 (included) ~ NT\$10,000,000 (excluded)	Tien-Ho Hsieh, Mark Pan, Yu-Di Hsiao, Fu-Ming Ye, Chang-Cheng Tsao, Vickie Hsu	Tien-Ho Hsieh, Mark Pan, Yu-Di Hsiao, Fu-Ming Ye, Chang-Cheng Tsao, Vickie Hsu
NT\$10,000,000 (included) ~ NT\$15,000,000 (excluded)	0	0
NT\$15,000,000 (included) ~ NT\$30,000,000 (excluded)	Chao-Bang Liao	Chao-Bang Liao
NT\$30,000,000 (included) ~ NT\$50,000,000 (excluded)	0	0
NT\$50,000,000 (included) ~ NT\$100,000,000 (excluded)	0	0
Over NT\$100,000,000	0	0
Total	10	10

6. Bonus-Rewarded Managerial Personnel and Allotments:

The total amount of cash dividends to be distributed to employees this year is NT\$55,000 thousand, of which NT\$3,497 thousand are for managers. The names, positions and total dividends of the top ten employees are as follows.

April 11, 2026 Unit: NTD thousand

		Title	Name	Amount in Stock	Cash	Total	The Proportion of Gross Bonus to Net Income (%)
Managerial Personnel	1	Acting General Manager	Tien-Ho Hsieh	-	4,681	4,681	0.28%
	2	Executive Vice President	Mark Pan				
	3	Special Assistant to the General Manager	Yu-Di Hsiao				
	4	Senior Vice President	Eric Chen				
	5	Vice President	Vickie Hsu				
	6	Vice President	Chang-Cheng Tsao				
	7	Vice President	Fu-Ming Ye				
	9	Assistant Vice President	Jin-Zhong Lee	-	4,681	4,681	0.28%
	10	Assistant Vice President	Tzu-Ye Bian				
	11	Assistant Vice President	Ting-Yuan Chen				
	12	Assistant Vice President	Ren,An				

Note: No. 1-12 are the top 10 employees who received the most dividends.

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

Title	2025 Analysis of the proportion of the total remuneration of directors, supervisors, General Manager and Vice President of the Company paid by the Company and all companies in the consolidated financial statement to net profit after tax in individual financial statements of the recent two years.	2024 Analysis of the proportion of the total remuneration of directors, supervisors, General Manager and Vice President of the Company paid by the Company and all companies in the consolidated financial statement to net profit after tax in individual financial statements of the recent two years.
Directors	7.88%	7.63%
Supervisors		
General Manager and Vice President		

Explanation of remuneration policies, standards and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure: The remuneration of the Directors and Supervisors of the Company is handled in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company" and the Articles of Incorporation. The remuneration of managers is based on the "Compensation Verification Measures," Year-end Bonus Distribution Measures " , contributions to the Company along with the Company's overall operating performance, future business risks and development trends of the industry.

III. Implementation of Corporate Governance

1. Operational status of the board of directors:

The board of directors held 5 (A) meetings in 2025. The attendance of directors is shown below:

Title	Name (Note 1)	Attendance in Person (B)	Attendance by Proxy (C)	Proportion of Attendance in Person (%) (B/A) (Note 2)	Proportion of Attendance in Person (Including Attendance by Proxy) (%) (B+C/A)	Remarks
Chairman	Jen-Jeng Wang	3	2	60%	100%	
Vice Chairman	Jen-Chih Wang	5	0	100%	100%	
Directors	Pin Cin Investment Co., Ltd. Li-Chun Dai	5	0	100%	100%	
Directors	Pin Cin Investment Co., Ltd. Chao-Bang Liao	4	1	80%	100%	
Independent director	Victor Wang	5	0	100%	100%	
Independent director	Yu-Kung Ding	5	0	100%	100%	
Independent director	Xin-Cheng Lin	5	0	100%	100%	
Other matters to be recorded:						
I. During operations of the Board of Directors, the meeting date, period, content, qualified opinion and resolution made by any independent director should be specified for matters specified in Article 14.3 of the Taiwan Securities and Exchange Act, as well as the for opposition or qualified opinions of other Independent Directors that were recorded or declared in writing: None.						
II. To avoid conflict of interest among directors, the Director’s name, meeting content, and reason for avoiding conflict of interest and participation in the voting process must be properly recorded:						
Date	Names of Directors	Meeting Content	Reason for avoiding conflict of interest	Voting Participation		
2025.03.06	Jen-Jeng Wang and Jen-Chih Wang Pin-Cin representative: Li-Chun Dai 、 Chao-Bang, Laio	Remuneration Proposal for Directors for 2024	The directors avoided are the subject of bonus payment in this case.	To avoid conflict of interest, the Director did not participate in the voting process. The remaining Directors present approved the case with no dissenting opinion.		
2025.03.06	Jen-Jeng Wang and Jen-Chih Wang Independent Director Victor Wang, Yu-Kung Ding, and Xin-Cheng Lin	Adjustment of salary for Directors Personnel	The directors avoided are the subject of bonus payment in this case.			

III. The Board of Directors evaluates the implementation:				
Evaluation cycle	evaluation period	Assessment scope	Evaluation method	Evaluation content
Per year	2025.1.1-2025.12.31	1. Board of directors 2. Individual directors 3. Functional committees	Board member self-assessment	1. Self-assessment is carried out on five items: "Participation in the company's operation", "Enhancing the decision-making quality of the board of directors", "The composition and structure of the board of directors", "Election and continuous education of directors", and "Internal control". 2. The review of the board is carried out on the eight aspects: "Composition of the Board of Directors", "Instruction of the Board of Directors", "Authorization of the Board of Directors", "Communication of the Board of Directors", "Internal control and risk management", "Board meeting and supporting systems", and review the business plan, execution, monitoring and review cycle.
Every 3 years	2024/07/01-2025/06/30	1. Board of directors 2. Functional committees	External Expert Evaluation (Chinese Corporate Governance Association)	1. Board Composition and Division of Responsibilities 2. Board Guidance and Oversight 3. Board Authorization and Risk Management 4. Board Communication and Collaboration 5. Board Self-Discipline and Continuous Improvement
Note 1: According to Article 3 of "Rules for Performance Evaluation of Board of Directors and Functional Committee": At least once in a year the evaluation of board of directors and functional committees shall be performed, and at least every three years there shall be an evaluation performed by the external independent institute or professionals' team. The result of the evaluation shall be ready by the first quarter of next year. Note 2: The 2025 Board of directors' evaluation and self-assessment was on 2026.02, and the positive score of the board, the directors and the functional committees is over 97% Note 3: The external expert evaluation of the Company's board performance for 2025 was completed in August 2025, and revisions will be considered and implemented in accordance with the evaluation recommendations.				
IV. Strengthening the functions of the board in the current and recent fiscal years (e.g. establishing the Audit Committee, promoting information transparency, etc.) and conducting performance assessment: ● Strengthened Board functions and information transparency based on the Company's current status, with reference to the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Information Disclosure and Evaluation System. ● Set up the Remuneration Committee to be responsible for the review of the Company's remuneration policy and structure for directors, supervisors and top-level management, and express opinions and recommendations to the board of directors. ● The company has arranged board members to participate in further training courses on corporate governance in order to enhance their professional skills in corporate governance and risk management.				
V. Independent directors supervise the implementation of the company's main business plans and preparation of financial statements: the company's Audit Committee meeting before the Board meeting involves the reporting of financial operations, profit/ loss analysis, and comparison of budget implementation. In order to strengthen the company's operations and supervision, independent directors will attend the meeting to keep track of corporate finance, business status, implementation of information security and main business plans, and express their opinions to top-level management by use of their experience and professional knowledge. The company's independent directors all have accounting or finance backgrounds, communicating on the preparation of financial statements with the accounting unit and reviewing its reasonableness and making relevant suggestions.				

Note 1: Where directors and supervisors are corporate entities, the names of corporate shareholders and their representatives are stated.

Note 2: (1) The date of resignation is specified for directors or supervisors who had resigned prior to the financial year's close. The percentage of actual attendance (%) is calculated based on the number of board of directors' meetings held and the number of actual attendance during active duty.

(2) If re-election of directors or supervisors had taken place prior to the close of the financial year,

directors/supervisors of both the previous and the current term are listed; in which case, the remarks column would specify the re-election date and whether the director/supervisor was elected in the previous term, the new term, or both. Actual attendance rate (%) was calculated on the basis of the number of board meetings held during each director's term and the number of meetings actually attended by that director.

2. Operations of the Audit Committee:

1. A summary of duties of the Audit Committee in 2025

The Audit Committee comprises 3 independent directors and aims to assist the board of directors in monitoring the quality and integrity in the implementation of accounting, auditing, financial reporting processes and financial management. The Audit Committee held 5 meetings in 2025. The major resolutions are shown below:

- (1) Financial statement audit, accounting policies and procedures
- (2) Make or amend internal control system in accordance with the Article 14-1 of Securities Exchange Act.
- (3) Review of the effectiveness of the internal control system.
- (4) Material asset or derivative transaction
- (5) Material monetary loan and endorsements/ guarantees
- (6) Offering or issuance of securities
- (7) Legal compliance
- (8) Whether the manager and the director have related party transactions and possible conflicts of interest
- (9) Information security
- (10) Corporate risk contract signing and management
- (11) CPA qualifications, independence and performance evaluation
- (12) Appointment, dismissal or remuneration of CPAs
- (13) Appointment and dismissal of financial, accounting or internal audit manager
- (14) Performance of Audit Committee

2. The Audit Committee has held 5 (A) meetings in 2025, and the attendance of audit members is shown below:

Title	Name (Note 1)	Attendance in Person (B)	Attendance by Proxy (C)	Proportion of Attendance in Person (%) (B/A) (Note 2)	Proportion of Attendance in Person (Including Attendance by Proxy) (%) (B+C/A)	Remarks
Convener	Victor Wang	5	0	100%	100%	
Member	Yu-Kung Ding	5	0	100%	100%	
Member	Xin-Cheng Lin	5	0	100%	100%	
Other matters to be recorded:						
I. If the Audit Committee operates under any of the following circumstances, it shall state the date and period of the Audit Committee meeting, the content of the motion, the content of the Independent Directors' dissenting comments, qualifications or significant recommendations, the resolutions of the Audit Committee, and the Company's response to the Audit Committee's comments.						
(i) Matters under Article 14-5 of the Securities and Exchange Act: None.						

	(ii)Except for the aforementioned matters, other motions not approved by the Audit Committee and approved by two-thirds or more of all Directors: None.
II.	To avoid conflict of interest among independent directors, the name, meeting content, and reason for avoiding conflict of interest and participation in the voting process must be properly recorded: None.
III.	Communication between independent directors and internal auditors and the CPAs (which should include audit materials, methods, and results pertaining to corporate finance and/or operations, etc.): ● Communication between independent directors and internal auditors: Quarterly meetings are held between independent directors, with minutes preparation after the Audit Committee meeting, while major discussions and resolutions are notified to all directors, the general manager, and the company's top-level management. A total of 5relevant meetings were held in 2025, and the internal audit manager attended each meeting to report on the implementation of auditing and material internal control and internal audit matters and completed tasks instructed by the independent directors, followed by reporting and tracking. In addition, each independent director also receives monthly audit business reports submitted by the internal audit manager. ● May 6, 2025 – Independent communication with the Head of Internal Audit: A report was presented on the results of internal and external audits for the year 2024, as well as site inspection activities conducted from the second half of 2024 through the first half of 2025. In accordance with the recommendations of the independent directors, considerations were given to fixed asset procedures with respect to management costs, and to strengthening the implementation of subcontractor evaluation mechanisms. ● Communication between independent directors and the CPAs: Quarterly Audit Committee meetings are held, where the accountant reports the review results of financial statements to the three independent directors, CPAs discuss and communicate about the questions raised by the independent directors, with explanation and analysis of other matters and impact assessment analysis of the new laws or amendments and the regulations in taxation. After the meeting, the accountant provides suggestions to the committee members on implementation, reporting and tracking.

3. Information of Audit Committee meetings in recent year:

Audit Committee	Date	Meeting Content	Article 14.5	Audit Committee Results	Resolutions
The 9th Audit committee of the 3rd term	2025.03.06	1. Approved the Company's 2024 individual and consolidated financial statements and business report. 2. Resolved to approve the "Urban Renewal Development Project in the Gangzizui Section, Banqiao District, New Taipei City," including the execution of a "Joint Investment and Construction Agreement" with Jashanlin Development Co., Ltd., as well as the related investment and construction project. 3. Resolved to approve the Company's CPA audit fees for 2025, along with the evaluation of the accountants' independence and qualifications, and the pre-approval of non-assurance services. 4. Resolved to approve the Company's earnings distribution proposal for fiscal year 2024. 5. Resolved to approve the "Assessment of the Effectiveness of the Internal Control System for 2024" and the "Internal Control System Statement." 6. Resolved to approve amendments to the Company's "Procedures for Acquisition or Disposal of Assets," and internal control policies including "CO-504 Project Cost Control Operations," "CP-503 Subcontractor Pricing Procedures," and "CR-506 Internal Control Self-Assessment Procedures."	V V V V V V	Approved and submitted to the Board of Directors for resolution.	Resolved and approved by all directors present.

The 10th Audit committee of the 3rd term	2025.05.06	1. Approved the Company's 2025/Q1 consolidated financial statements. 2. Approved amendments to the Company's internal control policies, including "CC-506 Procedures for Handling Material Non-Public Information," "CR-504 Financial Statement Preparation and Management Procedures," "CR-513 Procedures for Transfer of Treasury Shares to Employees," "CR-516 Procedures for Professional Accounting Judgments, Accounting Policies, and Changes in Estimates," "CS-503 Cash Receipt Operations," and the "00-000 Internal Control System Index."	V	Approved and submitted to the Board of Directors for resolution.	Resolved and approved by all directors present.
The 11th Audit committee of the 3rd term	2025.08.05	1. Approved the Company's 2025/Q2 consolidated financial statements. 2. Approved the capital increase of USD 19 million for the Company's subsidiary, Dacin Vietnam New Construction Co., Ltd. 3. Approve the purchase from Nan Shan Life Insurance Co., Ltd. of the Company's headquarters building units on the 10th and 11th floors, along with parking spaces on the third basement level. 4. Approved amendments to the Company's "Articles of Incorporation" and the internal control policy "00-001 Articles of Incorporation." 5. Approved amendments to certain provisions of 17 internal control policies, including "CC-501 Computerized Information System Management Procedures."	V V V V V	Approved and submitted to the Board of Directors for resolution.	Resolved and approved by all directors present.
The 12th Audit committee of the 3rd term	2025.11.07	1. Approved the Company's 2025/Q3 consolidated financial statements. 2. Approved amendments to certain provisions of 14 internal control policies, including "CO-507 Construction Safety and Health Management Operations."	V	Approved and submitted to the Board of Directors for resolution.	Resolved and approved by all directors present.
The 13th Audit committee of the 3rd term	2025.12.31	1. Approved the Company's 2026 annual audit plan. 2. Approved amendments to certain provisions of the internal control policy "CW-510 Salary Approval Procedures."	V	Approved and submitted to the Board of Directors for resolution.	Resolved and approved by all directors present.
The 14th Audit committee of the	2026.03.12	1. Approved the Company's 2025 individual and consolidated financial statements and business report. 2. Approved the amendment of Company's	V	Approved and submitted to the	Resolved and approved by all directors present.

3rd term		2025 earnings distribution plan.	V	Board of Directors for resolution.	
		3. Approved the pre-approval of the Company's certified public accountants' audit fees for 2026, as well as the evaluation of the accountants' independence and qualifications, and the provision of non-assurance services.	V		
		4. Approved the Company's 2025 Internal control system effectiveness review and the Company's 2025 Internal control statement.	V		

3. **The state of the company's implementation of corporate governance, any departure of such implementation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such departure**

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
I. Does the company establish and disclose the Corporate Governance Best Practice Principles based on the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”?	✓		The company has established the Corporate Governance Best Practice Principles based on the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and disclosed on the Company website.	No Difference
II. Shareholding structure & shareholders’ rights (i) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement it based on the procedure? (ii) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares? (iii) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓ ✓ ✓		(i) The company and its controlled entities (hereinafter referred to as the “Group”) have set up spokespersons and deputy spokespersons to respond to shareholder inquiries and opinions, and other matters. (ii) Monthly assessments and disclosures of changes in shareholding and pledge of major shareholders, directors and supervisors. (iii) The control mechanism for affiliated companies was established in accordance with the Group’s "Directions for Supervision and Management of Subsidiaries," which announces the loaning of funds and endorsements/ guarantees on a monthly basis, and reports the acquisition or disposal of assets according to relevant laws and regulations.	No Difference
(iv) Does the company establish internal rules against insiders trading with undisclosed information?	✓		(iv) The company has formulated the "Ethical Corporate Management Best Practice Principles," which is disclosed on the	

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
			company's internal website, in order to regulate the behaviors and professional ethics of directors, managers and employees.	
III. Composition and Responsibilities of the Board of Directors (i) Does the Board of Directors develop and implement a diversified policy and specific management goals for the composition of its members?	✓		(i) The election of directors is based on the structure of the Board with reference to the corporate governance best practice principles. The board members should generally have the knowledge, skills and literacy necessary for performing their duties, including: making judgments about operations, accounting and financial analysis, operational management, crisis management, industry knowledge, global market vision, leadership, and decision-making. The Board covers 7 directors, of which 3 are independent directors (representing 43% of the total number of directors). The company attaches great importance to the complementary relationship between directors, with 4 directors (accounting for 57% of total number of directors) having more than 30 years of professional experience. In order to realize diversification goals of the Board of Directors, at least half of the target independent Directors should have industry experience not from the construction industry. The Company's Board of Directors stood	No Difference

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
(ii) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		✓	for re-election during the Shareholders Meeting on June 21, 2023. The industry experience of the new independent Directors that is not from the construction industry accounted for 100%. One of the Directors holds qualifications as a certified public accountant, one is a financial professional, and one is development and construction professional, thus meeting policy objectives. Disclosures on diversification policies of the composition of Board Members can be found on the Company website. Additionally, due to the nature of the industry, the current board of directors consists of 100% men (7 members) and 0% women. A target has been set to increase the number of female board members by at least one seat. Efforts will be made to increase female representation in the next board election to achieve this goal. (ii) The company has set up the Remuneration Committee and Audit Committee but has not yet established other functional committees.	

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
(iii) Does the company establish a standard to measure the board's performance, implement it annually, with the evaluation results submitted to the board of directors and used as a reference for the remuneration of individual directors and renewal nominations?	✓		(iii) The company has established a performance evaluation system for the Board of Directors to maximize intended function of board members, and serve as a reference for directors' remuneration and grounds for nomination and re-election. The internal performance evaluation of the Board of Directors shall be carried out once a year, and the self-evaluation of the board and directors shall be conducted at the end of each year. The evaluation shall be completed before the first quarter of the following year. The external performance evaluation of the Board of Directors should be performed by an external professional independent organization or an external expert/academic team at least every three years, and the evaluation should be completed before the first quarter of the following year.	
(iv) Does the company regularly evaluate the independence of CPAs?	✓		(iv) The Company has appointed Deloitte & Touche to handle the audit certification and regularly rotates the certifying accountants. Each year, the Finance Department evaluates the independence and competence of the appointed	

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
			certifying accountants based on Audit Quality Indicators (AQIs). The evaluation criteria include the number of consecutive years the certifying accountant has provided audit services, ensuring that the certifying accountant, the audit team, and their relatives do not hold positions as directors, managers, or other significant roles within the company that could influence the audit, have no direct or indirect significant financial interests, no potential employment relationships, and that the non-audit services provided do not directly affect key audit matters. These evaluation criteria are disclosed on the Company's official website. The evaluation results were submitted to the Audit Committee on March 12, 2026, and approved by the Board of Directors on March 12, 2026	
IV. As a TWSE/TPEX listed company, does the Company have set corporate governance concurrent) unit or personnel responsible for the concerned affairs (including but not limited to offering necessary materials for the directors and supervisors, executing matters	✓		The Head of Financial Coordination (at the level of Vice President) of the Company in charge of business divisions shall also discharge duties as the head of corporate governance. The finance department mainly assists in handling related affairs, such as providing Directors and independent	No Difference

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
pursuant to the board of directors' resolutions, executing the corporate registration and change of registration, proceedings for the board of directors and shareholder meetings and so on)			Directors with information required to perform their duties and handling matters related to the Board of Directors and shareholders meetings in accordance with the law. In addition, they shall prepare meeting minutes of meetings of the Board of Directors and shareholders' meetings as well as other related matters. Disclosures on corporate governance, stakeholders, and ESG (corporate social responsibility) related information shall also be made available on the Company's website. Please refer to the Company's website for information relating to corporate governance measures and status of implementation.	
V. Does the Company establish communication channels and dedicate a section for stakeholders (including but not limited to the shareholders, employees, clients and suppliers) on its website to respond to important issues of corporate social responsibility concerns?	✓		The company provides complete contact information of spokespersons and deputy spokespersons on its official website, with smooth communication channels for stakeholders to communicate with the company and express their opinions. In addition, the stock agency also responds to stakeholder opinions to ensure legitimate rights and smooth communication for stakeholders.	No Difference
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The company appointed Fubon Securities Co.,Ltd. as a professional shareholder service agency to assist in handling shareholder affairs.	No Difference
VII. Information disclosure (i) Does the company have a corporate website to disclose both financial standings and the status of corporate governance? (ii) Does the company have other information	✓		(i) The Group has set up a shareholder section for financial and business standings on its website and discloses relevant information on the MOPS.	No Difference

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)? (iii) Does the company publish the annual report within two months after the end of each fiscal year and report the financial statements in advance for the first, second and third quarters and monthly operating conditions before the prescribed time limit?			(ii) The spokesperson and deputy spokesperson are in charge of responding to shareholder or investor inquiries. At the same time, designated staff and the Finance Group are responsible for collecting and disclosing corporate information. (iii) The Group shall publish the annual report within three months after the end of each fiscal year and report the financial statements for the first, second and third quarters and monthly operating conditions before the prescribed time limit.	
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	✓		(i) Employee rights and interests: Over the years, the Group's labor-management has maintained harmonious and stable relationship while sharing prosperity and is committed to improving employee welfare and benefits, formulating regulations governing employee education and training for the continuous learning and development of employees. (ii) Employee care: We communicate and interact with colleagues and provide care and encouragement by experience sharing. (iii) Investor relations: The Group has a contact person to respond to shareholder opinions. (iv) Supplier relations: The Group has always maintained good relations with its suppliers. (v) Stakeholder interests: Stakeholders may	No Difference

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
			communicate with the company and express their opinions to safeguard their legitimate rights and interests. (vi) Education and training of directors and supervisors: The Group has arranged corporate governance courses for directors and supervisors. (vii) Implementation of risk management policies and risk measurement standards: The Group identifies various risks that may affect operations, evaluates the risk content and response strategies, and reduces the impact of various risks. (viii) Implementation of customer policy: The company conducts customer satisfaction surveys every year, with analysis and adjustments based on the survey results. (ix) Purchasing insurance for directors and supervisors and corporate social responsibility: The company purchased insurance for the newly elected directors (including independent directors).	
IX. Based on the Corporate Governance Evaluation System's latest result by the Corporate Governance Center of TWSE, explain the amendments or propose the priority measurements to the unimproved items. (unnecessary for the excluded companies)	✓		The Company strengthened its corporate governance measures during the current year, including the following: i. Protection of shareholders' rights and equitable treatment of shareholders: On December 31, 2025, the Board of Directors approved the Corporate Value	No Difference

Items	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
			Enhancement Plan, and the relevant information was disclosed on the Market Observation Post System (MOPS) under the “Corporate Value Enhancement Plan” section. i. Promotion of sustainable development: 1. Continued implementation of greenhouse gas inventories (including Scope 3) and external verification (assurance). 2. The Sustainability Report prepared by the Company was submitted to the Board of Directors for discussion and approval on August 5, 2025, and subsequently uploaded to the Market Observation Post System (MOPS). 3. Regular employee opinion surveys are conducted.	

3. Training of the Company’s Directors and Supervisors

Name	Title	Curriculum		Organizer	Subject	Hours
		Start Date	End Date			
Jen-Jeng Wang	Chairman	2025.05.06	2025.05.06	Securities and Futures Institute	Overview of Taiwan’s Overall Compensation Trends and Talent Sustainability	3
		2025.11.07	2025.11.07	Securities and Futures Institute	Insider Trading and Material Information (Including Corporate Integrity)	3
Jen-Chih Wang	Director	2025.05.06	2025.05.06	Securities and Futures Institute	Overview of Taiwan’s Overall Compensation Trends and Talent Sustainability	3
		2025.11.07	2025.11.07	Securities and Futures Institute	Insider Trading and Material Information (Including Corporate Integrity)	3

Name	Title	Curriculum		Organizer	Subject	Hours
		Start Date	End Date			
Chao-Bang Liao	Corporate Representative Director	2025.05.06	2025.05.06	Taiwan Investor Relations Institute	Overview of Taiwan's Overall Compensation Trends and Talent Sustainability	3
		2025.11.07	2025.11.07	Securities and Futures Institute	Insider Trading and Material Information (Including Corporate Integrity)	3
		2025.05.06	2025.05.06	Securities and Futures Institute	Overview of Taiwan's Overall Compensation Trends and Talent Sustainability	3
Li-Chun Dai	Corporate Representative Director	2025.11.07	2025.11.07	Securities and Futures Institute	Insider Trading and Material Information (Including Corporate Integrity)	3
		2025.05.06	2025.05.06	Securities and Futures Institute	Overview of Taiwan's Overall Compensation Trends and Talent Sustainability	3
Victor Wang	Independent director	2025.11.07	2025.11.07	Securities and Futures Institute	Insider Trading and Material Information (Including Corporate Integrity)	3
		2025.05.06	2025.05.06	Securities and Futures Institute	Overview of Taiwan's Overall Compensation Trends and Talent Sustainability	3
Yu-Kung Ding	Independent director	2025.11.07	2025.11.07	Securities and Futures Institute	Insider Trading and Material Information (Including Corporate Integrity)	3
		2025.05.06	2025.05.06	Securities and Futures Institute	Overview of Taiwan's Overall Compensation Trends and Talent Sustainability	3
Xin-Cheng Lin	Independent director	2025.11.07	2025.11.07	Securities and Futures Institute	Insider Trading and Material Information (Including Corporate Integrity)	3
		2025.05.06	2025.05.06	Securities and Futures Institute	Overview of Taiwan's Overall Compensation Trends and Talent Sustainability	3

4. If the Company has a Remuneration Committee in place, the composition, duties, and operation of the Remuneration Committee shall be disclosed:

i. Information on members of the Remuneration Committee

Identity	Name	Professional Qualification and Experiences			Status of Independence								Concurrent remuneration committee position in other publicly listed companies	Note
		Lecturer or above in public or private colleges and universities in business, legal affairs, finance, accounting or related subjects required for company business.	Judges, prosecutors, lawyers, accountants or other professional and technical personnel who have passed the national examinations required for company business and have received certificates.	work experience required in business, legal affairs, finance, accounting or corporate affairs.	Not an employee of the company or its affiliated enterprises.	Not a director or supervisor of the company or its affiliated enterprises, excluding those who are independent directors established by the company or its parent company or subsidiaries in accordance with this Act or local national laws.	Natural person shareholders who are not themselves, their spouses, minor children, or those who hold more than 1% of the total issued shares of the company in the name of others or who are among the top ten shareholders.	Spouses, relatives within the second degree of kinship, or direct blood relatives within the third degree of kinship who are not persons listed in the preceding three paragraphs.	Directors, supervisors or employees of legal person shareholders who do not directly hold more than 5% of the company's total issued shares, or directors, supervisors or employees of the top five legal person shareholders holding shares.	Directors, supervisors, managers or shareholders holding more than 5% of the shares of specific companies or institutions that do not have financial or business dealings with the company.	Not providing business, legal, financial, accounting and other services or consulting to the company or its affiliated enterprises as a professionals, sole proprietorships, partnerships, business owners, partners, directors, supervisors, managers or their spouses.	No any circumstance specified in Article 30 of the Company Law.		
Independent Director	Victor Wang		V	V	V	V	V	V	V	V	V	V	Three	
Independent director	Yu-Kung Ding			V	V	V	V	V	V	V	V	V	Two	
Independent director	Xin-Cheng Lin			V	V	V	V	V	V	V	V	V	None	

Note: Remuneration Committee members have complied with independence: Neither the Director, spouse, nor any of the relatives within two degrees are Directors, Supervisors, or employees of the Company or its affiliates; neither the Director, spouse, nor any of the relatives within two degrees (or nominees) hold the Company's shares; Not a Director, Supervisor or employee of the companies of specific relations with the Company (referring to Item 5~8 of Article 3, Clause 1 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); no compensation for business, legal, finance, or accounting services provided by the Company or its affiliates in the last two years.

ii. Operation Status of the Remuneration Committee:

There are 3 members in the Company's Remuneration Committee.

Current Term: From June 2023 to June 2026 (the same expiring date of the 12th term Board of Directors). The Remuneration Committee held 2 (A) meetings in the recent year up to the date of printing of the annual report. The qualifications and attendance of the Committee are shown as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Proportion of Attendance in Person (%) (B/A) (Note)	Remarks
Convener	Victor Wang	2	0	100%	Current Term
Member	Yu-Kung Ding	2	0	100%	Current Term
Member	Xin-cheng Lin	2	0	100%	Current Term
Other matters to be recorded:					
1. Suppose the board of directors declines to adopt or modifies a recommendation of the remuneration committee. In that case, it should specify the date of the meeting, session, the content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None. 2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, the content of the motion, all members' opinions and the response to members' opinion should be specified: None.					

iii. Information of Remuneration Committee meetings in recent year:

Remuneration Committee	Meeting Content	Audit Committee Results	Follow-up	The Company's handling of the Remuneration Committee members' opinion
5th Term 7th Meeting March 6, 2025	Reported Items: 1. Status of implementation of resolutions from the previous Remuneration Committee meeting. 2. Internal evaluation report of the Board performance for 2024.	Reported Items: Approved for record by attending committee members. Reported Items: Approved for record by attending committee members. Discussion Items: After the discussion and upon departure of non-committee attendees, the proposals were	The proposals were submitted to and approved by the 10th meeting of	Supplementary explanations were provided in accordance with the committee's opinions to ensure full understanding.

	Discussion Items: 1. Amendments to the Regulations Governing Performance Evaluation of the Board of Directors and Functional Committees. 2. Proposal to allocate NTD 30 million for directors' remuneration for 2024. 3. Proposal to allocate NTD 55 million for employee remuneration for 2024. 4. Proposal for adjustment of directors' remuneration. 5. Proposal for salary adjustment for Manager	approved as presented by the attending committee members and submitted to the Board of Directors for resolution in accordance with the law.	the 12th Board of Directors on March 6, 2025.	
5th Term 8th Meeting August 5, 2025	Reported Items: 1. Status of implementation of resolutions from the previous Remuneration Committee meeting. Discussion Items: 1. Amendments to the Organizational Charter of the Remuneration Committee. 2. Proposal regarding the retirement of a manager and reassignment as an advisor, and changes in managerial personnel.	Reported Items: Approved for record by attending committee members. Discussion Items: After the discussion and upon departure of non-committee attendees, the proposals were approved as presented by the attending committee members and submitted to the Board of Directors for resolution in accordance with the law.	The proposals were submitted to and approved by the 12th meeting of the 12th Board of Directors on August 5, 2025.	Supplementary explanations were provided in accordance with the committee's opinions to ensure full understanding.

5. The state of the company's performance of corporate social responsibilities, any departure of such implementation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such departure:

Items	Implementation Status			Deviations from “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Description	
I. Does the Company establish a governance structure to promote sustainable development and set up a specialized (concurrent) unit to promote sustainable development, which is authorized by the Board of Directors to be administered by senior management, and the status of the supervision by the Board of Directors?	✓		The promotion of the Company’s corporate sustainability (or corporate social responsibility) is undertaken with the General Manager as the highest ranking person-in-charge and the Chief Executive Officer as the commander-in-chief, who are responsible for explaining relevant policies to the Board of Directors in accordance with their powers and responsibilities. The promotion group is divided into business operations governance group, engineering works management group, technical development group, the public philanthropy group, and the top director of the relevant business divisions serve as the conveners of each group to plan and promote various sustainable development strategies and risk management policies. In 2025, the Company continued to formulate policies to promote greenhouse gas inventory in accordance with corporate governance 3.0-sustainable development blueprint and report to the board of directors on a quarterly basis for supervision and control.	No Difference
II. Does the company conduct risk assessments on environmental, social and corporate governance issues related to the company's business operations based on the concept of materiality and formulate relevant risk management policies or strategies?	✓		The Company prepares its Sustainability Report with reference to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the GRI Standards. The report primarily covers the parent company’s operations in Taiwan, while financial performance is presented based on the consolidated financial statements. Through questionnaires, the	No Difference

Items	Implementation Status			Deviations from “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Description	
			Company gathers opinions from stakeholders and internal management to conduct a materiality assessment and prioritize key issues. For the year 2025, the material topics identified include eight areas encompassing economic, environmental, social, and corporate governance aspects: operating performance; risk management and sustainable development; quality and customer satisfaction management and brand value; innovative technology development; supply chain management; employee health and safety; pollution prevention; and climate change. The Company also evaluates the related risks associated with these topics and formulates corresponding management strategies.	
III. Environment (i) Does the company establish proper environmental management systems based on the characteristics of their industries? (ii) Does the company endeavor to utilize all resources more efficiently and adopt renewable materials that have a low impact on the environment?	✓ ✓		i. In compliance with government laws and regulations, the Company fulfills its corporate responsibility for environmental protection. Our measures include utilizing low-noise certified construction equipment, installing on-site primary wastewater filtration and recycling systems, and deploying dust protection netting and water sprinkling systems. Furthermore, we strictly execute excavation plans that comply with regulatory standards to ensure that the Company's operations and environmental conservation efforts proceed in tandem. The Company acquired ISO 14001 Environmental Management Systems (Certification effective in 2026.2.7 – 2029.2.6, and the validation area covers the Dacin headquarter). ii. When procuring materials, the Company not only complies with relevant government regulations and owners’ contractual requirements and uses materials that have passed inspection and testing, but also responds to the government’s circular economy policies by establishing periodic sampling and	No Difference

Items	Implementation Status			Deviations from “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Description	
(iii) Does the company assess the current and future risks and opportunities of climate change and take corresponding measures?	✓		inspection mechanisms to control material usage quantities. On the premise of ensuring the structural safety and integrity of buildings, the Company endeavors to use renewable raw materials and recycled materials that can be reused as construction materials, thereby implementing feasible circular economy practices within its core business. The Nangang Depot Public Housing project obtained the international circular economy standard BS 8001:2017 certification in 2021. iii. The Company actively promotes green procurement and has set an annual target amount of NT\$5 million (with an aggressive target of NT\$50 million). The reported amount for 2025 reached NT\$50.4 million. In addition, the headquarters building has promoted paperless operations and the procurement of environmentally friendly recycled paper, with a target of increasing usage by 8% annually starting from 2018. The average proportion of environmentally friendly recycled paper procurement at the headquarters exceeded 90% in 2024 and 2025. iv. The company assessed the current and future potential risks and opportunities of climate change and disclosed them in the ESG report and the company website. The risks are mainly related to labor safety, quality and schedule execution caused by extreme weather such as high temperature, extreme heat and heavy rainfall caused by climate change. Responses measures including issuing precautions and submitting protection plans for each construction site according to weather warnings, implementing various safety measures and strengthening inspections after earthquakes above magnitude 4 and severe weather	
(iv) Does the company provide statistics on greenhouse gas emissions, water consumption, and the total weight of waste disposed of in the past two years, and	✓			

Items	Implementation Status			Deviations from “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons																																														
	Yes	No	Description																																															
formulate policies for energy conservation and carbon, greenhouse gas and water reduction, or other waste management?			(strong winds, heavy rain), etc., and continue to pay attention to and track this topic. This way, we will reduce the chance of risk occurrence or financial and non-financial impacts, enhance the company's goodwill, maintain sustainable operations, and further grasp business opportunities. 1.Greenhouse gas emissions statistics (in ton CO2e): <table><tr><td>Year</td><td>2025</td><td>2024</td><td>2023</td></tr><tr><td>Category</td><td>Headquarter+ Subsidiary</td><td>Headquarter+ Subsidiary</td><td>Headquarter+ Subsidiary</td></tr><tr><td>Cat. 1</td><td>In progress</td><td>532.2</td><td>477.1</td></tr><tr><td>Cat. 2</td><td>In progress</td><td>3,368.3</td><td>3,295.6</td></tr><tr><td>External assurance</td><td>Ongoing</td><td>Completed (Assured by : EY)</td><td>Completed (Assured by : EY)</td></tr></table> 2. Water consumption (Area: headquarter; in m3) <table><tr><td>Year</td><td>2025</td><td>2024</td><td>2023</td></tr><tr><td>M3</td><td>1,672</td><td>1,954</td><td>1,780</td></tr></table> 3.Waste statistics (area: all construction sites) <table><tr><td>Year</td><td>2025</td><td>2024</td><td>2023</td></tr><tr><td>In: ton</td><td>25,453</td><td>10,636</td><td>8,548</td></tr><tr><td>In : M3</td><td>6,789</td><td>10,520</td><td>12,938</td></tr></table> Note: Clearance contracts are weight-based pricing or volume-based pricing. 4.Greenhouse gas reduction plan : The first phase goal is mainly to save energy in the office area (ownership) of the headquarters building. Starting from the base year of 2018, the annual carbon emissions (converted into category 2 emissions based on input power) will be reduced by at least 3% every year in the next 5 years.-Complete(Settled in 2023) <table><tr><td>Year</td><td>2023(Target Year)</td><td>2018(Base Year)</td></tr><tr><td>Electricity consumption</td><td>216,800 (Excluding newly purchased floors)</td><td>256,840</td></tr></table>	Year	2025	2024	2023	Category	Headquarter+ Subsidiary	Headquarter+ Subsidiary	Headquarter+ Subsidiary	Cat. 1	In progress	532.2	477.1	Cat. 2	In progress	3,368.3	3,295.6	External assurance	Ongoing	Completed (Assured by : EY)	Completed (Assured by : EY)	Year	2025	2024	2023	M3	1,672	1,954	1,780	Year	2025	2024	2023	In: ton	25,453	10,636	8,548	In : M3	6,789	10,520	12,938	Year	2023(Target Year)	2018(Base Year)	Electricity consumption	216,800 (Excluding newly purchased floors)	256,840	
Year	2025	2024	2023																																															
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Items	Implementation Status			Deviations from “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Description	
health and safety for its employees on a regular basis?			performance, and therefore is committed to creating a safe and healthy working environment. Regular employee health examinations are conducted annually, and a variety of health seminars and health education information are provided to help employees better manage their own health conditions. Through continuous education, training, and awareness programs, the Company fosters employees’ emergency response capabilities and safety awareness, thereby reducing accidents caused by unsafe behaviors. The Company also continues to maintain the validity of its ISO 45001 certification (valid from January 12, 2026 to November 20, 2028, covering the entire Company).	
iv) Does the company provide its employees with career development and training sessions?	✓		In 2025, the number of occupational injury cases involving employees was three, with three injured employees, representing 0.45% of the Company’s total workforce of 666 employees as of the end of 2025 (including 105 foreign migrant workers employed on a fixed-term basis). The primary types of incidents were falling objects, slips and falls, and caught-in or entanglement injuries. In response, the Company has strengthened hazard identification, safety education and training, and inspection frequency related to these risks, and continues to enhance on-site safety management and preventive mechanisms.	
(v) Does the following relevant laws, regulations, and international guidelines protect consumer safety and health and customer privacy and when marketing or labeling their products and services?	✓		Number of fire incidents in 2025: None.	
			(iv) The company regularly organizes education and	

Items	Implementation Status			Deviations from “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Description	
(vi) Does the company formulate supplier management policies requiring suppliers to follow laws and regulations related to environmental protection, occupational safety and health, or labor rights, and its implementation?			training to improve employees' professional skills. (v) In addition to following relevant laws, regulations and international guidelines to protect consumer rights and interests, the company also appoints dedicated staff to quickly and fairly respond to customer complaints. It conducts customer satisfaction surveys and evaluations on an irregular basis. (vi) The company has formulated Regulations Governing Contractor Safety and Health Management at the Construction Site, which are regarded as part of the contract, covering the company's contractors, subcontractors and their employees in compliance with occupational safety, machinery and equipment safety, environmental sanitation, personnel management, and other related rules.	
V. Does the company prepare ESG reports and other non-financial reports with reference to the international reporting standards or guidelines? Has the report obtained assurance opinion from a third-party certification body?	✓		The Company has prepared the ESG report in accordance with GRI Standard.	No Difference
	✓		2024 ESG report compiled in 2025 obtained the third-party SGS assurance (GRI 2021 referred option +A1000 TYPE 1 medium assurance level).	No Difference No Difference
VI. If the Company has established the corporate social responsibility principles based on “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” please describe any discrepancy between the Principles and their implementation: The formulation of the company's Sustainable Development Best Practice Principles and related regulations are still in progress.				
VII. Other important information to facilitate a better understanding of the Company's sustainable development practices:				
1. Promoting Environmental Sustainability: In response to “The National Exercise of Clean Homeland” program launched by the Environmental Protection Administration of the Executive Yuan, the Group took specific initiatives to maintain a clean environment. Its outstanding performance has been awarded by the				

Items	Implementation Status			Deviations from “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Description	
Environmental Protection Administration of the Executive Yuan. The Group voluntarily prepared the Sustainability Report (CSR Report) according to the new GRI Standards since 2018, which reviews the non-financial, economic, social, and environmental performance. In 2021 to 2023, the Group’s ESG report won the TCSA’s (Taiwan Corporate Sustainability Awards) gold award. In 2021, the Group also obtained BS8001 - Circular Economy certification, and assisted customer to get the first of the world’s UL2799 (Zero Waste to Landfill) certified destruction project, implementing waste reduction, eliminating discards, attempting to create more value with less resources, and ensuring that the Earth’s limited resources are used in a recycled and sustainable manner. 2. Participation in social welfare and fulfillment of social responsibilities: The Company upholds the spirit of “take from the society, give back to society” in fulfilling its corporate social responsibilities, and participates in services and industry development that cover school scholarship of student basketball teams, and industry peers in construction engineering. The Company also established the Elder Care Trust Fund to subsidize senior citizens with low income, disability or require subsidies on long-term care and living expenses to achieve the purpose of caring for the disadvantaged. Since 2013, the Company has continued to donate more than NT\$2 million on urban-rural exchange activities in 13 primary schools in the remote areas of Nantou County to broaden the view of 1,800 students and motivate their learning interest. In February 2019, the Company actively invested in the Taiwan Hualien Earthquake Emergency Relief, with more than 1,302 construction workers, and 765 construction machines, mainly focusing on reconstructing public housing and Mennonite New Dawn Home, and renovation of 103 residential buildings. The Company will also continue to donate funds and supplies to the public, and from 2021 onward, hold the annual “Share to Reduce Carbon Campaign” to collect unused items from employees to share with public welfare and disadvantaged groups. In 2022, we helped with the recovery construction of the 918 Earthquake in eastern Taiwan along with TSMC Foundation, recovered houses of accumulated 96 units. In April 2024, started the recovery construction of 403 Hualien earthquake with TSMC Foundation. In 2025, the Company continued to implement the Hualien rural education support program. 3. Safety and health: With the top priority of safety at construction sites, the Group has continued to comply with the Taiwan Occupational Safety and Health Management Systems organized by the Taipei City Labor Inspection Office since 2002. For safety and health activities, we comply with relevant domestic safety and health regulations and comply with international standards and the safety and health management system, obtaining ISO45001 certification with SGS external audits on a regular basis to maintain the validity of the certificate.				

2. Climate-Related Information

項目	執行情形
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1. Explain the supervision and governance of climate-related risks and opportunities by the board of directors and management.	Dacin Construction, based on the "Corporate Governance 3.0 - Sustainable Development Blueprint," is committed to enhancing corporate governance performance to ensure long-term sustainable development. Since 2023, we have utilized the Task Force on Climate-related Financial Disclosures (TCFD) as the primary framework for identifying climate risks, identifying potential operational risks and opportunities. In terms of climate governance, the board of directors serves as the highest guiding body, and the ESG promotion team holds regular meetings to address and focus on climate change-related issues. They set short, medium, and long-term goals, establish and optimize climate strategies, and report the progress of climate projects to the board of directors quarterly, aiming to reduce the financial impact and shocks of climate change.
2. Explain how the identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	We have set short-term (estimated within 3 years), medium-term (estimated to occur within 3-7 years), and long-term (estimated to occur after 7 years) climate risk and opportunity identification. The major risks or opportunities identified are as follows: 1. Physical Risks: Intensification of extreme weather events (strong typhoons, floods, heavy rains, high temperatures) (short-term). 2. Transition Risks: Industry technological innovation (short-term), total quantity control and carbon rights and energy trading related (medium-term), renewable energy related (medium-term), stakeholders' focus on climate issues (medium-term). 3. Opportunity Events: Participation in renewable energy projects (short-term), participation in the carbon trading market (medium-term), promotion of low-carbon green production (medium-term), opportunities for technological innovation (medium-term).
3. Explain how extreme weather events and transition actions impact financials.	1. Financial Impact of Extreme Climate Events: (1) Overall construction costs increase due to emergency response (dispatch, communication, transportation). (2) Asset value impairment due to equipment damage. (3) Increased operational costs due to equipment repairs. 2. Financial Impact of Transition Actions: (1) Increased operational costs due to the installation of renewable energy equipment or the purchase of green electricity. (2) Increased research and development costs to meet market demand. (3) Higher costs of low-carbon construction methods and innovative technologies compared to traditional methods, affecting client willingness. (4) Increased operational expenses due to carbon tax (fees) payments or carbon rights purchases.

	(5) Increased costs for environmental monitoring frequency, carbon management personnel, and verification due to stakeholder concerns.
4. Explain how the identification, assessment, and management processes of climate risks can be integrated into the overall risk management system.	The Company follows the guidelines of the TCFD to identify relevant climate-related risks and opportunities. We have integrated the climate risk management processes into our existing risk management system, providing corresponding management strategies and setting targets.
5. If using scenario analysis to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and key financial impacts used should be described.	1. Physical Risk Assessment: Using RCP8.5, assuming that future greenhouse gas emissions will continue to grow without significant mitigation actions, representing a "high emission" scenario, leading to a global average temperature increase of approximately 4.3°C by the end of this century (around 2100). 2. Paris Agreement's 2°C Limit/1.5°C Target Scenario. 3. Carbon Pricing Scenario Simulation: Using different scenario analyses to estimate the potential levels of carbon pricing in Taiwan up to 2050, including five carbon price level scenarios: "Taiwan Environmental Protection Administration", "EU Emissions Trading System", "Green Peace", "NGFS 2050 Net Zero", and "NGFS Nationally Determined Contribution".

6. If there are transition plans to manage climate-related risks, describe the content of these plans, as well as the indicators and targets used to identify and manage physical and transition risks.	The summary of our company's key climate risk and opportunity issues and transition plans is as follows: 1. Planning for Renewable Energy Usage: Assessing the feasibility of introducing renewable energy equipment to increase the proportion of renewable energy usage. 2. Actively Developing Low-Carbon Construction Technology Services: Developed a patent for precast steel-reinforced concrete components in 2023. 3. Implementing Circular Economy Concepts: Completed the verification of the Nangang Depot public housing project under the BS8001:2017 circular economy standard in 2021. 4. Planning to Implement ISO 14064 Greenhouse Gas Inventory and ISO 50001 Energy Management System: Monitoring Dacin's emission hotspots and proposing reduction plans. 5. Setting Energy Conservation and Carbon Reduction Targets: Continuously implementing greenhouse gas reduction actions. The first phase target focuses on energy conservation in the office area of the headquarters building (private electricity; independent meters), aiming to reduce carbon emissions by at least 3% annually from 2018 to 2023 (calculated as Scope 2 emissions based on input electricity). By 2023, Scope 2 emissions were reduced by 21.8% compared to 2018, achieving the first phase target. 6. Participating in the CDP (Carbon Disclosure Project) in 2024 and 2025: Received a "B" management level rating for "Climate Change". By participating in this global initiative, we aim to increase transparency in climate risk management to enhance communication with stakeholders and continuously improve environmental performance. 7. Participating in the Construction of the "Carbon Exploration Center Building" at the NTU Zhubei Campus: Promoting the development of carbon capture, utilization, and geological storage technologies.
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be explained.	1. Financial impact of internal carbon pricing under carbon fee simulation: According to the carbon fee rate (NTD 300 per metric ton) announced by the Ministry of Environment in 2024 and the scope of applicable entities (power generation, gas supply, and manufacturing sectors emitting more than 25,000 metric tons annually), Dacin Group is currently not within the scope of collection. Based on verified Scope 1 and Scope 2 greenhouse gas emissions for 2024, it is estimated that if the Group becomes subject to carbon fees in the future, the annual carbon fee expenditure would range between NTD 500,000 and NTD 1.5 million. 2. Implementation of internal carbon pricing mechanisms (shadow price and incentive-based carbon fee): Considering that Scope 2 emissions account for over 85% of the company's combined Scope 1 and 2 emissions, current reduction efforts will focus on improving electricity use efficiency. Based on the 2024(Reference Year)emission factor for electricity (0.474 kg CO₂e/kWh), reducing 1 ton of carbon emissions equates to saving

	approximately 2,110 kWh of electricity. If the same reduction is achieved through green electricity substitution, the cost increase is about NTD 3,000 per ton. To enhance carbon reduction actions and internal engagement, the company plans to introduce a hybrid mechanism of shadow carbon pricing and incentive-based internal carbon fees. A reference carbon price of NTD 3,000 per ton will be set to encourage employees to propose data-supported energy-saving initiatives. Upon review and implementation, the accumulated carbon reduction over three years will be multiplied by the reference carbon price to determine the incentive amount granted.
8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress towards achieving these targets should be explained. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the source and quantity of the carbon offsets or the number of RECs should be	1. Greenhouse Gas Inventory: Progress is reported to the Board of Directors on a quarterly basis. The target is to complete the greenhouse gas inventory and assurance for all parent company locations by 2025, covering Scope 1 and Scope 2, as well as selected categories of Scope 3. 2. Emission Reduction Targets: Darwin Engineering has established its targets based on the vision of achieving net-zero emissions by 2050. The target set for 2030 primarily references the reduction rates specified by the Ministry of Environment under the “Designated Greenhouse Gas Reduction Targets for Carbon Fee Entities,” with a planned 42% reduction compared to the base year (general industry category). 3. Renewable Energy Certificate (REC) Initiatives: Starting in 2024, the Company formally announced its participation in the renewable energy certificate trading system, demonstrating its commitment to carbon reduction through renewable energy procurement. The Company took concrete action by purchasing its first renewable energy certificate generated by the Shi-An Ranch biogas power plant, and plans to double the purchase of renewable energy certificates annually until achieving the Scope 2 emission reduction target for the headquarters building by 2030. In 2025, the Company doubled its purchase of renewable energy certificates from the Shi-An Ranch biogas power plant (biomass power generation), purchasing 2,000 kWh. According to the SGS report provided, the average carbon emission per kWh of biogas power generation is 0.0004 kg CO₂e/kWh, compared to 0.474 kg CO₂e/kWh for Taiwan Power Company’s electricity generation (2024 emission factor), representing a reduction of 0.4736 kg CO₂e per kWh, for a total reduction of 947.2 kg CO₂e.
9. Greenhouse gas inventory and assurance status, along with reduction targets, strategies, and specific action plans (filled	Please find detailed explanation below.

in separately in sections 1-1 and 1-2).

3. The greenhouse gas inventory and verification situation of the company for the past two years.

(1)、Greenhouse Gas Inventory Information

State the greenhouse gas emissions (in metric tons of CO₂e), intensity (in metric tons of CO₂e per million), and data coverage for the past two years.

Greenhouse Gas Emissions t CO ₂ e)	2025		2024		2023	
	Scope: Parent Company + Subsidiaries		Scope: Parent Company + Subsidiaries		Scope: Parent Company + Subsidiaries	
	Total Emissions (t CO ₂ e)	Intensity (t CO ₂ e/Million)	Total Emissions (t CO ₂ e)	Intensity *(note 1) (t CO ₂ e/Million)	Total Emissions (t CO ₂ e)	Intensity (t CO ₂ e/Million)
Scope 1	In progress		532.2	0.0362	477.1	0.0325
Scope 2			3,368.3	0.2293	3,295.6	0.2243
Scope 3*(note2)			444.9	0.0303	212.8	0.0145
Total	In progress		4,345.4	0.2958	3,985.5	0.2713

Note 1: Greenhouse gas emission intensity is calculated based on consolidated revenue.

Note 2: Category 3 includes emissions from employee commuting and business travel for the headquarters building (including domestic subsidiaries).

Breakdown of Indirect Greenhouse Gas Emissions (Categories 3-6)	2025	2024	2023
	Operational Boundary: Parent Company + Subsidiaries	Operational Boundary: Parent Company + Subsidiaries	Operational Boundary: Parent Company + domestic
Greenhouse Gas Emissions (t CO ₂ e)			

			subsidiaries
Category 3: Indirect greenhouse gas emissions from transportation	In progress	444.9	212.8
3. 1Emissions from upstream transportation and distribution	Assessment in Progress	Assessment in Progress	Assessment in Progress
3. 2Emissions from downstream transportation and distribution	0 (Characteristics of the Construction Industry)	0 (Characteristics of the Construction Industry)	0 (Characteristics of the Construction Industry)
3. 3Emissions from employee commuting	In progress	148.9 (Parent Company + Subsidiaries)	63.0 (Parent Company + domestic subsidiaries)
3. 4Emissions from customer and visitor transportation	In progress	Assessment in Progress	Assessment in Progress
3. 5Emissions from business travel	In progress	296.0 (Parent Company + Subsidiaries)	149.8 (Parent Company + domestic subsidiaries)
Category 4: Indirect greenhouse gas emissions from products used by the organization	In progress	Assessment in Progress	Assessment in Progress
Category 5: Indirect greenhouse gas emissions from the use of the organization's products	In progress	Assessment in Progress	Assessment in Progress
Category 6: Indirect greenhouse gas emissions from other sources	0 (Materiality Assessment)	0 (Materiality Assessment)	0 (Materiality Assessment)

(2) Greenhouse Gas Verification Information

The assurance status for the last two years up to the date of the annual report printing, including the assurance scope, the assurance institution, the assurance standards, and the assurance opinion.					
	Data Year	2025	2024		2023
	Assurance institution	Ernst & Young Global Limited	Ernst & Young Global Limited		Ernst & Young Global Limited
	Assurance scope	In progress	Parent Company + Subsidiaries		Parent Company + Subsidiaries
			Scope 1 and Scope 2: Limited Assurance		Scope 1 and Scope 2: Limited Assurance
	Assurance standards		Assessed in accordance with Assurance Standard No. 3410, adopting the requirements of ISO 14064-1:2018 — Specification with Guidance at the Organizational Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.		
	Assurance opinion		No material misstatements were identified indicating that Scope 1 and Scope 2 were not prepared, in all material respects, in accordance with ISO 14064-1.		No material misstatements were identified indicating that Scope 1 and Scope 2 were not prepared, in all material respects, in accordance with ISO 14064-1.

(3) Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

The baseline year and its data for greenhouse gas reduction, reduction targets, strategies, specific action plans, and the achievement of reduction targets.
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1. The Company has set targets to achieve net-zero emissions by 2050.
2. The target for 2030 mainly refers to the reduction rate specified by the Ministry of Environment's "Carbon Fee Collection Target for Greenhouse Gas Reduction," planning to reduce emissions by 42% compared to the baseline year (general industry category).
3. The carbon reduction and net-zero planning for the headquarters building are as follows:
 - (i) Category 1: Reduce emissions by 39.88% from 2023 to 2030 (baseline year set as 2023) and achieve net-zero emissions for Category 1 from 2031 to 2040. Action plans include: switching to electric vehicles for official use, adopting environmentally friendly refrigerant equipment, etc.
 - (ii) Category 2:

Phase 1 target: Mainly focus on energy-saving measures in the office area (ownership) of the headquarters building. From 2018 (baseline year), reduce annual carbon emissions (Scope 2 emissions calculated based on input electricity) by at least 3% each year for the next five years. Achieved a 21.8% reduction in 2023 compared to the baseline year.

Phase 2 target: Reduce emission intensity calculated based on the usage area of the headquarters building by 42.5% in 2030 compared to 2018 (baseline year). Action plans include: adopting energy-saving lighting, first-class energy-efficient equipment, monitoring electricity usage through smart meters, etc.
 - (iii) Estimated absolute emissions for Category 1 and 2 in 2030 will be reduced by approximately 42.07% compared to the baseline year.
4. Each project site sets reduction targets based on product categories, with the following principles:
 - (i) Category 1 and 2 reduction targets are planned and calculated based on the owner's Category 3 reduction targets and the type of project, contributing to carbon reduction.
 - (ii) Category 3 reduction primarily focuses on reducing emissions from materials with high emission intensity (steel, cement) and continuously monitoring the achievement of suppliers' carbon reduction targets, estimated to reduce emissions by approximately 22-25% by 2030 compared to the baseline year.

6. The state of the company's performance of Ethical Corporate Management, any departure of such implementation from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies, and the reason for any such departure:

Items	Implementation Status			Deviations from “the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Description	
I. Establishment of ethical corporate management policies and programs				No Difference
(i) Does the company declare its ethical corporate management policies and procedures in its guidelines and external documents and the commitment from its board to implement the policies?	✓		(i) The company has formulated the "Ethical Corporate Management Best Practice Principles,” which is disclosed on the company's internal website, in order to regulate the behaviors and professional ethics of directors, supervisors, managers and employees.	
(ii) Does the company establish a risk assessment mechanism for unethical conduct, regularly analyze the business activities with high potential unethical conducts, and formulate policies to prevent unethical conduct, which at least covers the precautions stated in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	✓		(ii) In order for legal compliance of employee behaviors, rights, obligations and ethics, the Group has formulated relevant procedures and regulations, arranged pre-service training for new employees to advocate relevant rules and employee conduct standards, which are disclosed on the company's internal website.	
(iii) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, and the commitment to implement the policies?	✓		(iii) The Group has set up an effective accounting system and internal control system to ensure the implementation of business integrity management, with regular inspection by internal auditors on the effectiveness and compliance of the systems.	
II. Fulfill ethical corporate management				
(i) Does the company evaluate business partners’	✓		(i) The Group regularly evaluates cooperative suppliers. The subcontractors should submit	No Difference

Items	Implementation Status			Deviations from “the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Description	
ethical records and include ethics related clauses in business contracts? (ii) Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate integrity, reporting to the Board on ethical corporate management policies and prevention of unethical conduct on a regular basis (at least once a year), and supervising its implementation? (iii) Does the company establish policies to prevent	✓ ✓		relevant documents in compliance with relevant regulations before entering the site and appoint financial accounting staff to participate in professional training courses such as financial accounting, financial laws, professional ethics, and legal responsibility. (ii) The Company has established an “Integrity Management Promotion Task Force” jointly formed by the Finance Department and the Compliance and Management Office, with the Corporate Governance Officer serving as the convener. This task force is responsible for assisting the Board of Directors in formulating and overseeing the implementation of integrity management policies and preventive measures, and ensuring the effective enforcement of the Code of Integrity Management. During 2025, integrity management awareness programs were conducted for new employees, accounting and finance personnel, and directors, covering a total of 150 participant-hours. In addition, “Integrity Management Awareness Training Materials” were published on the Company’s internal website to reinforce management philosophy. The designated responsible unit reports the implementation status to the Board of	

Items	Implementation Status			Deviations from “the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Description	
conflicts of interest and provide appropriate communication channels, and implement them? (iv) Has the company established effective systems for both accounting and internal control to facilitate ethical corporate Management, which was audited by CPAs, or internal auditors that formulate relevant audit plans according to the risk assessment results of unethical behaviors, to check the legal compliance of policies to prevent unethical conduct? (v) Does the company regularly hold internal and external educational training on operational integrity?	✓ ✓		Directors once annually through the Corporate Governance Officer. The most recent report on integrity management was presented to the Board of Directors on December 31, 2025. (iii) The Group’s "Employees Reward and Punishment Regulations" clearly stipulates no concealment, improper gains, or fraudulent practices. The colleagues are encouraged to immediately report on fraud to avoid damage to the company's interests caused by unethical behavior. A dedicated unit is set up to be responsible for related affairs. (iv) The Group has set up an effective accounting system and internal control system to ensure business integrity management, with regular inspection by internal auditors on the effectiveness and compliance of the systems. (v) The Group regularly promotes advocacies on ethical corporate management.	
III. Operation of the integrity channel (i) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow up? (ii) Does the company establish standard operating procedures and follow up measures for confidential	✓ ✓		(i) The Group has set up the Ethical Corporate Management Best Practice Principles, with dedicated auditors to handle matters in accordance with relevant laws and regulations and the code of ethics. (ii) The Group has set up the Ethical Corporate Management Best Practice Principles to be	No Difference

Items	Implementation Status			Deviations from “the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Description	
reporting on investigating accusation cases? (iii) Does the company provide proper whistleblower protection?	✓		handled in accordance with relevant procedures, with a written declaration by dedicated staff for confidential reporting and whistleblower protection. (iii) The Group regularly advocates ethical concepts, encourages the reporting of illegal behaviors, and promises to ensure proper whistleblower protection.	
IV. Strengthening information disclosure (i) Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	✓		The Group has set up a website to disclose corporate culture, business policies, and ethical management information.	No Difference
V. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation: The company has formulated the "Ethical Corporate Management Best Practice Principles,” which is disclosed on the company's internal website, in order to regulate the behaviors and professional ethics of directors, supervisors, managers and employees. Discrepancy between the policies and their implementation: No difference.				
VI. Other important information to facilitate a better understanding of the company’s ethical corporate management policies (such as review and revision of regulations): 1. The Group will pragmatically implement the occupational safety policy of "Occupational Safety for All Employees; Zero Accidents on the Construction Site" and the quality policy of "On schedule with Good Quality to Achieve Customer Satisfaction" with professional leadership and sustainability, and maximize returns to shareholders. 2. The Group implements business integrity management in accordance with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, relevant rules and regulations for TWSE/TPEX Listed Companies or other laws and regulations with respect to the conduct of its business. 3. The Group has formulated the "Procedures for the Prevention of Insider Trading,” which clearly stipulates that no director, supervisor, managerial officer, or employee of the Group may inquire about or collect any non-public material inside information of the Group not related to their				

Items	Implementation Status			Deviations from “the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Description	
individual duties from a person with knowledge of such information, nor may they disclose to others any non-public material inside information of the Group of which they become aware for reasons other than the performance of their duties.				

7. Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed: None

8. Internal Control System Execution Status

1. Internal Control System Statement

Dacin Construction Co., Ltd.
Internal Control System Statement

Date: March 12, 2026

Based on the findings of a self-assessment, Dacin Construction Co., Ltd. states the following concerning its internal control system during the year 2025:

- I. The Company's board of directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system and have already established it. Its purposes are: i. to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets); ii. for the reliability, timeliness, transparency of the report; and iii. to comply with applicable rulings, laws and regulations.
- II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its three stated objectives above. Moreover, an internal control system's effectiveness may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of internal managerial control: 1. control environment, 2. risk assessment, 3. control activities, 4. information and communication, and 5. monitoring activities. Each component includes several items. Please refer to the Regulations for the aforementioned items.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
- V. Based on the findings of such evaluation, the Company believes that, on December 31, 2025, it maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
- VI. This Statement is an integral part of the Company's annual report for the year and prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This statement was passed by the board of directors in their meeting held on March 12, 2026 with none of the seven attending directors expressing dissenting opinions and the remainder all affirming the content of this Statement.

Dacin Construction Co., Ltd.

Chairman: Jen-Jeng Wang

Acting General Manager: Tien-Ho Hsieh

Note 1: For major deficiencies in the design and implementation of the internal control system of the public entity during the year, an explanatory paragraph should be added after Section 4 of the Internal Control System Statement, listing and explaining the major deficiencies in self-assessment, as well as the company's actions and status of improvement before the balance sheet date.

Note 2: The statement was prepared as of "the end of the fiscal year."

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

3. Organization and operations of the internal audit system:

The company has an Auditing Office established directly under the board of directors, with full-time auditors shall attend the board of directors meeting to present a report.

The audit scope of the Audit Office covers all operational activities, including engineering, business, and finance. Audits are conducted according to the characteristics of corporate transactions, divided into eight major cycles and computerized information management. The audit targets include all units of the company, and subsidiaries that meet legal requirements are also audited by agents from non-audit units of the parent company.

Auditing mainly involves routine audits according to the annual audit plan. In contrast, project audits are performed when required to immediately discover possible deficiencies in the internal control system and suggest improvements. After the Auditing Office completes the audit, the audit manager will report its implementation status and results to the Board to achieve corporate governance, as well as suggest improvements in the corporate management meeting for follow-up.

The Auditing Office also urges all divisions to perform self-audit. It has set up a self-monitoring mechanism for the company. The results are used as a reference for providing suggestions to the Chairman and General Manager on preparing the Internal Control Statement.

9. Major resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or the current fiscal year up to the date of publication of the annual report

Meeting Name	Date	Remarks
I. Board of Directors		
The 10th Board of Directors meeting of the 12th term	2025.03.06	1. Approved the Company's 2024 individual and consolidated financial statements and business report. 2. Approved the 'Urban Renewal Development Project for Gangzizui Section, Banqiao District, New Taipei City' and to sign the 'Joint Investment and Construction Agreement' with JSL Group, as well as the investment and construction project. 3. Approved the replacement of the Company's 2025 external auditors and independence and competency assessment of such external auditors, the auditing fees, and the pre-approval of non-assurance services. 4. Approved the Company's 2024 earnings distribution plan. 5. Approved to issue a "Negative Pledge" for the land and construction financing required for "Land No. 75, 76, Ruan Qiao Section, Beitou District, Taipei City". 6. Approved the construction financing for the company's "Urban Renewal

		Development Project at Gangzizui Section, Banqiao District, New Taipei City". 7. Approved the extension and renewal of the credit limit application with First Bank World Trade Center Branch for operational turnover needs. 8. Approved the "Assessment of the Effectiveness of the Internal Control System" and the "Internal Control System Statement" for 2024. 9. Approved to revise the "Articles of Incorporation", "Procedures for Acquisition or Disposal of Assets", "Director Election Methods", and "Performance Evaluation Methods for the Board of Directors and Functional Committees". 10. Approved to amend the company's 'Procedures for Acquisition or Disposal of Assets' and the internal control system 'CO-504 Engineering Cost Control Operations,' 'CP-503 Subcontractor Valuation Procedures,' and 'CR-506 Self-Assessment Operations for the Internal Control System'. 11. Approved to convene the company's 2025 annual general meeting of shareholders. 12. Approved to allocate and distribute NT\$30 million as directors' remuneration for 2024. 13. Resolution passed to allocate and distribute NT\$55 million as employees' remuneration for 2024. 14. Approved the adjustment of salary of directors. 15. Approved the adjustment of salary of managers.
The 11th Board of Directors meeting of the 12th term	2025.05.06	1. Approved the Company's 2025Q1 consolidated financial statements. 2. Approved the procurement of Directors and Officers (D&O) liability insurance for the Company for 2025. 3. Approved amendments to the Company's "Procedures for Suspension and Resumption of Trading," "Regulations Governing the Transfer of Treasury Shares to Employees," and internal control policies, including "CC-506 Procedures for Handling Material Non-Public Information," "CR-504 Financial Statement Preparation and Management Procedures," "CR-513 Procedures for Transfer of Treasury Shares to Employees," "CR-516 Procedures for Professional Accounting Judgments, Accounting Policies, and Changes in Estimates," "CS-503 Cash Receipt Operations," and the "00-000 Internal Control System Index." 4. Approved the renewal and extension of credit facilities with the following banks: (1) The Export-Import Bank of the Republic of China: Comprehensive facility for major domestic public construction projects totaling NTD 2.0 billion. (2) Taiwan Cooperative Bank (Neihu Branch): Comprehensive credit facility totaling NTD 200 million.

The 12th Board of Directors meeting of the 12th term	2025.08.05	1. Approved the Company's 2025Q2 consolidated financial statements. 2. Approved the capital increase of USD 19 million for Dacin Vietnam New Construction Co., Ltd. 3. Approved the purchase from Nan Shan Life Insurance Co., Ltd. of the Company's headquarters building units on the 10th and 11th floors, along with parking spaces. 4. Approved the Company's "2024 Sustainability Report." 5. Approved amendments to certain provisions of 17 internal control policies, including "CC-501 Computerized Information System Management Procedures." 6. Approved the renewal and extension of credit facilities with the following banks: (1) Land Bank of Taiwan (Chang'an Branch): Comprehensive facility of NTD 1.5 billion. (2) Bank of Taiwan (Da'an Branch): Comprehensive loan facility of NTD 700 million (including NTD 200 million for working capital and NTD 500 million for guarantee facilities). (3) First Commercial Bank (World Trade Center Branch): Receivables guarantee facility of NTD 334,857,000. 7. Approved amendments to the Company's "Organizational Rules of the Remuneration Committee." 8. Approved amendments to the Company's "Articles of Incorporation," the internal control policy "00-001 Articles of Incorporation," as well as proposals regarding the retirement of managerial personnel and reassignment to advisory roles, and changes in managerial positions.
The 13th Board of Directors meeting of the 12th term	2025.11.07	1. Approved the Company's 2025Q3 consolidated financial statements. 2. approved amendments to certain provisions of 14 internal control policies, including "CO-507 Construction Safety and Health Management Operations." 3. Approved the construction financing plan for the "Binhe Dijing" project in the Gangzizui Section, Banqiao District.
The 14th Board of Directors meeting of the 12th term	2025.12.31	1. Approved the Company's 2026 operating plan. 2. Approved the Company's 2026 audit plan. 3. Approved amendments to certain provisions of the internal control policy "CW-510 Salary Approval Procedures." 4. Approved the renewal and extension of credit facilities with the following banks: (1) Mega International Commercial Bank (Zhongxiao Branch): Comprehensive facility of NTD 420 million. (2) Taiwan Business Bank (Da'an Branch): Comprehensive facility of NTD 400 million. (3) Hua Nan Bank (Nan Songshan Branch): Comprehensive facility of NTD 250 million. (4) Far Eastern International Bank: Comprehensive facility of NTD 1.0

		billion. (5) Chang Hwa Bank (Jiangcui Branch): Working capital facility of NTD 200 million.
The 15th Board of Directors meeting of the 12th term	2026.01.28	1. Approved the financing plan for the purchase of the Company's headquarters building units on the 10th and 11th floors, along with parking spaces on the third basement level. 2. Approved the year-end bonuses for directors and managers for 2025, as well as bonuses for directors and supervisors of subsidiaries.
The 16th Board of Directors meeting of the 12th term	2026.03.12	1. Approved the Company's 2025 individual and consolidated financial statements and business report. 2. Approved the replacement of the Company's 2026 external auditors and independence and competency assessment of such external auditors, the auditing fees, and the pre-approval of non-assurance services. 3. Approved the Company's 2025 earnings distribution plan. 4. Approved the "Assessment of the Effectiveness of the Internal Control System for 2025" and the "Internal Control System Statement for 2025." 5. Approved the renewal and extension of credit facilities for operational working capital with the following banks: (1) Bank of Taiwan (Da'an Branch): Comprehensive loan facility of NTD 900 million. (2) First Commercial Bank (World Trade Center Branch): Comprehensive loan facility of NTD 200 million. (3) The Export-Import Bank of the Republic of China: Comprehensive facility for major domestic public construction projects totaling NTD 2.0 billion. 6. Resolved to convene the Company's 2026 Annual General Shareholders' Meeting. 7. Resolved to carry out a full re-election of the Company's 13th Board of Directors. 8. Resolved to lift the non-compete restrictions for the Company's newly appointed directors. 9. Approved the allocation of NTD 30 million for directors' remuneration for 2025. 10. Approved the allocation of NTD 55 million for employee remuneration for 2025.

Reviewing the implementation status for the resolutions of the Shareholders' Meeting.

Major Resolutions	Implementation Status
1. Approved of Company's 2024 earnings distribution plan.	The chairman resolved to set April 11, 2025 as the ex-dividend date, with cash dividends to be distributed on May 7, 2025.

10. Where, during the most recent fiscal year or during the current fiscal

year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion had been recorded or prepared as a written declaration, disclose the principal content thereof: None.

IV. Information on CPA Professional Fees**Unit: NT\$ thousands**

CPA Firm	Name of accountant	Period Covered by CPA's Audit	Audit fee	Non-audit fee	Total	Notes
Deloitte & Touche	Ming-Hsien Liu	2025.01.01-2025.12.31	5,450		5,450	
	Guan-Hao Lee	2025.01.01-2025.12.31				
Deloitte & Touche	Jui-Feng Chang	2025.01.01-2025.12.31	750		750	

1. When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: N/A.
2. When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in audit fees, reduction percentage, and reason(s) therefor shall be disclosed: N/A.

V. Information on replacement of CPA(certified public accountant): N/A

VI. Where the Company's Chairman, General Manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed: N/A.

VII. Any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent: Changes of directors, supervisors, managers or shareholders with a stake of more than 10 percent:

Title	Name	2025		Current year to April 11, 2026	
		Shareholding Increase/ Decrease	Pledged Shares Increase/ Decrease	Shareholding Increase/ Decrease	Pledged Shares Increase/ Decrease
Chairman	Jen-Jeng Wang	0	0	0	0
Vice Chairman	Jen-Chih Wang	36,000	0	0	0
Director	Pin Cin Investment Co., Ltd.	0	0	0	0
Directors	Pin Cin Investment Co., Ltd. Representative: Li-Chun Dai	0	0	0	0
Directors	Pin Cin Investment Co., Ltd. Representative: Chao-Bang Liao	0	0	0	0
Independent director	Victor Wang	0	0	0	0
Independent director	Yu-Kung Ding	0	0	0	0
Independent director	Xin-Cheng Lin	0	0	0	0
General Manager	Chao-Bang Liao(Note 1)	215,628	0	0	0
Acting General Manager	Tien-Ho Hsieh (Note 2)	1,000	0	0	0
Executive Vice President	Mark Pan(Note 3)	0	0	0	0
Senior Vice President,	Eric Chen	0	0	0	0
Vice President	Vickie Hsu	0	0	0	0
Vice President	Chang-Cheng Tsao	0	0	0	0
Special Assistant to the General Manager	Yu-Di Hsiao(Note 4)	0	0	0	0
Vice President	Shao-Hung Wang	0	0	0	0
Vice President	Fu-Ming Ye	0	0	0	0
Assistant Vice President	Kwok-Ho Tam	0	0	0	0

Assistant Vice President	Shi-Song Lin	0	0	0	0
Assistant Vice President	Ming-Bin Hsieh	(3,200)	0	0	0
Assistant Vice President	Linda Chen	0	0	0	0
Assistant Vice President	Jin-Zhong Lee	0	0	0	0
Assistant Vice President	Ting-Yuan Chen	0	0	0	0
Assistant Vice President	Tzu-Ye Bian	0	0	0	0
Assistant Vice President	Ren, An	0	0	0	0
Accounting Supervisor	Vickie Hsu	0	0	0	0
Finance Supervisor	Linda Chen	0	0	0	0
Major shareholder	Jen-Jeng Wang	0	0	0	0

Note 1: Retired on August 5, 2025.

Note 2: Promoted on August 5, 2025.

Note 3: Promoted on August 5, 2025.

Note 4: Transferred on August 5, 2025.

1. Information on equity transfer: Not applicable as the counterparties of equity transfer are not related parties.
2. Information on equity pledge: Not applicable as the counterparties of equity transfer are not related parties.

VIII. Relationship between Top 10 shareholders defined as related parties , spouse or a relative within second-degree of kinship

Unit: Shares; %; April 11, 2026

Name (Note 1)	Shareholding		Spouse & Minor Shareholding		Current Shareholding in the name of others		Relationships among the top ten shareholders, anyone who is a related party, spouse, or second-degree kinship with another (Note 3)		Notes
	Quantity	%	Quantity	%	Quantity	%	Name	Relation	
Jen-Jeng Wang	24,213,027	8.94%	0	0.00	0	0.00	Jen-Chih Wang Pin Cin Investment Co., Ltd.	The chairman is a relative within second degree of kinship	None
Good Finance Securities CO., LTD. Representative: Hank Huang	16,260,000	6.00%	N/A	N/A	0	0.00	None	None	None
Intelligent Innovation Co., Ltd. Representative: Fu-Yuan Ji	13,400,000	4.95%	N/A	N/A	0	0.00	None	None	None
Jen-Chih Wang	11,254,647	4.16%	0	0.00	0	0.00	Jen-Jeng Wang Dacin Development Co., Ltd.	The chairman is a relative within second degree of kinship	None
Dacin Development Co., Ltd. Representative : Jen-Chih Wang	10,902,228	4.03%	N/A	N/A	0	0.00	Jen-Chih Wang	The Company's Chairman	None
Pin Cin Investment Co., Ltd. Representative : Jen-Jeng Wang	7,627,070	2.82%	N/A	N/A	0	0.00	Jen-Jeng Wang	The Company's Chairman	None
Tsung Han Investment Co., Ltd.	6,600,000	2.44%	N/A	N/A	0	0.00	None	None	None

Representative: Kuan-Ho Wu									
Taipei Fubon Commercial Bank Co., Ltd. Representative : Ming-Shing Tsai	4,757,600	1.76%	N/A	N/A	0	0.00	None	None	None
TransGlobe Life Insurance Inc. Representative: Wen-Hui Lin	3,740,000	1.38%	N/A	N/A	0	0.00	None	None	None
Ju Cin Investment Co., Ltd. Representative: Sheng-Jhih Wang	3,620,017	1.34%	N/A	N/A	0	0.00	Jen-Chih Wang	The chairman is a relative within second degree of kinship	

Note 1: All top ten shareholders should be enumerated in full. In case of juristic (corporate) person shareholders, the names of all such juristic (corporate) person shareholders and their representatives should be enumerated respectively.

Note 2: The shareholding ratios should be calculated based on the own names, names of spouses, minor children respectively.

Note 3: On the aforementioned shareholders, including juristic (corporate) persons and natural persons (individuals), the relationship among them should be disclosed based on the rules for financial statements of the financial holding company.

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

Unit: Shares; %; April 11, 2026

Invested enterprise	Held by the Company		Held by Directors, Supervisors, Managers, and Directly/Indirectly Controlled Businesses		Total Investment	
	Number of shares (capital contribution) (Note 1)	Ratio of shareholding (contribution) Percentage	Number of shares (capital contribution) (Note 1)	Ratio of shareholding (contribution) Percentage	Number of shares (capital contribution) (Note 1)	Ratio of shareholding (contribution) Percentage
Dacin Development Co., Ltd.	130,300,000	100.00%	0	0.00%	130,300,000	100.00%
Dacin Asia Holdings Ltd.	29,921,777	100.00%	0	0.00%	29,921,777	100.00%
Dacin International Holdings Ltd.	0	0.00%	28,525,626.97	68.20%	28,525,626.97	68.20%
Dacin Holdings (Pte.) Ltd.	0	0.00%	49,504,008	95.00%	49,504,008	95.00%
DACIN VIETNAM TAN TAO COMPANY LIMITED	0	0.00%	40,061,852	96.25%	40,061,852	96.25%
Phuoc Dien Investment Company Limited	0	0.00%	9,006,104	100.00%	9,006,104	100.00%
Dacin Malaysia Sdn Bhd	0	0.00%	1,000,000	100.00%	1,000,000	100.00%
Mayang Dacin Development Sdn Bhd	0	0.00%	124,999	50%	124,999	50%

Note 1: Except for Dacin Asia Holdings Ltd. (USD-denominated), Dacin International Holdings Ltd. (USD-denominated), Dacin Holdings (Pte.) Ltd. (USD-denominated), DACIN VIETNAM TAN TAO COMPANY LIMITED (USD-denominated), Phuoc Dien Investment Company Ltd.(USD-denominated), Dacin Malaysia Sdn Bhd (MYR), and Mayang Dacin Development Sdn Bhd (MYR) are shown as a capital contribution, and others are the number of shares.

Chapter 3. Capital Overview

I. Capital and Shares:

1. Source of capital stock

i. The formation of capital

Unit: Thousand shares; NT\$ thousands

Year/ month	Par Value (NT\$)	Authorized capital		Paid-in capital		Remarks		
		Quantity	Amount	Quantity	Amount	Source of capital stock	Capital Increased by Assets Other Than Cash	Others
1966.11	—	—	300	—	300	Initial capital	None	-
1975.09	—	—	9,000	—	9,000	Issuance of common stock for cash	None	-
1985.10	—	—	30,000	—	30,000	Issuance of common stock for cash	None	-
1990.09	—	—	180,000	—	180,000	Issuance of common stock for cash	None	-
1992.08	—	—	400,000	—	400,000	Issuance of common stock for cash	None	-
1992.12	10	40,000	400,000	40,000	400,000	Converted to a Company Limited by Shares	None	-
1993.08	10	52,000	520,000	52,000	520,000	Capital increase of NT\$120,000,000 by earnings	None	-
1994.06	10	65,250	652,500	65,250	652,500	Capital increase of NT\$132,500,000 by earnings	None	-
1994.10	10	70,200	702,000	70,200	702,000	Capital increase of NT\$49,500,000 by cash	None	-
1995.06	10	84,240	842,400	84,240	842,400	Capital increase of NT\$140,400,000 by earnings	None	June 14, 1995 Approved with issue No. (84)-Tai-Finance-Securities- (i)-34335
1996.07	18	200,000	2,000,000	141,600	1,416,000	Capital increase of NT\$114,632,000 by earnings Capital increase of NT\$58,968,000 by capital surplus Capital increase of NT\$400,000,000 by cash	None	July 2, 1996 Approved with issue No. (85)-Tai-Finance-Securities- (i)-36410
1997.01	24	200,000	2,000,000	200,000	2,000,000	Capital increase of NT\$584,000,000 by cash	None	January 15, 1997 Approved with issue No. (86)-Tai-Finance-Securities- (i)-76569
1997.06	10	350,000	3,500,000	236,000	2,367,000	Capital increase of NT\$227,000,000 by earnings Capital increase of NT\$140,000,000 by capital surplus	None	May 30, 1997 Approved with issue No. (86)-Tai-Finance-Securities- (i)-43103
1998.07	10	350,000	3,500,000	273,415	2,734,153	Conversion to 5,103,000 shares from convertible corporate bonds Capital increase of NT\$125,350,000 by earnings Capital increase of NT\$236,700,000 by capital surplus	None	June 8, 1998 Approved with issue No. (87)-Tai-Finance-Securities- (i)-50003
1999.08	10	350,000	3,500,000	287,486	2,874,861	Capital increase of NT\$140,708,000 by earnings	None	June 29, 1999 Approved with issue No. (88)-Tai-Finance-Securities- (i)-59420
2001.02	10	350,000	3,500,000	270,515	2,705,151	Cancellation of treasury shares of NT\$169,710,000	None	October 26, 2000 Approved with issue No. (89)-Tai-Finance-Securities- (iii)-888127

2004.03	7.125	350,000	3,500,000	270,515	2,705,151	Treasury shares of 19,777,000 shares transferred to employees	None	February 23, 2004 Approved with issue No. Tai-Finance-Securities-(iii)-0930106193
2005.09	10	350,000	3,500,000	278,631	2,786,306	Capital increase of NT\$81,155,000 by capital surplus	None	Approved by FSC on August 2, 2005. (ref. FSC document No. 0940131379)
2006.09	10	350,000	3,500,000	292,562	2,925,621	Capital increase of NT\$139,315,000 by capital surplus	None	Approved by FSC on August 30, 2006. (ref. FSC document No. 0950138757)
2006.09	10	350,000	3,500,000	284,562	2,845,621	Cancellation of treasury shares of NT\$80,000,000	None	Approved by FSC on September 8, 2006. (ref. FSC document No. 0950143405)
2006.12	10	350,000	3,500,000	284,562	2,845,621	Treasury shares of 19,000,000 shares transferred to employees	None	Approved by FSC on December 8, 2006. (ref. FSC document No. 0950157458)
2008.11	10	350,000	3,500,000	276,562	2,765,621	Cancellation of treasury shares of NT\$80,000,000	None	Approved by FSC on November 20, 2008. (ref. FSC document No. 0970062901)
2011.12	11	350,000	3,500,000	266,562	2,665,621	Cancellation of treasury shares of NT\$100,000,000	None	Approved by FSC on September 27, 2011. (ref. FSC document No. 1000047447)
2013.03	-	350,000	3,500,000	219,623	2,196,229	Cancellation of treasury shares of NT\$469,392,000	None	- (Short-form merger)
2017.03	10	350,000	3,500,000	231,407	2,314,074	Share conversion of NT\$117,845,000 from convertible corporate bonds	None	Approved by FSC on April 25, 2017. (ref. Business letter No. 10601052630)
2017.12	10	350,000	3,500,000	231,772	2,317,724	Share conversion of NT\$3,650,000 from convertible corporate bonds	None	Approved by FSC on December 5, 2017. (ref. Business letter No. 10601160800)
2018.05	10	350,000	3,500,000	234,383	2,343,835	Share conversion of NT\$26,111,000 from convertible corporate bonds	None	Approved by FSC on May 30, 2018. (ref. Business letter No. 10701055160)
2018.08	10	350,000	3,500,000	257,899	2,578,987	Share conversion of NT\$235,152,000 from convertible corporate bonds	None	Approved by FSC on August 31, 2018. (ref. Business letter No. 10753248100)
2018.12	10	350,000	3,500,000	266,337	2,663,366	Share conversion of NT\$84,379,000 from convertible corporate bonds	None	Approved by FSC on December 4, 2018. (ref. Business letter No. 10701148830)
2019.05	10	350,000	3,500,000	273,385	2,733,848	Share conversion of NT\$70,482,000 from convertible corporate bonds	None	Approved by FSC on May 9, 2019. (ref. Business letter No. 10801047400)
2019.08	10	350,000	3,500,000	296,093	2,960,925	Share conversion of NT\$227,077,000 from convertible corporate bonds	None	Approved by FSC on August 28, 2019. (ref. Business letter No. 10801117050)
2019.11	10	350,000	3,500,000	300,563	3,005,626	Share conversion of NT\$44,701,000 from convertible corporate bonds	None	Approved by FSC on November 20, 2019. (ref. Business letter No. 10801168500)
2020.05	10	350,000	3,500,000	311,538	3,115,376	Share conversion of NT\$109,750,000 from convertible corporate bonds	None	Approved by FSC on April 27, 2020. (ref. Business letter No. 10901064670)
2020.06	10	350,000	3,500,000	319,461	3,194,615	Share conversion of NT\$79,239,000 from convertible	None	Approved by FSC on June 1, 2020.

						corporate bonds		(ref. Business letter No. 10901084760)
2020.09	10	350,000	3,500,000	321,186	3,211,856	Share conversion of NT\$17,241,000 from convertible corporate bonds	None	Approved by FSC on September 7, 2020. (ref. Business letter No. 10901160700)
2020.11	10	350,000	3,500,000	331,672	3,316,719	Share conversion of NT\$104,863,000 from convertible corporate bonds	None	Approved by FSC on November 25, 2020. (ref. Business letter No. 10901224510)
2021.03	10	350,000	3,500,000	333,971	3,339,707	Share conversion of NT\$22,988,000 from convertible corporate bonds	None	Approved by FSC on March 25, 2021. (ref. Business letter No. 11001046830)
2021.06	10	350,000	3,500,000	337,038	3,370,377	Share conversion of NT\$30,670,000 from convertible corporate bonds	None	Approved by FSC on June 15, 2021. (ref. Business letter No. 11001093200)
2021.08	10	350,000	3,500,000	337,361	3,373,609	Share conversion of NT\$3,232,000 from convertible corporate bonds	None	Approved by FSC on August 20, 2021. (ref. Business letter No. 11001151480)
2021.12	10	350,000	3,500,000	338,019	3,380,188	Share conversion of NT\$6,579,000 from convertible corporate bonds	None	Approved by FSC on December 6, 2021. (ref. Business letter No. 11001220840)
2022.02	10	350,000	3,500,000	338,493	3,384,925	Share conversion of NT\$4,737,000 from convertible corporate bonds	None	Approved by FSC on February 10, 2022. (ref. Business letter No. 11101014780)
2023.09	10	350,000	3,500,000	270,794	2,707,940	Cash capital reduction of NT\$ 676,985 thousand	None	Approved by FSC on September 1, 2023 (ref. Business letter No. 11230162630)

ii. Type of Stock

Unit: Shares; %; April 11, 2026

Type of Stock	Authorized capital			Notes
	Issued Shares (Note 1)	Un-issued Shares	Total	
Common Stock	270,793,967	79,206,033	350,000,000	

Note 1: 10,902,228 shares of the parent held by a subsidiary are treated as treasury shares.

iii. General information about the reporting system for public offering and issuance of securities: N/A.

2. Major Shareholders

April 11, 2026

Share Name of major shareholder	Number of shares held	Shares Ratio
Jen-Jeng Wang	24,213,027	8.94%
Good Finance Securities CO., LTD.	16,260,000	6.00%
Intelligent Innovation Co., Ltd.	13,400,000	4.95%
Jen-Chih Wang	11,254,647	4.16%
Dacin Development Co., Ltd.	10,902,228	4.03%

Pin Cin Investment Co., Ltd.	7,627,070	2.82%
Tsung Han Investment Co., Ltd.	6,600,000	2.44%
Taipei Fubon Commercial Bank Co., Ltd.	4,757,600	1.76%
TransGlobe Life Insurance Inc.	3,740,000	1.38%
Ju Cin Investment Co., Ltd.	3,620,017	1.34%

3. Company's dividend policy and implementation thereof

i. Dividend Policy:

Under the dividends policy as outlined in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders. Despite stable industry development at a mature stage, the company's dividend policy shall take into account factors such as the financial structure, earnings and long-term operational planning for corporate development and transformation, and the company's dividend shall be no less than 50% of net income. And the cash dividends shall be no less than 30% of total stock dividends. The company's dividend payout ratio from 2023 to 2025 was 80%, 72% and 71%, in accordance with the company's Articles of Incorporation, which was calculated as follows:

Year	Earnings Per Share (A)	Cash dividends (B)	Dividend payout ratio (B/A)	Cash dividend payout ratio
2023	NTD\$3.77	3.00	80%	100%
2024	NTD\$5.21	3.75	72%	100%
2025	NTD\$6.50	4.60	71%	100%

ii. Distribution of stock dividends at the Shareholders' Meeting:

iii. The Company's proposed earnings distribution for fiscal year 2025 is to appropriate NTD 1,245,652,248, with a cash dividend of NTD 4.6 per share, subject to resolution by the Board of Directors pursuant to authorization under the Company's Articles of Incorporation. The cash dividends are scheduled to be distributed on May 8, 2026.

4. Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting: Not applicable as there was no stock dividend distribution.

5. Compensation of employees and directors:

i. Ratio or scope of compensation for employees and directors, as set forth in the Company's Articles of Incorporation:

1-5% of profit for the current year (which refers to pre-tax profits

deducting the income before distribution of employee compensation and remuneration to directors) is distributable as employee compensation (with no less than 10% of the total employee compensation distributed to non-executive employees). No higher than 5% of profit for the current year is distributable as remuneration to directors. However, the company's accumulated losses (including adjustments to the amount of undistributed surplus) shall have been covered.

The company may have the profit distributable as employees' compensation in the form of shares or in cash. The employees' compensation may be distributed to employees of affiliated enterprises meeting certain criteria. The aforementioned remuneration for directors may only be made in the form of cash.

The aforementioned two items shall be determined by resolving the board of directors' meeting and being reported at a shareholders' meeting.

- ii. The estimated amount of compensation for employees and directors for the current period shall be calculated based on the number of employee shares of stock, considering any accounting discrepancy between the actual distributed amount of employee stock dividend and the estimated figure.

- (1) Basis of Estimation: The estimated amounts are based on historical experience and the expected payout amounts. Employee remuneration and directors' remuneration are estimated at NTD 55,000 thousand and NTD 30,000 thousand, respectively, calculated at 2.7% and 1.5% of pre-tax net income (after deducting employee and directors' remuneration).

- (2) The accounting treatment of any discrepancy between the actual distributed amount and estimated figure: For material discrepancy between the actual distributed amount and resolution of the Board will be accounted for as changes in accounting estimates.

- iii. Information on the amount of compensation for distribution as approved by the Board of Directors:

The amount of compensation for distribution approved by the Board of Directors on March 12, 2026: The amount of cash distributed to employees was NT\$55,000,000 (Within employee's remuneration, it is proposed to be allocated to non-executive employees, with the corresponding amount being NT\$13,695 million), and the compensation for directors was NT\$30,000,000.

- (1) Compensation for employees and directors distributed in the form of cash dividend, the discrepancy between the actual distributed amount and figure, as well as the reason and response: None.

- (2) The amount of any employee compensation distributed in stocks as a percentage of the sum of the current after-tax net income and total employee compensation: None.

- iv. The actual distribution of compensation for employees and directors in

the previous fiscal year (including the number of shares, monetary amount, stock price, shares distributed) and any discrepancy between the actual distributed amount and amount of compensation for employees and directors. The discrepancy, cause, and response should be stated:

- (1) For the previous fiscal year, the actual distribution of compensation for employees was NT\$55,000,000, and the compensation for directors NT\$30,000,000.
- (2) There was no discrepancy between the result of compensation distribution for employees and directors at the shareholders' meeting and the recognized compensation for employees and directors in the financial statements.

6. Share buy-back: None.

II. Issuance of Corporate Bonds:

1. The Company's issuing situations of the 1st Secured Corporate Bond for FY2021 are listed below:

Corporate bond type	2021 First Series Domestic Secured Bond
Date issued	August 18, 2021
Face value	NT\$1,000,000
Place of issuance and exchange	Taipei Exchange (TPEX)
Par Value	100% issuance by denomination
Total	Total face value of NT\$2,000,000,000.
Interest rate	0.6%
Period	5 years; maturity date: August 18 , 2026
Guarantor	FIRST COMMERCIAL BANK CO., LTD.
Trustee	Trust Business of Mega International Commercial Bank
Underwriting institution	First Securities Co., Ltd.
Certified attorney	Far East Law Offices Chiu, Ya-Wen, attorney-at-law
CPA	Accountants Chao, Yung-Hsiang and Chang, Ching-Fu of Deloitte Taiwan
Repayment method	The Bond has a term of five years, and the principle will be repaid at maturity.
Outstanding principal balance	NT\$2,000,000,000
Terms for redemption or early repayment	None
Restriction Clause	None
Name of credit rating organization, rating date, bond rating results	Taiwan Ratings Corp. twAA+ (September 22, 2025)
Possible dilution of equity and impact on equity of existing shareholders due to issuance and conversion, trading or subscription rules, or issuance terms	N/A
Name of the commissioned custodial institution for objects exchanged	N/A

Note: As of April 11, 2026

2. Convertible corporate bonds: None.
3. Exchangeable corporate bonds: None.
4. Issue of common corporate bonds by shelf registration: None.
5. Corporate bonds with warrants: None.

III. Issuance of Preferred Shares: None

1. Preferred shares: None.
2. Preferred shares with warrants: None.

IV. Issuance of Global Deposit Receipts (GDRs): None

V. Employee Stock Warrants: None

1. Employee Stock Warrants: None.
2. Names and subscription status of managerial officers who have obtained employee stock warrants and of employees who rank among the top ten in terms of the number of shares to which they have subscription rights through employee stock warrants acquired, cumulative to the prospectus publication date: None.

VI. Restricted Employee Shares: None

- (i) For all new restricted employee shares for which the vesting conditions have not yet been met for the full number of shares, the annual report shall disclose the status up to the date of publication of the annual report and the effect on shareholders' equity: None.
- (ii) Names and acquisition status of managerial officers who have acquired new restricted employee shares and employees who rank among the top ten in the number of new restricted employee shares acquired, cumulative to the date of publication of the annual report: None.

VII. Status of Issuance of New Share in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies:

- (i) During the most recent fiscal year or the current fiscal year up to the date of publication of the annual report, the company has completed any issuance of new shares in connection with a merger or acquisition or with the acquisition of shares of any other company: None

- (ii) Where the board of directors has, during the most recent fiscal year or the current fiscal year up to the date of publication of the annual report, adopted a resolution approving any issuance of shares in connection with a merger or acquisition or with the acquisition of shares of any other company: None.

VIII. The Implementation of Raising Capital:

- (i) The content and execution status of the Company's 2021 First Series Domestic Secured Bond as follows:

Unit: NTD thousand

Name of the Bond	Amount	Date issued	Capital usage	Scheduled Fund Utilization Progress	Actual Fund Utilization Progress
Dacin Construction 1st secured Corporate Bond for FY2021	2,000,000	2021.08.18	Amplify working capital	Q3 and Q4 of FY2021	Executed in Q4 2021 as scheduled

- (ii) Previous issuance of corporate bond which is unfinished or finished within 3 years and the effect of the plan did not show: None

Chapter 4. Operational Highlights

I. Business Activities

1. Scope of Business:

- i. The main businesses of the company and its controlled entities (hereinafter referred to as the “Group”) and the proportion of each business:

(1) Scope of Business of the Group:

Civil engineering construction on roads, bridges, harbors, and architecture coatings.

Waterproofed shotcrete foundation piles after grout injection and drilling.

Precast concrete construction projects

Ready-mixed concrete business

New County and City Construction and Investment

Renovation or maintenance within the renewal area

Design and construction of the constructions above

Contractor of materials, machinery (tools) of the constructions above

(2) Proportion of Each Business

Unit: NTD thousand

Year	Building Construction Division	Construction Engineering Division	Total
2025	2,883,262	19,189,137	22,072,399

The Group’s current business items are equivalent to the business plan.

(3) The constructions in progress:

Project name	Category	Location
Taipei Metropolitan Area MRT Wanda Line CQ870 Section Contract	Public Works	New Taipei City
Taichung International Convention and Exhibition Center New Construction Project	Public Works	Taichung City
Nangang Machinery Plant Site Public Housing New Construction Project	Public Works	Taipei City
Taichung Commercial Bank Office and Hotel New Construction Project	Commercial Office Building	Taichung City
TSMC Southern Taiwan Science Park Fab 18 P8 New Construction Project	Industrial Facility	Southern Taiwan Science Park

Chengxin Yaoyao Residential Tower New Construction Project	Residential Building	Taipei City
Fubon Property & Casualty Insurance Headquarters New Construction Project	Commercial Office Building	Taipei City
Nan Shan Life A26 Superficies Project New Construction Project	Commercial Office Building	Taipei City
TSMC Hsinchu Science Park Fab 20 Office New Construction Project	Industrial Facility	Hsinchu Science Park
TSMC Hsinchu Science Park Fab 20 P2 New Construction Project	Industrial Facility	Hsinchu Science Park
TSMC Kaohsiung Fab 22 P2 New Construction Project	Industrial Facility	Kaohsiung City
TSMC Southern Taiwan Science Park AP8 Renovation Project	Industrial Facility	Southern Taiwan Science Park
TSMC Hsinchu Science Park Fab 20 P4 Preliminary Retaining Structure Project	Industrial Facility	Hsinchu Science Park
TSMC Kaohsiung Fab 22 P3 New Construction Project	Industrial Facility	Kaohsiung City
TSMC Hsinchu Science Park Fab 20 P3 Piling Project	Industrial Facility	Hsinchu Science Park
Zhongshan Riz Project New Construction	Residential Building	Taipei City
TSMC Hsinchu Science Park Fab 20 P3 New Construction Project	Industrial Facility	Hsinchu Science Park
TSMC Hsinchu Science Park Fab 20 P4 Piling Project	Industrial Facility	Hsinchu Science Park
TSMC Hsinchu Science Park Fab 20 P4 New Construction Project	Industrial Facility	Hsinchu Science Park
Binhe Dijing Residential Project New Construction	Residential Building	New Taipei City
TSMC Kaohsiung Fab 22 P4 New Construction Project	Industrial Facility	Kaohsiung City
TSMC Kaohsiung Fab 22 P5 New Construction Project	Industrial Facility	Kaohsiung City
TSMC Kaohsiung Fab 25 P1 New	Industrial	Central Taiwan

Construction Project	Facility	Science Park
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2. Industry Overview:

Since 2025, global geopolitical tensions have intensified, unilateralism and inward-looking industrial policies have re-emerged, global trade barriers have become more pronounced, and uncertainty surrounding economic and trade policies has risen sharply. These developments have negatively affected business and consumer confidence, suppressing trade and investment. Economies worldwide have experienced weakening growth momentum, prompting major institutions to repeatedly revise down their economic growth forecasts. Ahead of anticipated tariff hikes, many countries adopted front-loaded purchasing strategies, temporarily driving a sharp rebound in global trade. However, the WTO forecasts a significant slowdown in global trade, with rising trade costs exacerbating inflation and further restraining global economic growth. Consumer confidence in most economies remains below long-term averages, largely due to the sharp increase in policy uncertainty since December 2024. U.S. consumer confidence has dropped markedly, retail sales growth in the United States and the euro area has slowed, while retail sales growth in mainland China has shown some improvement.

Looking ahead to 2026, the global economy will continue to face numerous challenges. Among the most critical are U.S. trade policy, China's industrial restructuring, the future trajectory of artificial intelligence, geopolitical conflicts, and climate change. These factors will not only affect Taiwan's export performance, but will also influence domestic demand and consumption through financial markets and import prices, making early assessment and close monitoring essential.

With respect to U.S. trade policy, President Trump announced multiple tariff measures in 2025, including both reciprocal tariffs and Section 232 tariffs, all of which affected U.S. trading partners. Benefiting from strong global demand for artificial-intelligence-related products, Taiwan's trade surplus with the United States increased rather than declined in 2025. This development may prompt the United States to initiate new trade measures toward Taiwan, such as requiring Taiwanese firms to expand investment in the U.S., increase purchases of U.S. goods or U.S. Treasury securities, or allow currency appreciation. As the United States has become Taiwan's largest export market, any change in U.S. trade policy toward Taiwan will

have a direct impact on Taiwan's export performance and, in turn, related investment indicators.

Second, exports of low-priced goods from China have expanded significantly in recent years. This trend is driven, on the one hand, by the cooling of China's real estate market, leaving excess capacity in sectors such as steel and construction machinery, and on the other hand by oversupply in industries such as solar photovoltaics, electric vehicles, and wind power equipment—many of which have benefited from local government subsidies. Due to insufficient domestic demand, Chinese firms have aggressively exported these products at low prices. This has not only triggered trade countermeasures by many countries, but has also adversely affected Taiwan's steel, petrochemical, and cement industries. However, starting in mid-2025, the Chinese government announced a series of production-cut measures, which have influenced global raw material and steel markets, helping international prices stabilize after earlier declines. If China continues to regulate other overcapacity industries, this would benefit both domestic sales and exports of Taiwan's non-ICT industries.

Artificial-intelligence-related products have become a major pillar of Taiwan's exports since 2024, and in 2025 they effectively drove investment growth, emerging as a key engine of Taiwan's economy. However, according to a report by the Massachusetts Institute of Technology, while AI investment has been expanding by hundreds of billions or even trillions of U.S. dollars annually, only about 5% of enterprises currently use generative AI to generate benefits on the order of millions of dollars. The primary beneficiaries are media and technology companies, while traditional manufacturing, service, and financial industries have yet to see meaningful gains. Historically, major technological innovations over the past four decades—such as personal computers, the internet, and mobile devices—have typically required around ten years to achieve widespread commercial adoption. Although current AI investment is substantial, the realized benefits remain disproportionately low. Should U.S. technology companies scale back AI investment due to cost-effectiveness considerations, Taiwan's technology exports could face downside risks.

Finally, geopolitical risks and climate change continue to be major sources of uncertainty for the global economy. The Russia–Ukraine war remains unresolved, while tensions in the Middle East have intensified sharply due to escalating U.S.–Iran confrontations, leading to frequent volatility in

energy and raw material markets. Global supply chain stability has been disrupted, keeping inflationary pressures elevated. Although some countries have actively diversified production bases and strengthened energy self-sufficiency and strategic reserves to mitigate these shocks, overall supply chain risks remain difficult to eliminate entirely. At the same time, the impacts of climate change are becoming more pronounced. This summer, many regions around the world have experienced extreme weather events—including heatwaves, droughts, and torrential rainfall—disrupting food and energy supplies and increasing uncertainty surrounding inflation and economic growth. The increasing frequency of extreme weather has also raised infrastructure maintenance and insurance costs, posing long-term structural challenges. Overall, the interaction between geopolitical tensions and climate risks warrants close attention and proactive preparedness..

i. Industry status and development

(1) Construction

Type and number of companies Year	Total	Class A builder	Class B builder	Class C builder	Special ized Constr uction	Civil Engine ering Constr uction
2021	19,266	3,051	1,228	7,303	561	7,123
2022	19,509	3,122	1,231	7,433	564	7,159
2023	19,798	3,231	1,246	7,587	595	7,139
2024	20,021	3,343	1,246	7,731	611	7,090
2025	20,345	3,442	1,259	7,878	634	7,132

Source: National Land Management Agency, Ministry of Interior

According to statistics from the National Land Management Agency of the Ministry of the Interior, there were 20,345 domestic construction firms in 2025, including 3,442 Class A, 1,259 Class B, 7,878 Class C, 634 specialized contractors, and 7,132 civil engineering contractors. This represents an increase of 324 firms compared with the 20,021 firms at the end of 2024. The largest increase was among Class C contractors, which grew by 147 firms, followed by Class A contractors with an increase of 99 firms.

The total registered capital of the construction industry amounted to NTD 897.502 billion, an increase of NTD 22.016 billion from NTD 875.486 billion at the end of 2024. Among the various categories, specialized construction firms recorded the largest increase, with capital rising by NTD 11.193 billion, followed by Class A construction firms, which increased by NTD 10.338 billion. In contrast, Class C construction firms

saw a decline in capital of NTD 0.213 billion, bucking the overall trend.

Year	Issuance of building permit		Issuance of usage license	
	Number of cases	Area (m2)	Number of cases	Area (m2)
2021	26,089	43,425,428	22,486	28,022,718
2022	23,257	45,827,240	21,146	28,713,736
2023	18,542	37,443,730	19,778	31,453,528
2024	19,523	39,943,097	19,251	33,890,991
2025	17,919	32,974,741	17,875	34,352,558

Source: National Land Management Agency, Ministry of Interior

In 2025, a total of 17,919 building permits were issued, with a total gross floor area of 32,974,741 square meters. Compared with 2024, when 19,523 building permits were issued with a total gross floor area of 39,943,097 square meters, this represents a decrease of 1,604 permits and a reduction of 6,968,356 square meters in floor area, equivalent to a decline of approximately 17.45%. The total gross floor area for occupancy permits issued in 2025 reached 34,352,558 square meters, an increase of 461,567 square meters, or approximately 1.36%, compared with 2024, when the total gross floor area was 33,890,991 square meters. In comparison with conditions in 2023 and 2022, the growth rate of issued building-permit floor area shifted from an increase of 6.65% in 2024 to a decrease of 17.45% in 2025, representing a sharp downturn of 24.1 percentage points. Likewise, the growth rate of occupancy-permit floor area declined from a 7.76% increase in 2024 to 1.36% in 2025, a drop of 6.4 percentage points.

According to the latest economic climate survey released by the Taiwan Institute of Economic Research, the construction industry's business conditions have trended downward since the beginning of 2025. After falling below the 100-point threshold in March, the index remained in the "pessimistic outlook" range for seven consecutive months. However, by September, clear divergence emerged among domestic construction-related industries. Conditions in the construction sector improved, with the business climate index rising to 97.35 points, an increase of 0.80 points from August. In contrast, the real estate market continued to face pressure, with transaction volumes contracting and prices entering a consolidation phase.

Survey results indicate that the rebound in construction industry sentiment was driven primarily by two factors. First, construction

projects previously delayed due to rising material costs and labor shortages have recently entered the inspection and handover stages, helping to revive project progress and sales. Second, government public construction projects have been proceeding smoothly. As of the end of July 2025, the budget execution rate had reached nearly 46%, and was projected to rise to 62% by September, marking the highest level for the same period in nearly 18 years. Since year-end typically marks the accelerated execution phase for public works, government agencies are striving to achieve a 95% budget execution rate, urging project contractors to step up construction activity. Coupled with ongoing progress in semiconductor facility projects, overall sentiment in the construction industry toward the end of 2025 has improved. Looking ahead, although the government continues to promote large-scale transportation and infrastructure development, the formal implementation of the new regulations governing the transportation and disposal of surplus construction soil and rock has begun to expose several issues, including insufficient legally approved disposal sites, a shortage of compliant aggregate trucks, and uneven enforcement intensity between central and local governments. These factors are expected to gradually affect the progress of certain public and private construction projects, leading the construction industry's outlook for 2026 to shift toward a more neutral stance.

Turning to the real estate sector, the month-on-month growth rate of building ownership transfers in the six major municipalities in December 2025 reached 25.0%. This increase was driven by a large number of newly completed housing projects, accelerated transfers before year-end, and rolling adjustments to housing market regulations introduced by the government in September, which slightly boosted home-buying momentum among first-time buyers and those upgrading homes. Nevertheless, the year-on-year decline rate for December stood at 7.2%, indicating that overall transaction volume remained subdued. Looking forward, following the central bank's decision to return mortgage lending controls to banks' autonomous management, tightening in housing credit conditions may show signs of easing. However, the continuation of the seventh round of selective credit controls, along with uncertainties surrounding future policy direction, changes in developers' unsold housing inventory, and improvements to surplus construction soil disposal policies, will continue to influence housing market conditions in

2026. In the near term, the property market is expected to remain in an adjustment phase.

A. Public construction

a. Industry status and development

At a meeting on August 21, 2025, the Executive Yuan approved the central government's total budget proposal, including affiliated agency budgets and consolidated tables, for 2026, and submitted it to the Legislative Yuan for review before the end of August.

The total budget for major public construction projects in 2026 is NTD 288.3 billion, an increase of NTD 37.4 billion (approximately 14.9%) compared to 2025. Including enterprise and non-enterprise special funds totaling NTD 382.1 billion, the overall scale reaches NTD 670.4 billion, an increase of NTD 93 billion (approximately 16.1%) compared to the same basis in 2025.

b. Product development trends and co-opetition

- Design-build (turnkey) contracts and most advantageous tendering have become the primary procurement models for major public infrastructure projects. Cross-industry alliances have become essential for securing such projects. Large construction firms, with extensive experience in major projects and strong capabilities in planning, integration, and construction management, hold a relative advantage. In addition to focusing on core contracting activities, firms must also strengthen capabilities in planning, integrated development, finance, operations, and investment.
- Among the various categories of public construction in 2026, transportation infrastructure remains the largest segment, with a budget allocation of NTD 131.08 billion (about 45.46% of the total budget of NTD 288.3 billion). The Company continues to monitor the bidding and development of major projects, including the Taipei Post Office urban renewal project, the National Children's Future Museum, the Huashan Judicial Park, the Xinwei Post Office urban renewal project, turnkey social housing projects, other government-led urban

renewal projects, and new plant construction and upgrades in the Hsinchu Science Park. Major transportation projects include the Taipei MRT Circular Line East Section, Taoyuan MRT Green and Brown Lines, Taichung MRT Blue Line, Kaohsiung MRT Yellow Line Phase II, and the Keelung MRT.

B. Plant

a. Industry status and development

According to the Taiwan Semiconductor Industry Association (TSIA), Taiwan's semiconductor industry output is projected to grow by 19.2% in 2025, reaching approximately NTD 6.33 trillion, driven primarily by sustained demand for artificial intelligence (AI) technologies and a recovering market. Demand for AI and high-performance computing (HPC) chips is expected to be the main driver of industry recovery, with strong demand for advanced process technologies such as 3nm and 5nm highlighting the importance of technological leadership.

Despite the optimistic outlook, industry players remain cautious in 2025 due to uncertainties such as Middle East tensions, U.S. tariff policies, and exchange rate fluctuations of the New Taiwan dollar.

According to KPMG surveys, talent recruitment challenges and supply chain vulnerabilities will remain key issues for the semiconductor industry over the next three years. Companies are focusing on enhancing supply chain resilience and diversification. While consumer electronics demand may temporarily slow, demand in sectors such as industrial control and automotive semiconductors continues to grow, reflecting diversified market needs.

Overall, Taiwan's semiconductor industry is expected to continue growing in 2026, driven by AI demand, although geopolitical and economic uncertainties remain key risks.

TSMC, the leader in semiconductor foundry, stated during its April 2026 institutional investors' conference that driven by long-term trends in 5G, AI, and HPC, it continues to pursue greater growth opportunities and support customer development. Capital expenditure for 2026 is expected to approach the high-end target of US\$56 billion.

TSMC CFO Wendell Huang pointed out that the company's capital expenditure has always been closely linked to future growth

opportunities. With TSMC maintaining its technological leadership, the 2026 capital expenditure is expected to reach the upper end of the guidance to capture the 5G, AI, and HPC development trends over the coming years and support customer growth. He also reaffirmed that TSMC's capital expenditure for the next three years will be significantly higher than that of the previous three years.

b. Product Development Trends and Competition

TSMC Vice President of Operations Y.L. Wang pointed out at the TSMC Taiwan Technology Symposium that from 2017 to 2020, TSMC built an average of three new plants per year, a figure that increased to five per year from 2021 to 2024. In 2025, TSMC plans to increase the number of new plants to nine to support the company's robust growth and customer demand; of these, eight will be wafer fabrication plants and one will be an advanced packaging plant. Furthermore, according to Dr. Y.P. Chin, TSMC Senior Vice President and Co-COO, at the 2026 North America Technology Symposium, in response to strong demand from Artificial Intelligence (AI) and other sectors, five 2nm plants will begin mass production simultaneously in 2026—two in Hsinchu and three in Kaohsiung.

As a long-term partner in TSMC's plant construction, the Company continues to track and coordinate with the progress of subsequent construction projects (including the CPC Kaohsiung Refinery site, Central Taiwan Science Park Phase II, and Southern Taiwan Science Park) while actively seeking contracts for other large-scale new plant construction projects.

C. Office buildings

a. Industry status and development

The combined effects of Taiwanese businesses returning to invest domestically, corporate replacement and upgrading of outdated facilities, AI-driven expansion in enterprise demand, and the active expansion of logistics networks by e-commerce companies across northern, central, and southern Taiwan have created strong momentum. Over the past two years, at least 12 domestic developers have launched commercial office and office-industrial projects, each with total sales exceeding NTD 10 billion, driving total market scale beyond NTD 500 billion and reaching a historical high.

Chen Yi-Sheng, General Manager of Grand Asset International Co.,

Ltd., noted that transaction volumes in commercial real estate have been steadily increasing in recent years, mainly due to three factors. First, the return of Taiwanese businesses and continued expansion driven by corporate profitability have boosted demand. Second, the rapid growth of e-commerce and online consumption has led logistics and distribution companies to continually expand their operational footprints. Third, demand for warehouse space—ranging from several hundred to tens of thousands of ping—remains strong and ongoing.

Chen Chiu-Wei, Vice President of the Development Business Division at Highwealth Construction Corp. (TSE : 2542), indicated that the AI industry has significantly stimulated corporate demand for office space, which has, in turn, prompted the group to further expand its commercial real estate developments. For example, the “National No. 1 Plaza” project, located in the Xinzhuang sub-center with a total projected sales value of NTD 30 billion, is scheduled to officially launch in December 2025. Following engagement with more than 100 potential clients, it was found that up to 50% are from the technology and electronics sectors, primarily downstream AI industry participants.

Highwealth Group currently has office building developments across northern, central, and southern Taiwan, with total project value exceeding NTD 100 billion. Meanwhile, Dingyue Development Co., Ltd., a subsidiary of China Petrochemical Development Corporation, has a single project in Taipei City—“Jinghua Plaza”—with total sales exceeding NTD 100 billion. In addition, Ruentex Development Co., Ltd. has approximately NTD 90 billion in projects, Jong Yue Development Co., Ltd. has around NTD 80 billion, and both Huaku Development Co., Ltd. and Chang Hong Construction Co., Ltd. each have commercial office projects valued at no less than NTD 50 billion available for sale.

b. Product Development Trends and Competition

In recent years, market demand for commercial office buildings, industrial plants, and mixed-use office-industrial properties has remained strong. Supported by sustained industrial demand and the continued expansion of e-commerce logistics networks throughout Taiwan, these combined drivers are expected to support continued transaction momentum into 2026.

The Company continues to monitor the development and tendering status of large-scale commercial real estate projects, including office park developments, office upgrades, corporate

headquarters consolidation, and redevelopment of existing office properties. Key projects under observation include the Fubon Xinyi District D1 and D2 development projects, the Fubon Asia Pacific Department Store urban renewal project, the Taiwan Cement Keelung Road and Civic Boulevard urban renewal project, the Kaohsiung Asia New Bay Area Special Trade Zone urban renewal project, as well as the Kaohsiung MRT Yellow Line and Orange Line joint development projects. It is also tracking urban renewal and superficies development projects initiated by traditional industries and life insurance companies.

These projects are all substantial in scale and represent key targets for future project acquisition. Looking ahead, large-scale commercial office and industrial facility projects in the private sector will continue to be the Company's primary focus for business development.

D. Residential housing

a. Industry status and development

During the fall sales season of 2025 (928 campaign period), new housing project launches across Taiwan declined sharply. The total sales value in the six major municipalities and Hsinchu reached approximately NTD 710.65 billion, a decrease of NTD 267 billion compared to the previous year, marking the largest decline on record. Market activity weakened across most regions, with only New Taipei and Taoyuan showing growth. Developers have faced a dilemma between advancing projects and delaying launches, resulting in a wait-and-see atmosphere in the housing market. According to market survey statistics, during the September 28 sales season in 2025, the combined number of projects launched in the six special municipalities and Hsinchu totaled 312 cases, with a total sales value of approximately NTD 710.65 billion. This represents a significant decline compared with 401 cases and NTD 977.65 billion during the same period in 2024, with year-on-year decreases of 22.2% in volume and 27.3% in value. Among these, Taipei City declined from 58 projects with NTD 252.97 billion in total sales to 43 projects with NTD 114.6 billion, representing a

54.7% year-on-year drop in total sales. Hsinchu City and County saw an even sharper decrease, falling from 53 projects and NTD 56.42 billion to 37 projects and NTD 18.71 billion, a 65.7% year-on-year decline, making it the region with the steepest contraction.

Central bank data for September 2024 shows that outstanding residential mortgage loans reached a record NTD 11.4492 trillion, although the annual growth rate declined for 12 consecutive months to 5.43%, the lowest in 22 months. This was due to reduced transaction volumes and stricter bank lending controls. Outstanding construction loans fell to NTD 3.4311 trillion, with a negative growth rate of -0.37%, the lowest level since November 2016, indicating increasing caution among developers regarding financing and land acquisition.

According to statistics for the first three quarters of 2025, the total number of property ownership transfers nationwide reached 194,976 units, representing a 28.1% year-on-year decline compared with the same period in 2024. This marks the lowest transaction volume since 2017 and a nine-year low.

Further examining historical transaction volumes for the first three quarters of each year, the transaction volume from January to September 2025 was higher only than 175,787 units in 2016 and 193,238 units in 2011. The number of property ownership transfers in the first three quarters of 2025 thus represents the third-lowest level on record since monthly statistics began in 1999.

b. Product development trends and competition

According to statistics from the Taiwan Institute of Economic Research (TIER) Industry and Economics Database, both the residential and commercial real estate markets declined in **2025**, with the market structure shifting from simultaneous increases in price and volume in the previous year to declining transaction volumes and moderating price growth. In the residential market, following the phase-out of the preferential mortgage program for young homebuyers and the continuation of regulatory measures,

transaction volumes for both pre-sale and existing homes fell in tandem, and the housing market entered an adjustment phase.

The inspection and handover of residential construction projects are significantly influenced by market conditions and individual homebuyers, and compared to semiconductor plant construction—where schedules are the top priority—residential projects place greater emphasis on cost control. In addition to ensuring construction quality and properly managing the use of materials to avoid waste, construction companies implement self-quality control measures to prevent rework costs caused by construction errors. They also strive to fulfill environmental protection and corporate social responsibility commitments to enhance brand image and confidence. These efforts help maintain a stable pipeline of future residential projects, enable the selection of high-quality and cooperative project owners, and provide greater flexibility in pricing negotiations with clients.

(2) Construction and development

A. Residential development

a. Industry status and development

In 2025, the total number of property ownership transfers nationwide reached 261,000 units, representing a 25% year-on-year decline, marking a nine-year low and one of the most significant downturns in recent years. This indicates that the central bank's seventh round of selective credit controls implemented in September 2024 has effectively suppressed investment demand and weakened market confidence. Notably, the transfer volume included a large number of completions and handovers of pre-sale projects (with 177,000 units registered for the first time). Excluding this factor, demand for existing homes would appear even more subdued.

Looking ahead to 2025, after the central bank relaxed loan-to-value ratios for second-home mortgages to 60%, the market expects transaction volumes to gradually recover. Annual transaction volume is projected to range between 260,000 and 280,000 units, with the potential to bottom out in the first half of the year. Nevertheless, the strength of recovery remains uncertain. While the wave of project completions and policy adjustments

may support transaction volume, capital continues to flow primarily toward first-time buyers and owner-occupiers. Coupled with uncertainties such as inflation, interest rates, and geopolitical risks, the overall housing market is expected to remain in a phase of stable prices and subdued transaction volumes in the short term. Market dynamics are shifting back toward owner-occupier demand, and future trends are likely to show increasing regional and product differentiation.

B. Renovation and reconstruction

a. Industry status and development

In recent years, urban renewal policies have continued to evolve toward expanding applicability, simplifying procedures, and increasing incentives for participation. In April 2026, the Taipei City Government announced the implementation of the “Revised Taipei Urban Renewal Areas and Urban Renewal Plan (Phase I)”, designating 93 renewal areas covering a total of 1,214.26 hectares. By formally designating renewal areas, the required consent threshold for project approval can be lowered, helping facilitate redevelopment of older communities.

At the central government level, discussions were held in March 2026 regarding amendments to certain provisions of the Urban Renewal Act, particularly focusing on simplifying floor area bonus application mechanisms for self-initiated urban renewal projects. The direction of reform aims to allow projects that meet certain conditions to obtain incentives more quickly, while aligning urban renewal policies with broader initiatives such as social housing and family-oriented housing programs.

Overall, the current urban renewal framework is being progressively refined to expand policy coverage, enhance implementation flexibility, and strengthen its public-interest orientation.

b. Product development trends and competition

In recent years, urban renewal policies have continued to move toward a more comprehensive toolkit approach. In addition to local governments expanding designated renewal areas, the central government’s proposed amendments to the Urban Renewal Act in March 2026 aim to simplify the application

procedures for floor area incentives in self-initiated projects, thereby increasing flexibility and enhancing participation incentives.

However, in practice, self-initiated urban renewal projects still involve relatively long development timelines. Most projects are concentrated in metropolitan areas such as Greater Taipei, where long development cycles and generally smaller site sizes present significant challenges in project integration, financial planning, and construction execution. Differences in professional expertise, construction management, and quality control among contractors can be substantial. For smaller-scale projects involving older or structurally unsafe buildings, constraints such as row-house configurations and narrow alleyways often lead to higher construction costs, greater technical difficulty, and lower contractor willingness to bid.

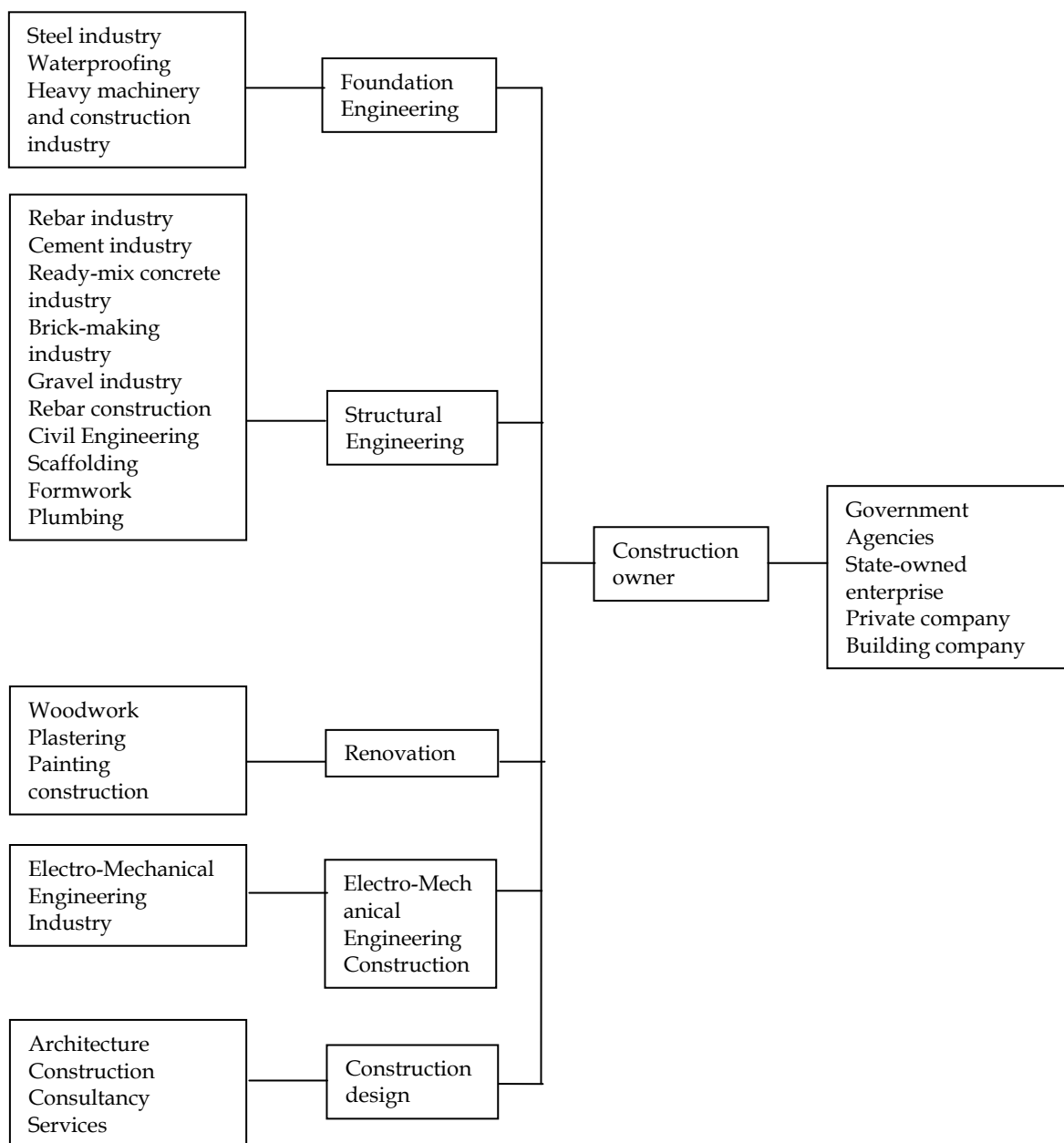
Additionally, construction processes are prone to risks such as damage to neighboring properties and project delays. Tightening regulations on soil disposal, fluctuations in construction costs, and weakening market liquidity further compound these challenges. Without a professional team possessing strong capabilities in integration, finance, design, and construction management, the execution risks associated with self-initiated urban renewal projects can increase significantly.

ii. Industry relevance of upstream, midstream and downstream companies

The construction industry mainly covers the construction of various structures, infrastructure and buildings. The upstream companies include basic construction, building materials, raw materials, structural engineering, renovation, mechanical and electrical engineering, and industrial design. There is a high correlation between construction companies and their upstream companies. The construction industry's operating costs are related to price fluctuations of building materials and machinery, contractor costs, and labor costs. In addition, the development of upstream industries is also affected by changes in the construction industry.

Since businesses in the construction industry mainly come from outsourcing government public constructions, private investment construction companies, and public/ private institutions through bidding, price comparison or bargaining. The downstream sector includes the government, private institutions, and private construction companies. Among them, public works by government bidding and

building commissions are the main source of business. The correlation between the industry's upstream, midstream, and downstream companies is as follows:



3. Technology and R&D Overview:

- i. R&D expenses invested in the most recent fiscal year up to the date of publication of the annual report

Unit: NTD thousand

Period	2025	Current year to April 11, 2026
R & D expenses	19,577	6,743

- ii. Research outcomes

- a. Development of smart construction site management systems, including site access control and facial recognition, progressed through stages from requirement confirmation and system information integration to equipment setup and overall system testing. Starting from October 2024, the "Chengxin Yaoyao Residential

Tower " project was designated as a seed site for phased trials. Core modules implemented include "Procurement Contract Database," "Personnel, Vehicle, and Material Data Archiving," "Access Control (Facial and License Plate Recognition)," "Waste and Debris Disposal Management," and "Construction Photo Uploads." These functions were used to verify the system's functionality, equipment integration, and the suitability of on-site operational workflows within actual construction scenarios.

The trial at this seed site not only assisted in daily management operations but also accumulated experience in implementing smart site systems and identified key integration points between system functions, site workflows, and user requirements. The results serve as a reference for evaluating the implementation of such systems at other sites in the future and act as a cornerstone for the Company's continuous promotion of site digitalization and AI applications.

4. Medium to long term business development plan:

- i. Long term: Provide sophisticated technical and financial products and services in order to help enhance resource utilization efficiency and competitiveness solutions, expand the business platform, set up a solid foothold for the brand, and create long-term corporate value.
 - Public sector - Adopt the business model to generate profits by use of resource efficiency, solve urban problems that the public sector cannot solve due to political and financial difficulties, and actively seize opportunities for construction projects such as BOT, land rights, urban renewal, social housing, green buildings, smart buildings, senior housing, and urban disaster prevention.
 - Private sector — Create value for private companies through integrated technology, such as providing BIM life cycle services, integrated planning and design of green buildings and smart buildings, in order to add value to the products.
- ii. Short term: Improved systems management, technological innovation, integration of planning and design, enhanced brand image and financial capabilities.
 - Contracting - continue to deepen the contracting business, establish technical standards, actively seize opportunities as high-tech companies request construction companies with high adaptability and mobilization due to the short construction period, and continue to cultivate long-term relationships with customers such as TSMC.
 - Project Development: Expand project development and construction projects. The residential and commercial office markets are moving towards more refined development. Daxin has a rich performance in this field and has accumulated a certain brand advantage. In addition to striving for quality construction project contracts, it actively launches self-developed projects or joint ventures with construction companies. It is important to pay attention to the impact of political and economic situations and policy changes, accurately grasp market information, and continuously track and strengthen risk control.

II. Market and Sales Overview

1. Market Analysis

- i. Geographic areas where the main services of the company are provided
Unit: NT\$Thousand

Region/ Year	2024		2025	
	Amount	%	Amount	%
Taiwan	14,687,794	99.98	22,070,806	99.99
Vietnam	2,399	0.02	1,593	0.01
Total	14,690,193	100.00	22,072,399	100.00

- ii. Demand and supply conditions for the market in the future and the market's growth potential

Demand and supply: Increasing the investment proportion of public construction turnkey projects and private participation in BOT projects has helped large construction companies to actively participate in public construction. After years of stagnation and fierce competition in the construction market, the market share of large-scale construction companies with stable operations is less than 10%. As owners need to ensure construction quality and duration in large-scale constructions, large construction companies may steal more market share in the future.

- iii. Competitive niche

- (1) The Group's business covers diversified products and services, including roads, bridges, MRT, high-rise buildings, deep excavation, tunnels, factories, hotels, office buildings, residential buildings, hospitals, schools, retail stores and shopping malls, all of which have long-term cooperation and support from customers. The Group's businesses will not be affected by the recession of a single industry, and its long, medium and short term constructions ensure stable revenue and profits.
- (2) The Group's sound financial structure, abundant working capital, and good corporate image are conducive to its contracting business.
- (3) With the increasing maturity of BIM technology, the Company continues to deepen its efforts to provide integration, review, and solution development at the early stages of construction projects, effectively addressing the issue of waste in construction resources. With a long-term goal of full life-cycle services, the Company provides customers with a complete range of services—from feasibility studies, planning, design, construction, inspection, to handover and operation—thereby strengthening long-term partnership relationships.
- (4) ISO operations, comprehensive e-commerce, construction management, third-party management, and procurement mechanisms of bulk materials greatly reduce labor costs during the construction, effectively control the impact of price fluctuations, and strengthens competitiveness.
- (5) In order for improvement development, refined construction technology is required, including standard steps and detailed diagrams of each construction project and a deep understanding of the functionality and alternatives for each material. In addition, supervision needs to be more practical and realistic to ensure that all products meet customer requirements and quality standards. Due to excellent construction quality and contract fulfillment, we have been recognized as an excellent construction company by the Ministry of the Interior and the Taipei City Government for many years.

- (6) The Company has accumulated extensive experience working with international architects, consulting firms, and large professional subcontractors. Through vertical integration, it effectively creates competitive advantages and possesses integrated capabilities in development, design, and construction. This supports R&D innovation, the implementation of new construction methods and alternative materials, and improvement in construction techniques, thereby achieving product differentiation. Experience gained through the execution of turnkey projects further enhances the comprehensiveness of the Company's services.
 - (7) The Company has accumulated considerable experience in joint development investments. Combined with the characteristics of joint development products—such as fast sales turnover and lower risk of price declines—inventory liquidation risk is reduced. Effective control of construction costs is a key capability in securing joint development investment projects, giving developers with construction backgrounds a relative advantage. Furthermore, the Company is one of the few domestic contractors capable of undertaking MRT projects. In addition to extensive MRT construction experience, its construction quality has been recognized by MRT authorities, providing a strong advantage in expanding opportunities related to transit-oriented development and broadening the scope of the Company's property development business.
- iv. Positive and negative factors for future development, and the company's response to such factors
- (1) Positive factors
 - a. The government is actively promoting large-scale, high-profile BOT projects, which have very high technical and financial capability thresholds. Large construction companies have more opportunities to secure these contracts.
 - b. The trend of increasing urban renewal and reconstruction projects has led to higher engineering difficulties. Large construction companies with superior construction quality, refinement, and professional integrated service capabilities have a higher competitive advantage.
 - c. The construction industry faces transformation risks (such as carbon fees, carbon audits, and carbon management). Large construction companies have richer resources and capital advantages.
 - d. The volume of real estate transactions has decreased, making it harder for construction companies to sell projects as easily as before. They need to rely on the brand appeal of construction firms, directly negotiating with companies with a good reputation and image, or only inviting firms of the same caliber to bid.
 - e. The 3D Building Information Modeling system is gaining importance. Private developers are increasingly emphasizing 3D planning and integration capabilities when promoting large-scale development or investment projects. Our company has implemented the 3D system many years in advance, possessing rich experience and competitiveness.
 - (2) Negative factors
 - a. Growing environmental awareness among surrounding stakeholders.
 - b. Labor shortages and rising raw material prices have led to increased labor and construction costs, as well as extended project timelines.
 - c. The financial system adopts a cautious and conservative attitude towards financing the construction industry, resulting in less flexible capital turnover.
 - d. Tangible risks posed by climate change (such as heat hazards, heavy rain, floods,

and droughts).

v. Countermeasures

- (1) A construction management platform of a full lifecycle total solution has been established with the planning, design and integration capabilities. The 3D building information model (BIM) was set up to meet the company's developing requirements in order to enhance our construction value and competitiveness by all-round services.
- (2) The company actively maintains good interaction with upstream industries such as architects and consulting companies to keep track of project planning and contracting information in advance and seize large-scale turnkey construction opportunities in cooperation with high-performance downstream manufacturers.
- (3) Integrating different sectors such as design, development, finance, business operations, and investment to grasp the opportunities on MRT joint development projects, BOT projects and land rights.
- (4) Cultivate relationships with original owners, and provide exquisite services for follow-up of project sources.
- (5) By implementing environmental protection policies and enhancing a positive corporate image, the Company uses precise project cost budgeting, construction experience, and strong credit standing to help customers understand cost impacts related to environmental measures and inflation. The Company also enforces structured project close-out plans to reduce additional labor and other costs in later project stages.

2. Usage and manufacturing processes for the company's main products

i. Usage

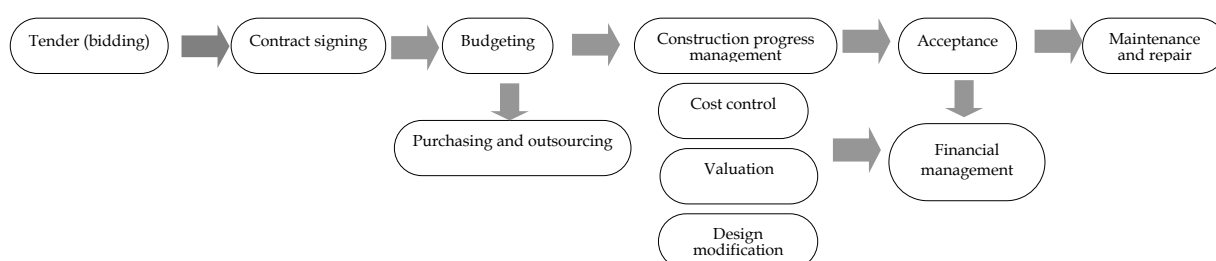
Residential buildings: government housing, private and residential housing.

Commercial buildings: office buildings, restaurants, shopping malls, hospitals, schools, etc.

Public works: MRT, highways, civil bridge constructions.

Plant and other constructions: plant and other special constructions.

ii. Manufacturing process



3. Primary Raw Materials

Main items	Major suppliers
Rebar	FENG HSIN STEEL CO., LTD. HAI KWANG ENTERPRISE CORPORATION WEI CHIH STEEL INDUSTRIAL CO., LTD. Tung Ho Steel Enterprise Corporation LO-TOUN STEEL & IRON WORKS CO., LTD.
Ready-mix Concrete	Goldsun Building Materials Co., Ltd. TCC Group Holdings CO., LTD.

	UNIVERSAL CEMENT CORPORATION Yiho Concrete Lihtai Construction Enterprise Co., Ltd. Jian Cang CO., LTD.
Earthworks	Zhen San Enterprise Co., Ltd. Yong Cheng Engineering Co., Ltd. Yu Kun Engineering Co., Ltd. YUAN JIAA INDUSTRY CO., LTD.
Exterior wall material	SGM STONE CO., LTD. YU-LAY MARBLE DEVELOPMENT CO., LTD.
Mechanical and electrical engineering	HUNG CHI PLUMBER & ELECTRICITY CO., LTD. TONG JINN ENGINEERING CO., LTD. Johoson Technology Co., Ltd. YANKEY ENGINEERING CO., LTD. LI TAI ENGINEERING CO., LTD. KING POLYTECHNIC ENGINEERING CO., LTD.

4. The names of any suppliers (clients) that have supplied (sold) 10 percent or more of the company's procurements (sales) in either of the preceding 2 fiscal years and the monetary amount and the proportion of such procurements (sales) as a percentage of total procurements (sales)
- Suppliers that have supplied 10 percent or more of the company's procurements in either of the preceding 2 fiscal years: None.
 - Clients that have sold 10 percent or more of the company's sales in either of the preceding 2 fiscal years:

List of major clients in the preceding 2 fiscal years

Unit: NTD thousand

	2024				2025				As of March 31, 2026			
Item	Name (Note 1)	Amount	Annual net sales (%)	Relationship with issuer	Name	Amount	Annual net sales (%)	Relationship with issuer	Name	Amount	Annual net purchase (Q1) (%)	Relationship with issuer
1	126164	8,831,351	60.13	None	126164	14,072,802	63.75	None	126164	3,936,190	54.99	None
2	—	—	—	—	—	—	—	—	124225	715,548	10.00	—
3	—	—	—	—	—	—	—	—	—	—	—	—
	Others	5,858,842	39.87	—	Others	7,999,597	36.25	—	Others	2,507,258	35.01	—
	Net Sales	14,690,193	100.00		Net Sales	22,072,399	100.00		Net Sales	7,158,996	100.00	

Note 1: Setting forth the names of any clients that have sold 10 percent or more of the company's sales in either of the preceding 2 fiscal years, and the monetary amount and the proportion of such sales as a percentage of total sales; provided, however, where the company is prohibited by contract from revealing the name of a trading counterpart, or where a trading counterpart is an individual person who is not a related party, a code may be used in place of such trading counterpart's actual name.

Note 2: Companies with their stocks listed in the exchange or traded in the OTC market shall disclose the financial information as stated in the financial statement up to the date of publication of the annual report.

III. Employee Information

1. Information of Employees

April 11, 2026

Year		2024	2025	April 11, 2026
Number of employees	Management and internal staff	210	222	226
	Technician (engineer)	290	331	340
	Others (e.g. guards, construction workers) (Note)	8	8	16
	Total	508	561	582
Average age		43.5	42.1	41.8
Average length of service		11.0	10.3	10.1
Education level distribution ratio	PhD	0	0	0
	Masters	15.1	15.3	14.8
	University (College)	78.0	81.1	81.6
	High school	6.5	3.2	3.3
	Below high school	0.4	0.4	0.3

Note1: The number of employees does not include foreign workers

Note2: Calculated based on the number of employees in service at the end of the year

2. Employee Behavior or Code of Ethical Conduct

For legal compliance of employee behaviors, rights, obligations and ethical concepts, the company has formulated relevant procedures and regulations as follows:

- i. The system of assuming responsibilities by respective levels
 - (1) The company set up mechanisms for the division of authority and responsibility to assume responsibilities by respective levels, established the hierarchical delegation system to speed up operations, improve work efficiency, and improved the system of assuming responsibilities by respective levels to regulate work effectively.
 - (2) Articles of Incorporation and wage standards: In order to meet the needs of corporate development, the company has set up the Articles of Incorporation to clearly specify the organizational structure and duties and established the table of functions by grades as a basis for the appointment and promotion of employees.
- ii. Work rules: The company stipulated clear rules for labor and management rights and obligations with a modern management system to achieve better cooperation between employees.
- iii. Reward and punishment: The company stipulated clear reward and punishment regulations to reward employees with special contributions or prevent employees' disruptive behaviors.
- iv. Performance appraisal: To assess the performance of employees and

- encourage them to strengthen their skills and ability.
- v. Regulations on employee leave of absence: To establish good discipline and improve work quality, the company has established a clear policy for workplace attendance and absenteeism to be followed by employees.

IV. Environmental Protection Expenditure

1. Losses (including remedial measures) due to environmental pollution in recent years or ending the publication date of this report.

Year	Date of punishment	No.	Source of law	Anti-regulation	Punishment
2025	2/24/2025	Ref. No.: Taichung Environmental Inspection No. 1140021218 (Penalty Ref. No.: 41-114-020690)	Article 27, Subparagraph 2 of the Waste Disposal Act	Failure to properly collect waste, resulting in plastic film scattering and polluting surrounding ground surfaces , constituting a violation of Article 27, Subparagraph 2 of the Waste Disposal Act.	NTD 4,500
	06/25/2025	Yin-Zi No. 22-114-060332	Article 8, Subparagraph 4 of the Noise Control Act	Construction work was carried out using powered machinery without approval between 10:00 PM and 8:00 AM in a Class 3 noise control zone, disturbing public peace.	NTD 6,000 + 2 hours of environmental education
	06/25/2025	Ref. No.: Environmental Inspection No. 1140082371 (Penalty Ref. No.: Environmental Waste Sanction Nos. 114062680, 114062681)	Article 31, Paragraph 1, Subparagraph 1 of the Waste Disposal Act	Commenced construction activities involving storage, removal, treatment, or reuse of general industrial waste without prior approval of a waste disposal plan by the environmental authority.	NTD 12,000 + 2 hours of environmental education
	07/08/2025	Ref. No.: Taichung Environmental Inspection No.	Article 27, Subparagraph 2 of the	Failure to properly collect waste, resulting	NTD 6,000 + 2 hours of environment

		1140084605 (Penalty Ref. No.: 41-114-070124)	Waste Disposal Act	in plastic film scattering and polluting surrounding ground surfaces , constituting a violation of Article 27, Subparagraph 2 of the Waste Disposal Act.	al education
	07/08/2025	Ref. No.: Taichung Environmental Inspection No. 11400846051 (Penalty Ref. No.: 41-114-070126)	Article 27, Subparagraph 2 of the Waste Disposal Act	Failure to properly collect waste, resulting in plastic film scattering and polluting surrounding ground surfaces , constituting a violation of Article 27, Subparagraph 2 of the Waste Disposal Act.	NTD 6,000 + 2 hours of environmental education
	07/21/2025	Ref. No.: Waste No. 40-114-070051	Article 27, Subparagraph 2 of the Waste Disposal Act	Failure to properly clean up construction site, resulting in waste or excess soil contaminating nearby roads or sidewalks.	NTD 4,800
	09/11/2025	Yin-Zi No. 22-114-090185	Article 8, Subparagraph 4 of the Noise Control Act	Construction work carried out using powered machinery without approval between 6:00 PM and 8:00 AM on holidays in a Class 3 noise control zone in Taipei City, disturbing public peace.	NTD 3,000
	10/09/2025	Yin-Zi No. 22-114-100164	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 74.7 dB; Standard: 72 dB)	NTD 18,000 + 2 hours of environmental education
	10/09/2025	Yin-Zi No. 22-114-100166	Article 9, Paragraph 1,	Construction noise	NTD 36,000 + 4 hours of

			Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	(20Hz–20kHz) exceeded regulatory standards (Measured: 76.7 dB; Standard: 72 dB)	environmental education
	10/09/2025	Yin-Zi No. 22-114-100167	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 72.9 dB; Standard: 72 dB)	NTD 18,000 + 4 hours of environmental education
	10/20/2025	Yin-Zi No. 22-114-100287	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 75.0 dB; Standard: 72 dB)	NTD 18,000 + 4 hours of environmental education
	10/20/2025	Yin-Zi No. 22-114-100288	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 73.6 dB; Standard: 72 dB)	NTD 18,000 + 4 hours of environmental education
	11/06/2025	Yin-Zi No. 22-114-110025	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 75.5 dB; Standard: 72 dB)	NTD 36,000 + 4 hours of environmental education
	11/06/2025	Yin-Zi No. 22-114-110026	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 76.8 dB; Standard: 72 dB)	NTD 36,000 + 4 hours of environmental education
	11/06/2025	Yin-Zi No. 22-114-110027	Article 9, Paragraph 1,	Construction noise	NTD 72,000 + 8 hours of

			Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	(20Hz–20kHz) exceeded regulatory standards (Measured: 75.8 dB; Standard: 67 dB)	environmental education
	12/04/2025	Yin-Zi No. 22-114-120051	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 73.6 dB; Standard: 72 dB)	NTD 18,000 + 4 hours of environmental education
	12/16/2025	Yin-Zi No. 22-114-120365	Article 8, Subparagraph 4 of the Noise Control Act	Construction work carried out using powered machinery without approval between 10:00 PM and 8:00 AM on holidays in a Class 3 noise control zone in Taipei City, disturbing public peace.	NTD 3000
	12/18/2025	Yin-Zi No. 22-114-120397	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 74.7 dB; Standard: 72 dB)	NTD 72,000 + 8 hours of environmental education
	12/24/2025	Yin-Zi No. 22-114-120432	Article 9, Paragraph 1, Subparagraph 4 of the Noise Control Act and Article 6 of the Noise Control Standards	Construction noise (20Hz–20kHz) exceeded regulatory standards (Measured: 74.7 dB; Standard: 72 dB)	NTD 36,000 + 4 hours of environmental education
2026 until April 11	01/07/2026	Yin-Zi No. 22-115-010032	Article 8, Subparagraph 4 of the Noise Control Act	Construction work carried out using powered machinery without approval between 6:00 PM and 8:00 AM on holidays in a Class 3	NTD 3,000

				noise control zone in Taipei City, disturbing public peace.	
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2. Countermeasures

i. Proposed improvement measures

(1) 、 Strengthening Institutional Measures

- a. Establish a three-line defense environmental management mechanism:
 - (a) 、 First line: Site managers conduct daily self-inspections and retain records.
 - (b) 、 Second line: The Occupational Safety and Health unit conducts on-site inspections every two weeks and issues improvement notices.
 - (c) 、 Third line: The headquarters audit unit performs monthly random inspections and follows up on corrective actions.
 - (d) 、 Establish a violation accumulation mechanism; sites reaching a warning threshold will be designated as key supervision sites.
- b. Establish a special review system for penalty cases:
 - (a) 、 Conduct root cause analysis for each penalty case.
 - (b) 、 Prepare written improvement reports and circulate them across all project sites for learning purposes.
 - (c) 、 Prevent recurrence of similar violations.
 - (d) 、 Revise environmental management standard operating procedures (SOPs).
 - (e) 、 Incorporate air pollution control, waste management, and noise control into standardized processes.
 - (f) 、 Develop visualized operation guidelines to enhance field-level execution.

(2) 、 Enhancement of Management Practices

- a. Introduce a digital environmental inspection system:
 - (a) 、 Develop a mobile inspection application.
 - (b) 、 Enable real-time reporting and notification of abnormalities.
 - (c) 、 Require completion of corrective reporting and closure procedures.
- b. Establish environmental performance indicators (KPIs):
 - (a) 、 Set targets for reducing total fines in 2026.
 - (b) 、 Set targets for reducing the number of penalty cases.
 - (c) 、 Incorporate environmental performance into site manager evaluations.
- c. Establish a “red flag” mechanism for high-risk sites:
 - (a) 、 Sites receiving two or more penalties within three months will be designated as controlled sites.
 - (b) 、 Subject to project-level guidance from headquarters.
 - (c) 、 Personnel adjustments or dedicated management may be

implemented where necessary.

(3) 、 Technical Improvements

- a. Strengthen management of air pollution control equipment:
 - (a) 、 Increase and regulate water spraying frequency.
 - (b) 、 Enhance recordkeeping for vehicle washing facilities.
 - (c) 、 Strengthen coverage measures for exposed soil.
- b. Optimize waste classification and temporary storage management:
 - (a) 、 Standardize classification labeling.
 - (b) 、 Strengthen documentation of waste disposal operations.
 - (c) 、 Conduct regular self-inspection and inventory checks.
- c. Preventive management of construction noise:
 - (a) 、 Avoid unnecessary nighttime construction.
 - (b) 、 Conduct regular maintenance of powered equipment.
 - (c) 、 Establish communication mechanisms with nearby communities.

(4) 、 Training and Culture Development

- a. Conduct regular training on environmental regulations.
- b. Incorporate actual penalty cases into training materials.
- c. Enhance regulatory awareness and accountability among on-site personnel.
- d. Promote a corporate culture emphasizing “prevention over penalties” in environmental management.

(5) 、 Risk Assessment and Financial Impact Control

- a. There are currently no significant environmental pollution incidents or pending litigation cases.
- b. Future potential fines are difficult to reasonably estimate due to variations in project nature and inspection frequency.
- c. The Company has allocated necessary management resources to reduce the likelihood of penalties.

(6) 、 Strengthening Contractor Equipment Management Measures

- a. Establish a contractor equipment inspection system prior to site entry (including noise testing).
- b. Require maintenance records for high-noise equipment.
- c. Set control standards for equipment service life.
- d. Implement real-time noise monitoring for high-risk operations.
- e. Include these requirements in annual contractor evaluations and contract renewal conditions.

- ii. Through the above strategies of prevention, response, and rescue, companies and governments can effectively reduce the losses caused by environmental pollution and ensure sustainable development. The environmental capital expenditure for the next three years is projected.
- iii. Total expenditures for environmental protection in the next 3 years

	2026	2027	2028
Pollution prevention equipment or expenditure	a. Each construction site estimates the budget for safety, health, and environmental expenditures to be 0.3% of the total project cost.	Same as on the left	Same as on the left
	b. Mainly used for the cleaning and transportation of waste soil and garbage, and for wastewater treatment equipment.	Same as on the left	Same as on the left
·Expected improvement	Decrease environmental contamination	Same as on the left	Same as on the left
·Amount	NT\$55,000 thousand	NT\$55,000 thousand	NT\$55,000 thousand

iv. After improvement

	2026	2027	2028
·Affect on net profit	Reduce fines and increase depreciation expenses for pollution prevention equipment.	Same as on the left	Same as on the left
·Impact on competitive edge	Enhanced corporate image	Same as on the left	Same as on the left

3. Protection Measures for the Work Environment and Employee Personal Safety

i. Construction site safety protection

- (1) 、 Technology aid: Use IoT sensors to monitor environmental risks, AI image recognition, and drones.
- (2) 、 Equipment Safety: Implement automated systems, enhance regular maintenance of machinery, and ensure safe operation of equipment.
- (3) 、 Work Environment: Comprehensive safety, health, and environmental measures, clear safety passages and hazard signs, and improved nighttime construction lighting.
- (4) 、 Management Enhancement: Implement behavior-based safety observations, anonymous reporting mechanisms, and strengthen management-level safety involvement.
- (5) 、 Emergency Response Capability: VR safety training, deployment of AEDs and other emergency equipment, training of first aid and firefighting

professionals, regular safety drills, enhancing employees' emergency response capabilities, and establishing a "safety reporting mechanism" to allow workers to immediately report unsafe conditions.

ii. Fall Prevention

(1) Engineering Control Measures

- a. Install Guardrails and Safety Fences: Set up fixed guardrails (at least 90 cm in height, with toe boards) around areas where work is being performed at heights.
- b. Use Safety Nets: Install safety nets below areas with fall hazards to reduce injury from falls.
- c. Work Platforms and Scaffolding: Ensure that construction platforms are stable, comply with CNS 4750 standards, and are equipped with appropriate guardrails.
- d. Work Platforms and Scaffolding: Ensure that construction platforms are stable, comply with CNS 4750 standards, and are equipped with appropriate guardrails.

(2) Administrative Control Measures

- a. High-Altitude Work Plan: Plan construction steps in advance to avoid unnecessary high-altitude work.
- b. Hazard Notification and Signage: Place warning signs in hazardous areas, such as "High-Altitude Work Area".
- c. Personnel Training and Assessment: All personnel performing high-altitude work must pass "High-Altitude Work Safety Training".
- d. Inspection and Supervision: Assign personnel to inspect and ensure workers are correctly using fall protection equipment.

(3) Personal Protective Equipment

- a. When it is not possible to eliminate fall risks, personal protective equipment must be used: Full-body safety harness: It should comply with CNS 14254 standards and be worn correctly.
- b. Anchorage Points and Ropes: Use fixed anchorage points certified by CNS 14255, ensuring they can withstand at least 2,268 kilograms of force.
- c. Shock-Absorbing Lanyards and Self-Retracting Lifelines: Reduce impact force during falls, ensuring the fall distance does not exceed 1.8 meters.

(4) Emergency Response Plan

- a. Fall Rescue Plan: Prepare emergency rescue equipment, such as descent rescue systems and pulley sets, to ensure trapped workers can be quickly rescued.
- b. First Aid and Medical Support: Equip the site with a first aid kit and have safety personnel trained in first aid on standby.

iii. Prevention of Electric Shock

- (1) Use Qualified Power Equipment: Set up dedicated distribution boxes and install Earth Leakage Circuit Breakers (ELCB).

- (2) Warning Signs in Hazardous Areas: Place warning signs in dangerous areas,

and ensure temporary electrical usage is managed by designated personnel.

- (3) Grounding and Leakage Protection
- (4) Ensure Equipment and Metal Casings are Grounded: Preferably use double-insulated tools.
- (5) Regular Testing of ELCB Functionality: Ensure effective operation.
- (6) Management of Wiring and Equipment
- (7) Secure and Neat Wiring: Use waterproof cables, avoid random wiring or exposed joints.
- (8) Avoid Contact with Metal Objects During High-Altitude Work: Wear insulated gloves and shoes.
- (9) Employee Training and Response: Regular education and training to enhance electrical safety awareness.
- (10) Implement Emergency Power-Off Procedures: Equip the site with AED and first aid equipment.

iv. Prevention of Collapse and Landslide

- (1) Construction Management
 - a. IoT Monitoring: Install sensors for soil stress, subgrade deformation, etc., to monitor site conditions in real-time.
 - b. Automated Equipment: Use drones or mechanical equipment for high-risk tasks to reduce human danger
- (2) Safety Equipment
 - Drone Inspection: Regularly use drones to monitor high-risk areas.
- (3) Emergency Response
 - Regular Drills: Conduct regular simulation drills to ensure workers are familiar with response procedures in case of a collapse.

v. Others

- (1) Heavy Object Handling: When using lifting equipment, ensure the stability of hoisting devices and have trained operators.
- (2) Fire Prevention: Keep the site clean, away from flammable materials, and equip with fire extinguishers and hydrants.
- (3) Handling Hazardous Chemicals: Follow standard operating procedures for the storage and handling of hazardous chemicals and wear appropriate protective equipment.
- (4) High-Risk Area Warning: Effectively isolate high-risk areas and set up clear warning signs to prevent unauthorized personnel from entering.

vi. The above measures can further enhance the safety of the construction site, reduce the likelihood of accidents, and ensure employees work in a healthy and safe environment.

4. Specific achievements on occupational safety and health

Construction site	Issuer	Achievements	Issuing date
CQ870	Taipei City Government	“Outstanding Excellence” Award in the 2024 Citywide Construction Site Safety and Health Competition (Contractor Category)	2025.02.20
CQ870	Taipei City Government	Ranked among the Top Three for Best Performance in the 2024 “Pre-Flood Season Public Safety Inspection Operations”	2025.02.20
CQ870	Taipei City Government	Excellence Award, 14th New Taipei City Occupational Safety Awards – Workplace Sustainability, Health and Safety Category	2025.09.24
CQ870	Taipei City Government	Outstanding Award, 14th New Taipei City Occupational Safety Awards – Contribution to Occupational Safety and Health Innovation Promotion	2025.09.24
CQ870	Taipei City Government	Outstanding Award, 14th New Taipei City Occupational Safety Awards – Excellence in Public Construction Projects	2025.09.24
TSMC	National Science and Technology Council Hsinchu Science Park Bureau	Outstanding Unit for the Promotion of Occupational Safety and Health, 2025	2025.11.01
Zhongshan Riz Project	Zhongshan Village Office, Zhongshan District, Taipei City	Appreciation for the Zhongshan Riz Project team’s active support in maintaining the surrounding environment during construction, including road upkeep, public cleanliness, and overall environmental quality improvement.	2026.01.05

V. Labor Relations

1. Various aspects of employee welfare measures, continuing education, job training, retirement system and its implementation, as well as labor agreements, labor rights and employment protection measures.
 - i. Employee benefits
 - (1) Employees are entitled to labor insurance and National Health Insurance from the on-board date.
 - (2) The company has an employee welfare committee to oversee all employee benefits and subsidies, including:
 - a. Tourism, cultural and recreational activities.
 - b. Encourage employees to set up various clubs and talent development courses to enjoy leisure and entertainment activities while away from work, which thereby improves their quality of life and physical and mental health.
 - c. Cash gift for employee birthdays and wedding and funeral subsidies.

- d. The committee members set up a team responsible for conveying condolences and providing assistance for workers in hospitalization, funerals, and emergency relief.
- (3) All employees enjoy the benefits of group insurance.
- (4) Each year, according to the age status, health inspections are better than those of the legal items, and the inspection items are adjusted according to the needs; regular health inspections are conducted to remind employees to pay attention to their health.
- (5) Implement employee stock ownership trusts to encourage employees to save long-term, accumulate wealth and share the company's operating results.
- ii. Employee education and training
 - (1) The overall training system includes pre-service training for new employees, education and training for Management Associates, as well as management skills, professional skills and construction license training.
 - a. The pre-service training for new employees includes a company profile, an overview of rules and regulations, job description, and computer operating instructions in order to help employees get on track as soon as possible.
 - b. Management training covers courses such as managing staff and business affairs, leadership and control, and accounting and legal compliance.
 - c. Professional skills training: Based on the needs of functional units, the company arranged professional courses to train employees in their professional field.
 - d. Builders license training: improve overall construction skills and encourage employees to obtain professional licenses.
 - (2) Training subsidy
 - Provide employees with study and learning opportunities in domestic and foreign universities during their employment so that each employee has the chance for self-development.

(3) Employee training expenditure and training hours

Unit: Hours;
NT\$thousand

Type of training	2024	2025	Current year to April 11, 2026
Engineering Business	2,244	1,510	206
Manage	944	217	0
Labor safety	3,256	3,180	951
Auditing	48	36	18
Others	1,676	3,489	41
Total training hours	8,168	8,432	1,216
Total training expenditure	1,742	1,056	251

(4) Staff related to financial information transparency have obtained relevant licenses specified by the competent authority

- a. Internal auditors: Participate in internal control system advocacies conducted by the competent authority, and continue to participate in internal audit lectures organized by the competent authority's accredited organization, such as various professional courses related to corporate internal control, basic corporate internal control tests, computer auditing and basic legal knowledge organized by the Accounting Research and Development Foundation, and obtained the certificate of qualification.
- b. The finance supervisors ,accounting supervisors and chief corporate governance officer participated in relevant professional training courses related to financial accounting, financial laws and regulations, professional ethics and legal responsibility held by designated professional training institutions and obtained the certificate of qualification.

iii. Retirement system:

- (1) The Group has established employee retirement regulations.
- (2) The retirement system is based on the Defined Contribution Pension Plan in accordance with the Labor Pension Act, and 6% of the employee's monthly salary is allocated to the individual retirement account of the Bureau of Labor Insurance.
- (3) The retirement system adopts the defined benefit plan in accordance with the Labor Standards Act. Two bases are given for each full year of service rendered. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The payment of worker pensions is calculated based on the service rendered and the monthly average wage (base) of the worker at six months before his or her retirement is approved. The Group shall appropriate labor pension reserve funds of 2% of their employees' total monthly wages based on the old retirement system, which will be deposited into a special account in the Bank of Taiwan by the name of the Business Entity Supervisory

Committee of Labor Retirement Reserve.

2. The loss sustained as a result of labor disputes in the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report:
 - i. Labor disputes: There were no material labor disputes.
 - ii. Losses: None.
 - iii. Potential loss in the future: None.
 - iv. Countermeasures: Harmonious labor-management relations are the cornerstone of enterprise development, and the company's labor-management relations have been in a harmonious, stable and co-prosperous relationship over the years. In addition to being committed to improving employee treatment and benefits, the labor-management communication channel is maintained through the labor-management meeting.

VI. Information security management:

1. Describe the information security risk management framework, information security policies, specific management plans and resources devoted to information security management: The Company's information security initiative is forming a cross-department function team to perform governance, planning, supervision, and promotion and execution of information safety. Routine works include essential prevention, online filtering, inspections of the virus spreading in the intranet, blocking applications, checking firewall records, checking malicious emails, and intercepting dangerous emails. In 2025, based on the results of the annual risk assessment, the Company revised its "Information and Communication Security Policy Management Guidelines," thereby formalizing its information security decision-making and oversight mechanisms. In addition, the Company officially joined the "Taiwan CERT/CSIRT Alliance" as a member in May 2025, establishing external threat intelligence sharing and early-warning mechanisms.
2. List the losses, possible impacts and responses to major information and communications security incidents suffered in the most recent year and up to the date of printing of the annual report. If it is not reasonably estimable, state the fact that it is not reasonably estimable: none

VII. Important Contracts

Date: April 11, 2026

Nature of contract	Contract party	Start and end date	Main content	Restrictions and remarks
Construction contract	Taipei City Government MRT Engineering Bureau, East District Project Office	Dec. 15, 2017 – Dec. 30, 2026	Taipei Metropolitan Area MRT Wanda Line CQ870 Section Contract	None
Construction contract	Taichung City Government Construction Bureau	Feb. 25, 2019 – Feb. 6, 2025	Shui-Nan International Convention and Exhibition Center New Construction Project	None
Construction contract	Taipei City Government Department of Urban Development	Feb. 26, 2019 – Jun. 30, 2026	Nangang Machinery Plant Site Public Housing Turnkey Project, Taipei City	None
Construction contract	Taichung Commercial Bank Co., Ltd.	May 1, 2019 – Mar. 1, 2027	Taichung Commercial Bank Office and Hotel New Construction Project	None
Construction contract	Dacin Development Co., Ltd.	Jul. 7, 2020 – Feb. 12, 2025	Xinyi Wenhua Residential Building New Construction Project	None

Nature of contract	Contract party	Start and end date	Main content	Restrictions and remarks
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Jun. 1, 2021 – Apr. 30, 2026	TSMC Southern Taiwan Science Park Fab 18 Phase 8 FAB Building New Construction	None
Construction contract	Shilin Development Co., Ltd.	Dec. 6, 2021 – Oct. 31, 2026	Chengxin Yaoyao Residential Building New Construction	None
Construction contract	Fubon Insurance Co., Ltd. / Fubon Securities Co., Ltd.	Apr. 26, 2021 – Jun. 30, 2027	Fubon Property Insurance Headquarters New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Dec. 1, 2022 – Feb. 12, 2025	TSMC Hsinchu Science Park Fab 20 Phase 1 FAB Building New Construction	None
Construction contract	Dacin Development Co., Ltd.	Jun. 23, 2022 – Oct. 24, 2025	Dacin Donghui Residential Building New Construction	None
Construction contract	Nan Shan Life Insurance Co., Ltd.	Mar. 25, 2023 – Mar. 1, 2027	Nan Shan A26 Superficies Project New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Jun. 13, 2023 – Mar. 15, 2026	TSMC Hsinchu Science Park Fab 20 Office New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Sep. 18, 2023 – Apr. 30, 2026	TSMC Hsinchu Science Park Fab 20 Phase 2 FAB Building New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Jan. 22, 2024 – May 31, 2026	TSMC Kaohsiung Fab 22 Phase 2 FAB Building New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Oct. 21, 2024 – Dec. 31, 2026	TSMC Southern Taiwan Science Park AP8 Renovation Project	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Oct. 24, 2024 – May 30, 2026	TSMC Hsinchu Science Park Fab 20 Phase 4 Preliminary Retaining Structure Project	None

Nature of contract	Contract party	Start and end date	Main content	Restrictions and remarks
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Nov. 22, 2024 – May 1, 2026	TSMC Kaohsiung Fab 22 Phase 3 FAB Building New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Jan. 30, 2025 – Oct. 31, 2025	TSMC Hsinchu Fab 20 Phase 3 Piling Project	None
Construction contract	Zhuyuan Industrial Co., Ltd. / Wanshixing Construction Co., Ltd.	Mar. 25, 2025 – Jul. 24, 2029	Zhongshan Riz Project New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	May 20, 2025 – Nov. 30, 2026	TSMC Hsinchu Fab 20 Phase 3 FAB Building New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Oct. 30, 2025 – Aug. 31, 2026	TSMC Hsinchu Fab 20 Phase 4 Piling Project	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Jul. 10, 2025 – Jan. 31, 2027	TSMC Hsinchu Fab 20 Phase 4 Building New Construction	None
Construction contract	Jashanlin Development Co., Ltd. / Dacin Construction Co., Ltd.	Sep. 30, 2025 – Oct. 14, 2030	Binhe Dijing Project New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Oct. 22, 2025 – May 1, 2027	Kaohsiung Fab 22 Phase 4 FAB Building New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Dec. 15, 2025 – Oct. 1, 2027	TSMC Kaohsiung Fab 22 Phase 5 FAB Building New Construction	None
Construction contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	Dec. 22, 2025 – Jul. 1, 2027	TSMC Central Taiwan Science Park Fab 25 Phase 1 FAB Building New Construction	None

Chapter 5. Review and Analysis of Financial Condition , financial performance, and Risk Issues

I. Financial Condition

Financial condition analysis

Unit: NTD thousand

Year Item	2025	2024	Difference	
			Amount	%
Current asset	28,254,874	26,241,577	2,013,297	7.67
Funds and investments	372,160	406,594	(34,434)	(8.47)
Intangible asset	2,135	4,713	(2,578)	(54.70)
Property, Plant and Equipment	848,580	870,597	(22,017)	(2.53)
Other assets	1,043,932	463,834	580,098	125.07
Total assets	30,521,681	27,987,315	2,534,366	9.06
Current liabilities	15,959,429	13,188,824	2,770,605	21.01
Total liabilities	19,839,027	18,003,169	1,835,858	10.20
Share capital	2,707,940	2,707,940	-	-
Capital surplus	2,418,002	2,374,405	43,597	1.84
Retained earnings	5,362,667	4,708,585	654,082	13.89
Equity attributable to the Company	10,340,060	9,774,125	565,935	5.79
Reasons for significant changes and its impact: Other Assets: The increase is mainly attributable to the purchase of office units on the 10th and 11th floors during the current year, which were subsequently leased out and reclassified as investment property. Current Liabilities: The increase is primarily due to advances received from project owners under construction contracts and advance proceeds from the sale of real estate, resulting in higher contract liabilities.				

Analysis basis: From the beginning to the end of the period, the amount of change is NT\$10,000 thousand, which is more than 20%.

II. Financial performance

1. Financial performance analysis

Unit: NTD thousand

Item \ Year	2025		2024		Increased (Decreased) Amount	% change (%)
	Subtotal	Total	Subtotal	Total		
Operating income		22,072,399		14,690,193	7,382,206	50.25
Operating cost		19,578,130		13,058,588	6,519,542	49.93
Gross profit		2,494,269		1,631,605	862,664	52.87
Operating expenses		766,795		599,697	167,098	27.86
Operating interest		1,727,474		1,031,908	695,566	67.41
Non-operating income and expense		289,448		495,503	(206,055)	(41.59)
Interest income	56,831		46,811		10,020	21.41
Other income	50,863		43,788		7,075	16.16
Other gains or losses	286,326		510,410		(224,084)	(43.90)
Financial costs	(104,572)		(105,506)		934	0.89
Investments in associates under the equity method	-		-		-	-
Profit before tax		2,016,922		1,527,411	489,511	32.05
income tax expense		354,466		210,901	143,565	68.07
Profit after tax		1,662,456		1,316,510	345,946	26.28

Analysis of percentage increase (decrease):

- Operating Revenue, Operating Costs, and Gross Profit: The increases over 2024 were primarily due to the accelerated progress of certain construction projects and the recognition of revenue from real estate handovers during the current year.
- Operating Expenses: The increase in operating expenses was due to salary adjustments in 2025.
- Operating Profit: The increases in gross profit and operating profit were mainly attributable to the continued acceleration of certain construction projects and the recognition of revenue from real estate handovers this year.
- Non-operating Income and Expenses:
 - The increase in interest income this year was primarily due to the rise in interest rates.
 - Other gains and losses decreased compared to the same period last year, mainly because the valuation gains recognized on financial assets measured at fair value through profit or loss were lower than in 2024.

2. Change in gross profit

Item	2025	2024	Percentage change
Gross profit margin	11.30%	11.11%	1.71%

Description:

The gross profit margin increased during the current year due to project completions and property handovers.

- The expected sales volume and its basis, the possible impact on the Company's future financial performance and the related business plan: None; not applicable.

III. Analysis of changes in cash flow

Cash flow analysis

Unit: NTD thousand

Beginning cash balance	Cash flow from operating activities	Cash outflow	Net cash flow balance	Cash shortage contingency	
				Investment	Financing plan
5,023,905	3,992,106	6,086,252	2,929,759	-	-

1. Analysis of changes in cash flow in the current year:
 - i. Net cash inflow in 2025 increased by NTD 1,583,102 thousand compared with 2024. The analysis of the changes is as follows:
 - (i) Operating Activities: Inflow increased by NT\$5,756,496 thousand compared to 2024, primarily due to an increase in progress billings to owners and prepayments from real estate sales, which led to an increase in contract liabilities.
 - (ii) Investing Activities: Inflow decreased by NT\$49,423 thousand compared to 2024, primarily due to the acquisition of investment properties this year.
 - (iii) Financing Activities: Inflow decreased by NT\$4,089,067 thousand compared to 2024, primarily due to the repayment of long-term borrowings this year. Improvement plan to overcome a Lack of Liquidity: The Company experienced no lack of liquidity in 2024.
 - ii. Plan for Addressing Liquidity Shortfalls: The Company did not experience any liquidity shortfalls in 2024.

2. Cash flow analysis for the past 2 fiscal years:

Item	Year		Percentage Increase (Decrease) (%)
	2025	2024	
Cash Flow Ratio (%)	25.01	-	-
Cash Flow Adequacy Ratio (%)	9.29	9.73	(4.52)
Cash Flow Reinvestment Ratio (%)	20.53	-	-
Analysis of percentage increase (decrease): The cash flow ratio and cash reinvestment ratio in 2025 increased compared with 2024, mainly due to improved collections during 2025. The cash flow adequacy ratio in 2025 decreased compared with 2024, primarily due to continued investment in construction projects during 2025.			

3. Cash flow forecast analysis in the next year:

Unit: NTD thousand

Beginning cash and cash equivalent balance①	Cash flow from operating activities②	Cash outflow ③	Net cash flow balance ① + ② - ③	Cash shortage contingency plan	
				Investment plan	Financing plan
7,094,256	(1,607,252)	3,577,396	1,909,608	-	-

- i. Analysis of changes in cash flow in the current year:
 - (1) Operating Activities: The Company plans to invest in new real estate development projects and continue its construction contracting business.
 - (2) Investing Activities: The Company plans to carry out short-term investments.
 - (3) Financing Activities: The Company plans to distribute cash dividends.
- ii. Improvement plan to overcome a Lack of Liquidity: N/A

IV. Major capital expenditures during the most recent fiscal year: None; not applicable.

V. Investment policy for the most recent fiscal year, the main reasons for the profits or losses, improvement plans, and investment plans for the coming year:

1. Investment policy for the most recent fiscal year, and the main reasons for the profits or losses: The subsidiary's development project has not been completed and recognized as profit.
2. Investment plans for the coming year: Subsidiaries' development projects continue to invest in construction.

VI. Risk management during the most recent fiscal year up to the date of printing of the annual report

1. The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future
 - i. The effect upon the company's profits (losses) of interest rate fluctuations and response measures to be taken in the future: The market interest rate remained low in the most recent year, with limited impact on the company's non-operating interest. Hence, interest rate fluctuations have no significant impact on the company's profit (loss).
 - ii. The effect upon the company's profits (losses) of exchange rate fluctuations and response measures to be taken in the future: Since the company mainly focuses on the domestic demand industry, the exchange rate fluctuations have no significant impact on the company.
 - iii. The effect upon the company's profits (losses) of changes in the inflation rate, and response measures to be taken in the future: Since the company can apply for price index subsidies for public constructions, and technological plants for private constructions have a short construction period. Inflation may not have a significant effect on the company.
2. The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:
 - i. The company did not engage in high-risk, high-leverage investments and transactions of derivatives.
 - ii. The company's policy for loaning funds to others is based on its "Operational

Procedures for Loaning Funds to Others.”

- iii. The company’s endorsement/ guarantee policy is based on its "Regulations Governing the Making of Endorsements/ Guarantees.”
3. Research and development work to be carried out in the future, and further expenditures expected for research and development work:
 - i. Further expenditures for research and development in the next fiscal year

Unit: NTD thousand

Period	2026
R&D expenses	23,255

- ii. Future R&D plans, investment expenditures and expected progress:

Unit: NTD thousand

R&D plan	Current progress	Estimated time of completion	Estimated budget	Factors critical to the success of research and development
(1) Interface and construction sequence study for PCS columns and steel beam hoisting in the Fubon Property Insurance Building	In progress	2026.6.30	-	-
(2) Study on the release (demolition) of prestressing forces in post-tensioned beams of existing structures	In progress	2026.10.30		

4. Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response: None.
5. Effect on the company's financial operations of developments in science and technology((including information and communications security risks)) as well as industrial change, and measures to be taken in response: Appointed Taiwan Cybersecurity Foundry Company (TCFC) to conduct counseling, review, strengthen and adjust the information security structure and conducted regular information security announcement and promotions within the Company.
6. Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response: None.
7. Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken: None.
8. Expected benefits and possible risks associated with any plant expansion and mitigation measures being or to be taken: None; not applicable.
9. Risks associated with any consolidation of sales or purchasing operations and mitigation measures being or to be taken: The company’s contracting business appropriately deploys short, medium and long-term projects. Large-scale projects with short construction periods shall be planned half a year in advance

in order to avoid risks associated with any consolidation of sales.

10. Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: None; not applicable.
11. Effect upon and risk to the company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: None; not applicable.
12. Litigious and non-litigious matters:
 - i. In recent years as of the date of report publication, the directors, supervisors, general managers and substantial principals of the company, the majority shareholders and affiliated companies with a shareholding ratio of more than 10% have been determined or are included in the material litigation, non-litigation or administrative disputes in which the results may have a significant influence on the shareholders' equity or securities price must be fully disclosed in detail and include the cost of litigation, date of commencement of proceedings, main litigants and the current situation:

Year/ month of litigation	Construction project	Plaintiff / defendant	Reasons and claim for dispute	Amount in dispute	Current status and results of the case
2019.5	590C	Dacin Construction Co., Ltd Taipei City Government MRT Second District Construction Project Office	The unit price should be revised for an unreasonable unit price of design modification and when the contract amount increases/ decreases by more than 30%.	NT\$184,772,370	May 17, 2019 Dacin filed a lawsuit to the Taipei District Court. December 17, 2024, we received the judgment, with the awarded amount being NT\$15,804,911. As our company disagreed with the first-instance judgment, we filed an appeal for the second instance on January 2, 2025, reducing the claim amount to NT\$95,493,936. We have not yet received a notice for the hearing. The case is currently under second-instance trial.
2019.5	590C	Iwata Chizaki Inc. Dacin Construction Co., Ltd	Required payment by Dacin: Property transfer and construction period administrative expenses	NT\$52,672,431	After the conciliation failed on April 30, 2019, Iwata Chizaki Inc. filed a lawsuit at Taipei District Court on May 10, 2019, which is currently on trial. Judgement pronounced in favor of Dacin on April 20, 2021. 2021.4.20 The Company was declared to have won the litigation. Iwata Chisaki filed an appeal with the High Court. Currently under trial. Iwata Chisaki applied for identification, which is still in progress.

- ii. In recent years as of the date of publication of the annual report, the

company's affiliated companies with a shareholding ratio of more than 10% have been determined or are included in the material litigation, non-litigation or administrative disputes in which the results may have a significant influence on the shareholders' equity or securities price must be fully disclosed in detail and include the cost of litigation, date of commencement of proceedings, main litigants and the current situation: None.

13. Other important risks and mitigation measures being or to be taken: None.

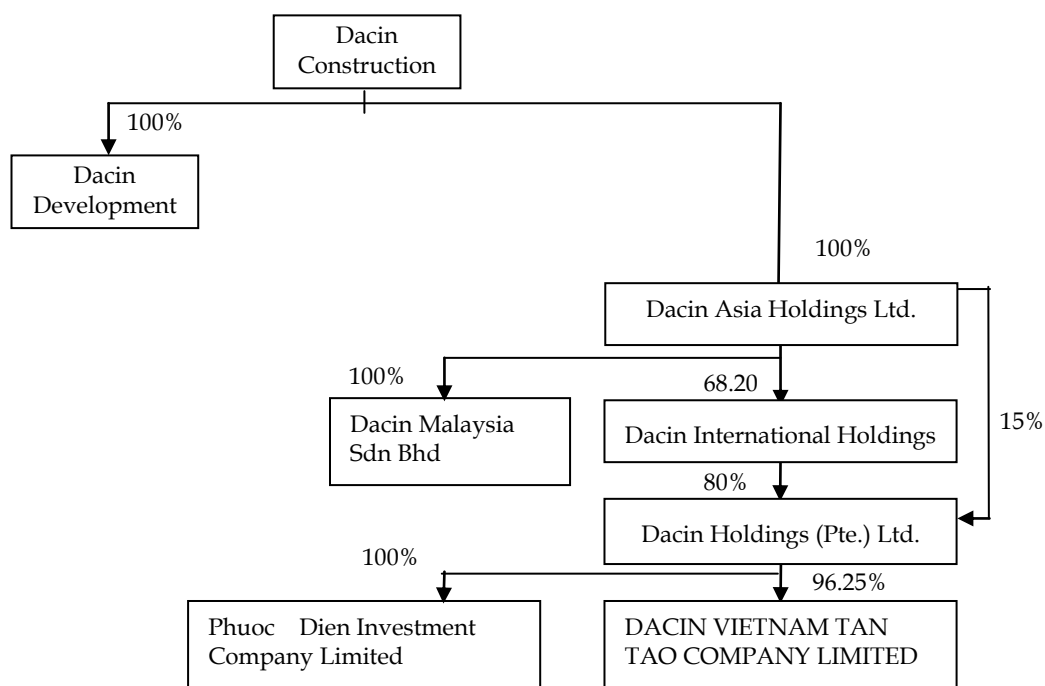
VII. Other important matters: None.

Chapter 6. Special Disclosure

I. Information related to the company's affiliates:

1. Consolidated Business Report of affiliate companies

i. Organizational Chart of affiliate companies (April,11,2026)



ii. Basic Information of affiliate companies:

Unit: NTD thousand; April, 11, 2026

Name of company	Date of incorporation	Address	Paid-in Capital	Type of business
Dacin Development Co., Ltd.	1983.11.01	12F., No. 92, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	1,303,000	Commissioning construction companies to build residential and commercial buildings for rent and sale
Dacin Asia Holdings Ltd.	2011.11.1	Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O.Box 32052, Grand Cayman, KY1-1208, Cayman Islands	US\$29,921,776.75	Investment in various production and services
Dacin International Holdings Ltd.	2008.04.01	Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O.Box 32052, Grand Cayman, KY1-1208, Cayman Islands	USD41,827,558.87	Investment in various production and services
Dacin Holdings (Pte.) Ltd.	2008.05.09	77 Robinson Road #13-00 Robinson 77, Singapore 068896	USD52,109,482	Investment in various production and services

DACIN VIETNAM TAN TAO COMPANY LIMITED	2011.12.30	Room 703, 7F, No 182, Le Dai Hanh (Flemington Office Tower) District 11, Ho Chi Minh City, Vietnam	USD41,624,280	Real estate and infrastructure construction
Phuoc Dien Investment Company Limited	2017.07.05	No. 82, Quarter 1, Tran Dai Nghia, District 11, Ho Chi Minh City, Vietnam	USD9,006,104	Real estate and infrastructure construction
Dacin Malaysia Sdn Bhd	2012.10.02	Unit 30-01,Level 30,Tower A,Vertical Business Suite Avenue 3,Bangsar South No 8,Jalan Kerinch 59200 Kuala Lumpur	MYR1,000,000	Engineering services and construction management

iii. Information of directors, supervisors and general manager of affiliate companies:

Date: April 11, 2026; unit: shares; %

Name of company	Title	Name or representative	Quantity Capital contribution (Note 1)	Ratio of shareholding (contribution) Percentage
Dacin Development Co., Ltd.	Chairman	Dacin Construction Co., Ltd. (representative: Jen-Chih Wang)	130,300,000	100.00%
	Directors	Dacin Construction Co., Ltd. (representative: Yuan-Ting Dai)	130,300,000	100.00%
	Directors	Dacin Construction Co., Ltd. (representative: Chu-Ming Wang)	130,300,000	100.00%
	Supervisors	Dacin Construction Co., Ltd. (representative: Yi-Chun Ting)	130,300,000	100.00%
Dacin Asia Holdings Ltd.	Chairman	Dacin Construction Co., Ltd. (representative: Chai-Wei Wang)	29,921,777	100.00%
Dacin International Holdings Ltd.	Chairman	Dacin Asia Holdings Ltd. (representative: Chai-Wei Wang)	28,525,626.97	68.20%
	Directors	Dacin Asia Holdings Ltd. (representative: Hsien-Hsu Chiu)	28,525,626.97	68.20%
	Directors	Vedan International Holdings Ltd. (representative: Meng-Ta Yang)	13,172,043.65	31.49%
Dacin Holdings (Pte.) Ltd.	Chairman	Dacin International Holdings Ltd. (Representative: Jen-Jeng Wang)	41,687,586	80.00%
	Directors	Dacin International Holdings Ltd. (Representative: Chai-Wei Wang)	41,687,586	80.00%
	Directors	Dacin International Holdings Ltd. (Representative: Hsien-Hsu Chiu)	41,687,586	80.00%
	Directors	Dacin International Holdings Ltd. (Representative: Chen-Wen Yang)	41,687,586	80.00%
	Directors	Chung-Lin General Contractors Limited (Representative: Chung-Ping Wang)	2,605,474	5.00%
DACIN VIETNAM TAN TAO COMPANY LIMITED	Chairman	Dacin Holdings (Pte.) Ltd. (Representative: Chai-Wei Wang)	40,061,852	96.25%
	Directors	Dacin Holdings (Pte.) Ltd. (Representative: Hsien-Hsu Chiu)	40,061,852	96.25%
	Directors	Dacin Holdings (Pte.) Ltd. (Representative: Hsia-Hung Lei)	40,061,852	96.25%
	Directors	Dacin Holdings (Pte.) Ltd. (Representative: Kun-Hsiang Yang)	40,061,852	96.25%
	Directors	KHANG AN INVESTMENT REAL ESTATE JSC. (Representative: Nguyen Hoang Minh)	1,562,428	3.75%
Phuoc Dien Investment Company Limited	Chairman	Dacin Holdings (Pte.) Ltd. (Representative: Chai-Wei Wang)	9,006,104	100.00%
	Directors	Dacin Holdings (Pte.) Ltd. (Representative: Li-Chun Dai)	9,006,104	100.00%

	Directors	Dacin Holdings (Pte.) Ltd. (Representative: Hsia-Hung Lei)	9,006,104	100.00%
	Directors	Dacin Holdings (Pte.) Ltd. (Representative:Kun-Hsiang Yang)	9,006,104	100.00%
Dacin Malaysia Sdn Bhd.	Chairman	Dacin Asia Holdings Ltd. (representative: Chao-Bang Liao)	1,000,000	100.00%
	Directors	Dacin Asia Holdings Ltd. (representative: Eric Chen)	1,000,000	100.00%
	Directors	MAH SENG KIAN	-	-
	Directors	TAY SIM HOCK	-	-

Note 1: Except for Dacin Asia Holdings Ltd.(USD-denominated), Dacin International Holdings Ltd. (USD-denominated), Dacin Holdings (Pte.) Ltd.(USD-denominated), DACIN VIETNAM TAN TAO COMPANY LIMITED (USD-denominated), Phuoc Dien Investment Company Limited (USD-denominated) ,and Dacin Malaysia Sdn Bhd (MYR) are shown as capital contribution, and others are as the number of shares.

iv. Financial status and operating results of affiliated corporations in 2025:

Unit: NTD thousand
(Except for earnings per share)

Name of company	Capital	Total assets	Total liabilities	Net value	Operating income	Operating interest (loss)	Net profit (loss)	EPS NT\$ (after tax)
Dacin Development Co., Ltd.	1,303,000	4,812,392	2,829,392	1,983,000	2,820,925	335,663	274,344	2.11
Dacin Asia Holdings Ltd.	940,441	893,148	11,378	881,770	-	(9,281)	(30,105)	(0.03)
Dacin International Holdings Ltd.	1,314,640	822,998	843	822,155	-	(422)	(59,460)	(0.05)
Dacin Holdings (Pte.) Ltd.	1,637,801	1,029,616	2,004	1,027,612	-	(716)	(73,865)	(0.05)
DACIN VIETNAM TAN TAO COMPANY LIMITED	1,308,251	1,341,872	548,044	793,828	1,593	(22,550)	(77,077)	(0.06)
Phocu Dien Investment Company Limited	283,062	214,960	68	214,892	29	(599)	(312)	-
Dacin Malaysia Sdn Bhd	7,490	28,751	159	28,592	-	(459)	(659)	(0.09)

Note 1: As of December 31, 2025, the USD:TWD exchange rate was 1 : 31.43; for 2025, the USD:TWD exchange rate was 1:32.18

As of December 31, 2025, the MYR:TWD exchange rate was 1 : 7.49; for 2025, the MYR:TWD exchange rate was 1: 7.011

Note2: Dacin Integrated Technology Co., Ltd. and Dacin M&E Engineering Co., Ltd. received court certificates confirming the completion of liquidation on October 7, 2025.

2. Relational Business Consolidated Financial Statements

i. Representation Letter of Relational Business Consolidated Financial Statements

In connection with the Consolidated Financial Statements of Affiliated Enterprises of Dacin Construction Co., Ltd. (the “Consolidated FS of the Affiliates”), we represent to you that the entities required to be included in the Consolidated FS of the Affiliates as of and for the year ended December 31, 2025 in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those required to be included in the Consolidated Financial Statements of Dacin Construction Co., Ltd. and its subsidiaries (the “Consolidated FS of the Group”) in accordance with International Financial Reporting Standard 10, as well as that, the information required to be disclosed in the Consolidated FS of Affiliates is disclosed in the Consolidated FS of the Group. Consequently, Dacin Construction Co., Ltd. does not prepare a separate set of Consolidated FS of Affiliates.

Very truly yours,

Dacin Construction Co., Ltd.

Chairman: Jen-Jeng Wang

March 12, 2026

- ii. Relational Business Consolidated Financial Statements: Same as those required to be included in the Consolidated Financial Statements of Dacin Construction Co., Ltd. and its subsidiaries.
- 3. Relational Report: Not applicable.

II. Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, disclose the date on which the placement was approved by the board of directors or by a shareholders meeting, the amount thus approved, the basis for and reasonableness of the pricing, the manner in which the specified persons were selected, the reasons why the private placement method was necessary, the targets of the private placement, their qualifications, subscription amounts, subscription price, relationship with the company, participation in the operations of the company, actual subscription (or conversion) price, the difference between the actual subscription (or conversion) price and the reference price, the effect of the private placement on shareholders' equity, and, for the period from receipt of payment in full to the completion of the related capital allocation plan, the status of use of the capital raised through the private placement of securities, the implementation progress of the plan, and the realization of the benefits of the plan: None.

1. Private placement of securities: None.
2. Transaction about the company's private placement of securities during the most recent fiscal year or the current fiscal year up to the date of publication of the annual report: None.

III. Other matters that require additional description: None.

Chapter 7. Nine. Any of the situations listed in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the company's securities during the current fiscal year up to the date of publication of the annual report : None.

Dacin Construction Co., Ltd.

The first issuance of secured corporate bond for FY2021.

- I. Bond name: Dacin Construction Co., Ltd.'s 1st Secured Corporate Bond for FY2021 (the "Bond").
- II. Total issued amount: the total issued amount of the Bond is NT\$2 billion.
- III. Par value: The face value of the Bond is NT\$1 million.
- IV. Issue price: The Bond was issued in full at par value on the issue date.
- V. Maturity: The Bond has a term of five years, scheduled to commence on August 18, 2021 and mature on August 18, 2026.
- VI. Coupon rate: The coupon rate of the Bond is fixed at 0.6% per annum.
- VII. Repayment: The Bond will be repaid at maturity.
- VIII. Interest payment: The Bond shall bear and pay interest at simple interest rate once a year from the date of issuance. Interest is calculated on a per-\$1-million basis and rounded up to the nearest NT dollar. If the principal and interest payment date of the Bond falls on a day when the bank in the place of payment is closed, the principal and interest will be paid on the immediately succeeding business day and no additional interest will be paid. No additional interest will be paid if the principal and interest are received after the principal and interest payment date.
- IX. Security: The Bond is guaranteed by First Commercial Bank, Co., Ltd. under a counter indemnity agreement and a deed of performance of corporate bond guarantee obligations.
- X. Underwriting: offering is processed by appointing securities dealers through allocation by negotiated sale.
- XI. Underwriter: First Securities Inc. as the Lead Underwriter.
- XII. Trustee: Mega International Commercial Bank Co., Ltd. act as the trustee and exercise the right and responsibility on behalf of the bondholders to inspect and supervise the Company's fulfillment of the issuance of the Bond and to enter into the trust agreement. All bondholders, either subscribed at issuance or halfway during the term, shall agree to the provisions of the trust agreement between the Company and the trustee, the rights and obligations of the trustee, and the terms and conditions of the Bond, and grant full authority to the trustee

which shall be irrevocable before maturity. As for the trust agreement, bondholders may keep track of the Bond with Dacin's or the trustee's business premises during business hours.

- XIII. Debt Service Agent: The Company mandated First Commercial Bank Co., Ltd. to act as the Debt Service Agent. The principal and interest payments will be transferred in accordance with the list of the bondholders provided by Taiwan Depository & Clearing Corporation, and the Debt Service Agent will prepare and deliver the Withholding Statements to the bondholders.
- XIV. Notification: Unless otherwise required by law, all matters concerning the Bond to be notified to bondholders are announced on the Market Observation Post System (<https://mops.twse.com.tw>) or in accordance with the regulations of Taiwan Depository & Clearing Corporation.
- XV. Bond form: The bonds are issued without physical presence and registered with Taiwan Depository & Clearing Corporation.
- XVI. Eligible subscribers: Only the professional investors as defined by the Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds.