



股票代號：2536

宏普建設股份有限公司

一一四年度年報

2025 ANNUAL REPORT

HONG PU REAL ESTATE DEVELOPMENT

TWSE: 2536



This Annual Report can be viewed at:
<http://mopsov.twse.com.tw/mops/web/index>
(website designated by the Financial Supervisory
Commission for online declaration)
<http://www.hong-pu.com.tw>
(website for disclosure annual report and related
information of the Company)
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本公司發言人

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地址：台北市大安區敦化南路二段
19號9樓
電話：(02)2755-2662

股票過戶機構

名稱：元大證券股份有限公司
地址：台北市大安區敦化南路二段
67號 B1
辦理時間：週一至週五 8:30~16:30
網址：www.yuanta.com.tw
電話：(02)2586-5859、0800-037888

最近年度財務報告簽證會計師

事務所名稱：安侯建業聯合會計師事務所
會計師姓名：許明芳、洪士剛
地址：台北市11049信義區信義路
五段7號68樓
網址：www.kpmg.com.tw
電話：(02)8101-6666

海外有價證券掛牌買賣之交易場所名稱及查詢該海外有價證券資訊之方式： 無

本公司利害關係人申訴管道

受理單位：總經理室
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公司網址：www.hong-pu.com.tw

Spokesperson

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Address: 9 F., No.19, Sec. 2, Dunhua S. Road, Da'an
Dist., Taipei City 10682, Taiwan, R.O.C
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Stock Transfer Agent

Name: Yuanta Securities-Stock Agent
Address: B1F.,No.67,Sec.2,Dunhua S Road,
Da'an Dist., Taipei City 10682,
Taiwan (R.O.C.)
Operating hours: 8:30am~4:30pm, Monday ~
Friday
Website: www.yuanta.com.tw
Tel : 886 (2) 2586-5859

Auditors

Firm: KPMG Certified Public Accountants
Name: Hsu Ming Fang , Horng Shyh Gang
Address: 68F., No.7, Sec. 5, Xinyi Rd.,
Xinyi District, Taipei City 11049,
Taiwan (R.O.C.)
Website: www.kpmg.com.tw
Tel: 886 (2) 8101-6666

Overseas Securities Exchange : None

The company interested party service line

Receiving Unit: General Manager's Office
Tel:886(2)2755-2662#124
Corporate Website:www.hong-pu.com.tw

Notice to readers

This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

2025 Business Report

Dear Shareholders,

Looking back at year 2025, benefiting from strong export performance in the semiconductor and AI-related industries, the economic growth rate is estimated to reach a recent high. While economic indicators and the stock market have delivered impressive performances, the real estate market has not shared in this momentum and has instead undergone a downward adjustment. Following the central bank's implementation of its seventh round of selective credit control measures and the tightening of mortgage lending by banks, overall liquidity conditions remain constrained. Developers have consequently adopted a more conservative approach toward land acquisition, project launches, and financing strategies. Investment-driven demand has largely exited the market, giving way to more rational owner-occupier and upgrader demand, resulting in a market characterized by declining transaction volumes and gradually softening prices.

In terms of operating income, delivery of pre-sale project, "Garden Park", "New Era Garden 1", "New Era Garden 2", and rental income from "MGH Mitsui Garden Hotel" and "World Trade Plaza" contributed to the company's revenue. During 2025, the Company's revenue was mainly derived from the recognition of income from the completion and handover of major pre-sale projects, resulting in an increase in operating revenue compared with the prior year.

A. Operating Performance in 2025

1. Achievement of operating plan

We have achieved 2025 revenue of NT\$10,460,323K, compared with NT\$2,449,455K in 2024, an increase of NT\$8,010,868K.

And we have achieved 2025 net income of NT1,271,645K, compared with NT\$209,692K in 2024, an increase of NT\$1,061,593K.

The main reason for the increase in both revenue and operating costs this year is the completion and delivery of "Garden Park" and "New Era Garden 1" and "New Era Garden 2" properties, as well as rental income from "MGH Mitsui Garden Hotel" and "World Trade Plaza".

2. Budget implementation

Our company is not required to file a financial forecast for fiscal year 2025 and 2024.

3. Financial revenue and expenditure

Financial expenditures include capitalized interest expense NT\$664,475K in 2025 and NT\$679,553K in 2024. It decreased NT\$15,078K. Mainly due to the Company repaid a portion of its borrowings using proceeds from the handover of completed residential units, resulting in a decrease in interest expense in 2025.

4. Profitability analysis

Item		Year 2025	Year 2024
ROA (%)		3.12	1.06
ROE (%)		8.17	1.54
As a % of paid in capital	Op. income	47.52	9.28
	Pretax profit	38.21	6.30
Net margin (%)		10.14	7.79
EPS (NT\$)	Diluted earnings per share	3.19	0.61
	Adjusted diluted earnings per share	-	-



Our analysis is derived from the above figures:

The main operations for year 2025 were primarily reflected in the revenue aspect, including the completion and delivery of "Hong Pu Garden Park", "Great Mansion", "Fashion Mansion" as well as rental income from "MGH Mitsui Garden Hotel" and "World Trade Plaza." These factors led to an increase in both revenue and operating costs, resulting in an overall reduction in gross profit.

5. Research and development status

- (1) **Constructions planning and design:** In order to design better projects, the location and the corresponding environment must be appealing. In addition, we must evaluate and balance our customer needs against the construction laws set by the government to ensure that the project will be satisfactory to both parties upon completion. In order to do so, we will be incorporating computerized simulation and planning software.
- (2) **Construction and management:** Our construction department strives to study various technologies and building materials to improve efficiency and bring down construction costs.
- (3) **Market research:** To truly understand the property market, our marketing department studies land and property market data from various areas regularly and uses the analyzed data as a basis for positioning new projects and marketing strategies.

B. Business plan in 2026

Looking forward to 2026, while major economies may have room for a gradual easing of monetary policy, uncertainty remains regarding the pace and magnitude of interest rate cuts. Ongoing international political and economic developments, as well as geopolitical risks, continue to affect capital flows and investor confidence. Domestically, the central bank is expected to maintain a prudent policy stance, and banking credit conditions are unlikely to ease significantly in the short term. Mortgage interest rates and loan-to-value ratios will continue to influence homebuying decisions. Meanwhile, changes in demographic structure and the transformation of housing demand indicate that the market will continue to be primarily supported by owner-occupiers, upgrader demand, and long-term holders. Overall, the real estate market is gradually returning to a more rational footing, with transaction volumes remaining subdued, price trends stabilizing, and regional and product segmentation becoming increasingly pronounced.

For the Company's projects, including the "Dazhi" in Taipei, "Yongkang" in Tainan, and "Zhongli 146" in Taoyuan, sales strategies or project launch times will be adjusted according to market conditions, and there may be opportunities to join the sales lineup, contributing to future revenue and profits.

Revenue recognition for the year 2026 will focus on the completion and delivery "Garden Park" and the project "ITC". In addition, rental income from rental income assets such as " MGH Mitsui Garden Hotel " and " World Trade Plaza " will also contribute to revenue recognition. It is expected that this year's revenue and profits will decrease compared to previous years.

We have our year 2026 operation schedule below:

1. Business objectives

- (1) Accelerate land-bank development and continue to acquire quality land bank.
- (2) Position our projects within proper niches.
- (3) Maintain strong construction quality and good cost management.
- (4) Sustain sound financial planning and financing strategy.
- (5) Develop assets generate long-term rental income.

2. Sales forecast and sales policy

In 2026, the Company's revenue will be aimed for the projects, "ITC", and contribute from the completed projects, "Garden Park". Rental income from assets such as "MGH Mitsui Garden Hotel" and "World Trade Plaza" will be also recognized as operating revenue.

3. Construction and marketing strategies

(1) Construction

- ◆ The development is based on the whole of Taiwan (all counties and cities).
- ◆ Focus on residential property and office building.

(2) Marketing

- ◆ Design projects based on targeted customer's demand and consumption power.
- ◆ Base our marketing strategy on project plans and Taipei city development to maintain profitability.

C. Future developing strategies and effects of external competition, legal and macroeconomic environment:

1. Hong Pu is major in Taipei City and New Taipei City, as well as some potential areas outside greater Taipei. We prefer to choose convenient transportation and life function land-piece to developing self-owned, joint venture or renewal projects. Beside residential buildings, we will put efforts on rent or sale of commercial office buildings.
2. Property development is not only high capital density, but also professional skills of land acquiring and product positioning and project planning. We have competitive strength of market research, quality control and solid financial situation to build up brand name.
3. Although it has entered a cycle of interest rate hikes, domestic interest rates are still at a low level and our healthy financial structure, we plan to develop long-term income properties and adjust business strategies.
4. As a result of the Ministry of the Interior's introduction of amendments to the "Equalization of Land Rights Act", it makes high sales price projects market is slow. The public still has demand for anti-inflation, especially the large population in the capital living area of Keelung, Taipei, New Taipei and Taoyuan. Fundamental and middle sales price projects become main stream.

All of our management team will endeavor to accomplish the goals set for the year. Thank you for your continued support and encouragement.

Yours sincerely,

Chairman : W.L. Yu
C.E.O : W.K. Tuan



II Company Governance Report

A. Directors, Supervisors and Management Team

a. Directors and Supervisors

Information on the company's directors and supervisors (a)

April 19, 2026

Unit : thousands of NT dollars

Title (Note1)	Nationality or place of Incorporation	Name	Gender Age (Note2)	Assumed date	Term	Assumed date at first time (Note3)	Shares held in assumed date		Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note4)	Additional occupation or position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			remarks -
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director Chairman	Taiwan	Hua-Zhan Investment Co., Ltd		2025.06.19	3	1998.04.28	60,041,745	18.04%	60,041,475	18.04%	-	-	-	-	None	None	-	-	-	-
The Director Chairman of institutional Chairman of Hua-Zhan Investment Co., Ltd	Taiwan	W.L. Yu	Male 51-60	2025.06.19	-	-	-	-	-	-	-	-	-	-	EMBA, National Taiwan University of Science and Technology	Chairman (Legal Representative) concurrently serving as President Director, Hong Pu Social Welfare and Charity Foundation Director (institutional representative), Chuan Yue Real Estate Development Co., Ltd. Director (institutional representative), Mitsubashi Development Co., Ltd.	None	None	None	-
Director	Taiwan	Fu-Da Investment Co., Ltd.		2025.06.19	3	1998.4.28	59,182,040	17.78%	59,182,040	17.78%	-	-	-	-	None	None	-	-	-	-
The Director Chairman of institutional Chairman of Fu-Da Investment Co., Ltd.	Taiwan	W.K. Tuan	Male 21-30	2025.06.19	-	-	-	-	-	-	-	-	-	-	Department of Architecture, NTUST	Director (Legal Representative) and CEO of the Company Chairman, Hong Pu Social Welfare and Charity Foundation Chairman (Legal Representative) of Chuan Yue Real Estate Development Co., Ltd. Chairman (Legal Representative) of Mitsubashi Development Co., Ltd.	None	None	None	-
Director Representative of Fu-Da Investment Co.,Ltd	Taiwan	C.H. Lu	Male 51-60	2024.06.05	-	-	-	-	-	-	-	-	-	-	Assistant manager of Engineering Department, GuoYuan Construction Site supervisor, Reiju Construction Civil Engineering Section, MingHsin Engineering College Study at Civil Engineering and Disaster Prevention Institute, National Taipei University of Technology	Associate Vice President of the Engineering Department, Hong pu Director, Hong Pu Social Welfare and Charity Foundation	None	None	None	Note6
Director	Taiwan	Fu-Yi Investment Co., Ltd.		2025.06.19	3	2001.05.15	4,581,077	1.38%	4,581,077	1.38%	-	-	-	-	None	None	-	-	-	-



Title (Note1)	Nationality or place of Incorporation	Name	Gender Age (Note2)	Assumed date	Term	Assumed date at first time (Note3)	Shares held in assumed date		Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement (Note4)		Experience (Education) (Note4)	Additional occupation or position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			remarks -
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director Representative of Fu-Yi Investment Co., Ltd.	Taiwan	S.C.Huang	Male 51~60	2025.06.19	-	2025.06.19	4,032	0.00%	4,032	0.00%	4,000	0.00 %	4,032	0.00 %	Department of Cooperative Economics and Social Entrepreneurship, Feng Chia University	Deputy manager, cashier section, financial department of the Company	None	None	None	-
Director Representative of Fu-Yi Investment Co., Ltd.	Taiwan	W.K. Tuan	Male 21~30	2022.06.15	-	-	-	-	-	-	-	-	-	-	Department of Architecture, NTUST Executive Assistant to the Chairman of Hong Pu Real Estate Development Co., Ltd.	Director (Legal Representative) and CEO of the Company Chairman (Legal Representative) of Chuan Yue Real Estate Development Co., Ltd. Chairman (Legal Representative) of Mitsubashi Development Co., Ltd. Chairman, Hong Pu Social Welfare and Charity Foundation	None	None	None	Note6
Independent Director 114.06.19 Renewed	Taiwan	M.Y. Ho	Male 41~50	2025.06.19	3	2022.06.15	18,000	0.01%	-	-	-	-	-	-	Department of Accounting, Fu Jen Catholic University Master Adjunct Lecturer, China University of Technology	Certified Public Accountant of Answer CPAs Firm. Independent Director, Audit Committee member and Remuneration Committee member, Hong Pu Real Estate Development Co., Ltd.	None	None	None	-
Independent Director	Taiwan	P.S. Li	Female 61~70	2022.06.15	3	2016.06.03	-	-	-	-	-	-	-	-	VP, PwC Taiwan AVP, Ernst & Young MBA, National Taiwan University Remuneration committee member, Hsin-Li Chemical Industrial Corp.	Chairman, SHK Consulting Co., Ltd. Remuneration Committee member, Independent Director and Audit Committee Convener, Hong Pu Real Estate Development Co., Ltd. Representative of Institutional Director, TCI Co., Ltd. Supervisor, Yong Jiang Investment Co., Ltd. Supervisor, Taiwan Sunshine Bless Association. Independent Director and Audit Committee Convener, Remuneration Committee member and Convener, Everspring Industry Co., Ltd. The supervisor of Scientific American (Taiwan) Director (Legal Representative) of ExeBrain Co., Ltd.	None	None	None	Note6

Title (Note1)	Nationality or place of Incorporation	Name	Gender Age (Note2)	Assumed date	Term	Assumed date at first time (Note3)	Shares held in assumed date		Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note4)	Additional occupation or position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director 114.06.19 Renewed	Taiwan	H.K. Li	Male 41~50	2025.06.19	3	2022.06.15	-	-	-	-	-	-	-	-	Department of Accounting, Fu Jen Catholic University	Certified Public Accountant of Answer CPAs Firm. Independent Director, Audit Committee member and Remuneration Committee member, Hong Pu Real Estate Development Co., Ltd.	None	None	None	-
Independent Director	Taiwan	J.R Wu	Female 51~60	2022.06.15	3	2016.06.03	-	-	-	-	-	-	-	-	Deputy Manager, Ernst & Young Partner, CKH & W CPA Office Accounting, Tunghai University	Partner, Yu Jin CPA Office Director, Yun Ting Financial Management Consulting Ltd. Independent Director, Gongwin Biopharm Holdings Co., Ltd. Independent Director, Audit Committee member and Remuneration Committee member and Convener, Hong Pu Real Estate Development Co., Ltd. The independent director, audit and remuneration committee convener of Welltend Technology Corporation. Independent Director of Taiwan Lamination Industries Inc.	None	None	None	Note6
Independent Director 114.06.19 Newly elected	Taiwan	C.H.Lin	Male 41~50	2025.06.19	3	2025.06.19	-	-	-	-	-	-	-	-	Researcher, Taiwan Institute of Economic Research	Researcher, Taiwan Institute of Economic Research Independent Director, Audit Committee member, Hong Pu Real Estate Development Co., Ltd.	None	None	None	-
Independent Director 114.06.19 Newly elected	Taiwan	P.J.Hsu	Male 41~50	2025.06.19	3	2025.06.19	-	-	-	-	-	-	-	-	Manager, Yu Jin CPA Office	Manager, Yu Jin CPA Office Independent Director, Audit Committee member and Remuneration Committee member, Hong Pu Real Estate Development Co., Ltd.	None	None	None	-

Note1: Institutional shareholder shall show names of institution and it's representative separately (the representative shall remark the institution's name) and fill in Table 1 below.

Note2: Please list actual age and express it in intervals, such as 41-50 years old or 51-60 years old.

Note3: It shall show when did he/she/it assume position of director or supervisor at first time. If it is discontinuous, it shall be described in the note.

Note4: If work experience related to position now is in accounting firm or affiliated company in the period showed above, it shall show his/her title and function of position.

Note5: Where the chairperson and president or equivalent position (highest level executive officer) is the same person, the spouse, or a first-degree relative, provide information on the reason, reasonableness, necessity, and future improvement measures (such as increasing the number of independent director seats and more than half of all directors not concurrently serving as employees or executive officers):

In response to the operational needs of the Company, he is responsible for coordinating the business operations of the entire Company and therefore concurrently serves as President. In addition, no more than half of the Directors of the Company concurrently serve as employees and managers, and one Independent Director seat is added.

Note6: The Company held a re-election of directors on June 19, 2025. Consequently, the designated representative of the director and the independent directors have stepped down.



Succession planning and operations for board members and key management:

1. The Company's "Articles of Incorporation" clearly stipulate that the election of directors shall adopt a candidate nomination system, and the "Corporate Governance Best Practice Principles" and "Procedures for Election of Directors" clearly stipulate that the composition of the Board of Directors should consider diversity and the Company's operating model and development needs. Formulate a diversified policy, including but not limited to basic conditions and values, professional knowledge and skills, and other multi-faceted standards.
2. The Company's director selection plan is based on integrity, responsibility, innovation and other conditions and solicits talents from all parties to prepare director candidates. They have operational judgment ability, accounting and financial analysis ability, business management ability, crisis management ability, industry knowledge, and international market outlook, leadership ability, decision-making ability or management expertise required for the Company's business and other professional knowledge and skills that are helpful for the Company's operation and management.
3. The Company adopts the "Rules for Performance Evaluation of Board of Directors" to measure the performance evaluation items, including understanding of the Company and responsibilities, participation in operations, professional functions and further education, to confirm the operational effectiveness of the Board of Directors and evaluate the performance of directors. It will serve as a reference for selecting directors in the future.
4. Regarding the succession planning of the Board of Directors, the Company trains managers to serve as directors on the Board of Directors, so that they are familiar with the operations of the Board of Directors and the business of each unit of the Company, and deepen their industrial experience through on-site inspections of construction sites. The Company's Board of Directors consists of 7 directors, including 4 independent directors.
5. Directors and independent directors have completed 63 hours professional continuing education courses in year 2025.
6. The company's key management personnel must possess personality traits such as high execution ability, correct values, and integrity, and strive to achieve the win-win goal of employee satisfaction, customer satisfaction, and shareholder satisfaction.
7. Each department of the Company has senior and mid-level managers, and mid-level managers are trained in a timely manner to act as job agents for senior managers. Through daily observation and evaluation, employees can understand the areas where employees should strengthen and improve, as well as their personal expectations, as a reference basis.
8. The Company supports self-organized or outsourced education and training, formulating themes based on future industry trends and regulations, cultivating diversified abilities, and reducing the risk of errors in future decisions. Employees achieved 428.5 hours of training courses in year 2025.
9. The current president of the Company originally served as vice president. After a period of experience, he took over as general manager on January 1, 2022.



Major shareholders of the institutional shareholders

April 19,2026

Name of institutional shareholders (Note 1)	Major shareholders of the institutional shareholders (Note 2)	
Hua-Zhan Investment Co., Ltd.	Yi-Li Investment Co., Ltd.	(Shares held : 18.79%)
	Sheng-Hui Investment Co., Ltd.	(Shares held : 18.79%)
	Tong-Chang Investment Co., Ltd.	(Shares held : 18.79%)
	Fu-Yi Investment Co., Ltd.	(Shares held : 18.79%)
	Fu-Da Investment Co., Ltd.	(Shares held : 18.79%)
	Wen-Shan Investment Co., Ltd.	(Shares held : 6.02%)
	PuWei Investment Company Ltd.	(Shares held : 0.03%)
Fu-Da Investment Co., Ltd.	Fu-Yi Investment Co., Ltd.	(Shares held : 16.04%)
	Sheng-Hui Investment Co., Ltd.	(Shares held : 16.04%)
	Yi-Li Investment Co., Ltd.	(Shares held : 16.05%)
	Tong-Chang Investment Co., Ltd.	(Shares held : 16.05%)
	Hua-Zhan Investment Co., Ltd.	(Shares held : 16.05%)
	Tai-Ban Investment Co., Ltd.	(Shares held : 19.75%)
	PuWei Investment Company Ltd.	(Shares held : 0.05%)
Fu-Yi Investment Co., Ltd.	Tong-Chang Investment Co., Ltd.	(Shares held : 19.99%)
	Yi-Li Investment Co., Ltd.	(Shares held : 19.99%)
	Hua-Zhan Investment Co., Ltd.	(Shares held : 19.99%)
	Fu-Da Investment Co., Ltd.	(Shares held : 19.99%)
	Sheng-Hui Investment Co., Ltd.	(Shares held : 19.99%)
	PuWei Investment Company Ltd.	(Shares held : 0.05%)

Note1: When director or supervisor is the representative of a corporate, name of the corporate shall be showed.

Note2: Company shall show the major shareholders' (top ten) names and holding ratios of the corporate. When the major shareholder is a corporate, company shall fill the table below.

Note3: When the institutional shareholder is not a corporation, it shall show the name of the shareholder and shareholding ratio i.e. the name and the capital contribution or donation ratio of the funder or donor (refer to the announcement of the Judicial Yuan for inquiries) If the donor has passed away, add the note "Deceased".

Major shareholders of the major shareholders that are juridical persons

April 19,2026

Name of juridical persons (Note 1)	Major shareholders of the juridical persons (Note 2)	
Tong-Chang Investment Co., Ltd.	Sheng-Hui Investment Co., Ltd.	(Shares held : 19.99%)
	Hua-Zhan Investment Co., Ltd.	(Shares held : 19.99%)
	Fu-Da Investment Co., Ltd.	(Shares held : 19.99%)
	Yi-Li Investment Co., Ltd.	(Shares held : 19.99%)
	Fu-Yi Investment Co., Ltd.	(Shares held : 19.99%)
	PuWei Investment Company Ltd.	(Shares held : 0.05%)
Sheng-Hui Investment Co., Ltd.	Fu-Yi Investment Co., Ltd.	(Shares held : 19.99%)
	Fu-Da Investment Co., Ltd.	(Shares held : 19.99%)
	Tong-Chang Investment Co., Ltd.	(Shares held : 19.99%)
	Yi-Li Investment Co., Ltd.	(Shares held : 19.99%)
	Hua-Zhan Investment Co., Ltd.	(Shares held : 19.99%)
	PuWei Investment Company Ltd.	(Shares held : 0.05%)
Yi-Li Investment Co., Ltd.	Fu-Da Investment Co., Ltd.	(Shares held : 19.99%)
	Sheng-Hui Investment Co., Ltd.	(Shares held : 19.99%)
	Tong-Chang Investment Co., Ltd.	(Shares held : 19.99%)
	Fu-Yi Investment Co., Ltd.	(Shares held : 19.99%)
	Hua-Zhan Investment Co., Ltd.	(Shares held : 19.99%)
	PuWei Investment Company Ltd.	(Shares held : 0.05%)
Wen-Shan Investment Co., Ltd.	Hua-pu Investment Company Ltd.	(Shares held : 100%)
Tai-Ban Investment Co., Ltd.	Hua-pu Investment Company Ltd.	(Shares held : 100%)
PuWei Investment Company Ltd.	W. K. Tuan	(Shares held : 100%)

Note1: When major shareholders are juridical persons, the name of the corporate shall be showed.

Note2: Company shall show the major shareholders' (top ten) names and holding ratios of the corporate.

Note3: When the institutional shareholder is not a corporation, it shall show the name of the shareholder and shareholding ratio i.e., the name and the capital contribution or donation ratio of the funder or donor (refer to the announcement of the Judicial Yuan for inquiries) If the donor has passed away, add the note "Deceased".

Information on the company's directors, supervisors (b)

1. Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors :

Criteria Name (Note 1)	Professional qualifications and experience (Note 1)	Independence of independent directors (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairman: W. L. Yu Director: Hua-Zhan Investment Co., Ltd. Representative : W. L. Yu 2024.06.05 Take office 2025.06.19 Renewed	<p>Leadership: Extensive leadership experience resulting in a practical understanding of organization, process, planning and risk management, demonstrated strengths in developing talent, driving change and long-term growth.</p> <p>Sales and Marketing: Experience in developing sales strategies to increase sales and market share, building brand awareness and improving corporate reputation.</p> <p>Professional knowledge: Have the knowledge and experience of relevant land laws and regulations required by the company's business.</p> <p>There is no one of conditions in the Article 30 of the Company Act.</p>	n/a	0
Director: Fu-Da Investment Co., Ltd. Representative: W.K. Tuan 2025.06.19 Take office	<p>Skill: With a background in architecture-related disciplines, understand technology trends, generate innovation and extend to creating new business models.</p> <p>Leadership Skills: Possesses practical understanding of organization, processes, planning, and risk management.</p> <p>There is no one of conditions in the Article 30 of the Company Act.</p>	n/a	0
Director: Fu-Yi Investment Co., Ltd. Representative : S.C.Huang 2025.06.19 Take office	<p>Financial Accounting: Possesses knowledge of finance, accounting, and banking, and communicates smoothly with banks.</p> <p>There is no one of conditions in the Article 30 of the Company Act.</p>	n/a	0
Independent Director : M.Y. Ho 2022.06.15 Take office 2025.06.19 Renewed	<p>Financial Accounting: Member of the Company's Audit Committee and Remuneration Committee member , with experience in leading corporate financial functions, proficient in and mastering complex financial management and capital allocation.</p> <p>Main experience: CPA exams passed 、 Certified Public Accountant of Answer CPAs Firm</p> <p>There is no one of conditions in the Article 30 of the Company Act.</p>	<p>Including but not limited to the person, spouse, relatives within the second degree who have not served as directors, supervisors or employees of the company or its affiliated companies ;</p> <p>The number and proportion of the company's shares are not held by the person, spouse, or relatives within the second degree of kinship (or in the name of others) ;</p>	0

Name (Note 1)	Criteria	Professional qualifications and experience (Note 1)	Independence of independent directors (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		<p>Not serving as a director, supervisor or employee of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) ;</p> <p>There is no amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.</p>		
<p>Independent Director : H.K.Li 2022.06.15 Take office 2025.06.19 Renewed</p>	<p>Financial Accounting: Member of the Company's Audit Committee and Remuneration Committee member, with experience in leading corporate financial functions, proficient in and mastering complex financial management and capital allocation.</p> <p>Main experience: CPA exams passed 、 Certified Public Accountant of Answer CPAs Firm</p> <p>There is no one of conditions in the Article 30 of the Company Act.</p>	<p>Including but not limited to the person, spouse, relatives within the second degree who have not served as directors, supervisors or employees of the company or its affiliated companies ;</p> <p>The number and proportion of the company's shares are not held by the person, spouse, or relatives within the second degree of kinship (or in the name of others) ;</p> <p>Not serving as a director, supervisor or employee of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) ;</p> <p>There is no amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.</p>	0	



Name (Note 1)	Criteria	Professional qualifications and experience (Note 1)	Independence of independent directors (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director : C.H.Lin 2025.06.19 take office	<p>Operate: Research on domestic economy, foreign economy and industrial economy. The research findings will be provided to enterprises for reference, thereby promoting industrial upgrading. Main experience: Team Leader, Taiwan Institute of Economic Research</p> <p>There is no one of conditions in the Article 30 of the Company Act.</p>	<p>Including but not limited to the person, spouse, relatives within the second degree who have not served as directors, supervisors or employees of the company or its affiliated companies ;</p> <p>The number and proportion of the company's shares are not held by the person, spouse, or relatives within the second degree of kinship (or in the name of others) ;</p> <p>Not serving as a director, supervisor or employee of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) ;</p> <p>There is no amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.</p>	0	
Independent Director : P.J.Hsu 2025.06.19 take office	<p>Professional Knowledge: Pursuing relevant academic degrees will provide the company with knowledge of land management and development required for its business operations.</p> <p>Main experience: Manager, Yu Jin CPA Office</p> <p>There is no one of conditions in the Article 30 of the Company Act.</p>	<p>Including but not limited to the person, spouse, relatives within the second degree who have not served as directors, supervisors or employees of the company or its affiliated companies ;</p> <p>The number and proportion of the company's shares are not held by the person, spouse, or relatives within the second degree of kinship (or in the name of others) ;</p> <p>Not serving as a director, supervisor or employee of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) ;</p> <p>There is no amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.</p>	0	

Note 1 : Professional qualifications and experience: state the professional qualifications and experience of individual directors and supervisors. If they are members of the audit committee and have accounting or financial expertise, their accounting or financial background and work experience should be stated, and whether there is no each condition in Article 30 of Company Act.

Note2 : Independent directors should state their independence, including but not limited to whether they, their spouse, or relatives within the second degree of kinship serve as directors,

supervisors or employees of the company or its affiliated companies; The number and proportion of the company's shares held by relatives (or in the name of others); whether they serve as a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) Directors, supervisors or employees; the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.

2. Board Diversity and Independence:

(1) Diversity of Board Member

● Diversity Policy:

In order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, the Company's Board of Directors has adopted the "Corporate Governance Best Practice Principles" for Hong Pu Real Estate Development Co., Ltd., which Article 20: The composition of the Board of Directors should consider diversity and ensure its own operation, operating type and development needs to formulate appropriate diversification policies, which should include but are not limited to two major aspects of basic conditions and values (gender, age, nationality and culture, etc.) and professional knowledge and skills (such as law, accounting, industry, finance, marketing or technology).

In this period's board of directors list, one-third of the board seats are now held by a single gender.

● Specific management objectives:

The Company's Board of Directors guides the Company's strategies, supervises the management, and is responsible to the Company and shareholders. All operations and arrangements of its corporate governance system play the role of ensuring that the Board of Directors exercises its powers in accordance with laws, the Company's Articles of Incorporation, or the resolutions of the Shareholders' Meeting. According to the Company's Articles of Incorporation, more than half of the elected directors of the Company must not have 1. spouses and 2. relatives within the second degree of affinity.

This goal has been achieved. The Company also continues to arrange multiple training courses for board members to improve their decision-making quality, improve their supervision capabilities, and strengthen the functions of the Board of Directors.

● The current implementation of diversity among board members is as follows:

The company advocates and respects the policy of diversity of directors. In order to strengthen corporate governance and promote the sound development of the composition and structure of the board of directors, it is believed that the policy of diversity will help improve the overall performance of the company. The selection and appointment of board members are based on the principle of meritocracy, including basic composition (such as nationality, gender, age, etc.), and each has industrial experience and professional ability. In order to strengthen the functions of the board of directors and achieve the ideal goals of corporate governance, the following capabilities are specified in Article 20 of the Code of Practice for Corporate Governance:

1. Operational judgment ability 2. Accounting and financial ability 3. Operation and management ability 4. Crisis handling ability 5. Leadership ability 6. Decision-making ability 7. International market outlook.

Currently, the Company has 7 board seats, including 3 non-independent directors and 4 independent directors (including 2 female independent directors). Approximately 3/7 (43%) of all board members are employees. Of the 4 independent directors, 2 have served for more than 3 years, and 2 have served for less than 3 years. Independent directors comprise approximately 4/7 (57%) of the board seats.

The independent directors of the company do not have the conditions stipulated in paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act, and none of the directors are spouses or relatives within the second degree of kinship.



Implement the diversity situation of board members

Name	Diversified core items			Basic Component						Industry Experience		Professional Competence								
	Nationality	Gender	Employees of the Company	Age					Independent Directors' Tenure			Property	Marketing	Operational Judgment	Accounting and Financial Capabilities	Management Ability	Management Capabilities	Leadership	Decision-making Capacity	International Market View
				21-30	41-50	51-60	61-70	71-80	Below 3year	3-9year	Above 9year									
Chairman: W. L. Yu Director: Hua-Zhan Investment Co., Ltd. Representative : W. L. Yu 2024.06.05 take office 2025.06.19 renewed	R.O.C.	M	✓		✓						✓	✓	✓		✓	✓	✓	✓	✓	
Director: Fu-Da Investment Co., Ltd. Representative:W.K. Tuan 2025.06.19 take office	R.O.C.	F	✓	✓							✓	✓	✓		✓	✓	✓	✓	✓	
Director: Fu-Yi Investment Co., Ltd. Representative : S.C.Huang 2025.06.19 take office	R.O.C.	M	✓			✓					✓		✓		✓			✓	✓	
Independent Director: H.K.Li 2022.06.15 take office 2025.06.19 renewed	R.O.C	M			✓						✓		✓		✓	✓	✓	✓	✓	
Independent Director: M.Y. Ho 2022.06.15 take office 2025.06.19 renewed	R.O.C	M			✓						✓		✓		✓	✓	✓	✓	✓	
Independent Director: C.H.Lin 2025.06.19 take office	R.O.C.	F			✓				✓				✓		✓			✓	✓	
Independent Director: P.J.Hsu 2025.06.19 take office	R.O.C.	F			✓				✓				✓					✓	✓	

(2) Independence of Board of Directors

- The Company has a total of 7 directors, 4 of whom are independent directors, accounting for 57% of the seats. All independent directors maintain independence when performing business and have no interest in the Company. They also serve as the Audit Committee and are responsible for the fair presentation of the Company's financial statements, the effective implementation of the company's internal controls, the company's risk management and control mechanism, and the Company's compliance with relevant laws and regulations, exercising supervisory responsibilities.
- The Chairman of the Company concurrently serves as the President in order to enhance operational efficiency and decision-making effectiveness. The Company does not have a majority of Directors concurrently serving as employees or managerial personnel and has added an additional seat for an Independent Director. Independent Directors are able to fully participate in discussions and provide recommendations in all functional committees, offering valuable input to the Board of Directors. As a result, the Board is able to effectively supervise the management team, guide corporate strategy, uphold sound corporate governance, and fulfill its responsibilities to the Company and its shareholders.
- All directors of the Company who have an interest in the meeting matters, themselves or the legal persons they represent, shall explain the important contents of their interests to the current board meeting, shall not participate in the discussion and voting, and shall avoid themselves from the discussion and voting, and shall not exercise their voting rights on behalf of other directors. All directors of the Company have complied with the aforementioned regulations and have fully ensured that the discussion and voting of each proposal are based on the directors' objective and independent judgment.



b. Management Team

April 19, 2026(Unit: NT\$ thousands)

Title	Nationality	Name	Gender	Assumed date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Additional occupation or position	Managers who are Spouses or Within Two Degrees of Kinship			note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman (Legal Representative) concurrently serving as President	Taiwan	W. L. Yu	M	2024.07.01	-	-	-	-	-	-	EMBA, National Taiwan University of Science and Technology	Chairman (Legal Representative) concurrently serving as President Director, Hong Pu Social Welfare and Charity Foundation Director (institutional representative), Chuan Yue Real Estate Development Co., Ltd. Director (institutional representative), Mitsubashi Development Co., Ltd.	None	None	None	None
CEO	Taiwan	W.K. Tuan	M	2024.07.01	-	-	-	-	-	-	Department of Architecture, NTUST - Executive Assistant to the Chairman of Hong Pu Real Estate Development Co., Ltd.	Director (Legal Representative) and CEO of the Company Chairman (Legal Representative) of Chuan Yue Real Estate Development Co., Ltd. Chairman (Legal Representative) of Mitsubashi Development Co., Ltd. Chairman, Hong Pu Social Welfare and Charity Foundation	None	None	None	None
Audit Manager	Taiwan	C.H. Chan	M	2017.03.23	0	0%	0	0%	0	0%	MBA in Department of Finance, National Sun Yat-sen University	None	None	None	None	None
Manager of finance dept.	Taiwan	P. S. Liu	F	2000.06.01	0	0%	0	0%	0	0%	Manager, BDO Taiwan Union & Co., EMBA, National Taipei University of Science and Technology Accounting, Tunghai University	Deputy general manager Chief of Acouter CEO, Hong Pu Social Welfare and Charity Foundation	None	None	None	None
Associate Vice President of the Engineering Department	Taiwan	C. H. Lu	M	2020.06.01	0	0%	0	0%	0	0%	Assistant manager of Engineering Department, GuoYuan Construction Site supervisor, Reiju Construction Civil Engineering Section, MingHsin Engineering College Study at Civil Engineering and Disaster Prevention Institute, National Taipei University of Technology	Associate Vice President of the Engineering Department, Hong pu Director, Hong Pu Social Welfare and Charity Foundation	None	None	None	None

Note1: Include president, vice-presidents, assistant vice-presidents, and the chiefs of all the company's divisions and branches. Despite the position, company shall show the assignments equivalent to president, vice-presidents, and assistant vice-presidents.

Note2: If work experience related to position now is in accounting firm or affiliated company in the period showed above, it shall show his/her title and function of position.

Note3: Where the chairperson and president or equivalent position (highest level executive officer) is the same person, the spouse, or a first-degree relative, provide information on the reason, reasonableness, necessity, and future improvement measures (such as increasing the number of independent director seats and more than half of all directors not concurrently serving as employees or executive officers): In response to the company's operational needs, Chairman is responsible for coordinating the company's operation and management business, so Chairman also serves as the CEO. And, less than half of the company's directors also serve as employees and managers, and an additional seat for independent director is added.



c. Payroll of Directors (Include Independent Directors), Supervisors, President and Vice President

(1) Remuneration of Directors (Include Independent Directors)

(Unit: NT\$ thousands)

Title	Name(Note1)	Remuneration								Ratio of total remuneration (A+B+C+D) to net income(%) (Note 10)		Relevant remuneration received by directors who are also employees								Ratio of total compensation (A+B+C+D+E+F+G) to net income(%) (Note10)		Compensation paid to directors from an invested company other than the company's subsidiary (Note 11)
		Base Compensation(A) (Note 2)		Severance Pay(B)		Remuneration of director (C) (Note 3)		Allowance(D) (Note4)				Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employees' compensation (G) (Note 6)						
		The Company	Financial Report (Note7)	The Company	Financial Report (Note 7)	The Company	Financial Report (Note 7)	The Company	Financial Report (Note 7)	The Company	Financial Report (Note 7)	The Company	Financial Report (Note 7)	The Company	Financial Report (Note 7)	Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus	The Company	Financial Report (Note 7)	
Chairman	Hua-Zhan Investment Co., Ltd Representative: W.L.YU	-	-	-	-	308	308	48	48	356 0.0336	356 0.0334	7,230	7,230			3,860		3,860		11,446 1.079	11,446 1.079	None
Director	Fu-Da Investment Co., Ltd. Representative W.K. Tuan	-	-	-	-	306	306	48	48	354 0.0334	354 0.0334	2,395	2,395			1,700		1,700		4,449 0.4194	4,449 0.4193	
Director	Fu-Da Investment Co., Ltd. Representative C. H. Lu Stepped down on June 19, 2025	-	-	-	-	153	153	24	24	177 0.0167	177 0.0167	3,447	3,447			1,350		1,350		4,974 0.4689	4,974 0.4688	
Chairman	Fu-Yi Investment Co., Ltd. Representative: S.C.Huang 2025.06.19 newly elected	-	-	-	-	153	153	24	24	177 0.0167	177 0.0167	1,647	1,647			550		550		2,374 0.2238	2,374 0.2237	
Independent Director	H.K. Li					320	320	135	135	455 0.0429	455 0.0429									455 0.0429	455 0.0429	
Independent Director	M.Y. Ho					320	320	135	135	455 0.0429	455 0.0429									455 0.0429	455 0.0429	
Independent Director	C.H.Lin 2025.06.19 newly elected	-	-	-	-	160	160	48	48	208 0.0196	208 0.0196									208 0.0196	208 0.0196	
Independent Director	P.J.Hsu 2025.06.19 newly elected	-	-	-	-	160	160	48	48	208 0.0196	208 0.0196									208 0.0190	208 0.0190	
Independent Director	B.S. Li Stepped down on June 19, 2025	-	-	-	-	160	160	42	42	202 0.0190	202 0.0190									202 0.0190	202 0.0190	
Independent Director	J.R. WU Stepped down on June 19, 2025	-	-	-	-	160	160	47	47	207 0.0195	207 0.0195									207 0.0195	207 0.0195	

Title	Name(Note1)	Remuneration								Ratio of total remuneration (A+B+C+D) to net income(%) (Note 10)		Relevant remuneration received by directors who are also employees								Ratio of total compensation (A+B+C+D+E+F+G) to net income(%) (Note10)		Compensation paid to directors from an invested company other than the company's subsidiary (Note 11)
		Base Compensation(A) (Note 2)		Severance Pay(B))		Remuneration of director (C) (Note 3)		Allowance(D) (Note4)		The Company	Financial Report (Note 7)	Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employees' compensation (G) (Note 6)				The Company	Financial Report (Note 7)	
		The Company	Financial Report (Note7)	The Company	Financial Report (Note 7)	The Company	Financial Report (Note 7)	The Company	Financial Report (Note 7)			The Company	Financial Report (Note 7)	The Company	Financial Report (Note 7)	Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
<p>1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: The remuneration of independent directors of the company takes into account the evaluation results of directors' performance evaluation. The Remuneration Committee deliberates on the degree of participation and contribution value of each director to the company's operations, links the reasonableness and fairness of performance risks with the remuneration, and considers the company's operating performance and the level of payment of peers. The proposal is submitted to the board of directors for resolution.</p> <p>2. Other than as disclosed in the above table, the remuneration earned by Directors providing services (e.g. providing consulting services as a non-employee) to the Company and all consolidated entities in the latest fiscal year: None.</p>																						

Note1: Director's names shall be showed separately (names of company and representative shall be showed for institution shareholder), but company may show combined payment for each item. If director is president or vice-president simultaneously, the payment shall be showed in this table and in table below.

Note2: It is director's payment (include salary, duty allowance, retirement pension, severance pay, bonus and incentive, etc.) of latest year.

Note3: It is the board's suggested amount of director's reward of earning allocation held for the latest earning allocation.

Note4: It is the relative executive expense (include carfare, special expenditure, subsidy, dormitory and car, etc.). When company provides residences, cars, other vehicles or several expenditures, it shall disclose quality and cost, and actual or fair rents, oil price and other expenditures of the assets. If there is a wheelsman, it shall disclose the relative payment, but this amount is not payroll of director.

Note5: It is director's salary, duty allowance, retirement pension, severance pay, bonus, incentive, carfare, special expenditure, subsidy, dormitory, car, etc. When he/she is employee (include president, vice-president, manager, employee) simultaneously in the latest year. When company provides residences, cars, other vehicles or several expenditures, it shall disclose quality and cost, and actual or fair rents, oil price and other pay of the assets. If there is a wheelsman, it shall disclose the relative payment, but this amount is not payroll of director. And, salaries expense on share-based payment of IFRS2 should be charged to remuneration, including employee stock option certificates, restricted employee right shares and new shares reserved for subscription by employee.

Note6: It is director's remuneration (include stock and cash) of earning allocation. It is the board's suggested amount of employees' compensation of earning allocation before the shareholders' meeting held for the latest earning allocation. When he/she is employee (include president, vice-president, manager, employee) simultaneously in the latest year. If company could not predict the amount, it might use actual allocation ratio of last year for suggested amount of this year and shall fill Table 1-3. Company listed on TSEC or OTC shall calculate fair value (close price on balance sheet ended date) according Financial Statement Rule of Securities Issuer. If it is not a listing company, it might use book value per share on the end of fiscal year.

Note7: Company shall show directors' total payments of each item from all entities (include the company) showed in consolidated financial report.

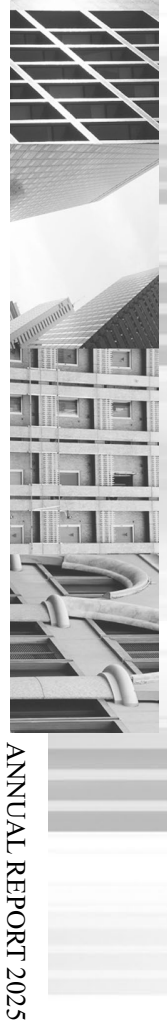
Note8: Company shall show the names of director in each range of directors' each payment.

Note9: Company shall show the names of director in each range of directors' each payment from all entities (include the company) showed in consolidated financial report.

Note10: It is net income after tax of the latest year ; If the company has adopted IFRSs, it's net income after tax of only or individual financial report recently year.

Note11: (a) Company shall show "yes" or "no" for directors' receiving relative payments from invested corporate beside subsidiaries.
(b) If yes, company shall show amount of payments, and combine payments (from invested corporate according to his/her status) and G and H in range of payroll, and change to "all invested corporate".
(c) It is the payment, reward of earning allocation, employees' compensation of earning allocation and allowance of the director who is also a director, supervisor or manager of invested corporate.

*The content showed in this table is different form the notion of Tax Act. And this table is only use for information disclosure, not for taxation.



(2) Remuneration of Supervisors : None

(3) Compensation of President and Vice President

(Unit: NT\$ thousands)

Title	Name (Note 1)	Salary(A) (Note2)		Retirement Pension (B)		Bonus and Perquisite(C) (Note3)		Employees' compensation (D) (Note4)				A、B、C and D sum as a percentage of net income after tax(%) (Note8)		Compensation or Fees Received from Investments Other than Subsidiary (Note9)	
		The company	Financial Report (Note 5)	The company	Financial Report (Note 5)	The company	Financial Report (Note 5)	The company		Consolidated financial statements (Note5)		The company	Financial Report (Note 5)		
								Cash Bonus	Stock Bonus Market Price Amount	Cash Bonus	Stock Bonus Market Price Amount				
Chairman (Legal Representative) concurrently serving as President (Note b)	W. L. Yu	3,060	3,060			4,170	4,170	3,860			3,860		11,090 1.0455	11,090 1.0452	None
CEO (Note a)	W. K. Tuan	1,658	1,658			737	737	1,700			1,700		4,095 0.3861	4,095 0.3859	

Regardless of title, position function is equivalent to president or vice president (e.g. chairman, CEO, director, etc.) should be shown in this table

Note a: On July 1, 2024, W.K. Tuan assumed the position of CEO.

Note b: On June 5, 2024, W.L. Yu assumed the position of Chairman and concurrently served as the President.

* Despite the position, company shall show the assignments equivalent to president and vice-presidents.

Note1: President's and vice-presidents' names shall be showed separately, but company may show combined payment of each item. If the director is the president or vice-president simultaneously, company shall fill this table and table above.

Note2: It is president's and vice-presidents' salary, duty allowance, retirement pension and severance pay of the latest year.

Note3: It is the president's and vice-presidents' bonus, incentive, carfare, perquisite, subsidy, dormitory, car and other payments. When company provides residences, cars, other vehicles or several expenditures, it shall disclose quality and cost, and actual or fair rents, oil price and other expenditures of the assets. If there is a wheelsman, it shall disclose the relative payment, but this amount is not payroll of president and vice-presidents. And, salaries expense on share-based payment of IFRS2 should be charged to remuneration, including employee stock option certificates, restricted employee right shares and new shares reserved for subscription by employee.

Note4: It is the board's suggested amount of president and vice-presidents' compensation of earning allocation (include stock and cash) before the shareholders' meeting held for the latest earning allocation. If company could not predict the amount, it shall fill Table 1-3. Company listed on TSEC or OTC shall calculate fair value (close price on balance sheet ended date) according Financial Statement Rule of Securities Issuer. If it is not a listing company, it might use book value per share on the end of fiscal year. It is net income after tax of the latest year; If the company has adopted IFRSs, it's net income after tax of only or individual financial report recently year.

Note5: Company shall show presidents' and vice-presidents' total payments of each item from all entities (include the company) showed in consolidated financial statement.

Note6: Company shall show the names of president and vice-president in each range of president's and vice-presidents' each payment.

Note7: Company shall show the names of president and vice-president in each range of president's and vice-presidents' each payment from all entities (include the company) showed in consolidated financial statement.

Note8: It is net income after tax of the latest year; If the company has adopted IFRSs, it's net income after tax of only or individual financial report recently year.

Note9: (a) Company shall show "yes" or "no" for president's and vice-presidents' receiving relative payments from invested corporate beside subsidiaries.

(b) If yes, company shall show amount of payments, and combine payments (from invested corporate according to his/her status) and D in range of payroll, and change to "all invested corporate".

(c) It is the payment, reward of earning allocation, employees' compensation of earning allocation and allowance of the supervisor who is also a director, supervisor or manager of invested corporate.

* The content showed in this table is different from the notion of Tax Act. And this table is only use for information disclosure, not for taxation.

(4-1) The remuneration of the top five top executives of listed OTC companies (individual disclosure of names and remuneration)

(Unit: NT\$ thousands)

Title	Name	Salary (A) (Note2)		Severance Pay (B)		Bonuses, and Allowances (C) (Note3)		Employees' compensation (D) (Note4)				Ratio of total remuneration (A+B+C+D) to net income(%) (Note6)		Compensation paid to directors from an invested company other than the company's subsidiary (Note7)
		The Company	Financial Report (Note5)	The Company	Financial Report (Note5)	The Company	Financial Report (Note5)	The Company		Financial Report (Note5)		The Company	Financial Report	
								Amount of cash	Amount of stock	Amount of cash	Amount of stock			
Chairman (Legal Representative) concurrently serving as President	W. L. Yu	3,060	3,060			4,170	4,170	3,860		3,860		11,090 1.0455	11,090 1.0452	None
CEO	W. K. Tuan	1,658	1,658			737	737	1,700		1,700		4,095 0.3861	4,095 0.3859	None
Manager of finance dept.	P. S. Liu	1,219	1,219			1,276	1,276	916		916		3,411 0.3216	3,411 0.3214	None
Audit Manager	C.H. Chan	1,064	1,064			1,425	1,425	1,100		1,100		3,589 0.3384	3,589 0.3382	None
Associate Vice President of the Engineering Department	C. H. Lu	1,421	1,421			2,026	2,026	1,350		1,350		4,797 0.4522	4,797 0.4521	None

Note1 : The term "top five top executives with remuneration" refers to the company's manager, up to the standards for the identification of relevant managers, according to the letter No. 0920001301 of the former Securities and Futures Management Commission, Ministry of Finance on March 27, 2003 stipulates the scope of application of the "manager". As for the calculation and determination principle of "the top five with the highest remuneration", it is based on the company's managers receiving salaries, retirement pensions, bonuses and special allowances from all companies in the consolidated financial report, as well as the total amount of employee remuneration (that is, A+B+C+D (the total of four items), and the top five with the highest remuneration will be determined after sorting. If the director concurrently serves as the former supervisor, this table and the table (1-1) above should be filled out.

Note2 : Fill in the salary, duty allowance, and severance pay of the top five top executives in the most recent year.

Note3 : Fill in the various bonuses, incentives, transportation allowance, special expenses, various allowances, dormitories, cars and other in-kind provision and other remuneration amounts for the top five remuneration executives in the most recent year. When providing houses, cars and other means of transportation or exclusive personal expenses, the nature and cost of the provided assets, actual or fair market value rents, fuel and other payments should be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver, but it is not included in the remuneration. Salary expenses recognized in accordance with IFRS 2 "Share-based Payments", including obtaining employee stock option certificates, restricting employees' rights to new shares and participating in cash capital increase subscription shares, etc., should also be included in the remuneration.

Note4 : Fill in the amount of employee remuneration (including stock and cash) approved by the board of directors to distribute to the top five executives in the most recent year. If it is impossible to estimate, the proposed distribution amount for this year shall be calculated according to the proportion of the actual distribution amount of the previous year, and shall be additionally filled in. Table 1-3.

Note5 : The total amount of remuneration paid by all companies (including the company) to the company's top five remuneration executives in the consolidated report should be disclosed.

Note6 : Net profit after tax refers to the net profit after tax for the most recent year on a parent company only or individual financial statements.

Note7 : a. This column should clearly fill in the amount of the top five top executives of the company who received the related remuneration from the subsidiary's reinvestment business or the parent company (if there is none, please fill in "none").

b. Remuneration refers to the reward, remuneration (including remuneration of employees, directors and supervisors) and business execution received by the top five top executives of the company as directors, supervisors or managers of subsidiaries or parent companies. Fees and other related remuneration.

*The content of remuneration disclosed in this table is different from the concept of income under the Income Tax Act. Therefore, this table is intended for information disclosure and not for taxation purposes.

(4) Employees' compensation Granted to Management Team

Since the year 2025 is net loss after tax, it is not intended to be distributed after the approval of the board of directors, so it is not applicable.

April 19, 2026
(Unit: NT\$ thousands)

	Title (Note1)	Name (Note1)	Stock compensation	Cash compensation	Total	As a percentage of net income after tax(%)
Executive Officers	C.E.O	W. K. Tuan	-	9,331	9,331	0.8797
	Chairman (Legal Representative) concurrently serving as President	W. L. Yu				
	Chief of Acounter	P.S. Liu				
	Audit Manager	C.H. Chan				
	Associate Vice President of the Engineering Department	Z.H. Lu				
	Corporate Governance Officer	Y. F. Huang				

Note1: Company shall show names and position separately, but it may show combined compensation of earning allocation.

Note2: It is the board's suggested amount of managers' compensation of earning allocation (include stock and cash) before the shareholders' meeting held for the latest earning allocation. If company could not predict the amount, it might use actual earning allocation ratio of last year for suggested amount of earning of this year. It is net income after tax of the latest year; If the company has adopted IFRSs, it's net income after tax of only or individual financial report recently year.

Note3: According to 2003/3/27 official letter No.0920001301 by Financial Supervisory Commission on March27,2003 the definition of manager is showed as follows:

- (1) President or equivalent.
- (2) Vice-president or equivalent.
- (3) Assistant vice-president or equivalent.
- (4) Manager of Finance Dept.
- (5) Manager of Accounting Dept.
- (6) Other employee who administers business or has right of signature.

Note4: If director, president, or vice-president receive compensation of earning allocation (include stock and cash), company shall fill Table 1-2 and this table.

d. Separate analysis of payments percentage to earnings after tax to Directors, President and Vice presidents in Hong Pu and companies in consolidated financial statement in recent 2 years and relevance to remuneration policies, standards and combination, procedures, performance and future risk.

1. Percentage of remuneration to earnings after tax in recent 2 years:

The Company: the percentage is 2.3549% in 2025 and 8.1596% in 2024.

The remuneration payment ratios for all companies included in the consolidated financial statements were 2.3540% in 2025 and 8.7287% in 2024.

2. Compensation:

(1) Directors:

Traveling expenses: pay on numbers of attendance of meeting.

Remuneration: If the company makes a profit in annual statement, it shall not be higher than 3%.

(2) President and CEO:

Salary: under the salary principle passed by Board.

Bonus: under the bonus principle passed by Board.

(3) Directors remuneration are processed under corporate articles given reasonable rewards based on performance of operation. President and CEO remuneration policies are refer to standard of salaries in peers and market and responsibilities and contributions. Procedures of remuneration setting are taken into consideration of performance of operation, future industrial risk of operation and trend of growth simultaneously. And, adjust the remuneration system constantly under operating situations and relevant rules in order to maintain the balance of sustainable operation and risk control.



B.Implementation of Corporate Governance

a. Board of Directors

Board of Directors Meeting Status

During the 2025 calendar year, 8 regular meetings were convened. Director attendance status is as follows:

Title	Name (Note1)	Attendance in Person	By Proxy	Attendance Rate(% (Note2)	Remark
Chairman	Hua-Zhan Investment Co., Ltd Representative: W.L.Yu	8	0	100%	2025.06.19 renewed
Director	Hua-Zhan Investment Co., Ltd Representative: W.L.Yu	8	0	100%	2022.06.15 newly elected
Director	Fu- Da Investment Co., Ltd Representative:W.K. Tuan	8	0	100%	2025.06.19 renewed
Director	Fu-Yi Investment Co., Ltd. Representative : C. H. Lu	3	0	100%	2024.06.15 take office Stepped down on Jun19,2025
Director	Fu-Yi Investment Co., Ltd Representative: S.C.Huang	5	0	100%	2025.06.19 newly elected
Independent Director	P.S.Lee	3	0	100%	2022.06.15 Re-elected Stepped down on Jun19,2025
Independent Director	J.R.Wu	3	0	100%	2022.06.15 Re-elected Stepped down on Jun19,2025
Independent Director	H.K.Li	8	0	100%	2022.06.15 newly elected 2025.06.19 renewed
Independent Director	M.Y. Ho	8	0	100%	2022.06.15 newly elected 2025.06.19 renewed
Independent Director	C.H.Lin	5	0	100%	2025.06.19 newly elected
Independent Director	P.J.Hsu	5	0	100%	2025.06.19 newly elected

Other matters:

1.The operation of the board of directors in any of the following circumstances shall state the date, period, content of the proposal, the opinions of all independent directors and the company's handling of the opinions of independent directors:

(1) Matters listed in Article 14-3 of the Securities and Exchange Act.

Date, Period	Proposal content and resolution results
MAR 5, 2025 23 th of 12 th Session	<p>Proposal</p> <ul style="list-style-type: none"> ◎ The Company's consolidated and parent company only financial statements for the year 2024. ◎ The Company intends to donate NT\$300,000 to the Hong Pu Social Welfare and Charity Foundation. ◎ Proposed amendments to certain articles of the Company's "Articles of Incorporation". ◎ The "Statement of Internal Control" for the year 2024. ◎ Hereby presented is the Company's 2024 Business Report and 2025 Business Outlook. ◎ The Company has accepted cases concerning whether shareholder nominations should be included in the candidate list. ◎ The Company's complete re-election of directors. ◎ Proposed lifting of non-competition restrictions on newly appointed Directors and their representatives. ◎ Matters related to convening the 2025 Annual General Shareholders' Meeting, including the time, venue, and agenda items, are hereby proposed. ◎ Matters regarding the acceptance of shareholder proposals from shareholders holding 1% or more of the Company's shares for the 2025 Annual General Shareholders' Meeting. ◎ Revise certain parts of the Company's "Internal Control System".

	<p>Independent director's opinions: no objections and reservations. The company's handling of independent directors' opinions: n/a. Result of the resolution: After the chairman consulted the directors present, there was no objection, and it was passed as the case.</p>
<p>APR 02, 2025 24th of 12th Session</p>	<p>Proposal ◎ The Company intends to participate in the cash capital increase of Chuan Yue Real Estate Development Co., Ltd. ◎ KPMG proposed replacement of CPA. ◎ Assessment of the independence and competence of the certified public accountant engaged by the Company for the year 2025. ◎ Hereby reported is the accountant's fee for the year 2025. ◎ Hereby presented is the Company's budget report for the year 2025.</p> <p>Independent director's opinions: no objections and reservations. The company's handling of independent directors' opinions: n/a Result of the resolution: After the chairman consulted the directors present, there was no objection, and it was passed as the case.</p>
<p>APR 30, 2025 25th of 12th Session</p>	<p>Proposal ◎ Hereby presented is the Company's consolidated financial statement for the first quarter of 2025. ◎ Discussion on the distribution plan of directors' and employees' remuneration for the year 2024. ◎ Proposed earnings distribution plan for the Company for the year 2024. ◎ Case concerning the review process of nominating directors, independent directors, and nominees.</p> <p>Independent director's opinions: no objections and reservations. The company's handling of independent directors' opinions: n/a Result of the resolution: After the chairman consulted the directors present, there was no objection, and it was passed as the case.</p>
<p>JUN 19, 2025 1th of 13th Session</p>	<p>Proposal ◎ Nomination of Chairman of the thirteenth board of directors of the Company.</p> <p>Independent director's opinions: no objections and reservations. The company's handling of independent directors' opinions: n/a. Result of the resolution: After the chairman consulted the directors present, there was no objection, and it was passed as the case.</p>
<p>JUN 3, 2024 2th of 13th Session</p>	<p>Proposal ◎ Approval of the 2024 Sustainability Report processing status. ◎ Qualification review of members of the Company's sixth "Remuneration Committee". ◎ Matters related to the determination of the ex-dividend date for the distribution of cash dividends to shareholders.</p> <p>Independent director's opinions: no objections and reservations. The company's handling of independent directors' opinions: n/a. Result of the resolution: After the chairman consulted the directors present, there was no objection, and it was passed as the case.</p>
<p>AUG 6, 2025 3th of 13th Session</p>	<p>Proposal ◎ Hereby presented is the Company's consolidated financial statement for the second quarter of 2025. ◎ Hereby submitted to the first session of the sixth Remuneration Committee for approval. ◎ The Company intended to extend the loan term and increase the revolving credit limit with the Xinyi Branch of Shanghai Commercial & Savings Bank. ◎ Proposed increase in working capital financing for cash dividend distribution.</p> <p>Independent director's opinions: no objections and reservations. The company's handling of independent directors' opinions: n/a. Result of the resolution: After the chairman consulted the directors present, there was no objection, and it was passed as the case.</p>
<p>NOV 5, 2024 4th of 13th Session</p>	<p>Proposal ◎ The Company's consolidated financial statements for the third quarter of 2025 are hereby submitted. ◎ It is proposed to issue a guarantee for the financing of its subsidiary, Chuan Yue Real Estate Development Co., Ltd (hereinafter referred to as Chuan Yue). ◎ It is proposed to sign a "Agreement of Loan Guarantee Fee" with the subsidiary and joint venture partner ◎ Proposed contract for the structural engineering of the "Prelude of Times", a residential and commercial building. ◎ The proposed contracts are to be awarded separately for the electromechanical engineering (equipment) and electromechanical (labor) work of the "Prelude of Times", a residential and commercial building. ◎ Proposed extension of land financing and new construction financing quotas from Taishin Bank. ◎ Proposed extension of working capital financing for Dah Chung Bills Finance. ◎ Hereby submitted to the second session of the sixth Remuneration Committee for approval.</p> <p>Independent director's opinions: no objections and reservations. The company's handling of independent directors' opinions: n/a. Result of the resolution: After the chairman consulted the directors present, there was no objection, and it was passed as the case.</p>

		3. Performance evaluations of functional committees	3. Self-evaluations of functional committees	<p>Performance evaluation of functional committee.</p> <ol style="list-style-type: none"> 1. Participation in company operations. 2. Cognition of functional committee responsibilities. 3. Improvement of quality of functional committee's decisions. 4. Composition and structure of functional committee. 5. Internal control. <p>The score of comprehensive performance evaluation of functional committee was 92.31 points.</p>
<p>4. Objectives of strengthening the functions of the board of directors in the current year and the most recent year (such as the establishment of an audit committee, improving information transparency, etc.) and evaluation of implementation:</p> <ol style="list-style-type: none"> (1) In addition to providing relevant regulations for directors at any time, the company reports to the directors on the company's business status in the board of directors meetings, and prepares relevant information on the proposals and assigns personnel for the examination of the directors and supervisors. (2) The company provides information on various kinds of training courses initiatively also encourages directors and supervisors to actively participate in various corporate governance courses to strengthen the functions of board members; total directors' training was 63 hours in 2025. (3) Maintain the transparency of operations, protect the rights and interests of shareholders, and disclose major information on Market Observation Post System. (4) In order to implement corporate governance and enhance the functions of the board of directors in order to establish performance goals and strengthen the efficiency of the board of directors, the company has revised some provisions of the board 's performance evaluation method in 2020 and carried out the evaluation at the beginning of each year. The scores of comprehensive performance evaluation of board and the comprehensive evaluation of the performance of the members of the board of directors and functional committee were 96.11 points and 96.04 and 92.31 points in 2025. The results were reported to the board meeting on MAR 3, 2026. (5) The company held the re-election of directors in shareholders' meeting and set up an audit committee to replace supervisors and strengthen the functions of the board of directors on Jun 14, 2019. 				

Note1: When directors is belong to juridical person shall be showed the company's name and representative.

Note2: (1) If director resigned before end of year, company shall show date in note, and attendance rate (%) is attendant times of meeting in incumbent period.

(2) If there is re-election of director, company shall show former, new, reappointed member and date in note. Attendance rate (%) is attendant times of meeting in incumbent period.



b. Audit Committee Meeting Status:

The audit committee of the company was changed from 3 to 4 independent directors since Jun.15,2022. 5 times meetings of Audit Committee(A) in last year, the situation of meeting attendance of independent directors as follows:

The main issues reviewed by the Audit Committee include:

1. Audit of financial statements and accounting policies and procedures.
2. The internal control system and related policies and procedures.
3. Transactions of material assets or derivatives.
4. Material monetary loan and endorsement or provision of guarantee.
5. The offering or issuance of marketable securities.
6. Derivative financial products and cash investment.
7. Regulatory compliance.
8. Whether the managers and the directors are possible to related party transactions and conflicts of interest.
9. Appeal report.
10. Anti-fraud investigation report.
11. Information security.
12. Company risk management.
13. Qualification, independence and performance evaluation of CPA.
14. The hiring and dismissal of an attesting CPA or compensation.
15. The appointment and discharge of financial, accounting or internal audit officers.
16. The audit committee's performance of duties.
17. Self-assessment questionnaire for performance evaluation of the Audit Committee.

title	name	Attend in person (B)	Attend by proxy	rate of attendance in person(Note1、2)	remarks
Audit committee	P.S.Li	3	0	100%	2022.06.15 Re-elected Stepped down on Jun19,2025
Audit committee	J.R.Wu	3	0	100%	2022.06.15 Re-elected Stepped down on Jun19,2025
Audit committee	H.K.Li	6	0	100%	2022.06.15 newly elected 2025.06.19 renewed
Audit committee	M.Y.Ho	6	0	100%	2022.06.15 newly elected 2025.06.19 renewed
Audit committee	C.H.Lin	3	0	100%	2025.06.19 newly elected
Audit committee	P.J.Hsu	3	0	100%	2025.06.19 newly elected

other matters:

1. Operating situation of the year

Date, Period	Proposal content and resolution results	Matters listed in Article 14-5 of the Securities and Exchange Act(The relevant handling situation is detailed below 2)	Except for the matters above, other resolutions that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors
MAR 5, 2025 16 th of 2 th Session	1. The Company's consolidated and individual financial statements for year 2024.	✓	
	2. The Company intends to donate NT\$300,000 to the Hong Pu Social Welfare and Charity Foundation	✓	
	3. The "Statement of Internal Control" for the year 2024.	✓	
	4. Proposed amendments to certain articles of the Company's "Articles of Incorporation".	✓	
	5. Revise certain parts of the company's "Internal Control System".	✓	
APR 2, 2025 17 th of 2 th Session	1. The Company intends to participate in the cash capital increase of Chuan Yue Real Estate Development Co., Ltd.	✓	
	2. KPMG proposed replacement of CPA.	✓	
	3. Assessment of the independence and competence of the certified public accountant engaged by the Company for the year 2025.	✓	
	4. Hereby reported is the accountant's fee for the year 2025.	✓	

APR 30, 2025 18 th of 2 th Session	1. Hereby presented is the Company's consolidated financial statement for the first quarter of 2025.	✓	
AUG 6, 2025 1 th of 3 th Session	1. Proposed nominee for Audit Committee Convenor.	✓	
	2. Hereby presented is the Company's consolidated financial statement for the second quarter of 2025.	✓	
NOV 5, 2024 2 th of 3 th Session	1. The Company's consolidated financial statements for the third quarter of 2025 are hereby submitted	✓	
	2. It is proposed to issue a guarantee for the financing of its subsidiary, "Chuan Yue Real Estate Development Co., Ltd."	✓	
	3. It is proposed to sign a "Agreement of Loan Guarantee Fee" with the subsidiary and joint venture partner.	✓	
DEC 24, 2025 3 th of 3 th Session	1. Hereby submit the draft of the "2026 Annual Audit Plan" proposed by the Company	✓	
	2. The company plans to revise its "Handling Guidelines for Internal Control System"	✓	
	3. The Company proposes to revise its "Procedures for Acquisition or Disposal of Assets"	✓	
	4. Propose to revise the Company's "Rules Governing Personnel Management"	✓	
	5. We propose to abolish the Company's "Corporate Social Responsibility Best Practice Principles"	✓	
	6. The Company plans to add a new "Sustainable Development Best Practice Principles"	✓	
	7. Proposed Amendments to the Company's "General Principles for the Pre-Approval Policy on Non-Assurance Services"	✓	

2. The operation of the audit committee in any of the following circumstances shall state the date, period, content of the proposal, contents of independent directors' objections, reservations or major proposals, the opinions of audit committee and the company's handling of the opinions of audit committee.

(1) Matters listed in Article 14-5 of the Securities and Exchange Act.

MAR 5, 2025 16 th of 2 th Session	<p>Proposal</p> <ul style="list-style-type: none"> ◎ The Company's consolidated and parent company only financial statements for the year 2024. ◎ The Company intends to donate NT\$300,000 to the Hong Pu Social Welfare and Charity Foundation. ◎ The "Statement of Internal Control" for the year 2024. ◎ Proposed amendments to certain articles of the Company's "Articles of Incorporation". ◎ Revise certain parts of the Company's "Internal Control System".
	<p>Audit committee's opinions: no objections and reservations.</p> <p>The company's treatment of audit committee's opinions: n.a.</p> <p>Result of the resolution: after the chairman consulted the committees present, there was no objection, and it was passed as the case.</p>
APR 2, 2025 17 th of 2 th Session	<p>Proposal</p> <ul style="list-style-type: none"> ◎ The Company intends to participate in the cash capital increase of Chuan Yue Real Estate Development Co., Ltd. ◎ KPMG proposed replacement of CPA. ◎ Assessment of the independence and competence of the certified public accountant engaged by the Company for the year 2025. ◎ Hereby reported is the accountant's fee for the year 2025.
	<p>Audit committee's opinions: no objections and reservations.</p> <p>The company's treatment of audit committee's opinions: n.a.</p> <p>Result of the resolution: after the chairman consulted the committees present, there was no objection, and it was passed as the case.</p>
APR 30, 2025 18 th of 2 th Session	<p>Proposal</p> <ul style="list-style-type: none"> ◎ Hereby presented is the Company's consolidated financial statement for the first quarter of 2025.
	<p>Audit committee's opinions: no objections and reservations.</p> <p>The company's treatment of audit committee's opinions: n.a.</p> <p>Result of the resolution: after the chairman consulted the committees present, there was no objection, and it was passed as the case.</p>



<p>AUG 6, 2025 1th of 3th Session</p>	<p>Proposal ◎ Proposed nominee for Audit Committee Convenor. ◎ Hereby presented is the Company's consolidated financial statement for the second quarter of 2025.</p> <p>Audit committee's opinions: no objections and reservations. The company's treatment of audit committee's opinions: n.a. Result of the resolution: after the chairman consulted the committees present, there was no objection, and it was passed as the case.</p>
<p>NOV 5, 2025 2th of 3th Session</p>	<p>Proposal ◎ The Company's consolidated financial statements for the third quarter of 2025 are hereby submitted. ◎ It is proposed to issue a guarantee for the financing of its subsidiary, "Chuan Yue Real Estate Development Co., Ltd." ◎ It is proposed to sign a "Agreement of Loan Guarantee Fee" with the subsidiary and joint venture partner.</p> <p>Audit committee's opinions: no objections and reservations. The company's treatment of audit committee's opinions: n.a. Result of the resolution: after the chairman consulted the committees present, there was no objection, and it was passed as the case.</p>
<p>DEC 24, 2025 3th of 3th Session</p>	<p>Proposal ◎ Hereby submit the draft of the "2026 Annual Audit Plan" proposed by the Company. ◎ The company plans to revise its "Handling Guidelines for Internal Control System". ◎ The Company proposes to revise its "Procedures for Acquisition or Disposal of Assets". ◎ Propose to revise the Company's "Rules Governing Personnel Management". ◎ We propose to abolish the Company's "Corporate Social Responsibility Best Practice Principles". ◎ The Company plans to add a new "Sustainable Development Best Practice Principles". ◎ Proposed Amendments to the Company's "General Principles for the Pre-Approval Policy on Non-Assurance Services".</p> <p>Audit committee's opinions: no objections and reservations. The company's treatment of audit committee's opinions: n.a. Result of the resolution: after the chairman consulted the committees present, there was no objection, and it was passed as the case.</p>

(2) Except for the matters above, other resolutions that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors: none.

3. Implementation situation of the audit committee and the independent directors for the avoidance of the conflicts of interest proposal. It shall state the names of the audit committee and independent directors, the content of the proposal, the reasons for the avoidance of conflicts of interest, and the voting situation: none.

4. The communication situation of the audit committee, independent directors, internal audit manager and accountants (It should include major matters, methods and results of communication situation on the company's financial and business conditions):

(1) The Audit Committee, independent directors, and the head of internal audit are able to communicate with each other as needed via email, telephone, or in person. Meetings can also be convened at any time in case of significant anomalies. Communication channels are diverse and smooth. The company's internal audit personnel submit the previous month's audit report or follow-up report to the Audit Committee and independent directors for review each month. The Audit Committee and independent directors provide responses or comments as needed. The head of audit also provides separate reports on the company's and its subsidiaries' key business operations to the independent directors during the semi-annual meeting. The audit results for fiscal year 2025 showed no significant anomalies, and the Audit Committee and independent directors raised no objections. In addition to reporting the audit findings and discoveries regarding the financial statements to the Audit Committee and independent directors during the semi-annual meeting, the company's certified public accountants also hold annual reading groups for relevant company personnel. The reading group content covers new knowledge of tax and financial laws, their impact, and corresponding countermeasures. The Audit Committee, independent directors, head of internal audit, and accountants communicated a total of 2 times this year. A summary of each communication is shown in the table below:

Date	Essence and communication themes	Independent Director's Recommendation
Mar 5, 2025	<ul style="list-style-type: none"> • Ethics and independence, the auditor's responsibility for auditing financial statements, communication of the firm's quality management system, types of audit opinions issued, scope of audit, audit findings, other communication matters, significant accounting updates, appendices - important accounting standards or interpretations, updates to securities and tax laws. 	Independent directors have no opinions and no suggestions.
Nov 5, 2025	<ul style="list-style-type: none"> • Ethics and independence, communication regarding the firm's quality management system, types of review conclusions issued, scope of review, review findings, other communication matters, annual audit planning, and updates to important regulatory laws and regulations. 	Independent directors have no opinions and no suggestions.

Note:

- * If an independent director leaves the company before the end of the year, the resignation date should be stated in remarks column. The rate of attendance in person (%) is calculated based on the number of audit committee meetings and the number of attendances in person during the tenure.
- * If there are independent director re-elections before the end of the year, both newly and former independent directors should be filled in, and remarks column should show that the independent director is former, newly or re-elected and the date of re-election. The rate of attendance in person (%) is calculated based on the number of audit committee meetings and attendances in person during the tenure.



(3) Operations of corporate governance and the deviations from the Corporate Governance best Practice Principles for TWSE/TPEX Listed Companies, and reasons.

Evaluation items	Operating Situation (Note)			Differences from and reasons for the differences between the Corporate Governance Best Practice Principles for listed companies
	Yes	No	Description	
I. Has the company formulated and disclosed its corporate governance best practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	Yes		The company passed the “Corporate Governance Best Practice Principles” at the 22nd meeting of the eighth session of the board of directors on March 24, 2012, and it operates in accordance with relevant regulations. The practice principles are disclosed on the Market Observation Post System and the Company website www.hong-pu.com.tw for reference.	No significant difference with Corporate Governance Best Practice Principles for Listed Companies.
II. Shareholding structure and shareholders' equity				
(I) Did the company establish an internal procedure for handling shareholder proposals, inquiries, disputes, and litigation? Are such matters handled according to the internal procedure?	Yes		(I) The company has established a spokesperson system in accordance with regulations to handle shareholder suggestions, doubts, disputes, and litigation, and properly handle and respond to them. The company's website also has a special area for interested parties to provide contact channels for shareholders/investors to raise comments or questions.	(I) No significant difference.
(II) Has the company maintained the list of substantial shareholders and ultimate controllers of the substantial shareholders?	Yes		(II) The company keeps managing directors, managers, and major shareholders holding more than 10% of the shares, and the company regularly discloses the pledge, increase or decrease of company shares held, or other occurrences of shareholders holding more than 10%. Important matters that may cause changes in shares should be supervised by other shareholders. Manage the major shareholders and their ultimate controllers as much as possible.	(II) No significant difference.
(III) Has the company established and implemented risks control and firewall mechanisms among its affiliated companies?	Yes		(III) See Articles 14-17 of the company's “Corporate Governance Best Practice Principles”. The principles are disclosed on the public information observatory and the company's website www.hong-pu.com.tw for reference.	(III) No significant difference.
(IV) Has the company established an internal regulation which prohibits its employees to engage in any transactions of marketable securities with any information that is not disclosed in the market?	Yes		(IV) The company's employees, managers, and directors must comply with the provisions of the Securities Exchange Act. The company has set up “Regulation of Insider Trading”, “Guidelines for the Adoption of Codes of Ethical Conduct”, “Ethical Corporate Management Best Practice Principles”, “Procedures for Ethical Management and Guideline for Conduct” and other standards, relevant personnel shall not use the undisclosed information they know to engage in insider trading, nor shall they disclose it to others.	(IV) No significant difference.
III. Organization and responsibility of the Board of Directors				
(I) the Board of Directors drafted a diversity policy for its members, specific management goals and practical implementation?	Yes		(I) The diversification policy for the composition of the board members is stipulated in Article 20 of the “Corporate Governance Best Practice Principles”. Regarding the scale of the company's business development and the shareholding status of its major shareholders, considering practical operational needs, the company currently has 7 director seats, among all board members Approximately 43% are employees, 43% are female directors, and 57% are independent directors. The policy implementation status is detailed (Annex 1), page 12-14 of the annual report.	(I) No significant difference.
(II) In addition to establishing Compensation Committee and Audit Committee in accordance with laws, would the company voluntarily set up other functional committees?		No	(II) The company has set up a Remuneration Committee, and set up an Audit Committee after the full re-election of the 2019 shareholders' meeting. In the future, the company will set up other various functional committees based on actual operating conditions and business needs.	(II) Other functional committees will be set up depending on the actual operation of the Company in accordance

Evaluation items	Operating Situation (Note)		Differences from and reasons for the differences between the Corporate Governance Best Practice Principles for listed companies
	Yes	No	
(III) Does the company establish performance assessment measures and methods of Board of Directors, conduct performance assessment regularly every year, submit the performance assessment result to the Board of Directors and use as reference for individual director pay and nomination of successor?	Yes		with regulations. (III) No significant difference.
(IV) Does the company regularly evaluate the independence of CPAs?	Yes		(IV) No significant difference.



Evaluation items	Operating Situation (Note)			Differences from and reasons for the differences between the Corporate Governance Best Practice Principles for listed companies
	Yes	No	Description	
			sufficient to serve as certified accountants.	
IV. Does the TWSE/TPEX Listed Companies assign competent corporate governance personnel of proper numbers and appoint governance head taking charge of corporate governance and other affairs(including but not limited to providing data required by the Director, supervisor for execution of business , assisiting the Director, Supervisors in complying with laws and decrees, handling relevant matters of Meetings of the Board of Directors and Shareholders' Meeting, and making minute books of the Meetings of the Board of Directors and Shareholders' Meeting according to law)?	Yes		<p>The company has deployed a Corporate Governance Officer, deputy manager of accounting department Y. F. Huang, for handling corporate governance related matters.</p> <p>The main responsibilities of this part-time staff are to handle matters related to the meetings of the board of directors and the shareholders meeting in accordance with the law, prepare the minutes of the board of directors and shareholders' meetings, assist in the appointment of directors, continue to learn and comply with laws and regulations, and provide information for directors and internal personnel to perform business.</p> <p>The key points of business execution in 2025 are as follows.</p> <p>(I) It is the business unit of the board of directors and committees, including the assembly of the proposals of the meeting, and the notice of the convening is sent to the directors or members seven days before the meeting, and sufficient meeting materials are provided so that the participants can accurately understand the relevant information of the proposal. When the issues are of interest to the directors themselves or the legal persons they represent, they are also reminded that interest should be avoided. Finally, the minutes of the proceedings will be sent to the directors or members for retention within 20 days after the meeting.</p> <p>(II) Responsible for publishing important information or announcements of important resolutions after the board meeting and shareholders meeting to ensure the legality and correctness of the disclosed information to protect investors' transaction information equivalence.</p> <p>(III) Handle the pre-registration of the date of the shareholders meeting in accordance with the law, compile and report the meeting notice, proceedings manual and proceedings within the time limit.</p> <p>(IV) In order to strengthen the operational efficiency of the board of directors, at the beginning of each year, the internal performance evaluation of the overall operation of the board of directors for the previous year is carried out and the results are reported to the most recent board of directors meeting.</p> <p>(V) Provide directors with relevant training information from time to time, reminding them to study and complete relevant declarations in accordance with the requirements of the "Directions for the Implementation of Continuing Education for Directors and Supervisors of Listed Companies".</p> <p>(VI) Provide operating information such as company business or finance according to directors' needs, and maintain smooth communication and exchanges between directors and managers.</p>	No significant difference.
V. Has the company established channels for communication with stakeholders(including but not limited to shareholders, employees, customers, suppliers, etc.), maintained the stakeholder section at Hong Pu website, and appropriately responded to the major CSR issues that stakeholders were concerned with?	Yes		<p>The company discloses related matters on the company website, public information observatory and annual report; the communication channel between the company and the interested parties is smooth, and the landlord, third-party manufacturers, correspondent banks and company employees can all be responsible for communication and coordination by the dedicated department; The company also established a spokesperson system in accordance with regulations to assist in handling related matters. (Detailed in Appendix 2)</p>	No significant difference.

Evaluation items	Operating Situation (Note)			Differences from and reasons for the differences between the Corporate Governance Best Practice Principles for listed companies
	Yes	No	Description	
VI. Has the company delegated a professional shareholder service agency to handle shareholders' meeting?	Yes		The company has appointed Yuanta Securities Co., Ltd. to handle relevant affairs of the shareholders meeting as an agent.	No significant difference.
VII. Information Disclosure				
(I) Does the company establish a website to disclose information on finance and corporate governance?	Yes		(I) The company uses the company's website and public information observatory to regularly disclose the company's financial and important information.	(I) No significant difference.
(II) Has the company adopted other methods of information disclosure (such as establishing an English language website, delegating personnel to collect and disclose company information, executing spokesperson system, and presenting the process of road show at the company's website)?	Yes		(II) The company uses the company's website and public information observatory to regularly disclose the company's financial and important information.	(II) No significant difference.
(III) The Company is advised to publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.	Yes		(III) The company did not announce and file its annual financial report within two months after the end of the fiscal year, but the company completed the announcement and filed the first, second, third, and quarterly financial reports and monthly operating conditions before the specified deadline.	(III) No significant difference.
VIII. Has the company provided other information that facilitates the understanding of the corporate governance practices (including but not limited to the rights and interests of employees, the rights of employers, investor relations, supplier partnership, stakeholders' rights, Directors' continuing education, implementation of risk management policies and risk measurement standards, implementation of customer policies, and purchase liability insurance for Director)?	Yes		<p>(I) Employee rights: Please refer to the description of labor relations on pages 76.</p> <p>(II) Employee care: The company established an employee welfare committee in accordance with the law and deducted monthly benefits based on revenue, and employees enjoyed good benefits.</p> <p>(III) Investor relations: The company has a spokesperson to answer questions from investors and interact with them to maintain a good relationship.</p> <p>(IV) Supplier relationship: Both the company and the supplier have entered into a contract, which is implemented in accordance with the conditions set in the contract to maintain a good relationship.</p> <p>(V) Stakeholders: Provide customers with a full range of information, technology and value-added services. The company strives to reduce costs and achieve the purpose of profit sharing.</p> <p>(VI) Directors' training situation: The company's board of directors revised on July 11, 2019, "Directions for the Implementation of Continuing Education for Directors ". Newly elected directors should study at least 12 hours in the current year, and at least 6 hours a year from the following year, covering corporate governance-related courses.</p> <p>(VII) Implementation of risk management policies and risk measurement standards: For the implementation of risk management policies and risk measurement standards, please refer to pages 80 to 82 for details.</p> <p>(VIII) Implementation of customer policies: In addition to maintaining normal operations and maximizing</p>	No significant difference.



Evaluation items	Operating Situation (Note)			Differences from and reasons for the differences between the Corporate Governance Best Practice Principles for listed companies
	Yes	No	Description	
			<p>shareholders' interests, the company also pays attention to issues such as consumer rights, community environmental protection, and public welfare, and attaches importance to the company's sustainable development.</p> <p>(IX) Circumstances in which the company purchases liability insurance for directors and manager: The company has purchased liability insurance for directors and manager every year since January 2019.</p>	
<p>IX. Please explain the improvement situation regarding the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year, and propose priority strengthening matters and measures for those who have not yet improved: Compliance with new indicators and completion of improvement items : The annual cash dividend was paid out within 30 days after the ex-dividend date. The remaining issues will be addressed and implemented gradually according to the Company's plans.</p>				

Note: Regardless of whether the operation status is checked "Yes" or "No", it should be stated in the summary description column.

Annexed Table 1

Year 2026 Accountant Independence and Competency Assessment Form
Assessed date: Feb 2, 2026

(I) Basic Information:

Name	M. F. Hsu	Accounting Firm:	KPMG
Main education and experiences	Education: Bachelor of Accounting, Soochow University. Professional qualifications: Certified Public Accountants, member of CPA Associations, R.O.C. (Taiwan)		
Name:	S.G.Horng	Accounting Firm:	KPMG
Main education and experiences	Education: Graduated Institute of Department of Accounting, NCCU Professional qualifications: Certified Public Accountants · Audit Partner of Assurance Department, Associate Vice President of Assurance Department, Lecturer of KPMG Taiwan		

(II) Evaluation Contents:

With reference to Article 47 of the “Certified Public Accountant Act” and the No. 10 Bulletin of the “Norm of Professional Ethics for Certified Public Accountant”, it is stipulated that:

Item	Result
1. Not an employee of the Company or related enterprises.	■ YES □ NO
2. Directors who are not directors of the Company or its related enterprises (except for independent directors of the Company or its parent company, or subsidiaries in which the Company directly or indirectly holds more than 50% of the voting shares).	■ YES □ NO
3. Shareholders who are not the owner, their spouse, minor children, or individuals holding more than one percent of the Company's total issued shares or are among the top ten shareholders, but are not the owner, their spouse, minor children, or individuals holding shares in the name of others.	■ YES □ NO
4. Spouses, relatives within the second degree of kinship or direct blood relatives within the third degree of kinship of persons not listed in the preceding three paragraphs.	■ YES □ NO
5. Directors, supervisors, or employees of corporate 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 corporate shareholders holding shares.	■ YES □ NO
6. Directors (board members), supervisors (supervisors), managers, or shareholders holding 5% or more of the shares of any specific company or institution that does not have financial or business dealings with the Company.	■ YES □ NO
7. There is no spousal or second-degree kinship relationship between the individual and other directors	■ YES □ NO
8. None of the circumstances described in Article 30 of the Company Act apply.	■ YES □ NO
9. Article 27 of the Company Act does not stipulate that the election of a government, legal entity, or its representative is a legal requirement.	■ YES □ NO
10. He / She is not permitted to serve as a director, manager, or hold any position that has a significant impact on audit cases within the Company within the past two years.	■ YES □ NO
11. It must not involve the Company's management functions in making decisions.	■ YES □ NO

(III) Performance and plans: :

<ol style="list-style-type: none"> 1. The Company's financial reports for each period were completed on schedule. 2. Completed the financial audits of the investee companies for each period as scheduled. 3. We provide financial and tax consulting services to the Company on an irregular basis.
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(IV) Evaluation results:

Following the assessment, neither the CPA M.F.Hsu nor S.G.Horng exhibited any of the issues described in the above independence assessment items, and both met the competence assessment standards. Therefore, it can be confirmed that the financial reports issued by the certified public accountants are entirely reliable.

Evaluator: Finance Department



Our Audit Committee assesses the independence and competence of our certified public accountants annually. In addition to requiring certified public accountants to provide a "Declaration of Independence" and "Audit Quality Indicators (AQI)," the assessment is conducted based on five dimensions and 13 indicators. It has been confirmed that the accountants and our company have no financial interests or business relationships other than fees for certified public accountant and tax cases. The accountants' family members also do not violate independence requirements. Based on AQI information, it has been confirmed that the accountants and the firm have audit experience and training hours that are comparable to the industry average. The accounting firm has also continuously adopted digital audit tools in recent years to improve audit quality. The most recent annual assessment results were discussed and approved by the Audit Committee on March 3, 2026, and submitted to the Board of Directors for approval on the same day.

Annexed Table 2

Stakeholders	Key topics	Response channel	Frequency
Employees	Diversity of employees and equal opportunities	Labor-Management Conference	Quarterly
		opinion platform/hot line/e-mail	Website
		Employee Welfare Committee	Not periodic
	Education and training	Internal education and training	Not periodic
Customers	Customer service	Customer hot line	immediate
		Website	immediate
		Face-to-face or telephone communication	Irregular (exceeding 3,000 calls)
		e-mail or written communication	Not periodic
	Privacy	Formal notification and communication	When the contract is signed
Shareholders/investors	Performance	Shareholders Meeting	Once a year
		Financial Disclosure	Quarterly
		Website	immediate
		e-mail	Not periodic
		Telephone communication	17 calls
		Material information disclosure	Not periodic
Suppliers	Legal compliance	Formal notification and communication	When the contract is signed Telephone: Approx. 2,500 calls Fax: Approx. 10 pages (or 10 transmissions) Email: Approx. 1,800 messages Instant Messaging (LINE): Approx. 2,800 calls and 4,800 messages

Resolutions passed in every board meeting in year 2025.

Date	Period	Content
MAR 05, 2025	23 th of 12 th Session	<p>Motions:</p> <ol style="list-style-type: none"> 1. The Company's consolidated and parent company only financial statements for the year 2024. 2. The Company intends to donate NT\$300,000 to the Hong Pu Social Welfare and Charity Foundation 3. Proposed amendments to certain articles of the Company's "Articles of Incorporation". 4. The "Statement of Internal Control" for the year 2024 5. Hereby presented is the Company's 2024 Business Report and 2025 Business Outlook. 6. The Company has accepted cases concerning whether shareholder nominations should be included in the candidate list. 7. The Company's complete re-election of directors. 8. Matters related to convening the 2025 Annual General Shareholders' Meeting, including the time, venue, and agenda items, are hereby proposed ° 9. Matters regarding the acceptance of shareholder proposals from shareholders holding 1% or more of the Company's shares for the 2025 Annual General Shareholders' Meeting 10. Revise certain parts of the Company's "Internal Control System". 11. Revise certain parts of the Company's "Internal Control System".
APR 5, 2025	24 th of 12 th Session	<p>Motions:</p> <ol style="list-style-type: none"> 1. The Company intends to participate in the cash capital increase of Chuan Yue Real Estate Development Co., Ltd. 2. KPMG proposed replacement of CPA. 3. Assessment of the independence and competence of the certified public accountant engaged by the Company for the year 2025. 4. Hereby reported is the accountant's fee for the year 2025. 5. Hereby presented is the Company's budget report for the year 2025.
APR 30, 2025	25 th of 12 th Session	<p>Motions:</p> <ol style="list-style-type: none"> 1. Hereby presented is the Company's consolidated financial statement for the first quarter of 2025 2. Discussion on the distribution plan of directors' and employees' remuneration for the year 2024. 3. Proposed earnings distribution plan for the Company for the year 2024. 4. Case concerning the review process of nominating directors, independent director candidates and nominees.
JUN 19, 2025	1 th of 13 th Session	<p>Motions:</p> <ol style="list-style-type: none"> 1. Nomination of Chairman of the Thirteenth Board of Directors of the Company.
JUN 30, 2025	2 th of 13 th Session	<p>Motions:</p> <ol style="list-style-type: none"> 1. Approval of the 2024 Sustainability Report processing status. 2. Qualification Review of Members of the Company's Sixth "Remuneration Committee". 3. Matters related to the determination of the ex-dividend date for the distribution of cash dividends to shareholders.
AUG 6, 2025	3 th of 13 th Session	<p>Motions:</p> <ol style="list-style-type: none"> 1. Hereby presented is the Company's consolidated financial statement for the second quarter of 2025. 2. Hereby submitted to the first session of the sixth Remuneration Committee for approval. 3. The Company intended to extend the loan term and increase the revolving credit limit with the Xinyi Branch of Shanghai Commercial & Savings Bank. 4. Proposed increase in working capital financing for cash dividend distribution.
NOV 5, 2025	4 th of 13 th Session	<p>Motions:</p> <ol style="list-style-type: none"> 1. The Company's consolidated financial statements for the third quarter of 2025 are hereby submitted. 2. It is proposed to issue a guarantee for the financing of its subsidiary, Chuan Yue Real Estate Development Co., Ltd (hereinafter referred to as Chuan Yue). 3. It is proposed to sign a "Agreement of Loan Guarantee Fee" with the subsidiary and joint venture partner. 4. Proposed contract for the structural engineering of the "Prelude of Times", a residential and commercial building. 5. The proposed contracts are to be awarded separately for the electromechanical engineering (equipment) and electromechanical (labor) work of the "Prelude of Times", a residential and commercial building. 6. Proposed extension of land financing and new construction financing quotas from Taishin Bank. 7. Proposed extension of working capital financing for Dah Chung Bills Finance.



Date	Period	Content
		8. Hereby submitted to the second session of the sixth Remuneration Committee for approval.
DEC 24, 2025	5 th of 13 th Session	<p>Motions:</p> <ol style="list-style-type: none"> 1. Hereby submit the draft of the "2026 Annual Audit Plan" proposed by the Company. 2. The company plans to revise its "Handling Guidelines for Internal Control System". 3. The Company proposes to revise its "Procedures for Acquisition or Disposal of Assets". 4. Propose to revise the company's "Rules Governing Personnel Management". 5. We propose to abolish the company's "Corporate Social Responsibility Best Practice Principles". 6. The company plans to add a new "Sustainable Development Best Practice Principles". 7. Proposed Amendments to the Company's "General Principles for the Pre-Approval Policy on Non-Assurance Services". 8. The Company intended to extend the real estate and revolving financing credit limit with Ta Ching Bills Finance. 9. Proposed extension of land financing and working capital financing quota to Mega Bills.

(3) The company's establishment of a Remuneration Committee shall disclose its composition, responsibilities and operating conditions:

The responsibility of the Remuneration Committee is to formulate and regularly review the policies, systems, standards and structure of directors and managers' performance evaluation and remuneration, and to regularly evaluate and determine the remuneration of directors and managers.

1. Information of Remuneration Committee Members

Status (Note1)	Name	Qualification	Professional qualifications and experience (Note 2)	Independence situation (Note3)	Number of currently serving as Remuneration Committee member in other public companies
Independent Director Convener	J.R. Wu (Note 4)/ Stepped down		Please refer to pages 9-11 of the annual report for information on directors and independent directors (2).		2
Member (Independent Director)	M.Y Ho (Note 4)/ Renewed				0
Member (Independent Director)	P.S.Li (Note 4)/ Stepped down				1
Member (Independent Director)	H.K.Li (Note 4)/ Newly elected				0
Member (Independent Director)	P.J.Hsu (Note 4)/ Newly elected				0

Note 1 : Please specify in the form the relevant working years, professional qualifications and experience and independence of the members of the Compensation Committee. If they are independent directors, please refer to Appendix 1 on page 00 for information on directors and supervisors (1)related information. Please fill in the series as independent directors or others respectively (if it is the convener, please add a note).

Note 2 : Professional qualifications and experience: describe the professional qualifications and experience of individual remuneration committee members.

Note 3 : Independence: State the independence of the members of the Remuneration Committee, including but not limited to whether the person, spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the company or its affiliated companies; the number and proportion of the company's shares held by the person, spouse, relatives within the second degree (or in the name of others); whether they are a company that has a specific relationship with the company (refer to Article 6 ,Paragraph 1, Subparagraphs 5 to 8 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange). The amount of remuneration received by the company or its affiliated companies for providing business, legal, financial, accounting and other services in the last two years.

Note 4: The 6th term is from June 30, 2025 to June 18, 2028.

2. The operation information of the Remuneration Committee

- (1) There are 3 members of the Remuneration Committee of the company.
- (2) The term of office of the current members: From June 30, 2025 to June 18, 2028, the Remuneration Committee held 2 meetings in the last year (A). The qualifications and attendance of the members are as follows:

Title	Name	Actual attendance (B)	Number of attendance in Proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Chairman	M.Y. Ho	2	0	100%	Take office /2025.06.30 reelection
Committee	H.K.Li	2	0	100%	Newly elected /2025.06.30 reelection
Committee	P.J.Hsu	2	0	100%	Newly elected /2025.06.30 reelection
Chairman	P.S. Li	0	0	0%	Stepped down /2025.06.30 reelection
Committee	J.R.Wu	0	0	0%	Stepped down /2025.06.30 reelection

Other matters to be recorded:

- If the board of directors does not adopt or amend the recommendations of the Remuneration Committee, it shall state the date of the board of directors, the date, the content of the proposal, the results of the resolutions of the board of directors, and the company's handling of the opinions of the Remuneration Committee (if the compensation approved by the board of directors is better than the proposal should state the differences and reasons): No such situation.
- If members have objections or reservations and have records or written declarations in the resolutions of the Remuneration Committee, the Remuneration Committee should state the date, period, proposal content, all members' opinions and the handling of members' opinions: None situation.

Date of Meeting	Period	Proposal content and resolution results
Jan 30,2025	1 th meeting of 6 th session	1. The Company intends to elect a convener of the Remuneration Committee. 2. The Company will pay directors' remuneration for 2024, which will be submitted to the board of directors for approval.
		Members' opinions: no objections and reservations. Resolution result: the chairman consulted all the committee members present and passed the proposal without objection.
Nov 5, 2025	2 th meeting of 6 th session	1. The company has distributed employees' remuneration for year 2024 to managers. 2. Discussion on the 2025 year-end bonus for managers. 3. The managers' performance bonuses over 2025. 4. Travel expenses for the Company's directors attending board meetings in 2026.
		Members' opinions: no objections and reservations. Resolution result: the chairman consulted all the committee members present and passed the proposal without objection.

Note 1: If a member of the Remuneration Compensation Committee resigned before the end of the year, the date of resignation should be indicated in the remark's column. The actual attendance rate (%) is calculated based on the number of meetings of the Salary and Compensation Committee and the actual number of attendances during the period of employment.

Note 2: Before the end of the year, if the Remuneration Committee is re-elected, the new and old Remuneration Committee members should be listed, and the remarks column should indicate whether the member is old, new or re-elected and the date of reelection. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee during their employment and their actual attendance.



(4) The performance of social responsibility and the differences from the “Corporate Social Responsibility Best Practice Principles for Listed Companies” and reasons.

Evaluation items	Implementation situation (NOTE1)			Differences from the “Sustainable Development Best Practice Principles for Listed Companies” and reasons.								
	Yes	No	Summary									
I. Does the Company establish an exclusively (or part-time) dedicated unit for promoting Corporate Social Responsibility? Is the unit authorized by the Board of Directors to implement CSR activities at the executive level? Does the unit report the progress of such activities to the Board of Directors?	Yes		The company established related units on March 8, 2023. The company has formulated the “Corporate Social Responsibility Best Practice Principles”, and established the "HongPu Social Welfare Foundation" in 2016. The foundation has 9 directors and 1 chief executive officer. It promotes social welfare business and does its business well. On June 30, 2025, the Company’s Board of Directors will review the progress of the 2024 Sustainability Report.	No material discrepancy.								
II. Has the company assessed the environmental, social , and corporate governance risks related to its operations based on the principle of materiality and established related risk management policies or strategies?	Yes		<p>The Company has established a Sustainability Development Team. Following GRI (General Research Interest Principles) guidelines, this team conducts stakeholder identification and consultation. Considering no significant changes in the Company's operations in 2025, the Sustainability Development Team, after discussion and consultation with external experts, continued the six major themes from 2024. The Board of Directors reported on the progress of the 2024 Sustainability Report at its meeting on June 30, 2025. The Company's response strategies for these six major risk issues are as follows: (For details, please refer to the company’s year 2024 sustainability report)</p> <table border="1" data-bbox="649 1377 1218 2020"> <thead> <tr> <th>Major issues</th> <th>Risk assessment project</th> <th>Illustrate</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Corporate governance</td> <td>Product service quality and safety</td> <td>1. Write a construction safety management plan before construction, and dispatch supervisors to the construction site to control the site environment and personnel safety.</td> </tr> <tr> <td>operational performance</td> <td>2. Good operational performance attracts support from investors and financial institutions, while poor performance may lead to a shortage of funds and reduced competitiveness. Maintaining strong financial health, targeting potential market segments, planning products based on market demand, and developing long-term profitable products are keys. It is essential to carefully select high-quality construction teams to create brand advantages and strengthen competitiveness.</td> </tr> </tbody> </table>	Major issues	Risk assessment project	Illustrate	Corporate governance	Product service quality and safety	1. Write a construction safety management plan before construction, and dispatch supervisors to the construction site to control the site environment and personnel safety.	operational performance	2. Good operational performance attracts support from investors and financial institutions, while poor performance may lead to a shortage of funds and reduced competitiveness. Maintaining strong financial health, targeting potential market segments, planning products based on market demand, and developing long-term profitable products are keys. It is essential to carefully select high-quality construction teams to create brand advantages and strengthen competitiveness.	No material discrepancy.
Major issues	Risk assessment project	Illustrate										
Corporate governance	Product service quality and safety	1. Write a construction safety management plan before construction, and dispatch supervisors to the construction site to control the site environment and personnel safety.										
	operational performance	2. Good operational performance attracts support from investors and financial institutions, while poor performance may lead to a shortage of funds and reduced competitiveness. Maintaining strong financial health, targeting potential market segments, planning products based on market demand, and developing long-term profitable products are keys. It is essential to carefully select high-quality construction teams to create brand advantages and strengthen competitiveness.										

Evaluation items	Implementation situation (NOTE1)			Differences from the “Sustainable Development Best Practice Principles for Listed Companies” and reasons.													
	Yes	No	Summary														
			<table border="1"> <thead> <tr> <th>Major issues</th> <th>Risk assessment project</th> <th>Illustrate</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Environment</td> <td>Green building promotion</td> <td>Continue to invest in the development of healthy, green buildings and smart residential products to strengthen and meet customer needs.</td> </tr> <tr> <td>Greenhouse gas and energy management</td> <td>aim to prevent an increase in the total greenhouse gas emissions. Internal energy-saving and carbon-reduction measures are implemented to ensure compliance with customer expectations.</td> </tr> <tr> <td rowspan="2">Society</td> <td>Talent recruitment and retention</td> <td>The Company has established an open and inclusive corporate culture, and hold educational training and lectures from time to time to encourage employees' personal growth and professional development.</td> </tr> <tr> <td>Occupational Health and Safety</td> <td>Adhering to creating a friendly workplace environment as one of its top priorities, Hong Pu focuses on investing in human capital to ensure that employees enjoy a safe and comfortable environment in the workplace and create common value between employees and the Company.</td> </tr> </tbody> </table>	Major issues	Risk assessment project	Illustrate	Environment	Green building promotion	Continue to invest in the development of healthy, green buildings and smart residential products to strengthen and meet customer needs.	Greenhouse gas and energy management	aim to prevent an increase in the total greenhouse gas emissions. Internal energy-saving and carbon-reduction measures are implemented to ensure compliance with customer expectations.	Society	Talent recruitment and retention	The Company has established an open and inclusive corporate culture, and hold educational training and lectures from time to time to encourage employees' personal growth and professional development.	Occupational Health and Safety	Adhering to creating a friendly workplace environment as one of its top priorities, Hong Pu focuses on investing in human capital to ensure that employees enjoy a safe and comfortable environment in the workplace and create common value between employees and the Company.	
Major issues	Risk assessment project	Illustrate															
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	Occupational Health and Safety	Adhering to creating a friendly workplace environment as one of its top priorities, Hong Pu focuses on investing in human capital to ensure that employees enjoy a safe and comfortable environment in the workplace and create common value between employees and the Company.															
<p>III. Environmental Issues</p> <p>(I) Has the company established a suitable environmental management system based on the characteristics of its industry?</p>	Yes		<p>(I) The wastes on the construction sites of the company are fully entrusted to be recycled and processed by professional and legal environmental protection companies. All vehicles and equipment that carry excavation materials or construction pellets should be equipped with airtight car hoppers or tightly covered with dust-proof cloth or other air-tight coverings and preventive facilities to prevent the carried materials from falling to the ground. Dust escape prevention facilities in the work area shall be handled in accordance with the "Management Regulations for Construction Project Air Pollution Control Facilities" promulgated by the Environmental Protection Administration of the Executive Yuan. In accordance with relevant laws and regulations on environmental protection, as well as the content and characteristics of this project, various environmental protection management and monitoring tasks are drawn up. above tasks also include the formulation of environmental protection execution plans and the control of the execution of the plans. When the noise, vibration, smoke and dust, and the quality of discharged water during construction may exceed the requirements of laws and regulations, the contractor shall still bear the</p>	No material discrepancy.													



Evaluation items	Implementation situation (NOTE1)		Differences from the “Sustainable Development Best Practice Principles for Listed Companies” and reasons.																		
	Yes	No																			
<p>(II) Has the company committed to improving the efficiency of various resources and utilizing renewable materials that have reduced environmental impact?</p> <p>(III) Has the company assessed the potential risks and opportunities arising from climate change at present and in the future and taken related countermeasures?</p> <p>(IV) Has the company calculated the greenhouse gas emissions, water consumption, and total weight of waste over the past two years and established the policies with regard to energy conservation and carbon reduction, greenhouse gas reductions, water consumption, and waste management?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>relevant management and monitoring responsibilities, and take samples and measurements in accordance with environmental protection laws and regulations to avoid affecting the environment.</p> <p>(II) The company is committed to the reuse of paper, Some of the photocopy paper used is recycled paper, promote waste sorting and recycling and the entire office environment has switched to LED lighting.</p> <p>(III) In addition to referencing relevant climate change information, TCFD disclosure recommendations, and reports and information released by other domestic and international organizations, our company also considers factors such as industry characteristics, market trends, and legal policies to identify short-, medium-, and long-term climate change risks. We assess the potential impacts and shocks that may occur when climate-related transition risks and physical risks occur, and based on the risk analysis assessment results, we formulate corresponding adaptation action plans to enhance our ability to adapt to and mitigate the impacts of climate change. Our company identifies feasible opportunities and develops corresponding measures. A detailed explanation of our company's climate change risk and opportunity analysis is disclosed on our website - Sustainability - Sustainability Reports.</p> <p>(IV)</p> <p>1. Greenhouse Gas (GHG) Emissions: The Company has conducted a GHG inventory in accordance with the ISO 14064-1:2018 standard and has prepared a Greenhouse Gas Inventory Report.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Category 1 Mt CO₂e/year</td> <td>12.4510</td> <td>8.1916</td> </tr> <tr> <td>Category 2 Mt CO₂e/year</td> <td>32.1835</td> <td>54.0262</td> </tr> <tr> <td>Category 3 Mt CO₂e/year</td> <td></td> <td>41.6916</td> </tr> </tbody> </table> <p>Note: The base year for the relocation of the Company's address has changed in 2025.</p> <p>2. Water Consumption:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024 of tap water carbon emissions (kg CO₂e)</th> <th>2025 of tap water carbon emissions (kg CO₂e)</th> </tr> </thead> <tbody> <tr> <td>Water carbon emissions CO₂e</td> <td>55.9126</td> <td>71.4767</td> </tr> </tbody> </table> <p>Note: The base year for the relocation of the Company's address has changed in 2025.</p>	Year	2024	2025	Category 1 Mt CO ₂ e/year	12.4510	8.1916	Category 2 Mt CO ₂ e/year	32.1835	54.0262	Category 3 Mt CO ₂ e/year		41.6916	Year	2024 of tap water carbon emissions (kg CO ₂ e)	2025 of tap water carbon emissions (kg CO ₂ e)	Water carbon emissions CO ₂ e	55.9126	71.4767	
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Evaluation items	Implementation situation (NOTE1)			Differences from the “Sustainable Development Best Practice Principles for Listed Companies” and reasons.
	Yes	No	Summary	
			<p>3. Waste volume: The Company promotes the use of recycled paper and waste sorting, waste volume statistics began in 2025, total for this year: 1.00372 metric tons.</p> <p>The company promotes employees to turn off lights at will to reduce power consumption, use energy-saving lamps in the office, and turn off vehicles in standby to reduce greenhouse gas emissions. Recycled paper is used for photocopying of meeting materials to reduce environmental impact. Apply for the green building label according to the circumstances of each case; projects in Xindian and Beitou District will be introduced into intelligent buildings at present, and its related content includes the use of energy management systems to effectively manage energy usage, so as to save energy and carbon; smart water meters, detectable Whether there is water leakage in the pipeline, effective control and maintenance of water resources, implementation of CO2 reduction indicators in accordance with green buildings, and other related measures.</p>	
<p>IV. Social Issues</p> <p>(I) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p> <p>(II) Has the company established and offered proper employee benefits(including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation appropriately?</p> <p>(III) Has the company provided employees with a safe and healthy working environment and routinely conducted safety and health</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>		<p>(I) In March 2025, the Company established a human rights policy dedicated to safeguarding the basic human rights of our employees. We support the United Nations "Universal Declaration of Human Rights", "United Nations Global Compact", "United Nations Guiding Principles on Business and Human Rights" and the International Labor Organization "Declaration on Fundamental Principles and Rights at Work" and other internationally recognized basic policies for human rights protection, and establish communication channels in accordance with the labor and human rights laws of our country.</p> <p>There is an employee welfare committee, which operates through the welfare committee elected by employees to handle various welfare matters.</p> <p>(II) The company complies with the provisions of the Labor Standards Act and stipulates in Article 25 of the company's “Articles of Incorporation” that if there is a profit in the company's annual final accounts, it shall first allocate employee compensation and director compensation, and employee compensation shall not be less than 1%.</p> <p>Of the amount of employee compensation referred to in the preceding paragraph, no less than one percent shall be allocated for distribution to grassroots employees.</p> <p>(III) The company takes the creation of a friendly workplace environment as one of its primary tasks.</p> <p>1. Work environment and employee safety protection measures: The office arranges cleaning specialists to maintain</p>	No material discrepancy.



Evaluation items	Implementation situation (NOTE1)			Differences from the “Sustainable Development Best Practice Principles for Listed Companies” and reasons.
	Yes	No	Summary	
<p>education for employees?</p> <p>(IV)Has the company established an effective competency development career training program for employees?</p> <p>(V) Has the company followed relevant laws, regulations and international guidelines for the customer health and safety, customer privacy, marketing and labeling of its products and services and established related consumer and client protection policies and grievance procedures?</p> <p>(VI)Has the company established the supplier management policies requesting suppliers to comply with laws and regulations related to environmental protection , occupational safety and health or labor rights and supervised their compliance?</p>	<p>Yes</p> <p>Yes</p> <p>No</p>	<p>No</p> <p>No</p> <p>No</p>	<p>the workplace environment, and regularly disinfect and clean the work environment. Employees wear identification cards when entering and leaving the office. Visitors are guided by the counter and are not allowed to enter to maintain office safety. The company has security technicians, operation supervisors or construction safety assessors to provide a safe and healthy working environment and regular return training.</p> <p>2. The company provides regular employee health checks.</p> <p>3. There were no occupational accidents among the employees of the company in 2025.</p> <p>4. There was no fire incident in the Company in year 2025.</p> <p>(IV)The company organizes education and training courses when needed, and encourages employees to continue to study, and the tuition fee is subsidized by the company. The company’s employees have received 428.5 hours of training in year 2025.</p> <p>(V) The company requires suppliers to provide chlorine ions and non-radiation certified raw materials to build products, and maintain good communication channels between the company and customers, and have dedicated after-sales service personnel.</p> <p>(VI) The company requires suppliers to provide chlorine ions and raw materials qualified for non-radiation testing. The procurement department all contract qualified manufacturers and the company will take necessary inspection measures. If any quality defects are found, they will be replaced or terminated in time. The company is committed to sustainable operation and will discuss and formulate a “Supplier Management Policy” with relevant departments. It is expected that third-party vendors can meet relevant regulations and jointly promote them to corporate social responsibility. In 2025, the Company received 10 letters of commitment from suppliers for sustainable development.</p>	
<p>V. Did the company, following internationally recognized guidelines, prepare reports such as its Corporate Sustainability Reports to disclose non-financial information of the company?</p>	<p>Yes</p>		<p>1. The company has prepared and published the sustainability report in accordance with the GRI guidelines, and its content is based on the guidelines of TCFD and SASB.</p> <p>2. The future, we will cooperate with the authorities in requesting third-party verification time.</p>	<p>No material discrepancy.</p>

Evaluation items	Implementation situation (NOTE1)			Differences from the “Sustainable Development Best Practice Principles for Listed Companies” and reasons.
	Yes	No	Summary	
Has the company received assurance or certification of the aforesaid reports from a third party accreditation institution?				
<p>VI. If the company has its own corporate sustainability code in accordance with the "Sustainable Development Best Practice Principles for Listed Companies", please state the difference between its operation and the established code: The company has formulated the corporate social responsibility code and established the "Hongpu Social Welfare Charity Foundation" in 2016.</p>				
<p>VII. Other important information that helps to understand the operation of corporate sustainable development (such as the company's adoption of environmental protection, community participation, social contribution, social services, social welfare, consumer rights, human rights, safety and health, and other social responsibility activities System and measures and implementation status):</p> <p>(1) Social environmental protection:</p> <ol style="list-style-type: none"> 1. The company’s site wastes are fully entrusted to be recycled and processed by professional and legal environmental protection companies, and each site was deployed a supervisor who is responsible for sorting and rectifying and environmental maintenance and management. 2. The company’s projects, “Palace Forever”, “Central Park”, "World Trade Plaza", "Light Year-the World", " Light Year-the One", "Economy and Trade" and "AMAX", have all obtained the Green Building Label, and will continue to achieve the goal of environmental sustainability. The Company is currently applying for green building certification for "Garden Park" and "ITC Office Building". We will continue to be committed to achieving our goal of environmental sustainability. <p>(2) Social contributions, social services, and social welfare:</p> <p>The company is committed to fulfilling corporate social responsibility (CSR), promoting and implementing corporate sustainable development strategies. In 2025, we donated NT\$300,000 to the "Hong Pu Social Welfare and Charity Foundation" and the Company, together with its employees, participates in the "Taipei City Organic and Friendly Safe Agriculture and Food Education Promotion Project," which aims to "Support and Identify Local Agriculture" and "Practice Local Production and Consumption and Sustainable Agriculture."</p> <p>(3) Consumer rights:</p> <p>Build qualified, legal, and comply with national safety regulations and environmental protection policies to make consumers feel at ease.</p>				
<p>VIII. If the company's product or corporate social responsibility report has passed the verification standards of the relevant verification agency, it should be stated: Not applicable.</p>				

Note 1: If you check "Yes" in the operation situation, please explain the important policies, strategies, measures and implementation conditions adopted; if you check the "No" in the operation situation, please explain the reasons and explain the relevant policies, strategies and implementations plan of measures in the future. However, regarding promotion projects 1 and 2, TWSE/TPEX listed companies should describe the governance and supervision structure of sustainable development, including but not limited to management guidelines, strategy and goal formulation, review measures, etc. It also describes the company's risk management policies and strategies for environmental, social and corporate governance issues related to operations, and its assessment status.

Note 2: The principle of materiality refers to those who have a significant impact on the company's investors and other interested parties related to environmental, social and corporate governance issues.



Climate-related information of TWSE/TPEX listed companies

1 Implementation of climate-related information

Information	Implementation			
1. Describe board and management oversight and governance of climate-related risks and opportunities.	The Company has established a sustainable development group, with the President as the convenor. The group promotes the sustainability report, which includes climate-related risks and opportunities. The sustainable development group reports to the Board of Directors every year.			
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	(For detailed information, please refer to the Company's year 2024 sustainability report)			
	Risk	Chance	Financial risk	Coping strategies
	The uncertainty of market information		The uncertainty of market information makes banks more cautious in credit control of the construction industry, affecting bank financing conditions and interest rates.	Issue corporate bonds to raise funds at lower interest rates.
	Raw materials and energy changes	Towards more efficient buildings	The price of raw materials has increased, resulting in an increase in production costs. The prices of materials and equipment from suppliers have increased, resulting in an increase in production costs.	Strictly control the use of materials, develop alternative construction methods, and mitigate the impact of rising raw material prices.
	Uncertainty about new regulations	Obtain public sector incentives	Changing the design of building projects to accommodate changes in regulations, resulting in delays in construction plans	Use low-energy-consuming equipment and building materials to cope with increasingly stringent environmental regulations.
Extreme weather		Extreme rainfall causes project delays and interruptions, causing property damage and increasing operating costs.	Consider the damage caused by extreme weather to buildings and conduct more complete planning during the design period.	
3. Describe the financial impact of extreme weather events and transformative actions.	If extreme weather occurs in the production areas of raw materials and products, there is a risk of supply chain interruption, which will affect the construction progress and increase construction safety risks. If a building project under construction encounters high temperature, drought, heavy rain, etc., existing construction products are at risk of being damaged. An increase in average temperature also risks an increase in power consumption. The			

Information	Implementation											
	above events will increase operating costs and have a direct impact. Technology upgrade: Investing in low-energy-consuming equipment and building materials, and looking for new products and technologies will directly increase the time for product matching and extend the construction project cycle.											
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The company adopts the sustainable development team as the responsible unit. The sustainable development team reviews the risk management matters of each unit and conducts regular review and tracking.											
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	<p>Hong Pu referred to the AR6 (the Sixth Assessment Report) released by the United Nations Intergovernmental Panel on Climate Change (IPCC) and selected SSP1-2.6 and SSP5-8.5 scenarios to conduct scenario analysis of climate change. For detailed information, please refer to the company's year 2024 sustainability report.</p> <table border="1" data-bbox="675 776 1406 1487"> <thead> <tr> <th data-bbox="675 776 837 810">Context</th> <th data-bbox="837 776 1110 810">SSP1-2.6</th> <th data-bbox="1110 776 1406 810">SSP5-8.5</th> </tr> </thead> <tbody> <tr> <td data-bbox="675 810 837 1161"> Situation description </td> <td data-bbox="837 810 1110 1161"> The world attaches great importance to climate change and has strict regulations and measures. The global average temperature can be controlled below 2°C before the end of the century. </td> <td data-bbox="1110 810 1406 1161"> A scenario driven by fossil fuels, rapid technological progress and human capital development, driving a rapid increase in emissions without effective response measures to climate change, will have a catastrophic impact on ecological and economic systems, with temperatures rising by 3.4 °C </td> </tr> <tr> <td data-bbox="675 1161 837 1487"> Risks to Hong pu </td> <td data-bbox="837 1161 1110 1487"> Under this situation, the cost of obtaining raw materials will fluctuate more, and the selling prices of some products will be adjusted. In addition, there will be additional costs in the face of new regulations, such as higher carbon fees or energy usage fees. </td> <td data-bbox="1110 1161 1406 1487"> The frequency of extreme weather events has increased, leading to delays in construction schedules. Equipment damage is more likely to occur, and employees are more likely to be unable to work smoothly due to natural disasters. </td> </tr> </tbody> </table>			Context	SSP1-2.6	SSP5-8.5	Situation description	The world attaches great importance to climate change and has strict regulations and measures. The global average temperature can be controlled below 2°C before the end of the century.	A scenario driven by fossil fuels, rapid technological progress and human capital development, driving a rapid increase in emissions without effective response measures to climate change, will have a catastrophic impact on ecological and economic systems, with temperatures rising by 3.4 °C	Risks to Hong pu	Under this situation, the cost of obtaining raw materials will fluctuate more, and the selling prices of some products will be adjusted. In addition, there will be additional costs in the face of new regulations, such as higher carbon fees or energy usage fees.	The frequency of extreme weather events has increased, leading to delays in construction schedules. Equipment damage is more likely to occur, and employees are more likely to be unable to work smoothly due to natural disasters.
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Risks to Hong pu	Under this situation, the cost of obtaining raw materials will fluctuate more, and the selling prices of some products will be adjusted. In addition, there will be additional costs in the face of new regulations, such as higher carbon fees or energy usage fees.	The frequency of extreme weather events has increased, leading to delays in construction schedules. Equipment damage is more likely to occur, and employees are more likely to be unable to work smoothly due to natural disasters.										
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	<p>The Company adopts the following methods to identify climate risks and opportunities, and incorporates the analysis results into the overall risk management policy. The sustainable development team reviews the risk management matters of each unit and conducts regular review and tracking. In response to climate issues, Hong Pu plans to promote GHG inventories. In the future, it will set reduction targets based on the inventories results and other related environmental indicators, such as water resources, waste, GHG, energy and green building performance. (For detailed information, please refer to the Company's year 2024 sustainability report)</p> <table border="1" data-bbox="675 1839 1406 2038"> <tbody> <tr> <td data-bbox="675 1839 786 2038"> Step1 </td> <td data-bbox="786 1839 954 2038"> Develop an inventory of climate risks and opportunities </td> <td data-bbox="954 1839 1406 2038"> Hong Pu will establish a list of risks and opportunities based on the interaction between the company's operations and the environment, and with reference to the TCFD climate-related financial disclosure recommendations. </td> </tr> </tbody> </table>			Step1	Develop an inventory of climate risks and opportunities	Hong Pu will establish a list of risks and opportunities based on the interaction between the company's operations and the environment, and with reference to the TCFD climate-related financial disclosure recommendations.						
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Information	Implementation	
	Step 2	Identifying and prioritizing issues The sustainability team held meetings and invited external experts to assist, through workshop discussions and form surveys, to identify climate risks and opportunities, and rank them according to the degree of impact and likelihood.
	Step 3	Identify major risks and opportunities and analyze scenarios List climate risks and opportunities with both high impact and high probability, and analyze the impact on operations under different scenarios.
	Step 4	Review strategies and formulate response actions Review climate strategies and develop response actions.
	Step 5	Track execution progress The sustainability team continues to track the response status and implementation progress of each strategy.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company has not yet planned internal carbon pricing.	
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	Office carbon reduction action of Hong Pu: <ol style="list-style-type: none"> 1. Colleagues are encouraged to take public transportation when going out for meetings or other official trips, or to plan shared rides in official cars to reduce the frequency of taking taxis or using private transportation. 2. Disseminate some meetings can be conducted via online video conferencing to reduce transportation carbon emissions caused by commuting. 3. The office purchases energy-saving lamps to improve the energy efficiency of lighting, and occasionally disseminates information to employees about turning off lights and saving energy on a daily basis. 4. Propagate vehicles to shut down when in standby to avoid energy waste. 5. Starting from 2023, photocopying paper will gradually be purchased from recycled paper with environmental protection labels. 	
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	As shown in the following table:	

1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

<p>Basic information</p> <p><input type="checkbox"/> Companies with capital of more than NT\$10 billion, steel industry, cement industry</p> <p><input type="checkbox"/> Companies with capital of more than NT\$5 billion but less than NT\$10 billion</p> <p><input checked="" type="checkbox"/> Companies with capital of less than NT\$5 billion</p>	<p>According to the provisions of the sustainable development road map of listed companies, should at least reveal</p> <p><input checked="" type="checkbox"/> Parent company individual inventory</p> <p><input type="checkbox"/> Consolidated Financial Reporting Subsidiary Inventory</p> <p><input type="checkbox"/> Parent company individual validation</p> <p><input type="checkbox"/> Consolidated Financial Reporting Subsidiary validation</p>
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1-1-1 Greenhouse Gas Inventory Information Describe the emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

1. The Company's coverage period is from January 1, 2025 to December 31, 2025, The organizational boundary of this inventory uses the control method. The boundary is set to "Hong Pu Real Development Co., Ltd." as the scope of the inventory. All facilities.
2. Inventory address: 9 F, No. 19, Sec. 2, Dunhua S. Road, Da'an Dist, Taipei City.
3. Greenhouse gas inventories: CO₂、CH₄、N₂O、HFC_s、PFC_s、SF₆、NF₃。

Merger company	Total emission equivalent (mt CO ₂ e/year)	Density (mt CO ₂ e/ million dollar)
Category 1	8.1916	0.0008
Category 2	54.0262	0.0052
Category 3	41.6916	0.0040

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

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

Not applicable

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall note that "Complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEx.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

Not applicable

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT\$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.



2. The company requires suppliers to comply with relevant regulations on topics such as environmental protection, safety or hygiene. The main points are as follows:

A. Key points of safety and health management:

- (1) During the construction period, Party B shall comply with the Labor Standards Act and its enforcement rules, Labor Inspection Act and its enforcement rules, Occupational Safety and Health Act and its enforcement rules, Occupational Safety and Health Facilities Rules, labor safety and health organization management and automatic inspection methods, Hazardous workplace review and inspection methods, labor safety and health education and training rules, standards for the construction of safety and health facilities, relevant laws, regulations, and project contract requirements, and ensure that safety and health management are actually handled. At the same time, all employees should be made aware of the important features and characteristics of the project. It is regional, and relevant safety and health slogans, posters, etc. should be posted at appropriate places on the construction site, and safety and health management and maintenance should be strengthened to avoid occupational disasters.
- (2) Party B shall employ qualified labor safety and health management personnel to be stationed on the site in accordance with the regulations, and those employing more than 30 laborers shall submit a report to the labor inspection agency before the construction in accordance with the regulations. The copy shall be sent to Party A for reference. The employment of labor If the number is less than 30, it needs to be reported to Party A. And supervise the handling of labor safety and health management and other matters. If the manager asks for leave or cannot be stationed at the construction site or resigns for some reason, he should find a qualified representative in advance and report to the local inspection agency or Party A for approval. And pay attention to site safety and preventive measures at all times. If any accident occurs due to Party B's negligence or negligence, Party B shall bear all responsibilities.
- (3) Party B shall prevent the catastrophe that may occur during the construction of the project with respect to the environment, climate, transportation, geology, and existing facilities of the construction site, as well as the construction objectives and design content of the project, and prepare preventive and corresponding measures in accordance with the regulations.
- (4) When entering the construction site, all personnel should wear safety helmets and other necessary protective tools. Party B should provide protective equipment on the construction site for the personnel entering the construction site (including Party A's personnel) to wear and use.
- (5) During the construction period, Party B shall be responsible for the management, provision, welfare, safety and hygiene of all Party B's employees, as well as the maintenance and storage of all machinery, equipment and materials. And always pay attention to the conduct of all employees to prevent disputes. All employees of Party B shall abide by relevant laws and regulations, and accept Party A's guidance on relevant work. In case of disobedience, order, obstruction of work or other illegal improprieties, Party A may request to replace them at any time, and Party B shall immediately Do as it is.
- (6) Party B shall formulate "Safety and Hygiene Work Code" suitable for its needs in accordance with the Labor Safety and Health Law and relevant regulations after the start of the project, report to the labor inspection agency for reference, announce the implementation, and notify Party A.
- (7) Party B shall formulate an automatic inspection plan in accordance with the labor safety and health organization management and automatic inspection methods and other laws and regulations, implement automatic inspections and keep records. If it is found to be missing or not handled properly during supervision and inspection by Party A or related units, the improvement shall be completed within the specified time after notification. Those who fail to make improvements within the time limit will not be

assessed, and the labor inspection agency will be asked to do so in accordance with relevant laws and regulations.

- (8) During the construction period, when Party B violates labor safety and health and other related laws and regulations, and there is a possibility of emergency danger, Party A may request Party B to suspend the relevant part of the construction. Once the improvement is completed, Party A will check and approve it. The resumption of work shall not be used to request the processing period or any compensation.
- (9) After the start of the project, in accordance with the relevant labor safety and health measures in the contract, Party A may send personnel to the site for inspection and make records on a regular or irregular basis. Party B shall make improvements in accordance with the improvement items in the audit records. Refuse to apply for the current payment.

B. Key points of environmental protection implementation:

- (1) The construction access road at the entrance and exit of the work area shall be laid on the leveled and compacted road foundation with reinforced concrete, concrete, steel plate, coarse-grade ingredients or other granular materials with equivalent functions in accordance with the design drawings or the location specified in the contract.
- (2) After the completion of this project, if it is necessary to reinstate the site, Party B shall demolish the site construction access road and restore it to its original state upon the instructions of Party A.
- (3) The car wash equipment and sedimentation tank are set up in accordance with the suggested location of the design drawing or the instructions of Party A. They are installed at the gate exit of the work area on the principle that they must pass through the road. If due to site restrictions, their configuration may be adjusted after Party A agrees. But it should be based on the principle of not hindering the progress of the project. In addition to the installation location suggested in the design drawing, Party B may also propose an appropriate location according to the construction needs, and add it after Party A's approval.
- (4) For vehicles and mobile machinery leaving the construction site, the dirt attached to their tires should be washed before they can be driven out. If the ground is contaminated, they should be cleaned up at any time.
- (5) After the car wash wastewater is precipitated by physical (natural precipitation) or chemical (medicinal treatment) methods in the sedimentation tank, the upper clarified water should be recycled for use, or be treated to meet environmental protection discharge standards before being discharged to the work area for drainage. In the system, the sedimentation tank should be able to maintain unobstructed and often need to clean up the mud.
- (6) The sedimentation tank attached to the car wash equipment is only for the sedimentation of car wash wastewater, and shall not be used as a temporary sand trap for sedimentation. This equipment should be dismantled after the construction of each section is completed, and the original location should be restored or other engineering construction should be carried out according to the engineering design drawing.
- (7) Steel plates should be laid on the vehicle path from the car wash equipment and sedimentation tank to the main road.
- (8) During the construction period of the project, the roads adjacent to the work area should be kept in good condition and clean. If there are scattered leftovers, they must be removed at any time to maintain the clean road environment around the work area.
- (9) All vehicles and equipment that carry excavation materials or construction pellets should be equipped



with airtight hoppers or use dust-proof cloth or other air-tight coverings to tightly cover them and prevent the carried materials from falling to the ground. Use dust-proof cloth or other air-tight coverings, which should be tied firmly, and the edges should extend to cover at least 15 cm below the upper edge of the vehicle body.

- (10) During the construction period, construction site signs should be set up, indicating the air pollution prevention and control fee collection control number of the construction project, the name and telephone number of the person in charge of the construction site, and the telephone number of the local environmental protection agency for public hazard reporting.
- (11) The construction of fences shall be handled in accordance with the "Management Measures for Air Pollution Prevention and Control Facilities of Construction Projects" and the "Construction Fence Projects".
- (12) In order to maintain the unblocked flow of the existing drainage and irrigation ditches in the work area, Party B shall follow Party A's instructions during the construction period and implement temporary drainage and water diversion facilities in accordance with the current conditions of the work site and the needs of the construction operation to avoid interrupting the waterway.
- (13) In order to coordinate with site preparation, excavation operations, soil filling operations, material stacking, etc., it must be installed at a suitable location within the scope of the work area, such as the confluence of ditches, the exit of each drainage zone, or the low-lying land of the base, etc. Temporary sand blocking and drainage facilities to slow down the flow of water and intercept soil and rock lost due to erosion. Unless otherwise specified, this work includes all temporary water and soil conservation facilities built in the work area, such as disaster prevention embankments, slope protection, temporary grit chambers, and drainage roads.
- (14) In accordance with the relevant provisions of the Soil and Water Conservation Law and the current conditions of the construction site, in conjunction with construction activities, temporary temporary installations should be placed at appropriate locations within the construction area, such as the confluence of ditches, the exits of various drainage districts, or the low-lying sites of the base. Sand blocking and drainage facilities, grit tanks, etc., to slow down the flow of water and intercept soil and rock lost due to erosion.
- (15) The dust escape prevention and control facilities in the work area shall be handled in accordance with the "Management Measures for Air Pollution Prevention and Control Facilities for Construction Projects" promulgated by the Environmental Protection Department of the Executive Yuan.
- (16) The control of runoff wastewater during the construction period is formulated in accordance with the regulations of "Construction sites and earth-rock pile (abandonment) sites are necessary measures to reduce the amount of effluent and sediment erosion in runoff wastewater" promulgated by the Environmental Protection Department of the Executive Yuan. The Runoff Wastewater Pollution Reduction Plan" is submitted to the competent authority to complete the verification and implement it accordingly.
- (17) A closed trash bin is set up in the work area to collect the garbage generated by the construction personnel, and Party B will clean it up by itself or entrust a government cleanup unit or a qualified public and private waste cleanup and disposal agency.
- (18) Other industrial wastes generated by construction operations shall be handled in accordance with the "Waste Disposal Law" and "Industrial Waste Storage and Disposal Methods and Facility Standards" and other relevant regulations. Party B shall be responsible for cleaning up by itself or by a government agency or qualified company. · Removal and treatment by private waste removal and treatment institutions.

- (19) If the waste generated by the construction operation is recognized as hazardous industrial waste according to the "Hazardous Industrial Waste Identification Standard", it must be disposed of in accordance with relevant laws and regulations, and shall not be combined with general waste or general industrial waste for disposal.
- (20) The construction waste water and domestic sewage treatment facilities shall be set up separately in and outside the work area as required. The domestic sewage of the construction workers shall be equipped with sewage collection and treatment equipment, and the sewage shall be properly treated and recycled or discharged after meeting the discharge standards, or shall apply to be discharged into the nearby sewage sewer system.
- (21) Party B shall formulate various environmental protection management and monitoring tasks in accordance with relevant environmental protection laws and regulations, as well as the content and characteristics of this project. The above tasks include the formulation of environmental protection execution plans and the control of the execution of the plans. When the noise, vibration, smoke and dust, and the quality of discharged water during construction may exceed the requirements of laws and regulations, Party B shall still assume the relevant management and monitoring responsibilities, and perform sampling and measurement in accordance with environmental protection laws and regulations to avoid affecting the environment.



(5) Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Items	Operating situation (Note 1)			Differences and reasons for Ethical Corporate Management Best Practice Principles for listed companies
	Yes	No	Description	
<p>1. Formulate ethical management policies and plans</p> <p>(1) Does the company formulate an ethical operation policy approved by the board of directors, and clearly indicate the ethical operation policy and practice in regulations and external documents, as well as the board of directors and senior management's commitment to actively implement the operating policy?</p> <p>(2) Whether the company has established a risk assessment mechanism for un-ethical conduct, regularly analyzes and evaluates business activities with a higher risk of un-ethical conduct in the business scope, and formulates a plan to prevent un-ethical conduct, and at least covers the "Ethical Corporate Management Best Practice Principles for listed companies what are the precautionary measures for each section of Article 7?"</p> <p>(3) Does the company clearly define operating procedures, behavior guidelines, punishment and appeal systems for violations in the plan for preventing dishonest behaviors, implement them, and regularly review the pre-revision plan?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>		<p>(1) On March 23, 2012, the 22nd meeting of the eighth session of the board of directors of the company passed the "Ethical Corporate Management Best Practice Principles" and disclosed on the company's website, the company's ethical behavior standards have been established. The senior management and board members of the company uphold the responsibilities of supervision based on integrity in the execution of business in order to create a sustainable business environment.</p> <p>(2) The company's "Procedures for Ethical Management and Guidelines for Conduct" clearly prohibits bribery and acceptance of bribes, offering or accepting improper benefits, offering or promising facilitation payments, providing illegal political contributions, engaging in unfair competition behavior, improper charitable donations, or sponsorship, disclosure of business secrets, and damage to the rights and interests of stakeholders, and other dishonest acts, have all adopted preventive measures to implement the integrity management policy. The company is operating in good condition, and no major incidents have occurred yet.</p> <p>(3) The company engages in business activities based on the principles of fairness, honesty, trustworthiness, and transparency. In order to implement the integrity management policy, in accordance with the "Code for Integrity Management of Listed Companies", the board of directors passed a resolution to formulate the "Integrity Management Operating Procedure and Behavior Guide" to specifically regulate this. The matters that company personnel should pay attention to when performing their business, including clearly stipulating the operating procedures and behavior guidelines of each plan, and the punishment and appeal system for violations. It will strengthen publicity to the company's employees and implement it in operational operations.</p>	<p>No difference.</p> <p>No difference.</p> <p>No difference.</p>
<p>2. Implement ethical management</p> <p>(1) Does the company assess the ethical records of its counterparties and specify the integrity behavior clauses in the contracts it signs with its counterparties?</p> <p>(2) Does the company set up a dedicated (part-time) unit under the board of directors</p>	<p>Yes</p> <p>Yes</p>		<p>(1) The company's pre-sale agreement and engineering contract have stipulated relevant ethical behavior clauses to avoid dishonest behavior.</p> <p>(2) The company's full-time (part-time) unit to carry forward corporate integrity management is the Accounting Section of the Finance Department, which</p>	<p>No difference.</p>

Evaluation Items	Operating situation (Note 1)			Differences and reasons for Ethical Corporate Management Best Practice Principles for listed companies
	Yes	No	Description	
<p>to promote corporate ethical management, and report its implementation to the board of directors on a regular basis?</p> <p>(3) Does the company formulate policies to prevent conflicts of interest, provide appropriate channels for presentation, and implement them?</p> <p>(4) Has the company established an effective accounting system and internal control system for the implementation of ethical operation, and has it regularly checked by an internal audit unit, or has it entrusted an accountant to perform the check?</p> <p>(5) Does the company regularly organize internal and external education and training on ethical management?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>		<p>is affiliated to the Board of Directors and reports to the Board of Directors once a year. There is a contact channel in the stakeholder section of the company's website. In 2023, a total of 0 valid cases reported by external parties and 0 cases reported directly by employees were accepted, and no major dishonest acts occurred.</p> <p>(3) The "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" formulated by the company have clearly defined policies to prevent conflicts of interest and require all units to implement them; the company's internal and company websites provide smooth channels⁷ for employees to express their opinions. The relationship with its own interests has been handled by the board of directors in accordance with the company's relevant provisions on avoidance of interests.</p> <p>(4) The company establishes an effective accounting system and internal control system, and implements it effectively to ensure the implementation of integrity management. The audit unit regularly inspects various internal operations of the company, and reports the audit results to the board of directors for a report.</p> <p>(5) The company places a "Guidelines for the Adoption of Codes of Ethical Conduct" on the company's internal website to remind employees of their own behavioral ethics at any time.</p>	
<p>3. The operation of the company whistleblowing system</p> <p>(1) Does the company formulate a specific reporting and reward system, and establish a convenient reporting channel, and designate appropriate personnel responsible for the reporting object?</p> <p>(2) Does the company formulate standard operating procedures and related confidentiality mechanisms for the investigation and</p>	<p>Yes</p> <p>Yes</p>		<p>(1) Article 23 of the Company's "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Management and Guidelines for Conduct" are related to the whistleblowing system. If the company's personnel suspect or discover violations, they should take the initiative to report to the audit committee and independent directors. , The audit supervisor or other suitable personnel to report. The company's stakeholder area has liaison channels for relevant personnel to report illegal acts; no major internal and external reports occurred in 2024.</p> <p>(2) According to Article 23 of the Company's "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Management and Guidelines for Conduct", the acceptance, investigation process and results of the report case shall be recorded and kept, and the identity and content of the informant shall be kept confidential. If a major violation of regulations is found after investigation or the group is in danger of major damage, a report should be made immediately, and the audit committee and independent directors should be notified in writing; no such incident occurred in 2024.</p>	<p>No Difference.</p> <p>No Difference.</p>



Evaluation Items	Operating situation (Note 1)			Differences and reasons for Ethical Corporate Management Best Practice Principles for listed companies
	Yes	No	Description	
(3) Does the company take measures to protect whistleblowers from being improperly handled due to whistleblowing?	Yes		(3) In accordance with Article 23 of the Company's "Ethical Corporate Management Best Practice Principles" and Article 21 of the "Procedures for Ethical Management and Guidelines for Conduct", the identity and content of the informant is truly confidential, and measures not to be improperly handled due to the report.	No Difference.
4. Strengthen information disclosure (1) Does the company disclose on its website and public information observatory the content and promotion effect of its principles of ethical management?	Yes		(1) The company discloses the ethical corporate management in its annual report, company website and public information observatory.	No Difference.
5. If the company has its own code of integrity management based on the "Ethical Corporate Management Best Practice Principles for Listed Companies", please state the difference between its operation and the established code: The company has established the "Ethical Corporate Management Best Practice Principles" to establish integrity management. The corporate culture has been soundly developed, and there is no difference between the actual operating conditions and the company's code.				
6. Other important information that helps to understand the company's integrity management operations (such as the company's promotion of the company's integrity management determination, policies and invitations to participate in education and training, review and revision of the company's integrity management codes, etc.) (1) The company abides by the Company Act, Securities Exchange Act, Business Entity Accounting Act, relevant regulations related to listing on the OTC, or other business conduct related laws and regulations, as the basis for the implementation of integrity management. (2) The company's "Regulations of the Board of Directors" has a system for avoiding the interests of directors. If the proposals listed by the board of directors have an interest in the company or the legal person that it represents, and may be harmful to the company's interests, they may state their opinions and answer inquiries, and they are not allowed to join discuss and vote, and should be avoided during discussion and voting, and may not act for other directors to exercise their voting rights. (3) The company has a "Procedures for Handling Material Inside Information", which clearly stipulates that directors, managers and employees shall not disclose important internal information that they know to others, and shall not inquire or collect personal duties from persons who know the important internal information of the company Irrelevant companies have not disclosed major internal information, and the company shall not disclose major internal information that has not been disclosed by the company for reasons other than the execution of business. (4) In order to ensure the implementation of honest operation, the company has established an effective accounting system and internal control system, and internal auditors regularly check the compliance with the previous system.				

Note1: Regardless of whether the operation status is checked "Yes" or "No", it should be stated in the summary description field.

(6) Other important information that is sufficient to enhance the understanding of corporate governance operations :

Title	Name	Institute	Course	Hour
Chairman	W.L.Yu	Taiwan Stock Exchange	2025 Cathay Pacific sustainable finance and climate change summit.	6
Director	W.K.Tuan	Taiwan Stock Exchange	2025 Cathay Pacific sustainable finance and climate change summit.	6
Director	S.C.Huang	Taiwan Stock Exchange	2025 Cathay Pacific sustainable finance and climate change summit.	6
Director	S.C.Huang	Taiwan Stock Exchange	2025 Taiwan Capital Market Strengthening Summit	3
Director	S.C.Huang	Securities and Futures Institute	2025 Annual insider trading prevention promotion conference	3
Independent Director	H.K.Li	Taiwan Stock Exchange	2025 Cathay Pacific sustainable finance and climate change summit.	6
Independent Director	M.Y.Ho	Taiwan Stock Exchange	2025 Cathay Pacific sustainable finance and climate change summit.	3
Independent Director	M.Y.Ho	Securities and Futures Institute	2025 Annual insider trading prevention promotion conference	3
Independent Director	C.H.Lin	Taiwan Stock Exchange	2025 Cathay Pacific sustainable finance and climate change summit.	6
Independent Director	C.H.Lin	Securities and Futures Institute	2025 Insider Equity Transaction Legal Compliance Briefing	3
Independent Director	C.H.Lin	The Institute of Internal Auditors	It is essential to understand the key considerations and impacts of IFRS S1/S2 on internal control and internal audit	6
Independent Director	P.J.Hsu	CPA Associations R.O.C.(Taiwan)	Money Laundering Control Act from a Judicial Practice Perspective	3
Independent Director	P.J.Hsu	Taiwan Stock Exchange	2025 Cathay Pacific sustainable finance and climate change summit.	6
Independent Director	P.J.Hsu	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
Independent Director	P.J.Hsu	Securities and Futures Institute	2025 Annual Insider Equity Transaction Legal Compliance Briefing	3
Chief Accounting Officer	P.S.Liu	Accounting Research and Development Foundation	Continuing education course for accounting supervisors of issuers, securities dealers and stock exchanges	12
Internal Auditing Manager	C.H.Chan	The Institute of Internal Auditors	Analysis of illegal cases involving auditors/accountants and corresponding countermeasures	6
Internal Auditing Manager	C.H.Chan	The Institute of Internal Auditors	Payroll Cycle and Labor Incident Act from the Perspective of Corporate Governance	6
Corporate Governance Officer	Y.F.Huang	Accounting Research and Development Foundation	IFRS18 「 Presentation and Disclosure in Financial Statements 」	6
Corporate Governance Officer	Y.F.Huang	Securities and Futures Institute	2025 Annual insider trading prevention promotion conference	3
Corporate Governance Officer	Y.F.Huang	Securities and Futures Institute	2025 Annual Insider Equity Transaction Legal Compliance Briefing	3
Accounting Assistant	Y.F.Huang	Accounting Research and Development Foundation	Continuing education course for accounting supervisors of issuers, securities dealers and	12



Title	Name	Institute	Course	Hour
Manager			stock exchanges.	
Audit Assistant	Y.F.Wu	The Institute of Internal Auditors	Analysis of Regulations and Key Audit Points for Board of Directors and Functional Committees (Audit, Remuneration)	6
Audit Assistan	Y.F.Wu	Accounting Research and Development Foundation	The latest revision of the "Regulations Governing Establishment of Internal Control Systems" and related internal audit and control regulations for financial statement preparation are in practice	6

(7) control system overview

- (a) Statement of Internal Control: Index: MOPS → Corporate Governance → Internal Control Section → Announcement of the Statement of Internal Control. <https://mops.twse.com.tw/mops/#/web/t06sg20>
- (b) The Securities and Futures Bureau May Request Companies to Commission Independent Auditor to Audit the Said Internal Control System. Disclosure of the Audit Report(s) is mandatory: None

(8) During the 2025 alendar year, through the period from April 19, 2026 to report published date, Shareholder Meetings' and Board Meetings' major resolutions passed at these meetings are summarized below:

Board Resolution	Item
2025/03/05	The Board of Directors of the Company has approved matters related to convening the 2025 Annual General Meeting of Shareholders.
2025/03/05	The Company's Board of Directors approved the donation to the Hongpu Social Welfare and Charity Foundation.
2025/03/28	The subsidiary, Mitsubishi Development Co., Ltd, announced that the cumulative contract value for the new residential building project "J PARK-A" has reached over NT\$500 million within one year.
2025/04/02	Announcement: The Company is changing accountants due to internal rotation within the accounting firm.
2025/04/02	The Company intends to participate in the cash capital increase of Chuan Yue Real Estate Development Co., Ltd, with a cumulative annual return of NT\$300 million.
2025/04/30	Announcement of the Board of Directors' resolution on dividend distribution.
2025/06/19	Announcement of the Board of Directors' resolutions on important resolutions of the 2025 Annual General Meeting of Shareholders.
2025/06/19	The Company provides a guarantee for the financing of its subsidiary, Chuan Yue Real Estate Development Co., Ltd. (hereinafter referred to as Chuan Yue).
2025/06/19	Announcement of the Company's Election of Chairman.
2025/06/19	Announcement of the list of directors (including independent directors) to be re-elected in the Company.
2025/06/19	Announcement of newly elected corporate directors and their representative appointments.
2025/06/30	Announcement of the Company's Board of Directors' resolution regarding the ex-dividend date and related matters.
2026/03/03	The Board of Directors of the Company has approved matters related to convening the 2026 Annual General Meeting of Shareholders.
2026/03/03	The Company's Board of Directors approved the donation to the Hongpu Social Welfare and Charity Foundation.

Note 1: Resolution of shareholders' meeting

Date	Abstracts of proposal	Resolutions	Implementations	Remarks
2025/06/19	(I) A Adoption of business report and financial statements of fiscal year 2024.	(1) Approvd	(a) This proposal was voted and passed according to the motion proposed by the Board of Directors.	None None
	(II) Loss appropriation and surplus distribution motion for year 2024.	(2) Approvd	(b) The Company’s net profit after tax is NT\$204,115,752. A 10% legal reserve of NT\$20,411,575 is allocated. Adding the beginning retained earnings of NT\$4,187,617,018, the total distributable earnings amount to NT\$4,371,321,195. It is proposed to distribute a cash dividend of NT\$0.50 per share to shareholders, with a total distribution amount of NT\$166,404,326 (based on the currently issued shares of 332,808,652 shares). After the distribution, the retained earnings will be NT\$4,204,916,869.	
	(III) Amendments to certain articles of the Company's “Articles of Incorporation”.	(3) Approvd	(c) This proposal was voted and passed according to the motion proposed by the Board of Directors.	
	(IV) The Company's complete re-election of Directors.	(4) Approvd	(d) The list of elected directors is detailed in the Market Observation Post System's announcement of the 2025 meeting handbook and supplementary meeting materials.	
	(V)Case to lift the non-compete restrictions on the Company’s newly appointed directors and their representatives.	(5) Approvd	(e) This proposal was voted and passed according to the motion proposed by the Board of Directors.	

(9) Supervisors have different opinion in the major resolutions passed by the Board of Directors and record as paper in recently year and up to the annual report published date: None.

C.Information Regarding Hong-Pu's Independent Auditor

CPA	Name	Term	Audit fee	Non-audit fees	Total	Remark
KPMG	M. F. Hsu	20250305-2025123	1,520	570	2,090	Non-accountant’s fee includes tax certification fees and director replacement agency fees and Accounting Fees for Payroll Verification.
	S.G.Horng	20250305-20251231				

Please specify the content of non-audit public services: (such as tax audit, assurance or other financial advisory services)

Note : If the company has changed accountants or accounting firms this year, please list the audit period respectively, and explain the reason for the change in the remarks column and disclose the information on audit and non-audit fees paid in sequence. Non-audit fees and should be annotated to explain the service content.



D. CPA Replacement Information:

(a) About former accountants

Date of chang	2025/03/05		
Reason and description of change	The internal rotation of KPMG compliance with the laws and regulations.		
Description of appointer's termination or accountants' refusal	Situation	Accountants	Appointer
	Termination	▼	
	Refusal		
Opinion and reson of non-qualified opinion of auditing report in the last tow years	None		
Disagree with the company	yes		Accounting principles or practice
			Disclosure of financial reports
			Auditing scope or procedures
			others
	no	▼	
		description	
Other disclosures	None		

(b) about succeed accountants

Name of accountants firm	KPMG
Name of accounts	M. F. Hsu 、 S.G.Hong
Date of appointment	2025/03/05-2025/12/31
Advisory and results of accounting treatments or principles of the specific transaction and possible opinion of financial report before appointing	None
Written comments of different opinion with former accountants	None

E. Information on the company chairman, president or a manager in charge of financial or accounting matters serving as a CPA at the accounting firm or an affiliated company within the past year: None

F. Equity transfers and equity pledges (or changes thereto) during the preceding fiscal year or in the current fiscal year up to the date of printing of the annual report.

Index as follows:

Equity transfer: Market Observation Post System> Single Company> Equity changes/ Securities issuance>

Equity transfer information inquiry> Insider Shareholding Change Report Form

https://mops.twse.com.tw/mops/#/web/query6_1

Changes in share pledge: Market Observation Post System>Single Company> Equity changes/ Securities

issuance> Internal Personnel Quality Analysis> Internal personnel profile quality resolution announcement

https://mopsov.twse.com.tw/mops/web/STAMAK03_1



G. Information on concerned relationship of No. 6 in FASB with top ten major shareholders:

Name (Note 1)	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding in Name of Others		Name and relationship of among in the company's 10 largest shareholders and any one is a related party or a relative within the second degree of kinship of another. (Note 3)		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Hua-Zhan Investment Co., Ltd. Representative : J.H.Tuan	60,041,745	18.04%	-	-	-	-	Fu-Da Investment Co., Ltd Fu-Yi Investment Co., Ltd Yi-Li Investment Co., Ltd	The same chairman Fu-Yi is a direct at Hua-Zhan Yi-Li is a direct at Hua-Zhan	None
Fu-Da Investment Co., Ltd. Representative : J.H.Tuan	59,182,040	17.78%	-	-	-	-	Hua-Zhan Investment Co., Ltd. Yi-Li Investment Co., Ltd Tong-Chang Investment Co., Ltd.	The same chairman Yi-Li is a direct at Fu-Da Tong-Chang is a direct at Fu-Da	None
Teacher Retirement System of Texas - Dimensional Fund Advisors LP as external fund manager	14,994,491	4.51%	-	-	-	-	-	-	None
N.B. Qiu	12,819,000	3.85%	-	-	-	-	-	-	None
Sunfon Construction Co., Ltd. Representative : M.F. Hong	8,100,000	2.43%	-	-	-	-	-	-	None
DaHong Investment Co., Ltd. Representative: M. Lai	7,264,000	2.18%	-	-	-	-	-	-	None
Tai-Ban Investment Co., Ltd. Hua-pu Investment Company Ltd. (Representative : P. S. Liu)	7,166,738	2.15%	-	-	-	-	-	-	None
Fu-Yi Investment Co., Ltd. Tong-Chang Investment Co., Ltd. (Representative: S.C. Huang)	4,581,077	1.38%	-	-	-	-	Tong-Chang Investment Co., L Yi-Li Investment Co., Ltd td.	Tong-Chang is a direct at Fu-Yi Yi-Li is a supervisor at Fu-Yi	None
Tong-Chang Investment Co., Ltd. Fu-Yi Investment Co., Ltd. (Representative: H.T.Lee)	4,330,028	1.30%	-	-	-	-	Fu-Yi Investment Co., Ltd Yi-Li Investment Co., Ltd	Fu-Yi is a direct at Tong-Chang Yi-Li is a direct at Tong-Chang	None
Yi-Li Investment Co., Ltd. Tong-Chang Investment Co., Ltd. (Representative: W.Y.Lin)	3,708,661	1.11%	-	-	-	-	Tong-Chang Investment Co., Ltd. Fu-Yi Investment Co., Ltd	Tong-Chang is a direct at Yi-Li Fu-Yi is a direct at Yi-Li	None

Note 1: List all of top ten shareholders and if the shareholders are belonging to juridical person shall be showed the company's name and representative.

Note 2: The shareholding percentage is calculated in his own name, spouse, minor children or use other's name.

Note 3: The top ten shareholders including institutional shareholder and natural person should required by regulations governing the preparation of financial reports by issues to disclose the relationship between each other.

H. The number of shares held by the company, directors, managers, and the number of shares of the same re-invested business which are held by the entities directly or indirectly controlled by the company, and calculating the consolidated shareholding percentage of the above categories:

Unit: share : %

Investment entity	Invested by the company (Note)		Directly or indirectly controlled entity invested by directors, supervisors, managers		Comprehensive investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Chuan Yue Real Estate Development Co. Ltd.	38,760,000	51%	0	0%	38,760,000	51%
Mitsubishi Development Co., Ltd.	61,200,000	51%	0	0%	61,200,000	51%

Note: Long-term investment by the company using the equity method



III. Capital Overview

A. Disclosure of the company's capital and shares, corporate bonds, preferred Shares, global depository receipts, employee stock option certificates, and any merger & acquisition activities :

a. Capital and shares

1. Source of capital

Year/ Month	Issuing price	Authorized capital		Capital collected		Remark		
		Stock share (Thousan d shares)	Amount (Thousand dollars)	Stock share (Thousan d shares)	Amount (Thousand dollars)	Source of capital	Capital is paid with something other than cash	Other
1988.10	10	3,500	35,000	3,500	35,000	Capital \$35,000,000	None	Note1
1990.06	10	19,388	193,880	19,388	193,880	Property to offset the equity shareholders \$158,880,000	Yes	Note2
1991.12	10	60,000	600,000	60,000	600,000	cash capital increase \$406,120,000	None	Note3
1992.12	10	80,000	800,000	80,000	800,000	cash capital increase \$200,000,000	None	Note4
1995.02	10	96,000	960,000	96,000	960,000	Unappropriated retained earnings \$160,000,000	None	Note5
1995.12	10	110,400	1,104,000	110,400	1,104,000	unappropriated retained earnings \$144,000,000	None	Note6
1996.12	10	176,640	1,766,400	156,960	1,569,600	cash capital increase \$300,000,000 unappropriated retained earnings \$165,600,000	None	Note7
1997.09	10	320,000	3,200,000	230,500	2,305,000	cash capital increase \$418,500,000 unappropriated retained earnings \$159,940,000 capital reserve \$156,960,000	None	Note8
1998.07	10	360,000	3,600,000	288,500	2,885,000	unappropriated retained earnings \$115,250,000 capital reserve \$461,000,000 employee bonuses \$3,750,000	None	Note9
1999.08	10	360,000	3,600,000	297,155	2,971,550	unappropriated retained earnings \$86,550,000	None	Note10
2000.08	10	430,000	4,300,000	317,956	3,179,559	unappropriated retained earnings \$208,008,500	None	Note11
2003.02	10	430,000	4,300,000	313,662	3,136,619	Treasury stock capital decrease \$42,940,000	None	Note12
2004.07	10	430,000	4,300,000	282,741	2,827,406	Merge Hong-Yuan Investment Co., Ltd Capital decrease \$309,212,940	None	Note13
2007.07	10	430,000	4,300,000	286,268	2,862,680	unappropriated retained earnings \$28,274,050 employee bonuses \$7,000,000	None	Note14
2008.07	10	430,000	4,300,000	289,931	2,899,306	unappropriated retained earnings \$28,626,790 employee bonuses \$8,000,000	None	Note15
2011.07	10	430,000	4,300,000	319,135	3,191,348	unappropriated retained earnings \$289,930,640	None	Note16
	36					Convertible Bond \$76,000,000 was converted to common stock \$2,111,070 accumulatively.		
2013.07	10 29.	430,000	4,300,000	319,467	3,194,670	Convertible Bond \$9,900,000 was converted to common stock \$3,322,140 accumulatively	None	Note17
2014.01	10 28.1	430,000	4,300,000	319,951	3,199,510	Convertible Bond \$13,600,000 was converted to common stock \$4,839,800 accumulatively	None	Note18
2014.05	10 28.1	430,000	4,300,000	319,954	3,199,954	Convertible Bond \$100,000 was converted to common stock \$35,580 accumulatively	None	Note19
2014.07	10 28.1	430,000	4,300,000	332,809	3,328,087	Convertible Bond \$361,200,000 was converted to common stock \$128,540,890 accumulatively	None	Note20

- Note 1: Apply for approval by MOEA in 1988/10/5, see:經(077)商 30388 號函.
 Note 2: Apply for approval by MOEA in 1990/6/23, see:經(079)商 111788 號函.
 Note 3: Apply for approval by MOEA in 1991/12/30, see:經(080)商 129062 號函.
 Note 4: Apply for approval by MOEA in 1992/12/22, see:經(081)商 126109 號函.
 Note 5: Apply for approval by MOEA in 1995/2/13, see:經(084)商 101097 號函.
 Apply for approval by SFC in 1994/12/19, see:(83)台財證(一)第 44036 號函.
 Note 6: Apply for approval by MOEA in 1995/12/29, see:經(084)商 120526 號函.
 Apply for approval by SFC in 1995/12/5, see:(84)台財證(一)第 62982 號函.
 Note 7: Apply for approval by MOEA in 1996/12/23, see:經(085)商 122200 號函.
 Apply for approval by SFC in 1996/10/17, see:(85)台財證(一)第 59596 號函.
 Note 8: Apply for approval by MOEA in 1997/9/5, see:經(086)商 115644 號函.
 Apply for approval by SFC in 1997/5/19, see:(86)台財證(一)第 33867 號函.
 Note 9: Apply for approval by MOEA in 1998/7/3, see:經(087)商 116246 號函.
 Apply for approval by SFC in 1998/5/18, see:(87)台財證(一)第 43779 號函.
 Note10:Apply for approval by MOEA in 1999/8/3, see:經(088)商 128149 號函.
 Apply for approval by SFC in 1999/6/11, see:(88)台財證(一)第 54911 號函.
 Note11:Apply for approval by MOEA in 2000/8/31, see:經(089)商 132051 號函.
 Apply for approval by SFC in 2000/7/26, see:(89)台財證(一)第 64952 號函.
 Note12:Apply for approval by MOEA in 2003/2/27, see:經(092)商 01059210 號函.
 Apply for approval by SFC in 2002/11/19, see:(91)台財證(三)第 0162211 號函.
 Note13:Apply for approval by MOEA in 2004/8/13, see:經(093)商 01152070 號函.
 Apply for approval by SFC in 2004/7/2, see:(91)台財上字第 0930101704 號函.
 Note14:Apply for approval by MOEA in 2007/07/26, see: 經授商字第 0960039463 號函.
 Note15:Apply for approval by MOEA in 2008/07/17, see: 經授商字第 0970036086 號函.
 Note16:Apply for approval by MOEA in 2011/07/22, see: 經授商字第 1000034201 號函.
 Note17:Apply for approval by MOEA in 2013/07/15, see: 經授商字第 10201139040 號函.
 Note18:Apply for approval by MOEA in 2014/07/14, see: 經授商字第 10301020900 號函.
 Note19:Apply for approval by MOEA in 2014/07/14, see: 經授商字第 10301085220 號函.
 Note20:Apply for approval by MOEA in 2014/07/14, see: 經授商字第 10301140350 號函.

2. Types of shares

Types of Shares	Authorized capital			Remark
	Outstanding stock	Non-issued stock	Total	
Common stock	332,808,652	97,191,348	430,000,000	Listed stock

Aggregated declaration information : NA

3. List of major shareholders

Major Shareholders	Shares	Shares held	%
Hua-Zhan Investment Co., Ltd.		60,041,745	18.04%
Fu-Da Investment Co., Ltd.		59,182,040	17.78%
Teacher Retirement System of Texas - Dimensional Fund Advisors LP as external fund manager		14,994,491	4.51%
N.B. Qiu		12,819,000	3.85%
Sunfon Construction Co., Ltd.		8,100,000	2.43%
DaHong Investment Co., Ltd.		7,264,000	2.18%
Tai-Ban Investment Co., Ltd.		7,166,738	2.15%
Fu-Yi Investment Co., Ltd.		4,581,077	1.38%
Tong-Chang Investment Co., Ltd.		4,330,028	1.30%
Yi-Li Investment Co., Ltd.		3,708,661	1.11%



4. Company's dividend policy and implementation status : (Code 26 of Articles of Incorporation)
- (a) Dividend policy : consider need of and the perfect financial plan the future fund and the perfect financial plan, shareholders' Meeting may decide not to distribute all or part of the earning to actual needs, if there have the dividend distribution, the total of the cash dividend not be lower than 20% of the amount of cash dividend and stock dividend, other will distribute by stock from retained earnings and capital reserve.
- Where the Company has earnings in its annual final accounts, it shall first pay all applicable taxes and offset accumulated losses. Any remaining balance shall be appropriated as a legal reserve at 10% thereof in accordance with applicable laws and regulations; provided, however, that this requirement shall not apply when the legal reserve has reached the Company's paid-in capital. Thereafter, a special reserve shall be appropriated or reversed in accordance with applicable laws and regulations or as required by the competent authority. The remaining balance, together with accumulated undistributed earnings, shall be used by the Board of Directors to formulate a proposal for the distribution of earnings, which shall be submitted to the shareholders' meeting for approval for the distribution of dividends and bonuses to shareholders. Except for distributions made from reserves in accordance with applicable laws and regulations, the Company shall not distribute dividends or bonuses in the absence of earnings.
- (b) Proposed dividend distribution to Shareholder's meeting:
1. Resolution of Board Meeting in May 6, 2026 Dividend of 2025 distribute cash dividend \$2 per share.
 2. The above distribution proposal, yet to submit to Shareholders' meeting by June 17, 2026.
- (c) Dividend policy is expected there will be major changes explanation: None.
5. Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting : No proposal for stock dividends was submitted to the Company's shareholders' meeting; therefore, this item is not applicable.
6. Employee remuneration and compensation of directors
- (1) The multiples or ranges with respect to employee dividends and director/auditor compensation, as set forth in the company's articles of incorporation :
- If the company makes profits in the annual financial report, it shall first allocate employees' remuneration and directors' remuneration, and the employees' remuneration shall not be less than 1%. If the company converts employees' remuneration as capital increase, it can issue shares to employees. The directors' remuneration shall not be more than 3%. Of the aforementioned employee remuneration amount, no less than 1% should be allocated as remuneration for grassroots employees. After the distribution resolution of the Board of Directors, taxes and dues shall be paid in accordance with the law, and another 10% shall be set aside as the legal reserve. When the legal reserve amounts the total paid-in capital of the company, it may no longer be set aside. After the special reserve is set aside or reversed in accordance with laws and regulations, together with the accumulated undistributed earnings, the board of directors shall prepare the earning distribution proposal and submit it to the Shareholders' Meeting for a resolution on the distribution of shareholder dividends. If the company has accumulated losses in previous years, it should make up for the loss before making profits to distribute employees' remuneration in the current year. And the distribution amount in accordance with the proportion of the preceding clause mentioned. If the employees' remuneration is paid in stocks or cash, the employees of the distribution include those who meet certain requirements in the subordinate companies.
- The above amendment to the "Articles of Incorporation" is pending approval at the Annual General Shareholders' Meeting scheduled for June 19, 2025.
- c. Shareholder's Meeting could resolved the distribution of retained earnings .
- (2) The accounting treatment of estimate base of employee remuneration and compensation of directors, (include independent directors) and calculated base of number of shares in stock remuneration distribution, are different to actual distributed amount: None .

(3) The information of proposed dividend distribution of Board Meeting:

- a. Distribution amount of employee remuneration, stock dividend, and compensation of directors (include independent directors): (Unit: NT\$)

Distribution	Estimate Amount	Distribution Amount Approved by the Board	Difference	Reason & Treatment
Employee cash remuneration	18,000,000	18,000,000	0	None
Remuneration of Directors (include independent directors)	2,200,000	2,200,000	0	None

- b. Propose to distribute employee stock remuneration and the percentage of net income and total employee remuneration: 0%.

- c. Earnings per share of considered in distribute employee remuneration and compensation of directors(include independent directors): None

(4) Use of earnings in the preceding fiscal year for distribution of employee dividends and directors compensation:

(Unit: NT\$)

Year 2024	Employee remuneration	Compensation for Directors (include independent directors)
Distribution Proposal of Retained Earnings adopted at the Board of Directors.	7,500,000	4,400,000
Actual Distribution of Retained Earnings in Shareholders' Meeting.	7,500,000	4,400,000
Difference	0	0

The information related to the appropriation of employees' bonuses and remuneration to directors and supervisors can be found on web sites such as the Market Observation Post System after the Shareholders' meeting.

7. Share Repurchases: None.

b. Bond

1. Bond (handle situation):

On September 7, 2022, the Board of Directors resolved the issuance of unsecured corporate bonds with a total amount not exceeding NTD 1 billion. On October 19, 2022 and on January 5, 2023 the declaration took effect after being approved by the competent authority.

Type of corporate bond	2022-1 unsecured corporate bond	2022-2 unsecured corporate bond
Date of issuance	2022/10/27	2023/01/16
Face value	1,000,000	1,000,000
Place of issuance and trading	Domestic	Domestic
Issue price	Issued at 100% face value	Issued at 100% face value
Aggregate amount	500,000,000	500,000,000
Interest rate	2.6%	2.85%
Maturity date	5-year maturity date: Oct 27, 2027	5-year maturity date: Jan 16, 2028
Guarantor	None	None
Fiduciary	Taishin Bank	Taishin Bank
underwriter	Masterlink Securities	Masterlink Securities
Attesting lawyer	Yicheng Law office: H.C. Kuo	Yicheng Law office: H.C. Kuo
Attesting CPA	KPMG: C.W. Chuang and M. F. Hsu	KPMG: C.W. Chuang and M. F. Hsu



Repayment		Lump sum repayment on due	Lump sum repayment on due
Outstanding principal		500,000,000	500,000,000
Terms of redemption or early redemption		The company may early redeem all or part of the company's bonds on each interest payment date one year after the issuance of the company's bonds, and the bondholders of the company's bonds may not object. The company will make an announcement 30 days before the scheduled redemption date, and redeem the company's bonds based on the face value of the bonds plus the interest payable during the actual holding period.	The company may early redeem all or part of the company's bonds on each interest payment date one year after the issuance of the company's bonds, and the bondholders of the company's bonds may not object. The company will make an announcement 30 days before the scheduled redemption date, and redeem the company's bonds based on the face value of the bonds plus the interest payable during the actual holding period.
Restrictive terms		None	None
The name of the credit rating agency, the date of the rating, the results of the company's bond rating		Not applicable	Not applicable
Other rights attached	The amount of common shares, overseas depository receipts or other marketable securities converted (exchanged or subscribed) as at the date of publication of the Annual Report	None	None
	Issuance and conversion (exchange or warrant subscription) terms	None	None
Issuance and conversion, exchangeable or subscription terms, issuance conditions may dilute the shares, and impact on existing shareholders' equity		Please refer to the prospectus of the Company's 2022-1 unsecured corporate bond	Please refer to the prospectus of the Company's 2022-1 unsecured corporate bond
The name of the entrusted custodian of the exchangeable objects		None	None

2. The information of Convertible bonds: Please referance to Chinese version.

c. Preferred Shares

1. Issuance of Preferred Shares: None.
2. Preferred Share with Warrants: None.

d. Global depository receipts:None.

e. Employee stock option certificates:None.

f. Merger & acquisition:None.

B.Information on Implementation of the Company's Funds Utilization Plans

Index: Public Information Observation Station> Single company> Equity changes/ Securities issuance> Fundraising> Fundraising plan execution

https://mopsov.twse.com.tw/mops/web/bfhtm_q2

IV. Operational Highlights

A. Business Activities

(A) Cope of business

1. Major business content

- (1) Contract contractor to construct public housing and commercial building for rental and sale
- (2) Proxy, business, import and export of building material and engineering material
- (3) Upholstery
- (4) Conduct of convenience market & supermarket
- (5) E2010101andscape engineering
- (6) F501010 dining hall
- (7) H701020 develop, rental, and sale of industry building
- (8) H701040 development of specific professional area
- (9) H701060 development of new town and new community
- (10) H703010 rental of factory building
- (11) H703020 rental of storage
- (12) H703030 rental of office
- (13) H701050 invest in construction of public structure

2. Business operation

Contracting contractor to construct public housing and commercial building for rental and sale in domestic market (100%)

3. Current product line and future service

- (1) Apartment : residence 、 store 、 parking lot
- (2) Building : residence 、 store 、 market 、 suite 、 parking lot

(B) Industry summary

1. Current and development of industry :

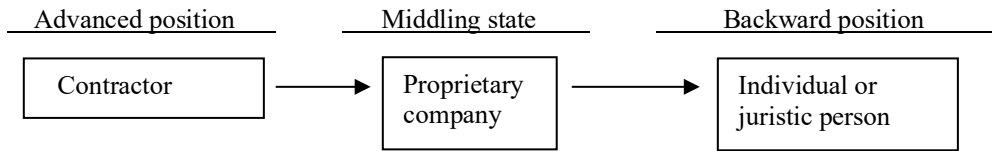
Looking back in year 2025, benefiting from strong export performance in the semiconductor and AI-related industries, the economic growth rate is estimated to reach a recent high. While economic indicators and the stock market have delivered impressive performances, the real estate market has not shared in this momentum and has instead undergone a downward adjustment. Following the central bank's implementation of its seventh round of selective credit control measures and the tightening of mortgage lending by banks, overall liquidity conditions remain constrained. Developers have consequently adopted a more conservative approach toward land acquisition, project launches, and financing strategies. Investment-driven demand has largely exited the market, giving way to more rational owner-occupier and upgrader demand, resulting in a market characterized by declining transaction volumes and gradually softening prices.

In terms of operating income, delivery of pre-sale project, "Garden Park", "New Era Garden 1", "New Era Garden 2", rental income from "MGH Mitsui Garden Hotel" and "World Trade Plaza" contributed to the company's revenue. However, due to the timing of the handover of key projects, the company's revenue for 2025 increased compared to the previous year.



2.Relation between advanced position, middling state, and backward position :

Hong-Pu is in the business of contracting contractor to construct public housing and commercial building for rental and sale in domestic market. The relation show in follow chart :



3.Evolutional trend :

Growth rate of major product in this ten years :

(Unit: NT\$ thousands)

Year	Item	Sales	Growth rate
2023	Sales Revenue	3,051,896	481.64%
	Rental	181,247	13.53%
2024	Sales Revenue	2,269,778	-25.63%
	Rental	179,677	-0.87%
2025	Sales Revenue	10,279,737	352.89%
	Rental	180,586	0.51%

As shown in the table above, the Company's main operating revenue in 2025 increased by 352.89%. This year, the following projects have been completed and delivered, with revenue generated from pre-sales: "New Era Garden 2", "New Era Garden 1", and "Garden Park".

4. Competitive situation :

The number of cases launched by the Company each year varies in size, but they are all different cases. Due to market segmentation and different product locations, the selling prices also vary, depending entirely on customer preferences. Therefore, the competition is relatively less obvious.

(C) An overview of the company's technologies and its research and development work :

1. Increase building's ability to resist earthquake.
2. Proposal and improvement of aluminum formwork and curtain wall construction quality.
3. Invest in the detailed research of healthy green buildings and intelligent buildings and implement various indicators.
4. Create specialty and uniqueness of house.

(D) The long- and short-term business development plans

Projection in short-term, medium-term, and long-term :

Development	Short-term (2026)	Medium-term and long-term
Customer	1. Provide clients with comprehensive information, technology and value-added services. 2. Strengthen communication between advanced position, middling state, and backward position.	1. Cut cost and share the profit. 2. Much accounted of customer's require.
Product	1. Predominant and convenient house 2. Slowdown from acquisitive land to complete work.	1. We continuously invest in the development of healthy green buildings and smart, seismic-resistant residential products to strengthen and fulfill customer needs. 2. Enhance the professional competence and expertise of our planning staff to bolster our capabilities in new residential product development. 3. With a sound financial structure, the Company plans to develop long-term income-generating assets in the future.
Market	1. Looking for the worth land in Taiwan.	1. Looking for the worth land in Taiwan.

B. Market and Sales Overview

(A) Market analysis

1. Sales and market for key product and services

Hong-Pu is in the business to construct residential building and office building. The company has focused on the greater Taipei and Taoyuan areas in recent years and the land development prefer to choose convenient transportation, perfect life function, and full of potential lot in future.

2. Market demand and supply

(1) Market share:

The company adheres to the business philosophy of honesty, steadiness and sustainable development, deeply understands the needs of home buyers, and builds high-quality construction products. Due to the strong regional nature of real estate, many projects compete with each other in the same area. In recent years, the company has been actively developing land. From 2022 to 2025, there were promotional sales launched in Xindian, New Taipei and in Zhongli, Taoyuan and achieved good sales performance with brand advantages.

(2) supply :

Analyze the current housing supply situation and the pressure of surplus housing in the market from the changes in the number of building permits and user licenses issued, reflecting the future development trend of the domestic construction industry. According to the number of residential building permits issued and user licenses issued in Taiwan over the years, In 2025, the number of building permits decreased by 11.48%, and the number of usage permits increased by 3.18%, indicating a decrease in the market supply of building permits. However, due to the difficulty in consolidating land, the implementation of government credit control policies may lead to a decrease in the willingness of fundraising parties to launch projects, increasing the time required to complete projects that have previously obtained building permits.



List of number of housing that issuing building permit and occupation permits.

Unit : ten thousand housing

Year	Number of housing that issuing building permit	Number of housing that issuing occupation permit
2024	15.68	13.82
2025	13.88	14.26

Note : data origin: Construction and Planning Agency, Ministry of the Interior.

(3) Demand:

With the central bank’s continuous interest rate hikes and the government introduction of the seventh wave of selective credit control in the third quarter, the pace of sales for high-priced properties has slowed. The market has shifted to focus more on self-use, rigid demand, with an increase in mid- and low-priced products. However, due to recent inflation and soaring construction costs, the public views real estate as the best way to hedge against inflation, and there is still a demand for real estate as a store of value. Particularly in the Greater Taipei and Taoyuan metropolitan areas, where the population is large, it is expected that real estate demand will either slightly grow or remain stable.

3 Development strength and weakness

(1) competitive:

- a. Superior forward-looking land development capabilities.
- b. Master the market demand, rigorous design and planning to maintain the accurate product positioning.
- c. Excellent management team, sound financial management, good credit.
- d. Ensure construction quality, schedule and accurate cost control.

(2) Strength:

- a. Due to inflationary concerns, real estate still has value preservation needs for the public.
- b. Land transaction prices hit a new high, and housing prices are strongly supported.
- c. The government promotes various major infrastructures, and the real estate market in this area has great potential in the future.
- d. The Ministry of Finance and the Ministry of Interior jointly launched the “New Youth Easy Home Mortgage” in the third quarter, which will help the housing market for self-occupied and home-buying customers.

(3) Weakness:

- a. It is difficult to obtain land in the prime location, and the cost of land and construction has soared.
- b. “House and Land Transactions Income Tax” of real estate causes a substantial increase in “Profit-seeking Enterprise Income Tax” will decrease net profit after tax.
- c. The amendment to the government’s “the Equalization of Land Rights Act” has been passed, along with the central bank’s continuous interest rate hikes and the seventh wave of selective credit controls.

(4) Response strategies:

Maintain finance stable, plan potential area and project within market, Develop long-term rental income assets.

Select excellent construction team carefully, create brand superiority and competitiveness.

(B) Usage and manufacturing processes for the company's main products

Hong-Pu's major products are developing housing, villa, store, market, office and parking lot by contracting contractors.

(C) Supply situation for the company's major raw materials

1. Land : acquire through purchase or joint venture. Though it is difficult for land acquiring in Taipei City, it is still possible to purchase or joint venture.
2. Construction: there are more than 600 grade A contractors in greater Taipei area. No shortage or cartel concerns.

(D) In any year that account for purchase (sales) total value more than 10% for the two most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each

1. Major Suppliers

Major Suppliers Information for the Last Two Calendar Years

(Unit: NT\$ thousands)

Item	2024				2025				2026(As of March 31) (Note2)			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Guo Yao Construction Co., Ltd.	710,437	27.08%	None	Kimzoa Construction Co., Ltd.	778,882	29.70%	None	Kimzoa Construction Co., Ltd.	281,258	47.23%	None
2	Joyear Construction Co., Ltd.	425,261	16.20%	None	Joyear Construction Co., Ltd.	486,454	18.55%	None	Chien Kuo Construction Co., Ltd.	69,333	11.64%	None
3	Chief Construction Co., Ltd	334,835	12.76%	None								
4	Kimzoa Construction Co., Ltd.	325,664	12.41%	None								
Others		827,761	31.55%	None	Others	1,356,940	51.75%	None	Others	244,861	41.13%	None
Net Purchases		2,623,958	100.00%		Net Purchases	2,622,276	100.00%		Net Purchases	595,452	100.00%	

Note 1: Major suppliers mean each commanding 10%-plus share of annual order volume.

Note2: As of publication of annual report, recent certified or reviewed financial data of supplier whose stock listed on TSE or GreTai Securities Market should be disclosed. °

The reason of change: The change of purchase amount from suppliers is due to projects completed and projects started in last two years.

Note3: These are the major suppliers of the consolidated financial reports.

2. Major Clients

Major Clients Information for the Last Two Calendar Years

(Unit: NT\$ thousands)

Item	2024				2025				2026(As of March 31) (Note 2)			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Others.	2,449,455	100%	None	Others	10,460,323	100%	None	Others	885,984	100.00%	None
Net Operating Revenues		2,449,455	100%		Net Operating Revenues	10,460,323	100%		Net Operating Revenues	885,984	100.00%	

Note 1: Major Clients mean each commanding 10%-plus share of annual sales volume.

Note2: As of publication of annual report, recent certified or reviewed financial data of client whose stock listed on TSE or GreTai Securities Market should be disclosed.

The reason of change: Due to the nature of development industry, there are no specific customers.

Note3: These are the major suppliers of the consolidated financial reports.

C. Human Resources :

April 19,2026

Year		2024	2025	As of Apr. 19 2026(Note)
Number of staff	Employee	16	23	23
	Engineering employee	21	16	15
	Total	37	39	38
Average age		47	47	48
Average length of service		10.76	9.66	10.8
Education background	Doctor	-	-	-
	Master	16.20%	12.82%	13.16%
	Bachelor	75.70%	82.05%	81.68%
	High school	8.10%	5.13%	5.26%
	Other	-	-	-

Note: Add the information of the year in which the annual report is published

D. Disbursements for environmental protection

- a. Pursuant to laws, facilities should apply for the permit or the pollution of pollution discharge permit or pollution control costs should be paid or environmental protection should be set up dedicated units who were ,Its claim, the case of payment instructions or established.
Investment in our by the construction company to build the case for labor and materials or way of contracting not-included contract, Construction process of environmental protection, by the contractor company responsible. However, the concept based on Environmental Protection, Our for the engineering construction process, Contract manufacturers are strictly required to do environmental protection, so the last two years has not suffered losses due to pollution of the environment, no significant environmental expenditures anticipated future.
- b. Companies on the prevention of environmental pollution on the investment of major equipment and use and could be beneficial : None
- c. Last three year the company to improve the environment through pollution, the event has pollution dispute, And should explain the deal through :
Our contracts with construction companies in the construction period stipulated in the environmental responsibility of a construction plant, responsible for overseeing the company. In the prevention of pollution Our on the following measures :
 1. Geological and Adjacent Building status as the selection of appropriate construction methods to reduce noise and vibration.
 2. Erection of fence around the building to prevent dust or debris falling.
 3. Set the closed conduit from garbage strewn garbage transfer process.
 4. Designated waste placement, periodic deliveries of disposable workers.
 5. Regular employee base of gutter cleaning, maintenance of the surrounding environment in order to maintain smooth Health.
- d. The last three years the company suffered losses due to pollution of the environment (including compensation) : None
- e. Pollution and improve current earnings, competitive position and capital expenditures over the next three years and its significant environmental capital expenditures are expected: None



E. Labor relations

a. Various staff welfare measures, education, training, retirement system and its implementation of the agreement between the case and the labor and the situation of the protection of workers

1. Our provided the welfare system as follows:

- (1) Housing benefits: All regular employees Our to purchase the company invest in the construction of the Product, are entitled to a discount.
- (2) Car borrowing: The Company provides a staff car borrowing approach.
- (3) Emergency borrowing: Where the company the official staff of probation emergency occurs, it may Borrow less than 6 months in advance of salary, and to provide a staff of emergency borrowing Measures.

2. Employee Welfare Committee Our to provide the following benefits:

- (1) Domestic and foreign tourist activities: To encourage employees to engage in the leisure, where the Employees of the Company may from time to time to participate in the employee benefits committee organized by domestic and foreign tourism. Tourism activities and is home to the subsidy approach.
- (2) Gifts and education grants: all regular employees who have enjoyed the company birth, wedding Gifts, bereavement of themselves and their families are offered each semester Dianyi and education grants for their employees. And to provide a staff of gifts, grants approach.
- (3) Achievements of Employees' Welfare Committee in 2025:

Welfare	Item	Amount(NT dollars)
Benefits	Weddings and funerals	30,000
	Emergency Allowances	15,000
Educational subsidy	Child education subsidy	92,000
Recreational subsidy	Leisure and sports activity	2,831,156
	Club activity	506,585
	Recreation and facility	2,608,934
	Others	-

3. The case with the implementation of the retirement system:

- (1) Employees Retirement System has set the year 1992, the implementation of, and has been seen by The Ministry of Finance, Taipei National Tax Administration, Approval Reference No.: (81) Taipei National Taxation Bureau No. 110104, As of: December 31, 2025 ,the cumulative deposited in the Central Trust of the retirement reserve account has Reached NT\$23,101 thousand Dollars.
- (2) Our in accordance with the provisions of the labor pension contribution of 6%.

4. Collective agreement: The company has always been harmonious labor relations, no labor disputes, the Situation is therefore not labor agreement.

b. The Company is to enhance the quality of human resources and development advantages, there education and training to implement sustainable management practices to maintain the company foundation and development, education and training system is divided into Our internal training and external training camp.

c. The last three years the company suffered due to loss of labor disputes and to expose current and future estimated amount of possible response measures: None.

d. Protection measures for working environment and employees' safety:

- 1. The company's construction site is equipped with protective nets, safety helmets, safety railings, safety ropes and other safety measures.
- 2. The company's workplace is equipped with medical emergency kits, fire extinguishers and other equipments.
- 3. The company holds employee safety and health education and training announcements quarterly.
- 4. The company purchases employee group insurance. The insurable benefits include accident insurance, accident medical treatment and hospitalization medical protection.

F. Information Security Management

- (I) A. Information Security Risk Management Framework
- The Company's information security responsibility unit is the President's office, with an Information Department consisting of one person responsible for planning, executing, and promoting information security management matters.
 - The audit group of the company is the auditing unit of information security supervision. If any deficiencies are found in the audit, the inspected unit is immediately required to propose relevant improvement plans and report to the board of directors, and regularly track the improvement results to reduce internal information security risks.
- B. Information Security Policy
- Build a remote backup system and maintains the continuous operation of each information system
 - Prevent hackers, various viruses from invading and destroying
 - Prevent leakage of confidential and sensitive information
 - Maintain physical environment security
- C. Specific information security management scheme
- The company's host computer, application servers and other equipment are all set up in an exclusive server room.
 - The server room is equipped with an independent air conditioner to maintain the operation of computer equipment at an appropriate temperature environment.
 - The host machine in the server room is equipped with uninterruptible power supply equipment to ensure that temporary power outages will not interrupt the operation of the computer application system.
 - Reminder and publicity: require colleagues to change the system password regularly to maintain account security.
- (II) In the most recent year and up to the publication date of the annual report, the Company has not experienced any major security incidents.

G. Important contracts

Contract	Party	Date	Engineering	Restriction
Construction	Kimzoa Construction Co., Ltd.	2022.04~2025.09	081145411 Structure and append	NA
Construction	Li Ben Technical Engineering Limited	2022.11~2025.09	081145411 Electrical and Mechanical and append	NA
Construction	Chief Construction Co., Ltd.	2023.09~2026.11	02112022 Structure and append	NA
Construction	Acter Group Corporation Limited	2024.06~2026.11	02112022 Electrical and Mechanical	NA
Construction	Kimzoa Construction Co., Ltd.	2024.01~2027.11	012310408 Structure	NA
Construction	Chiao Jen ELECTRIC CO., LTD.	2024.06~2027.11	012310408 Electrical and Mechanical	NA
Construction	Chien Kuo Construction Co., Ltd.	2024.05~2028.09	032310040 Structure and append	NA
Construction	Hann Jenn Mechanical and Electrical Engineering Co., Ltd.	2024.09~2028.09	032310040 Electrical and Mechanical and append	NA
Construction	Kimzoa Construction Co., Ltd.	2024.09~2026.05	03340137 Assumptions for the new building construction project	NA
Construction	Kimzoa Construction Co., Ltd.	2025.11~2029.09	03340137 Structural engineering of new building construction project	NA
Construction	Chyi Ding Technologies Co., Ltd.	2025.11~2029.09	03340137 Electrical and Mechanical	NA



VI · Review of Financial Conditions, Operating Results, and Risk Management

A. Analysis of Financial Status

(Unit: NT\$ thousands)

Item	year	2025	2024	Difference	
				Amount	%
Current Assets		\$37,845,988	\$41,661,736	(3,815,748)	(9.16)
Fixed Assets		106,525	74,693	31,832	42.62
Instangible assets		-	-	-	-
Other Assets		3,269,586	3,032,745	236,841	7.81
Total Assets		41,222,099	44,769,174	(3,547,075)	(7.92)
Current liabilities		23,856,833	28,381,712	(4,524,879)	(15.94)
Non-current liabilities		3,781,444	3,992,303	(210,859)	(5.28)
Total Liabilities		27,638,277	32,374,015	(4,735,738)	(14.63)
Capital Stock		3,328,087	3,328,087	-	-
Capital Surplus		2,042,348	2,042,348	-	-
Retained Earnings		7,288,191	6,393,896	894,295	13.99
Other equity		925,196	630,828	294,368	46.66
Total Stockholder's Equity		13,583,822	12,395,159	1,188,663	9.59
Explanation :					
When change ratio and amount on assets, liabilities and shareholder equities is more than 20% and NT10 million of dollars, it shall state the reason, effect and treatment in the future:					
The reason why more than 20% of the real estate, factory buildings and equipment are leased is due to increased renovation costs.					
The reason why other interests exceed 20% is due to the increase in non-controlling interest.					

B. Analysis of Operation Results :

a. Analysis of Operation Results :

(Unit: NT\$ thousands)

Item \ Year	2025	2024	Difference	Percent Change
Operating Revenues	10,460,323	2,449,455	8,010,868	327.05 (Note 1)
Operating Costs	(8,255,390)	(1,892,560)	(6,362,830)	336.20 (Note 1)
Gross Profit	2,204,933	556,895	1,648,038	295.93 (Note 1)
Operating Expenses	(623,396)	(248,146)	(375,250)	151.22 (Note 1)
Total Operating Income	1,581,537	308,749	1,272,788	412.24 (Note 1)
Non-Operating Income	(309,892)	(99,057)	(210,835)	212.84 (Note 2)
Income Before Income Tax	1,271,645	209,692	1,061,953	506.43 (Note 2)
Income Tax expense	(210,577)	(18,884)	(191,693)	1015.11 (Note 2)
Cumulative Effect of Changes in Accounting Policies	-	-	-	-
Loss (Profit) for Continuing Operations	\$1,061,068	\$190,808	870,260	456.09

(Note 1) : The increase in operating revenue and costs in 2025 compared to 2024 was due to the recognition of surplus units in “New Era Garden 2” and the delivery of pre-sold units in “New Era Garden 1” and “Garden Park”.

(Note 2) : The main reason for the increase in non-operating income was the disposal of investment properties in 2024.

b. Analysis of Gross Profit:

1. Analysis of Change of Gross Profit:

(Unit: NT\$ thousands)

Year \ Item	Net Operating Revenues	Operating Costs	Gross Profit	Percent Gross profit
2024	2,449,455	1,892,560	556,895	22.74 (Note 1)
2025	10,460,323	8,255,390	2,204,933	21.08 (Note 1)

Explanation :

Note 1: : In 2024, only the presale project “New Era Garden 2” was completed and handed over, resulting in a decrease in gross operating profit for the period.

2. Due to character of industry, the size of launched projects are different; thus there is no quantity analysis of difference. And, due to market discrimination, location of projects, price of sales, thus there is no basis of price analysis of difference.



C. Analysis of Cash Flow :

a. Analysis of Cash Flow

Item \ Year	2025 (%)	2024 (%)	Percent Change
Cash Flow Ratio(%)	26.49	(0.84)	27.33 (Note 1)
Cash Flow Adequacy Ratio (%)	(30.41)	(84.22)	53.81 (Note 1)
Cash Re-Investment Ratio (%)	35.39	(2.46)	37.85 (Note 1)
Analysis of deviation :			
Note 1: This year's net cash inflow from operating activities was due to the completion of pre-sale projects "New Era Garden 2", "New Era Garden 1", and "Garden Park".			

b. Cash Flow Projection for Next Year

(Unit: NT\$ thousands)

Cash Balance 12/31/2025 ①	Net Cash Provided by Operating Activities In 2026 ②	Net Cash Outflows from Investing & Financing Activities in 2026 ③	Cash Balance 12/31/2026 ①+②-③	Remedy for Cash Shortfall	
				Investment Plan	Financing Plan
2,645,411	4,172,048	(6,443,797)	373,662	-	-

D. The effect on finance and operation from important capital expenditure for the latest year: None

E. Policy, reason of profit or loss, improvement plan and investment in the next year of reinvestment: The Company has invested in "Chuan Yue" and "Mitsubashi". Mitsubashi successfully commenced pre-sales in 2024, while Chuan Yue is expected to begin sales in 2026.

F. Necessary analysis and evaluation of risk events in the latest year and before date annual report printed are as follows:

a. Effect and treatment on net income due to change of interest rate, exchange rate and inflation rate:

i. Interest risk

Merged company borrowings bear floating interest rate. The company reduces the interest risks through market mechanism and negotiating the loan rates frequently with banks.

The risk exposure to interest rates is based on derivative and non-derivative financial instruments on the reporting date. For the floating rate debts, the analysis assumes that the amounts of floating rate liabilities are outstanding for the whole year. The range of interest report to the management is increases / decreases by 50 basis points, and the range is reasonable evaluation of interest risk.

If the interest rate increases / decreases by 50 basis points, merged company netprofit after tax would have increased (decreased) by \$53,752 and \$113,516 for the years ended December 31, 2025 and 2024 with all other variable factors that remain constant. This is mainly due to merged company borrowings in floating variable rate.

ii. currency volatility :

(i) exposure of currency risk

financial assets and liabilities exposed to currency risk are showed as follows:

Financial assets USD	2025.12.31			2024.12.31		
	USD	Exchange rate	NTD	USD	Exchange rate	NTD
	\$116	31.43	3,655	\$116	32.785	3,790

(ii) sensitivity analysis

Merged company exchange rate risk mainly comes from foreign currency-denominated cash and cash equivalents and bank deposits, resulting in foreign currency exchange gains and losses on currency translation A Strengthening (weakening) 10 % of appreciation (depreciation) of the TWD against the USD as of December 31, 2025 and 2024, would have increased (decreased) “Earning before Tax” by \$366 thousand and \$379 thousand. The analysis assumes that all other variables remain constant.

iii. Inflation: Inflation has not yet had an impact on the consolidated companies.

- b. Policy, reason of profit or loss and improvement in the future of high risk, high investment, lending, endorsement, and derivatives transaction: Present in the same format as disclosed on page 47-48 of the consolidated financial statements.
- c. Plan and expense of R&D in the future: Merged company and subsidiary invest in development of residential projects, therefore no R&D division is set up and no R&D expense occurs.
- d. The impact of important domestic and foreign policy and legal changes on the company's financial business and corresponding measures:

Looking forward to year 2026, while major countries have room for gradual monetary easing, the pace and magnitude of interest rate cuts remain uncertain. International political and economic situations and geopolitical risks continue to influence capital flows and investor confidence. Domestically, central banks maintain a prudent policy stance, and bank lending conditions are unlikely to be significantly relaxed in the short term. Mortgage interest rates and loan-to-value ratios will continue to influence home-buying decisions. Meanwhile, demographic changes and shifting housing needs are driving the market primarily towards owner-occupied properties, upgrades, and long-term holdings. Overall, the real estate market is gradually returning to rationality, with transaction volumes consolidating at low levels, prices stabilizing, and regional and product differentiation becoming more pronounced. Our projects in “TaChih, Taipei”, “Yongkang #89, Tainan” and “Zhongli #146, Taoyuan” will adjust sales strategies or launch dates based on market conditions and may also be added to the sales pipeline, contributing to future revenue and profits.

e. Effect and treatment from change of technology and industry on company's finance and operation:

The company continues to pay attention to the overall information environment, enhance the concept of information security among colleagues and recognize the importance of information security. In the most recent year and as of the date of publication of the annual report, changes in technology (including information security) and industries have no adverse impact on business and operations.

- f. Effect and treatment from change image of company on risk management: None.
- g. Expectative effect, potential risk and treatment of merge: None.



- h. Expectative effect, potential risk and treatment of factory expansion: None.
- i. Risk and treatment of centralization of purchase or sale: None.
- j. Effect, risk and treatment on mass transfer or change of director and major shareholder who has more than 10% ownership: None.
- k. Effect, risk and treatment on change of management: None.
- l. Lawsuit event:
 - i. Major events of lawsuit: None.
 - ii. Lawsuit event which director and major shareholder who has more than 10% ownership involved: None.
- m. Other risk and treatment: None.

G. Other important event: None

VI. Special Disclosure

A. Information on affiliates:

Index: MOPS -> Basic Information -> E-books ->"ThreeTablesforAffiliates".

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

B. Private Placement Securities: None

a.Information of private offered securities: None.

b.State of execution of private offered securities in the latest year and before date annual report printed: None.

C. Status of Hong-Pu Common Shares Acquired, Disposed of and Held by Subsidiaries: None

D. Other Necessary Supplement: None

E. Any event which has a material impact on shareholders' equity or securities prices in the "Securities and Exchange Act" 36.3.2 in the latest year and before date annual report printed: None



HONG PU REAL ESTATE DEVELOPMENT



Chairman: Hua-Zhan Investment Co., Ltd
Designated Representative: **W.L.Yu**



