List Code：2748

FDC International Hotels Corporation

2025 Annual Report

「l'amor che move il sole e l'altre stelle.」— Dante, Divina Commedia

「The Love that moves the sun and the other stars.」— Dante, The Divine Comedy

While the world builds walls to separate 'us' from 'them,'

FDC International Hotels builds bridges—fostering understanding, exchange, and peace through the power of travel.

Taiwan Stock Exchange Market Observation Post System：http://mops.twse.com.tw
FDC annual report is available at http://www.fdc-i.com/

Date: May 27, 2026

I、 Spokesperson / Deputy Spokesperson

Spokesperson	Deputy Spokesperson
Name：Kenny Tseng	Name：David Ding
Title：Director of General Administration	Title：General Manager
Tel：(02)2998-6788	Tel：(02)2998-6788
E-mail：fdc2748@ldchotels.com	E-mail：fdc2748@ldchotels.com

II、Contact Information of the Head Office and Branch Offices

Head office：8 F., No. 96, Section 2, ZhongshanNorth Road, Zhongshan District, Taipei City	Tel：(02)2998-6788
Xinzhuang Branch Office：5F-8F, No. 66, Wugong Road, Xinzhuang District, New Taipei City	Tel：(02)8522-6666
Taipei Branch Office：No. 3, Section 1, Chengde Road, Datong District, Taipei City	Tel：(02)2181-9950
Sun Moon Lake Branch Office：No. 23, Zhongzheng Road, Shuishe Village, Yuchi Township, Nantou County	Tel：(049)285-6788
Huadong Branch Office：No. 671, Section 1, Siwei Road, Taitung City, Taitung County	Tel：(02)2998-6788

III、 Share Transfer Agency

CTBC Bank Co., Ltd. Transfer Agency
Address：5F, No. 83, Section 1, Chongqing South Road, Taipei City
Tel：(02)6636-5566
Website：www.ctbcbank.com

IV、 Contact Information of the Certified Public Accountants for the Latest Financial Report

CPA (Chartered Public Accountant)：Irene Wong
CPA (Chartered Public Accountant)：Eddie Shao
Accounting Firm：Deloitte & Touche
Address：20F, No. 100, Songren Road, Xinyi District, Taipei City
Tel：(02)2725-9988
Website：www2.deloitte.com/tw

V、Overseas Trade Places for Listed Negotiable Securities

NA

VI、 Company Website

www.fdc-i.com

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One. Letter to Shareholders

I. 2025Business Results:

(I) Business Plan Implementation Outcome:

The Company's 2025 total consolidated operating income was NT$2,424,910 thousand, among which the guess room income was NT$1,058,312 thousand, the food service income was NT$1,165,500 thousand, management and technical services income was NT$110,710 thousand.

(II) Consolidated Financial Revenue/ Expenditure and Profitability Analysis:

Unit: NT$ thousand

Item		2025
Financial revenue/expenditure	Operating income	2,424,910
	Gross profit	779,113
	Net operating gain	284,275
	Net gain after tax	229,058
Profitability	Profit margin (%)	9%
	Earnings per share (EPS) (NT$)	2.17

1. Consolidated assets, liabilities and net worth:

As of December 31, 2025, the total assets of the Company was NT$4,986,679 thousand, the total liabilities was NT$1,948,271 thousand, and the net worth was NT$3,038,408 thousand.

2. Consolidated profit or loss:

The Company's 2025 operating net gain was NT$284,275 thousand, operating profit margin was 12%, the profit after tax was NT$229,058 thousand, and the profit margin after tax was 9%.

(III) Budget Implementation status:

Since the Company has not publicly disclosed the 2024 financial forecast, it is not required to disclose the budget implementation status.

(IV) Research and development status:

The Company operates the business of international tourism hotel and catering services; therefore, this is not applicable.

II. 2026 Business Plan:

The Company is deeply rooted in the international luxury hotel and F&B sectors, boasting two flagship brands: Palais de Chine Hotel and Fleur de Chine Hotel. We are also actively expanding our off-site banquet services and third-party management businesses. With "Innovation" and "Optimization" as our core pillars, we leverage a diversified brand portfolio to consistently strengthen our operational growth momentum.

Fleur de Chine Hotel (Sun Moon Lake): Located at the competitive heart of the Sun Moon Lake National Scenic Area. According to 2025 statistics from the Tourism Administration, our hotel leads the local industry in operational scale. Our future strategy is shifting from "Occupancy-driven" to "Value Creation," focusing on enhancing service quality and Average Daily Rate (ADR) while precision-targeting high-end independent travelers (FITs) through bespoke travel packages and digital social influence.

Palais de Chine Hotel (Taipei): Targeting the international inbound market, the room revenue outlook remains optimistic, driven by the recovery of global aviation networks and tourism-friendly policies. Its signature restaurant, Le Palais, has secured three Michelin stars for eight consecutive years, solidifying our global culinary standing and driving both brand premium and overall revenue growth.

To break through physical space constraints, the Company established Palais Collection and Fleur Collection, utilizing commissioned management and cross-industry collaborations to build an "asset-light" expansion strategy:

- Banquet & F&B: Palais Collection continues to scale, notably adding the F&B and banquet operations of the Grand Victoria Hotel this year.
- Lodging Management: In 2025, Fleur Collection was launched to tap into the "Villa Resort" and thematic boutique travel markets. Current and upcoming sites include: Taitung: Baosang Townhouse、 Wulai: Suka Di Lihuo、Yilan: Vivant Jiao Xi (Scheduled to reopen this May)、Puli: Xing Yue Hot Spring (In preparation)、Chiayi: G-Luxe Wild Luxury (In preparation) 、Taichung: Guan Yu Yun Jian Villa Resort and De Guang Forest Healing Hotel (In preparation)

Furthermore, the Company is developing star-rated hotel management services, with Fleur de Chine Hotel Hangzhou scheduled to begin operations in the second half of 2026.

We are also committed to Sustainable Tourism and Regional Revitalization, exemplified by the Taitung Hongye Valley Green Energy Hot Spring Park. Additionally, our entry into the Italian real estate market through diversified international operations has laid a solid foundation for long-term corporate development.

III. Impacts of External Competitive Environment, Legal Environment and Overall Operating Environment

In 2026, the hospitality and F&B industries have reached a pivotal turning point characterized by "High Value, Low Carbon, and Automation," driven by a full recovery in international tourism and a surge in domestic premium consumption. Industry momentum has shifted from "Volume" to "Quality," though we face structural challenges from normalized rising costs.

Hospitality Sector: With the deep recovery of international flight networks, inbound tourist arrivals are projected to exceed 9 million in 2026. The focus is shifting toward "Per Capita Output," with significant growth seen in high-spending, long-stay travelers from Europe, North America, and high-level business groups from Japan and Korea. Domestically, the market has matured into a "Short but Frequent" travel pattern, with consumers favoring high-end resorts with sustainability certifications and digital convenience. To address the chronic labor shortage, the government's 2026 initiative to allow mid-level migrant workers into the hospitality sector is expected to alleviate operational pressure on frontline staffing.

F&B Sector: The Directorate General of Budget, Accounting and Statistics (DGBAS) estimates a 7.71% economic growth rate for 2026; however, intensifying competition is accelerating brand reshuffling. The "Michelin Star Effect" continues to push high-end dining toward further "Premiumization," while restaurant chains are adopting "Dual-Track Strategies" by entering the daily meal market to hedge operational risks.

Overall, the hospitality and F&B industries in 2026 must embed Digital Intelligence and Green Operations as their two core pillars. Success no longer relies solely on traffic dividends; instead, companies must enhance brand resilience through data-driven management and ESG implementation to ensure long-term profitability amidst economic fluctuations.

IV. Future Company Development Strategy

Growing People as Trees, Flourishing into a Forest

"If you plan for a year, plant rice; if you plan for ten years, plant trees; if you plan for a lifetime, educate people." This wisdom from Guan Zhong over two millennia ago resonates more like a prophecy in 2025, amidst the surging tides of AI. While algorithms attempt to define efficiency, FDC Hotels chooses to return to the essence of "humanity." If an enterprise is a tree, governance is its roots, and our colleagues are the trunks supporting the vitality of the entire forest. We do not seek quick success; we seek deep cultivation.

This year, our theme is "Growing People as Trees." We recognize that human warmth, creativity, and resilience are the irreplaceable core values of the service industry.

A Gentle Revolution: Seeing Humanity Within the System

The German author Hermann Hesse once wrote, "Trees are sanctuaries. Whoever knows how to speak to them, whoever knows how to listen to them, can learn the truth." Listening has been our most vital action this year.

Post-pandemic, the service industry has faced a structural labor shortage. We heard the younger generation's yearning for work-life balance and witnessed the fatigue caused by long-term industry pressure. Consequently, without precedent, FDC boldly piloted and officially implemented a three-day weekend (four-day workweek) system at Fleur de Chine Hotel. This is not merely a benefit; it is a gentle revolution against traditional labor values. We believe that "blank space" is not stagnation—it is time for our colleagues to live, read, and travel, transforming these nutrients into "Hostmanship" that offers both precision and warmth.

Data proves we are on the right path. Resume submissions increased tenfold, and turnover rates dropped significantly. More importantly, we see a sense of composure in our colleagues' eyes. That sense of pride and happiness is an invaluable intangible asset that no financial statement can fully measure.

This system has optimized key operational indicators:

Reduced Replacement Costs: Lower turnover means retaining experienced staff, eliminating the hidden costs of training and adaptation.

Enhanced Hourly Productivity: Through digital workflows and flexible scheduling, we have increased focus and service quality while shortening total work hours.

Strengthened Employer Brand Moat: Our industry-leading benefits have translated into social capital and brand loyalty, attracting consumers who align with our values.

The Duet of Technology and Humanity

While cultivating talent, we embrace technology. We introduced AI tools for training, yet we maintain that technology is the tool, while humanity is the foundation. Through our "Innovation Circles" and "Master of Craft" competitions, we encourage colleagues to find sparks of creativity within standardized processes, empowering them to be "Dream Makers" rather than just executors.

To address industry challenges, we launched the "Five-Star Talent Plan," covering the entire employee lifecycle:

Talent Scout Star: Sowing seeds of potential.

Rising Star & Three-Degrees Star: Building career ladders and shaping the soul of service.

Master of Craft Star: Providing a stage for professional brilliance.

Innovation Star: Encouraging bottom-up creativity.

This commitment has earned us a record six National Talent Development Awards from the Ministry of Labor and top honors in ESG and Talent Sustainability from Global Views and CommonWealth Magazine.

Circular Wisdom: Coexisting with the Land

Zhuangzi said, "Heaven and Earth were born at the same time as I was, and the ten thousand things are one with me." A corporation should be a guardian of the ecosystem, not a predator.

In environmental sustainability, we continue to push boundaries. Beyond our carbon-negative stays and reforestation projects, we introduced the Black Soldier Fly food waste treatment system—a biological cycle experiment symbolizing our pursuit of "Zero Waste."

In Taitung, we collaborate with the local government to operate Baosang Townhouse and Beiting Donburi within restored Japanese dormitories, alongside the Hongye Valley Green Energy Hot Spring Park. We are not just running hotels; we are participating in heritage preservation and regional revitalization. As an indigenous student in Yanping Township once wrote: "Man’s stay on the land is only a temporary loan; one day it must be returned, for the earth must be washed clean." We take our responsibility as "Custodial Guardians" seriously.

Unity and the Future

A single tree does not make a forest, and a single enterprise cannot achieve sustainability alone.

Facing climate change, labor shortages, and geopolitical uncertainty, FDC remains steadfast. We treat people with Confucian Benevolence and handle affairs with Taoist Naturalism.

To our shareholders and investors: We understand our core responsibility is to ensure "Operational Resilience" and profitability in volatile times. Our ESG practices are not mere charity; they are precise risk management and brand investments. Our commitment to carbon negativity and resource circulation mitigates future carbon taxes and energy costs, while our regional revitalization efforts create unique brand equity and premium pricing power.

Sustainability is not a cost; it is the cornerstone of resilience that will carry FDC through the next century. We thank our stakeholders for walking with us in this forest called "Sustainability," where every employee grows like a tree and every traveler finds rest like a bird.

FDC International Hotels Corporation
Chairman: Emile Sheng

Two. Corporate Governance Report

I. Information of Directors, Supervisors, President, Vice Presidents, Associate Vice Presidents, Managers of Departments and Branches

(I) Directors and Supervisors:

1. Information of Directors and Supervisors

March 30, 2025

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment) date	Term of office	Date of first election and job assumption	Shareholding when elected		Number of shares currently held		Current shareholding of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at the Company and other companies	Other managers, directors or supervisors with relationship of spouse or within second degree of kinship			Remarks
							Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %			Title	Name	Relationship	
Chairman	R.O.C.	L' Hotel de Chine Corporation	-	2024.5.27	3 years	2012.11.05	61,825,502	58.45	61,825,502	58.45	-	-	-	-	-	-	-	-	-	-
	R.O.C.	Representative: Chairman: Emile Sheng	Male 56~65 years old	2024.5.27	3 years	2015.05.20	89,273	0.09	94,952	0.09	176,249	0.17	-	-	PhD. in political science, Northwestern University (Illinois) U.S.A. Professor of Department of Political Science of Soochow University, CEO of 2009 Deaflympics, Chairperson of Research, Development and Evaluation Commission, Taipei City Government, CEO of Republic of China (Taiwan) Centenary Foundation, Chairperson of Council for Cultural Affairs, Executive Yuan, Independent Director of Taiwan Cement Corporation With more than 20 years of working experience	President of L' Hotel de Chine Corporation, Chairman of LDC Italian, Executive director of FDC (Hangzhou) Consulting & Management Co., Ltd.	-	-	-	-

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment) date	Term of office	Date of first election and job assumption	Shareholding when elected		Number of shares currently held		Current shareholding of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at the Company and other companies	Other managers, directors or supervisors with relationship of spouse or within second degree of kinship			Remarks
							Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %			Title	Name	Relationship	
Director	R.O.C.	L' Hotel de Chine Corporation	-	2024.5.27	3 years	2012.11.05	61,825,502	58.45	61,825,502	58.45	-	-	-	-	-	-	-	-	-	-
	U.S.A.	Representative: Elaine Shihlan Chang	Female 36~45 years old	2024.5.27	3 years	2021.07.01	-	-	-	-	-	-	-	-	Master's Degree in Business Administration, The Wharton School, U.S.A. University of Pennsylvania, Bachelor's Degree in Economics, Wellesley College, U.S.A. Client Marketing Manager, Time Inc., Financial Analyst Manager, Google With more than 20 years of working experience	President of Overseas Business Department of Chia Hsin R.M.C.	Director	Ruth Koo	mother-daughter	-
Director	R.O.C.	Ruth Koo	Female 66~75 years old	2024.5.27	3 years	2012.11.05	-	-	-	-	-	-	-	-	Department of Japanese, Soochow University With more than 20 years of working experience	Chairman of L' Hotel de Chine Corporation, Chairman of Concord International Securities Co., Ltd. Chairman of Dragon Treasure Investment Ltd., Chairman of Chia Hsin R.M.C. Corporation, Director of Xingcheng Investment Co., Ltd., Director of Taihe Enterprise Co., Ltd.	Director	Elaine Shihlan Chang	mother-daughter	-

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment) date	Term of office	Date of first election and job assumption	Shareholding when elected		Number of shares currently held		Current shareholding of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at the Company and other companies	Other managers, directors or supervisors with relationship of spouse or within second degree of kinship			Remarks
							Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %			Title	Name	Relationship	
Director	R.O.C.	Alanna Tseng	Female 56~65 years old	2024.5.27	3 years	2012.11.05	-	-	-	-	-	-	-	-	Department of Business Administration, National Taiwan University Assistant Vice President of CITIC Securities Co., Ltd., Vice President of China Network Systems Co., Ltd. With more than 20 years of working experience	Director and Senior Vice President of L' Hotel de Chine Corporation, Director of Concord International Securities Co., Ltd., Supervisor of Sharekids Co., Ltd.	-	-	-	-
Director	R.O.C.	David Ding	Male 46~55 years old	2024.5.27	3 years	2015.5.20	133,658	0.13	139,337	0.13	-	-	-	-	College Lasalle, Canada - Hotel & Restaurant Management Deputy Assistant Vice President of Shangri-La's Far Eastern Plaza Hotel Assistant Vice President of Gloria Hotel Group President of Banquet and Catering Business of Silks Hotel Group President of Catering Business of L' Hotel de Chine Corporation With more than 20 years of working experience	President of FDC International Hotels Corporation and President of Xinzhuang Branch and Huadong Branch, Independent Director of International CSRC Investment Holdings Co., Ltd.	-	-	-	-

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment) date	Term of office	Date of first election and job assumption	Shareholding when elected		Number of shares currently held		Current shareholding of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at the Company and other companies	Other managers, directors or supervisors with relationship of spouse or within second degree of kinship			Remarks
							Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %			Title	Name	Relationship	
Independent Director	R.O.C.	Wedge Chen	Male 66~75 years old	2024.5.27	3 years	2021.7.1	-	-	-	-	-	-	-	-	Department of Civil Engineering, National Cheng Kung University Vice President of Taiwan Power Company With more than 20 years of working experience	Consultant of SUN BA Power Corp., Director of Sinotech Engineering Consultants, Inc., Remuneration Committee Member and Audit Committee Member of FDC International Hotels Corporation	-	-	-	-
Independent Director	R.O.C.	Christina Sung	Male 66~75 years old	2024.5.27	3 years	2024.5.27	-	-	20,000	0.02	-	-	-	-	Master's Degree in Business Administration, College of Commerce, National Chengchi University, Chairman, IFU Securities Investment Consulting Company, Head of Taiwan and Mutual Fund Advisory Committee Member for Asia-Pacific, HSBC Asset Management, Chairman, Taipei Financial Center Corporation, National Policy Advisor to the President, Office of the President of Republic of China (Taiwan) With more than 20 years of working experience	Director, Feng Chia University Director, Soochow University Honorary Chairman, EMBA Alumni Association, National Chengchi University Director, Chinese Society for Management of Technology (CSMT), Republic of China Independent Director, Diodes Incorporated, USA	-	-	-	-

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment) date	Term of office	Date of first election and job assumption	Shareholding when elected		Number of shares currently held		Current shareholding of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at the Company and other companies	Other managers, directors or supervisors with relationship of spouse or within second degree of kinship			Remarks
							Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %			Title	Name	Relationship	
Independent Director	R.O.C.	Ming-Wei, Lo	Male 46~55 years old	2024.5.27	3 years	2024.5.27	-	-	-	-	-	-	-	-	Master's Degree in Law, National Taipei University, Master of Laws, New York University, U.S.A. Partner, Jones Day With more than 20 years of working experience	Partner, Lo & Partners Law Firm, Independent Director, Taiwan Shin Kong Security Co., Ltd., Executive Director, Taiwan Corporate Governance Association, Director of The Society of Wilderness Foundation	-	-	-	-

2. Major Shareholders of Institutional Shareholders

March 30, 2026

Name of Institutional shareholder	Major shareholders of institutional shareholders and shareholding percentage	
L' Hotel de Chine Corporation	Sunhaven PTE. LTD.	28.23%
	Chia Hsin Cement Corporation	23.10%
	Chia Hsin R.M.C. Corporation	11.28%
	Cheer Day Holdings Limited	9.98%
	Amwell Properties Limited	8.91%
	Successman Group Limited	8.91%
	Golden Regal Trading Limited	4.36%
	Ruth Koo	3.85%
	Koo Huai Chen Chao	0.34%
	Asia Cement Corporation	0.20%

3. Major Shareholders of Institutional Shareholders as the Major Shareholders

March 30, 2025

Name of Institutional shareholder	Major shareholders of institutional shareholders and shareholding percentage	
Sunhaven PTE. LTD.	Capitalsino Enterprises Limited	50.00%
	Capital Border Investments Limited	26.69%
	Chia Hsin R.M.C Corp.	19.49%
Chia Hsin Cement Corporation	Tong Yang Chia Hsin International Corporation	16.44%
	Sung Ju Investment Corporation	8.88%
	Yung Ping Chang	5.39%
	Taiwan Cement Corp.	3.54%
	Ta-Ho Maritime Corporation	3.33%
	Nutri Vita Inc.	2.23%
	Chia Hsin Foundation	1.92%
	International Chia Hsin Corporation	1.89%
	Chien Kuo Construction Co., Ltd	1.57%
	Chia Hsin R.M.C Corp.	1.70%
Chia Hsin R.M.C. Corporation	An Ping Chang	65.30%
	Chia Hsin Cement Corporation	13.71%
	Dragon Treasure Investment Ltd.	13.45%
	Ruth Koo	5.51%
	Yung Ping Chang	0.90%
	Zi Nan Jia	0.63%

Name of Institutional shareholder	Major shareholders of institutional shareholders and shareholding percentage	
Cheer Day Holdings Limited	Singapore Asia Corporate Services Pte. Ltd.	100.00%
Amwell Properties Limited	Singapore Asia Corporate Services Pte. Ltd.	100.00%
Successman Group Limited	Singapore Asia Corporate Services Pte. Ltd.	100.00%
Golden Regal Trading Limited	KOO Jason Kung Yi	100.00%
Asia Cement Corporation	Far Eastern New Century Corporation	21.16%
	Yuanta/ P-shares Taiwan Dividend Plus ETF	5.41%
	Far Eastern Medical Foundation	5.15%
	United Taiwan High Dividend Recovery 30 ETF	1.89%
	Labor Pension Fund Committee of Far Eastern New Century Corporation	1.51%
	Yuan Ding Investment Company	1.53%
	Chunghwa Post Co., Ltd.	1.42%
	Far Eastern Department Stores Co., Ltd.	1.41%
	Yuan Ze University	1.37%
	Far Eastern Memorial Foundation	1.24%

4. Information of Directors and Supervisors

(1) For the information disclosure on the professional qualification of directors and independent directors, please refer to Pages 7~10 of the Information of Directors and Supervisors.

(2) Diversity and independence of board of directors:

The Company adopts the “Candidate Nomination System”. All the director candidates are nominated and reviewed for qualification by the board of directors and after reaching a board resolution, the list is sent to the shareholders’ meeting for election. According to Article 20 (Overall abilities required for the board) of the “Corporate Governance Best Practice Principles” of the Company , the board shall possess general knowledge, skills, and literacy required for performing job tasks. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

1. Operational judgment ability.
2. Accounting and financial analysis ability.
3. Business management ability (including ability to manage subsidiaries).
4. Crisis handling ability.
5. Knowledge of the industry.
6. International market perspective.
7. Leadership.
8. Decision-making ability.

Diversity of Board of Directors

To enhance the corporate governance and to promote the sound development of the board composition and structure, the Company has established the “Corporate Governance Best Practice Principles” in 2016, and Article 20 (Overall abilities required for the board) has explicitly specified that The composition of the board of directors shall be determined by taking diversity into consideration and it is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated, such as: basic composition, professional background and skills, and industry experience.

The current board of directors of the Company consists of 8 directors, including 5 directors and 3 independent directors. All directors are equipped with extensive experience and expertise in various areas of finance, business and management. In addition, the Company also focuses on the gender equality of board member composition. The target for ratio of female directors is above 30%. Presently, there are 8 directors, including 4 female directors, and the ratio of female directors have reached 50%. Relevant implementation status is summarized in the following table:

Diversity core item / Name of director		Basic composition									Professional ability				Industry experience						Independence status (Note)												Number of other public companies where the individual serves as an independent director concurrently
		Nationality	Gender	Concurrent position as employee of the Company	Age				Seniority of independent director		Finance	Management	Marketing	Information technology	Law	Securities	Culture	Media	Hotel	Electricity	1	2	3	4	5	6	7	8	9	10	11	12	
					36 ~ 45	46 ~ 55	56 ~ 65	66 and above	Less than 3 years	3~9 years																							
Chairman	L' Hotel de Chine Corporation Representative: Chairman: Emile Sheng	R.O.C.	Male				✓					✓	✓				✓	✓	✓				✓	✓			✓		✓	✓	✓		0
Director	L' Hotel de Chine Corporation Representative: Elaine Shihlan Chang	U.S.A.	Female		✓						✓	✓	✓				✓		✓				✓	✓			✓		✓	✓	✓		0
Director	Ruth Koo	R.O.C.	Female					✓				✓	✓				✓		✓		✓		✓	✓			✓		✓	✓	✓	✓	0
Director	Alanna Tseng	R.O.C.	Female				✓				✓	✓				✓			✓				✓	✓			✓		✓	✓	✓	✓	0
Director	David Ding	R.O.C.	Male	✓		✓						✓							✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1
Independent Director	Wedge Chen	R.O.C.	Male					✓		✓		✓								✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0
Independent Director	Christina Sung	R.O.C.	Female					✓	✓		✓	✓				✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0
Independent Director	Ming-Wei, Lo	R.O.C.	Male			✓			✓			✓			✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1

Note 1: Please check each box with "✓", if the member meets the condition during the two years prior to being appointed and during the term of office.

(1) The member is not an employee of the company or any of its affiliates.

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

(3) Not a natural-person shareholder who holds shares, together with those held by the person's

spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the company or ranks as one of its top ten shareholders.

(4) Not a managerial officer listed in the preceding Subparagraph (1) or a spouse, relative within second degree of kinship or direct blood relative within third degree of kinship of personnel listed in the preceding Subparagraphs (2) and (3).

(5) Not a director, supervisor or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company, or of a corporate shareholder that ranks among the top five in shareholdings, or of a proxy appointed according to Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (provided that if the position of an independent director is held concurrently for the company and its parent company, a subsidiary or a subsidiary of the same parent company according to this law or laws of the local country, such restriction shall not be applied).

(6) Not a director, supervisor or employee of other company not controlled by the same parties holding a majority of the number seats of directors of the company or a majority of shares with voting rights (provided that if the position of an independent director is held concurrently for the company and its parent company, a subsidiary or a subsidiary of the same parent company according to this law or laws of the local country, such restriction shall not be applied).

(7) Not a director (managing director), supervisor (managing supervisor) or employee of other company or institution being the same person holding the position of Chairman, President or equivalent position in the company or a spouse thereof (provided that if the position of an independent director is held concurrently for the company and its parent company, a subsidiary or a subsidiary of the same parent company according to this law or laws of the local country, such restriction shall not be applied).

(8) Not a director (managing director), supervisor (managing supervisor), managerial officer or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the company (provided that if the specific company or institution holds 20% or more and no more than 50% of the total number of issued shares of the company, and the position of an independent director is held concurrently for the company and its parent company, a subsidiary or a subsidiary of the same parent company according to this law or laws of the local country, such restriction shall not be applied).

(9) Not a professional providing business, legal, financial, accounting, or consulting services to the company or an affiliate, nor an owner, partner, director (managing director), supervisor (managing director), or manager, or the spouse of any of the foregoing, of a sole proprietorship, partnership, company, or organization providing such services to the company or its affiliates or cumulative remuneration amount obtained in the last two years not exceeding NTD 500,000. provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or the Business Mergers and Acquisitions Act and related laws or regulations.

(10) The members is not of the relationship of spouse or relative within second degree of kinship with other directors.

(11) The member is not a person subject to any conditions defined in Article 30 of the Company Act.

(12) The member is not elected due to government agency, juristic person or their representative acting as shareholders described in Article 27 of the Company Act.

Note 2: The Company has established the Audit Committee in replacement of the supervisors.

(II) Information of President, Vice President, Associate Vice President, Supervisors of Departments and Branches

March 30, 2025

Title	Name	Gender	Nationality	Date of appointment date	Shareholding		Shareholdings of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
President of Xinzhuang, Huadong and Taipei Branches	David Ding	Male	R.O.C.	(Note 1)	139,337	0.13%	-	-	-	-	LaSalle College - Hotel & Restaurant Management Deputy Assistant Vice President of Shangri-La's Far Eastern Plaza Hotel, Assistant Vice President of Gloria Hotel Group, President of Banquet and Catering Business of Silks Hotel Group, President of Catering Business of L' Hotel de Chine Corporation	Independent Director of International CSRC Investment Holdings Co., Ltd.	-	-	-	-
Preparatory General Manager of the Head Office	Andy Tan	Male	R.O.C.	2024.06.05	-	-	-	-	-	-	TOKYO HOSPITALITY ACADEMY - Tourism Practice, Vice President of Fleur de Chine Hotel, General Manager of H2O Hotel	-	-	-	-	-
Senior Vice President, Xinzhuang Branch	Ryan Huang	Male	R.O.C.	2021.6.1	2,940	0.00%	-	-	-	-	M.B.A., Takming University of Science and Technology Manager of Banquet Hall of Palais de Chine Hotel, Northern Regional Manager of The Sweet Dynasty Catering Co., Ltd., Director of Operation Department of Xinzhuang Branch of Gala de Chine	-	-	-	-	-
Director of General Management Department	Kenny Tseng	Male	R.O.C.	2015.6.1	16,894	0.02%	-	-	-	-	M.B.A., National Chengchi University Director of Financial Department, LDC	-	-	-	-	-
Manager of Audit Department	Joyce Liu	Female	R.O.C.	2024.11.08	-	-	-	-	-	-	Department of Accounting, Tunghai University, Associate of KPMG Taiwan, Manager of Audit Department of LOUISA Professional Coffee LTD.	-	-	-	-	-
General Management Division	Gladys Shiu	Female	R.O.C.	2015.8.14	4,383	0.00%	-	-	-	-	Department of Accounting, Fu Jen University Senior Associate of PwC Taiwan, Accounting Specialist of	-	-	-	-	-

Title	Name	Gender	Nationality	Date of appointment date	Shareholding		Shareholdings of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Accounting Section Manager (Note 2)											Advanced Semiconductor Engineering, Inc.					
President of Sun Moon Lake Branch	Victor Chang	Male	R.O.C.	2020.8.7	-	-	-	-	-	-	McGill University, Canada - Marketing Management LaSalle College, Canada - Hotel Management Marketing and Sales Director of Shangri-La Chengdu, Marketing and Sales Director of Conrad Shanghai, Director of Hong Kong Business Department of Hilton Worldwide, President of Taipei Palais de Chine Hotel, President of Marriott Taipei, President of Kaho Health, CEO of Yunjia International Co., Ltd.	-	-	-	-	-
Sun Moon Lake Branch Executive Vice President	Vero Sun	Female	R.O.C.	2025.6.1	1,806	0.00%	-	-	-	-	Department of Tourism, Shih Hsin University President of Hualien Branch of L' Hotel de Chine Corporation	-	-	-	-	-
Sun Moon Lake Branch Vice President of F&B Division	Kuo-Feng Chang (Note 3)	Male	R.O.C.	2023.06.07	-	-	-	-	-	-	Department of Business Administration, Chung Yuan Christian University Resident Manager at Han Bi Lou, Nanjing Resident Manager at Le Meridien, Hualien Deputy General Manager of the Food and Beverage Department at Hotel Cozzi, Kaohsiung	-	-	-	-	-
Xinzhuang Branch Vice President of Sales Department	Zona Yu	Female	R.O.C.	2022.05.05	2,474	0.00%	-	-	-	-	Food and Beverage Department, Ching Kuo Institute of Management and Health Director of Catering Department of Hualien Branch, L' Hotel de Chine Corporation	-	-	-	-	-
Xinzhuang Branch Vice President of Sales Department	Viviya Lee	Female	R.O.C.	2024.05.01	17,842	0.02%	-	-	-	-	University of Kang Ning Taipei Campus, Assistant Manager of Banquet Business Group, Catering Department of Palais de Chine Hotel, Department of Royal Garden	-	-	-	-	-
Huadong Branch Vice President	Jimmy Juan	Male	R.O.C.	2023.10.01	-	-	-	-	-	-	Tourism and Hospitality Department, Yining High School Co-founder of Chao Ji Cheng Shi Co., Ltd.	-	-	-	-	-

Title	Name	Gender	Nationality	Date of appointment date	Shareholding		Shareholdings of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
											Co-founder of the Foodie Amber brand					
President of Taipei Branch	Amy Yu (Note 4)	Female	R.O.C.	2023.06.27	-	-	-	-	-	-	Canada Trend College - Hospitality Management Director of Marketing and Sales at Shangri-La's Far Eastern Plaza Hotel, Taipei General Manager at Eclat Hotel, Taipei.	-	-	-	-	-
Taipei Branch Vice President of Guess Room Department	Zheng-Jen Lai (note 5)	Male	R.O.C.	2022.11.10	-	-	-	-	-	-	Golden Gate University MBA - Concentration in Finance Pre-opening Hotel Manager of Le Méridien Hualien Resort	-	-	-	-	-
Taipei Branch Executive Vice President	Kevien Yen	Male	R.O.C.	2025.09.03	-	-	-	-	-	-	MBA, Shih Hsin University Director of Sales & Marketing, L'Hotel de Chine Group General Manager, Chateau de Chine Sinjhuang General Manager, Chateau de Chine Kaohsiung	-	-	-	-	-
Taipei Branch Vice President of Catering Department	May Teng	Female	R.O.C.	2018.10.1	-	-	-	-	-	-	Department of Tourism, Jinwen University of Science and Technology Sales Manager of Silks Palace At National Palace Museum	-	-	-	-	-

Note 1: David Ding assumed the position of President of Xinzhuang Branch on February 26, 2015; assumed the position of President on June 1, 2015; and assumed the President of Huadong Branch on March 7, 2024.

Note 2: Accounting officer.

Note 3: Resigned on April 9, 2025

Note 4: Resigned on October 3, 2025

Note 5: Resigned on Septemberl 3, 2025

II. Remuneration Paid to Directors, Supervisors, Presidents and Vice Presidents in the Most Recent Fiscal Year

(I) Remuneration of Directors and Independent Directors

Unit: NT$ thousand

Title	Name	Remuneration of directors								Total of four items of A+B+C+D as a percentage of net income after tax		Remuneration received for serving as an employee concurrently												Total of seven items of A+B+C+D+E+F+G as a percentage of net income after tax		Remuneration from investees other than subsidiaries or from the parent company
		Remuneration (A)		Severance and pension (B)		Remuneration of directors (C) (Note 1)		Business execution expenses (D)				Remuneration, bonus, and allowance (E)		Severance and pension (F)		Employee remuneration (G)				Number of subscribable shares for employee stock options (H)		Number of new restricted employee shares obtained (I)				
																The Company		All companies in the financial statements								
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	Employees' cash bonus amount	Employees' share bonus amount	Employees' cash bonus amount	Employees' share bonus amount	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	
Chairman	L' Hotel de Chine Corporation Representative: Emile Sheng	180	180	-	-	250	250	-	-	430 0.19%	430 0.19%	-	-	-	-	-	-	-	-	-	-	-	-	430 0.19%	430 0.19%	-
Director	L' Hotel de Chine Corporation Representative: Elaine Shihlan Chang	180	180	-	-	250	250	-	-	430 0.19%	430 0.19%	-	-	-	-	-	-	-	-	-	-	-	-	430 0.19%	430 0.19%	-
Director	Ruth Koo	180	180	-	-	250	250	-	-	430 0.19%	430 0.19%	-	-	-	-	-	-	-	-	-	-	-	-	430 0.19%	430 0.19%	-
Director	Alanna Tseng	180	180	-	-	250	250	-	-	430 0.19%	430 0.19%	-	-	-	-	-	-	-	-	-	-	-	-	430 0.19%	430 0.19%	-
Director	David Ding	180	180	-	-	250	250	-	-	430 0.19%	430 0.19%	7,984	7,984	108	108	-	-	-	-	-	-	-	-	8,522 3.72%	8,522 3.72%	-
Independent Director	Wedge Chen	600	600	-	-	250	250	24	24	874 0.38%	874 0.38%	-	-	-	-	-	-	-	-	-	-	-	-	874 0.38%	874 0.38%	-
Independent Director	Christina Sung (Note 1)	600	600	-	-	250	250	24	24	874 0.38%	874 0.38%	-	-	-	-	-	-	-	-	-	-	-	-	874 0.38%	874 0.38%	-

Title	Name	Remuneration of directors								Total of four items of A+B+C+D as a percentage of net income after tax		Remuneration received for serving as an employee concurrently												Total of seven items of A+B+C+D+E+F+G as a percentage of net income after tax		Remuneration from investees other than subsidiaries or from the parent company
		Remuneration (A)		Severance and pension (B)		Remuneration of directors (C) (Note 1)		Business execution expenses (D)				Remuneration, bonus, and allowance (E)		Severance and pension (F)		Employee remuneration (G)				Number of subscribable shares for employee stock options (H)		Number of new restricted employee shares obtained (I)				
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	
																Employees' cash bonus amount	Employees' share bonus amount	Employees' cash bonus amount	Employees' share bonus amount							
Independent Director	Ming-Wei, Lo (Note 1)	600	600	-	-	250	250	30	30	880 0.38%	880 0.38%	-	-	-	-	-		-	-	-	-	-	-	880 0.38%	880 0.38%	-

1. Please describe the payment policy, system, standard and structure for remuneration of independent directors, and explain the relationship with the remuneration payment according to the job duties handled, risks and time invested, etc.:
   (1).The directors and independent directors of the Company receive fixed remuneration; in addition, independent directors receive a travel allowance for each board meeting they attend.
   (2).Pursuant to Article 29 of the Company's Articles of Incorporation, if the Company makes a profit in a given year, the Board of Directors may resolve to allocate no more than 1% of said profit as directors' remuneration. Furthermore, as all independent directors serve as members of both the Audit Committee and the Remuneration Committee, they bear the responsibility of participating in committee discussions and resolutions; accordingly, their remuneration may be higher than that of general directors.

2. In addition to the disclosure of the table above, , the remuneration collected by directors of the Company for providing services to all companies listed in the financial report (such as acting as non-employee consultant of the parent company/companies/investees indicated in the financial report): None.

(II) Remuneration of Supervisors

Since the Company has established the Audit Committee in replacement of the supervisors, this is not applicable.

(III) Remuneration of Presidents and Vice Presidents

Unit: NT$ thousand

Title	Name	Salary (A)		Severance and pension (B)		Bonus and special disbursement (C)		Employee remuneration (D)				Total of four items of A+B+C+D as a percentage of net income after tax (%)		Number of employee stock options obtained		Number of new restricted employee shares obtained		Remuneration from investees other than subsidiaries or from the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount							
President	David Ding	29,446	29,446	1,068	1,068	6,113	6,113	-	-	-	-	36,627 and 15.99%	36,627 and 15.99%	-	-	-	-	NA
President	Victor Chang																	
President	Amy Yu																	
President	Andy Tan																	
Vice President	Ryan Huang																	
Vice President	Kuo-Feng Chang																	
Vice President	Kevien Yen																	
Vice President	Vero Sun																	
Vice President	Jimmy Juan																	
Vice President	Zheng-Jen Lai																	
Vice President	May Teng																	
Vice President	Zona Yu																	
Vice President	Viviya Lee																	

Remuneration range tale

Range of remuneration paid to the President and Vice Presidents of the Company	Name of president and vice president	
	The Company	All companies in the financial statements
Under NT$ 1,000,000	Kevien Yen	Kevien Yen
NT$ 1,000,000 (inclusive)～NT$ 2,000,000 (exclusive)	Vero Sun, Kuo-Feng Chang, Zona Yu, Viviya Lee, Zheng-Jen Lai	Vero Sun, Kuo-Feng Chang, Zona Yu, Viviya Lee, Zheng-Jen Lai
NT$ 2,000,000 (inclusive)～NT$ 3,500,000 (exclusive)	Andy Tan, Ryan Huang, Jimmy Juan, May Teng	Andy Tan, Ryan Huang, Jimmy Juan, May Teng
NT$ 3,500,000 (inclusive)～NT$ 5,000,000 (exclusive)	Victor Chang	Victor Chang
NT$ 5,000,000 (inclusive)～NT$ 10,000,000 (exclusive)	Amy Yu, David Ding	Amy Yu, David Ding
NT$ 10,000,000 (inclusive)～NT$ 15,000,000 (exclusive)	-	-
NT$ 15,000,000 (inclusive)～NT$ 30,000,000 (exclusive)	-	-
NT$ 30,000,000 (inclusive)～NT$ 50,000,000 (exclusive)	-	-
NT$ 50,000,000 (inclusive)～NT$ 100,000,000 (exclusive)	-	-
Above NT$100,000,000	-	-
Total	13 persons	13 persons

(IV) Name of Managerial Officers for Distribution of Employees' Remuneration and Distribution Status:

December 31, 2024; Unit; NT$ thousand

	Title	Name	Stock amount	Cash amount	Total	Total as a percentage of net income after tax (%)
Managerial officer	President and President of Xinzhuang, Huadong and Taipei Branch	David Ding	-	-	-	-
	Preparatory General Manager of the Head Office (Note 2)	Andy Tan				
	Senior Vice President, Xinzhuang Branch	Ryan Huang				
	Director of General Management Department	Kenny Tseng				
	General Management Division Accounting Section Deputy Manager (Note 1)	Gladys Shiu				
	Manager of Audit Department	Joyce Liu				
	President of Sun Moon Lake Branch	Victor Chang				
	Sun Moon Lake Branch Executive Vice President	Vero Sun				
	Taipei Branch Executive Vice President	Kevien Yen				
	Taipei Branch Vice President of Catering Department	May Teng				
	Xinzhuang Branch Vice President of Sales Department	Zona Yu				
	Huadong Branch Vice President	Jimmy Juan				
	Xinzhuang Branch Vice President of Sales Department	Viviya Lee				

Note 1: Accounting officer.

(VI) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or financial reports, paid in the past two fiscal years by the Company and all companies included in the consolidated financial statements to the Company's presidents and vice presidents. Also, analyze and describe the remuneration policies, standards, and packages, the procedures through which remunerations were determined, and their linkage to business performance and future risks:

1. Analysis on remuneration paid to directors, supervisors, presidents, and vice presidents of the Company as a proportion to the net income after tax referred to in the individual financial statements in the most recent two years:

Unit: NT$ thousand; %

Title	Total as a percentage of net income after tax for 2024 (%)		Total as a percentage of net income after tax for 2025 (%)	
	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements
Director	4.19%	4.19%	5.62%	5.62%
Supervisors	0.00%	0.00%	0.00%	0.00%
Presidents and Vice Presidents	9.03%	9.03%	15.99%	15.99%

2. Policy, standard and combination for payment of remunerations to directors, supervisors, presidents and vice presidents, establishment of procedure of remuneration, and correlation between the business performance and future risk:

Directors and independent directors of the Company receive fixed remuneration, and independent directors receive transportation allowance for attending each time of board meeting. In addition, according to Article 29 of the Articles of Incorporation, when the Company has a surplus earning for a fiscal year, the board of directors may determine through resolution to appropriate an amount not higher than 1% of such surplus earning as the remuneration of directors and the distribution is based on the annual performance evaluation results of each director, and the performance assessment of board members covers the following six aspects:

(1) Mastery of company goals and tasks.
(2) Awareness of director responsibilities.
(3) Participation in company operations.
(4) Management and communication of internal relationships.
(5) Professionalism and continuous learning of directors.
(6) Internal control.

According to Article 29 of the Articles of Incorporation, when the Company has a surplus earning for a fiscal year, an amount equivalent to 0.01% to 3% of the surplus earning shall be appropriated as the remuneration of employees. The remuneration of managerial officers includes salary and bonus. For the salary, the standard adopted in the same industry and the items of job title, job rank, educational background (working experience), professional abilities and job duties, are considered. For the bonus, the performance evaluation items of the managerial officers are considered, including the financial indicator (such as the Company’s revenue and achievement rate of net operating income). In addition, the distribution principle recommended by the Remuneration Committee is submitted to the Chairman for approval according to the business performance.

III. Corporate Governance Status

(I) Board Meeting Operation Status:

The 5th term of board of directors convened a total of 5 meetings [A] in 2025. For each board meeting of the Company, at least one independent director attended the meeting in person. When the independent director cannot attend the meeting, other independent director act as a proxy for attending the meeting. The attendance status of directors is as follows:

The 5th Term of Board of Directors' Meeting Operation Status:

Title	Name	Attendance in Person (B)	Number of attendance by proxy	Actual attendance rate (%) [B/A]	Remarks
Chairman	L' Hotel de Chine Corporation Representative: Emile Sheng	5	0	100%	
Director	L' Hotel de Chine Corporation Representative: Elaine Shihlan Chang	5	0	100%	
Director	Ruth Koo	4	1	80%	
Director	Alanna Tseng	5	0	100%	
Director	David Ding	5	0	100%	
Independent Director	Wedge Chen	4	1	80%	
Independent Director	Christina Sung	5	0	100%	
Independent Director	Ming-Wei, Lo	5	0	100%	

Additional information:

I. Where the operation of a board meeting is subject to one of the following, the board meeting date, session, proposal content, opinion of all independent directors and Company's handling for the opinions of independent directors shall be described:

(1) Matters specified in Article 14-3 of Sectaries and Exchange Act:

Term	No.	Date of board meeting	Proposal content	Opinion of all independent directors	Company's handling for opinion of independent directors
5	5	2025/03/05	1. Approval of 2024 business report and financial statements of the Company	No objections	None
			2. Approval of appointment of CPAs for 2025 financial statements of the Company	No objections	None
5	6	2024/05/09	1. Approval of 2025 1st quarter consolidated financial statements of the Company	No objections	None
5	7	2025/08/07	1. Approval of 2025 2st quarter consolidated financial statements of the Company	No objections	None
			2. Approval of the amendments to the Company's "Internal Control System"	No objections	None
5	8	2024/11/06	1. Approval of 2025 3st quarter consolidated financial statements of the Company	No objections	None

(2) Except for the aforementioned matters, other resolutions of board meetings subject to dissenting opinions or qualified opinions and equipped with records or written statements: None.

2. Status of recusal of directors from proposals due to conflict of interest:

<table>
<tr><th>Name of director</th><th>Meeting date</th><th>Proposal content</th><th>Reason for recusal of conflict of interest</th><th>Voting participation status</th></tr>
<tr><td rowspan="6">David Ding</td><td>2025/3/5</td><td>Proposal for 2024 performance evaluation of managerial officer of the Company.</td><td rowspan="6">Concurrently act as the President of the Company</td><td rowspan="6">Except that the aforementioned director recused himself from participating in the discussion and voting due to conflict of interest, this proposal was approved by the remaining attending directors without objections.</td></tr>
<tr><td>2025/3/5</td><td>Proposal for distribution of 2024 performance bonus of the Company.</td></tr>
<tr><td>2025/3/5</td><td>Proposal for salary adjustment plan of the first half of 2025 for managerial officers of the Company</td></tr>
<tr><td>2025/8/7</td><td>Salary Adjustment Plan for the Company's Managers for the First Half of 2025</td></tr>
<tr><td>2025/11/6</td><td>The Company's Managerial Salary Adjustment Plan</td></tr>
<tr><td>2024/12/19</td><td>Discussion on proposal for 2025 remuneration of managerial officers of the Company</td></tr>
<tr><td>Emile Sheng
Alanna Tseng</td><td>2025/3/5</td><td>2024 Performance Plan of Other Functional Committees of the Company</td><td>Matters involving personal interest of the independent directors</td><td>Although the aforementioned directors have a conflict of interest in this case, since this case is evaluated based on the weighted average score of the 2024 other functional committee performance appraisal self-assessment questionnaire, there is no risk of harming the interests of the company, therefore, the above-mentioned directors will not recuse themselves from the conflict of interest.</td></tr>
<tr><td>Emile Sheng
Wedge Chen
Christina Sung</td><td>2025/8/7</td><td>Proposal to establish the "Corporate Governance and Nomination Committee" and to adopt the "Charter of the Corporate Governance and Nomination Committee."</td><td>Matters involving personal interest of the directors</td><td>Although the Directors aforementioned have an interest in this matter, it is determined that such interest does not pose a risk of prejudice to the interests of the Company. Accordingly, the said Directors are not required to recuse themselves from the discussion and voting</td></tr>
<tr><td rowspan="2">All independent directors</td><td rowspan="2">2025/3/5</td><td>Proposal for distribution of 2024 remuneration of employees and directors of the Company</td><td rowspan="2">Matters involving personal interest of the independent directors</td><td>Although all of the independent directors were in conflict of interest for this case, this case was to appropriate remunerations of employees and directors according to Article 29 of the Articles of Incorporation such that the interest of the Company was not damaged, accordingly, all of the directors were not required to recuse themselves due to conflict of interest.</td></tr>
<tr><td>Proposal for 2024 performance evaluation of the Audit Committee of the Company</td><td>Although all of the independent directors were in conflict of interest for this case, this case was to perform evaluation according to the 2024 Audit Committee’s performance self-evaluation survey weighted average score such that the interest of the Company was not damaged, accordingly, all of the independent directors</td></tr>
</table>

				were not required to recuse themselves due to conflict of interest.
		Proposal for 2024 performance evaluation of directors of the Company		Although all of the independent directors were in conflict of interest for this case, this case was to perform evaluation according to the 2024 board of directors' performance self-evaluation survey average score such that the interest of the Company was not damaged, accordingly, all of the independent directors were not required to recuse themselves due to conflict of interest.
		Proposal for 2024 performance evaluation of the Remuneration Committee of the Company		Although all of the independent directors were in conflict of interest for this case, this case was to perform evaluation according to the 2024 Remuneration Committee's performance self-evaluation survey weighted average score such that the interest of the Company was not damaged, accordingly, all of the independent directors were not required to recuse themselves due to conflict of interest.
		Proposal for 2024 performance evaluation of other functional Committee of the Company		Although all of the independent directors were in conflict of interest for this case, this case was to perform evaluation according to the 2024 Other Functional Committee's performance self-evaluation survey weighted average score such that the interest of the Company was not damaged, accordingly, all of the independent directors were not required to recuse themselves due to conflict of interest.
	2025/12/18	Proposal for 2026 remuneration of independent directors of the Company	Matters involving personal interest of the independent directors	Except that the aforementioned director recused himself from participating in the discussion and voting due to conflict of interest, this proposal was approved by the remaining attending directors without objections.
All directors	2025/3/5	Proposal for distribution of 2024 remuneration of employees and directors of the Company	Matters involving personal interest of the directors	Although all of the directors were in conflict of interest for this case, this case was to appropriate remunerations of employees and directors according to Article 29 of the Articles of Incorporation such that the interest of the Company was not damaged, accordingly, all of the directors were not required to recuse themselves due to conflict of interest.
		Proposal for 2024 performance evaluation of directors of the Company		Although all of the directors were in conflict of interest for this case, this case was to perform evaluation according to the 2024 board of directors' performance self-evaluation survey average score such that the interest of the Company was not damaged, accordingly, all pf the directors were not required to recuse themselves due to conflict of interest.
		Nomination of candidates for the company's directors (including independent directors)		Although the aforementioned directors have a conflict of interest with respect to this case, since this case is based on Article 192-1 of the Company Law and does not pose a risk of harming the interests of the company, the above-mentioned independent directors will not recuse themselves from such conflict of interest.

		Proposal for the establishment of Huadong branch		Although all of the directors were in conflict of interest for this case, since this case is to expand the business in Hualien and Taitung, there is no risk of harming the interests of the company, therefore, the above-mentioned directors will not recuse themselves from the conflict of interest.
	2025/12/18	Proposal for 2026 remuneration of directors of the Company	Matters involving personal interest of the directors	Except that the aforementioned directors recused themselves from participating in the discussion and voting due to conflict of interest, Chairman Sheng recused himself due to conflict of interest, and the meeting was hosted by Independent Director- Wedge Chen, and this proposal was approved by the remaining attending Independent directors without objections.

3. Public company shall disclose the information on the evaluation cycle and period, evaluation scope, method and evaluation content, etc. of the self-evaluation (or peer evaluation) of the board of directors, and the board evaluation execution status shall be described.

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Executed once a year	2025/1/1~2025/12/31	Entirety of board of directors	Internal self-evaluation of board of directors	Evaluation items for the Company's board of directors performance evaluation: Participation level in company's operation, increase of decision making quality of board of directors, composition and structure of the board of directors, election and continuing education of directors, and internal control.
Executed once three years			External-evaluation of board of directors	
Executed once a year	2025/1/1~2025/12/31	Individual board members	Self-evaluation	Board member performance evaluation items: The items include the understanding of the objectives and missions of the Company, director responsibilities and authorities, level of participation in the operation of the Company, internal relationship management and communication, expertise and continuing education of director, and internal control.
Executed once a year	2025/1/1~2025/12/31	Each functional committee	Internal self-evaluation of board of directors	Functional committee performance evaluation items: The items include the level of participation in the operation of the Company, understanding of responsibilities and authorities of the functional committee, improvement of decision making quality of the functional committee, composition of the functional committee and its member selection, and internal control.

4. Goals (such as establishment of Audit Committee, improvement of information transparency etc.) for establishment of and

execution status evaluation on the enhancement of functions of the board of directors for the current year and the most recent year:

The board meeting operation of the Company complies with the provisions of the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies", and important resolutions are published on the Market Observation Post System (MOPS) website immediately after the board meeting, in order to achieve sufficient disclosure of information and protection of shareholders' interests.

(II) Audit Committee Implementation Status and Board Meeting Participation Status:

The Audit Committee of the Company is formed by 3 independent directors. The purpose of the Audit Committee is to assist the board of directors in their supervision on the quality and integrity of matters related to accounting, auditing, financial report process and financial control executed by the Company. The meeting affairs mainly include:

1. Adoption or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Evaluation on the effectiveness of the internal control system.
3. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
4. Review and approval of matters involving directors' personal interests.
5. Review and approval of material assets or derivative transactions.
6. Review and approval of material monetary loan, endorsement, or provision of guarantee.
7. Review and approval of the offering, issuance, or private placement of any equity-type securities.
8. Review and approval of the hiring, discharge, or compensation of an attesting CPA.
9. Review and approval of appointment or discharge of a financial, accounting, or internal auditing officer.
10. Review and approval of annual and semi-annual financial reports.
11. Review and approval of other material matter so required by the Company or competent authority.

Audit Committee Implementation Status Information:

The 4th term of Audit Committee convened a total of 5 meetings [A] in 2025, and the independent directors' attendance status is as follows:

The 4rd term of Audit Committee Implementation Status					
Title	Name	Attendance in Person (B)	Number of attendance by proxy	Actual attendance rate (%) [B/A]	Remarks
Independent Director	Wedge Chen	4	1	80%	
Independent Director	Christina Sung	5	0	100%	
Independent Director	Ming-Wei, Lo	5	0	100%	

Additional information:

1. Where the operation of Audit Committee is subject to one of the following, the board meeting date, session, proposal content, resolution result of the Audit Committee meeting and the opinion of the Audit Committee of the Company shall be described.
   A. Matters specified in Article 14-5 of Sectaries and Exchange Act:
      A total of 5 Audit Committee meetings were convened in 2025, and the resolution content is as shown in (Note 1). The Audit Committee approved the matters specified in Article 14-5 of the Sectaries and Exchange Act without objections.
   B. In addition to the aforementioned matters, other motions without approval by the Auditing Committee but passed by the Board with more than two-thirds of the Directors: None.
2. Status of recusal of independent directors from proposals due to conflict of interest: None.

3. Communication between independent directors and internal/external auditors (e.g. discussions concerning the Company's financial and business affairs, the method of communication used, and the outcome).
   A. The internal audit officer of the Company communicates the audit report result with the Audit Committee members at least once quarterly and also tracks the report execution status, next year's audit plan and internal control system implementation status, etc. In addition, the Audit Committee also contacts the audit officer to inquire or inform matters for handling.
   B. The CPA of the Company reports the financial statements audit result and other communication matters required by the laws and regulations during the Audit Committee meeting at least once quarterly, and in case of any special conditions, CPA also reports to the Audit Committee timely.
   C. 2025 historical communication status is summarized in (Note 2) and (Note 3)

Note 1:

Term	No	Date of meeting	Proposal content
4	5	2025/03/05	1. Adoption of 2024 business report and financial statements of the Company
			2. Proposal for 2024 deficit compensation of the Company
			3. Adoption of 2024 statement of internal control system of the Company
			4. Proposal for appointment of CPAs for 2025 financial statements of the Company
			5. Approved the amendment to the Company's Articles of Incorporation
			6. Approved the amendment to the Company's Corporate Governance Best Practice Principles
			7. Approved the proposal for 2024 performance evaluation of the Audit Committee of the Company
4	6	2025/05/08	1. Adoption of 2025 1st quarter consolidated financial statements of the Company
4	7	2025/08/07	1. Adoption of 2025 2nd quarter consolidated financial statements of the Company
			2. Adoption of 2024 Corporate Social Responsibility (CSR) Report of the Company
			3. AApproval of the amendments to the Company's "Internal Control System"
4	8	2025/11/06	1. Adoption of 2025 3rd quarter consolidated financial statements of the Company
			2. Approval of the proposed establishment of "Pin Sen Hui Co., Ltd." by the Company.
			3. Approval of the amendments to the Company's "Corporate Governance Best Practice Principles."
4	9	2025/12/18	1. Approved the Company's 2026 audit plan

Note 2:

Summary on Status of Communication of Independent Directors and Internal Audit Officer

Date	Nature	Communication matter	Communication result
2025/03/05	Audit Committee	1. November 2024~March 2025 audit plan implementation status report	After discussion and communication, the independent directors raised no objections on the audit execution result report.
2025/05/08	Audit Committee	1. February~May 2025 audit plan implementation status report	After discussion and communication, the independent directors raised no objections on the audit execution result report.
2025/08/07	Audit Committee	1. April~ August 2025 audit plan implementation status report	After discussion and communication, the independent directors raised no objections on the audit execution result report.
2025/11/06	Audit Committee	1. July ~November 2025 audit plan implementation status report	After discussion and communication, the independent directors raised no objections on the audit execution result report.
2025/12/19	Audit Committee	1. October~December 2025 audit plan implementation status report	After discussion and communication, the independent directors raised no objections on the audit execution result report.

Note 3:

Summary on Status of Communication of Independent Directors and CPA

Date	Nature	Communication matter	Communication result
2025/03/05	Audit Committee	Arrange for the CPAs to report to the Audit Committee, explaining the audit methods and results, the companies audited, and any newly added major subsidiaries.	CPAs discussed and communicated the questions and issued inquired by the Audit Committee and the meeting attendees, and the Audit Committee members of the present meeting raised no objections.
2025/05/08	Audit Committee	Arrange for the CPAs to report to the Audit Committee, explaining the review methods and scope, the companies reviewed, construction-in-progress projects (real estate), and other cautionary matters.	CPAs discussed and communicated the questions and issued inquired by the Audit Committee and the meeting attendees, and the Audit Committee members of the present meeting raised no objections.
2025/08/07	Audit Committee	Arrange for the CPAs to report to the Audit Committee, explaining the review methods and scope, the companies reviewed, and the impact of exchange rate fluctuations.	CPAs discussed and communicated the questions and issued inquired by the Audit Committee and the meeting attendees, and the Audit Committee members of the present meeting raised no objections.
2025/11/06	Audit Committee	Arrange for the CPAs to report to the Audit Committee, explaining the review methods and scope, the companies reviewed, explanations of significant accounts, and Key Audit Matters (KAMs).	CPAs discussed and communicated the questions and issued inquired by the Audit Committee and the meeting attendees, and the Audit Committee members of the present meeting raised no objections.

(III) Corporate Governance Operation Status and Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons:

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
I. Does the Company follow the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" to establish and disclose its corporate governance practices?	V		The Company has established the "Corporate Governance Best Practice Principles" in March 2016, and has disclosed its full content at the website of the Company and the Market Observation Post System (MOPS) website. The latest amendment date of these Principles was March 2022, and the amendment has been approved by the board of directors.	No difference.
II. Company's ownership structure and shareholders' equity (I) Has the Company established the internal procedures for handling shareholders' proposals, doubts, disputes, and litigation matters; in addition, have the procedures implemented accordingly?	V		The Company has established the investor relation responsible personnel, and the spokesperson accepts shareholders' recommendations, doubts and also handles disputes. There has been no litigation related matters with shareholders.	No difference.
(II) Does the Company have the lists of major shareholders who actually control the Company and the ultimate controller list of major shareholders?	V		The Company manages the major shareholders and the ultimate controllers according to the shareholders' roster of the stock affairs agency, and also reports the insider equity change status periodically.	No difference.
(III) Has the company established and implemented risk management practices and firewalls for companies it is affiliated with?	V		All correspondence and transactions between the Company and affiliates are handled according to the law, or relevant regulations have been established for the internal control system according to the law.	No difference.

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
(IV) Has the Company established internal policies that prevent insiders from trading securities against non-public information?	V		The Company's board meeting has approved the establishment of the "Procedures for Handling Material Inside Information" in December 2015, and the applicable subjects include directors, supervisors, managerial officers and employees of the Company, and insiders of the Company are prohibited to trade securities in the market using non-public information. The latest amendment date of these Procedures was November 2023, and the amendment has been approved by the board of directors.	No difference.
III. Composition and responsibility of board of directors (I) Has the board of directors established diversity policy, specific management goal and has executed properly?	V		The Company has established the "Corporate Governance Best Practice Principles" and Article 20 (Overall abilities required for the board) has explicitly specified that The composition of the board of directors shall be determined by taking diversity into consideration and it is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated. 1. The Company also emphasizes the gender equality, and the target ratio for female directors is above 30%. Among the present eight board members, there are a total of four female directors, and one of which is a female independent director. Accordingly, the ratio of female board members is 50%. 2. There are one independent director with the seniority of 3~9 years; and two with the seniority less than 3 years. 3. There is three directors of the age above 66 years old; two director of the age between	No difference.

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			56~65 years old; and two directors of the age between 46~55 years old, and one director of the age between 36~45 years old. 4. Please refer to Pages 13~15 for the overall abilities of the board members. The board member composition diversity policy has been disclosed on the Company's website and the MOPS website.	
(II) Apart from the Remuneration Committee and Audit Committee, has the Company assembled other functional committees at its own discretion?	V		● Corporate Sustainable Development Committee： The Company has established the "Corporate Sustainable Development Committee" in December 2020 and its organization charter has also be stipulated. In addition, Chairman Emile Sheng, Independent Director Christina Sung and Independent Director Ming-Wei, Lo shall form the committee, with Chairman Emile Sheng acting as the committee chairperson (convener), consisting of more than half of the independent directors. It is the first voluntarily established functional committee of the Company, and its main duty is to manage corporate social responsibility, to establish sustainable development direction and objectives or relevant management directives as well as to propose and execute specific implementation plans. A total of 2 committee meetings were convened in 2025, on August 7, 2025 and December 18, 2025 respectively. The discussion content included sustainable travel, ESG and corporate governance promotion execution status of the current year and future plan. ● Risk Management Committee: In August 2023, the Board of Directors of our company approved the establishment of the "Risk Management Committee" and its organizational regulations. In addition, the committee is composed of Director Alanna Tseng,	No difference.

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			Independent Director Wedge Chen, and Independent Director Ming-Wei, Lo, with Director Alanna Tseng serving as the chairperson (convener). More than half of the committee members are independent directors. This committee is the second voluntarily established functional committee of the company. Its main responsibilities include reviewing risk management policies, examining management mechanisms for major risk issues, and approving or recording other risk management matters. The committee held one meeting on November 6, 2025. The discussions included the organizational structure for risk management, risk assessment, risk management and response strategies, and strategies for addressing risks and opportunities related to climate change, reporting to the Board of Directorson December 18, 2025. ● Corporate Governance and Nomination Committee: In August 2025, the Board of Directors approved the establishment of the "Corporate Governance and Nomination Committee" and its Charter. The Committee currently consists of Independent Director Christina Sung, Independent Director Wedge Chen, and Chairman Emile Sheng. Independent Director Christina Sung serves as the Convener (Chairperson). More than half of the Committee members are Independent Directors. The primary responsibilities of the Committee include: Reviewing the establishment and amendment of the Charters for all functional committees. Formulating and amending regulations related to the operation of the Board of Directors. Nominating candidates for the Board of Directors and reviewing their	

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			qualifications. Handling other matters as directed by the Board of Directors. On November 6, 2025, the Committee held its first meeting to discuss amendments to the Company's "Corporate Governance Best Practice Principles." The proposal was subsequently reviewed and approved by the Board of Directors on the same day (November 6, 2025).	
(III) Has the Company established a set of policies and assessment tools to evaluate the board's performance? Is performance evaluated regularly at least on an annual basis? In addition, has the result of the performance assessment been submitted to the board of directors' meeting and used as reference for the remuneration and nomination or reelection of individual directors?	V		● The Company established the "Procedures of Self-Evaluation or Peer Evaluation of Board of Directors" in March 2016. Self-evaluation questionnaires are distributed to all board members during the beginning of each year in order to allow board members to conduct self-evaluation. External professional independent institution or external expert and scholar team is also entrusted to conduct performance evaluation once every three years. ● The latest amendment date of these Principles was March 2020, and the amendment has been approved by the board of directors. ● After the questionnaires are collected completely, the board organizing unit of the Company then performs analysis according to the aforementioned procedures, and the result is reported to the board of directors. Improvement recommendation for areas requiring improvement are proposed, and such result is also used as a reference for the determination of remuneration and nomination for consecutive term of office of individual directors. ● The 2024 board of directors' performance evaluation result is as follows:	No difference.

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			I. Evaluation period: January 1, 2025 to December 31, 2025, and reported to the board of directors on March 4, 2026. II. Evaluation result is as follows: 1. The board of directors' self-evaluation weighted average score was 100 points. 2. The board members' self-evaluation weighted average score was 100 points. 3. The Audit Committee' self-evaluation weighted average score was 100 points. 4. The Remuneration Committee' self-evaluation weighted average score was 100 points. 5. Corporate Sustainable Development Committee self-evaluation weighted average score was 100 points. 6. Risk management committeeself-evaluation weighted average score was 100 points. ● Early 2026, the Company commissioned an external institution to perform board of directors' performance evaluation for the period from January 1, 2024 to December 31, 2024, and the evaluation has been completed during the first quarter of 2026, and the result has been reported to the board of directors on March 4, 2026. The opinion of the external professional independent institution is as follows: 1. General evaluation comments: (1). The Company established the "Risk Management Committee" in August 2023 and formulated its organizational charter, reporting relevant	

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			implementation status to the Board of Directors at least once a year. Referencing the TCFD (Task Force on Climate-related Financial Disclosures) framework, the Company has established a "Risk Management Policy" to assess risks and opportunities arising from climate change. Based on the principle of materiality, the Company performs analysis and integrates internal and stakeholder communication to effectively identify, measure, monitor, and control risks. Policies across governance, social, and environmental dimensions have been established to mitigate risks. (2). In response to sustainable development and environmental risks, the Company has implemented energy reduction measures, such as adopting the ISO 50001 Energy Management System, launching water and electricity saving initiatives, and maintaining continuous monitoring of greenhouse gas (GHG) inventories. By focusing on energy reduction and regeneration, the Company aims to maximize energy efficiency and fulfill its commitment to sustainability. To date, the Company has received several prestigious accolades, including the TCSA (Taiwan Corporate Sustainability Awards). (3). The Company has established a comprehensive group-wide training system and fully implemented the TTQS (Talent Quality-management System). We have developed robust cultivation programs specifically designed for the	

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			education and mentoring of new talent as well as management trainee (MA) programs. (4). In 2025, the Company established the "Corporate Governance and Nomination Committee" and formulated its organizational charter to assist the Board of Directors in strengthening governance mechanisms and operational efficiency. Within its scope of authority, the Committee periodically reviews the adequacy of the Board’s structure, composition, and professional backgrounds. It also provides recommendations regarding the selection, nomination, and evaluation mechanisms for directors and senior management, thereby enhancing the corporate governance system in alignment with regulatory requirements and best practice principles. 2. Recommendation: (1). To strengthen the Board of Directors' governance framework and implement the principle of member diversity, it is recommended that the Company establish relevant control policies regarding familial relationships among Board members. Specifically, the number of directors who are spouses or within the second degree of kinship to one another should not exceed two. This measure aims to enhance the independence and supervisory functions of the Board. (2). The Company is recommended to increase the number of external directors, in order to enrich the board meeting perspectives and	

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			sharing of professional knowledge, thereby heading toward the development of greater flexibility and breadth. (3). Subsequent handling method: With regard to the recommendations from external professional independent institutions, the corporate governance unit will perform assessment and review, followed by submitting recommendation report to the board of directors, in order to increase the flexible execution of the corporate performance and to progressively achieve the goal of each stage of the sustainable development.	
(IV) Does the Company assess the independence of CPAs on a regular basis?	V		The audit committee of the company evaluates the independence and suitability of the certified accountants of the company every year. In addition to requiring the certified accountants to provide "transcendent independence statement" and "audit quality indicators (AQIs)", it also conducts in accordance with the standards in Note 1 and 13 AQI indicators Evaluate. It is confirmed that the accountant has no other financial interests or business relationship with the company except for the fees of visa and financial and tax cases, and the family members of the accountant do not violate the independence requirements. With reference to the AQI index information, it is confirmed that the accountant and the firm are in the process of checking experience and The number of training hours is better than the average level of the	No difference.

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			industry, and in the last 3 years, it will continue to introduce digital audit tools to improve audit quality. After the evaluation results of the latest year were discussed and approved by the Audit Committee on March 4, 2026, it was submitted to the board of directors on March 4, 2026 for the approval of the independence and suitability assessment of accountants.	
IV. Has the publicly listed company designated a department or personnel that specializes (or is involved) in corporate governance affairs (including but not limited to providing directors/supervisors with the information needed to perform their duties, convention of board meetings and shareholders' meetings, company registration and changes, preparation of board meeting and shareholders' meeting minutes etc.)?	V		The staff of the General Management Department of the Company concurrently handle corporate governance related affairs. According to the resolution of the board of directors' meeting in March 2019, Kenny Tseng, the Director of the General Management Department and spokesperson has been appointed to act as the corporate governance officer, in order to protect the rights and interests of shareholders and to strengthen the functions of the board of directors. Director Kenny Tseng is equipped with financial management related working experience for publicly listed companies for more than three years. Please refer to (Note 2) for details of the 2025 continuing education status. The 2025 duty execution status of the corporate governance unit is as follows: 1. For the amendment of latest laws and regulations in the corporate operation field and corporate governance related field report to the directors and independent directors periodically. 2. Assist the establishment of continuing education plan and courses for the current according to the Company's industrial characteristics as well as the educational background and	No difference.

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			working experience of directors and independent directors. 3. Handle matters related to board meetings, audit committee meetings, remuneration committee meetings and shareholders' meetings according to laws. 4. Prepare agenda of board meetings and audit committee meetings, and notify directors seven days prior to the meetings, convene meetings and provide documents for the meetings. If any director's recusal is required due to a conflict of interest, inform such director about such matters prior to the meetings. In addition, complete the board meeting minutes within twenty days after the meeting. 5. Handling matters regarding pre-registration of the date of the shareholder's meetings in accordance with the laws. Preparing meeting notices, meeting handbooks, and meeting minutes before the legal deadline. Registering any amendments to the Articles of Incorporation and elections of Directors. 6. Provide documents necessary for directors and independent directors to perform duties. 7. Assist directors and independent directors to comply with laws and regulations. 8. Report relevant corporate governance, ethical management implementation and social responsibility related execution status to the board of directors periodically. (at least once annually)	
V. Has the Company provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of	V		The Company maintains excellent communication with employees, suppliers, investors and consumers via the labor-management meeting, procurement, finance and other	No difference.

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
significant concern to stakeholders (including but not limited to shareholders, employees, customers and suppliers)?			responsible units respectively. In addition, the Company has also set up the stakeholder section on the Company's website, in order to properly respond to important corporate social responsibility issues concerned by stakeholders.	
VI. Has the Company commissioned professional stock agency institution to handle shareholders' meeting affairs?	V		The Company has commissioned a professional stock affairs agency institution, Stock Agency Department of CTBC Bank, to handle shareholders' meeting related affairs of the Company.	No difference.
VII. Information disclosure (I) Has the Company established a website that discloses financial, business, and corporate governance-related information?	V		The Company has set up the Company's website (https://www.fdc-i.com/) for disclosure of finance, business and corporate governance related information.	No difference.
(II) Has the Company adopted other means to disclose information (e.g. English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, broadcasting of investor conferences via the company website)?	V		The Company has established the spokesperson and deputy spokesperson according to the regulations. In addition, dedicated personnel have been designated to be responsible for reporting various financial and business information on the MOPS website and disclosing information on the Company's website. The investor conference related information is also linked to the MOPS website for access and viewing.	No difference.
(III) Has the Company made public announce and report the annual financial statements within a period of two months after the end of each fiscal year, and has the Company also made an		V	The Company, presently, execute works according to the provision of Article 36 of the Securities and Exchange Act, and the following requirements have been adopted: 1. Annual financial statements audited and certified by CPAs	Early announcement and report will be made in the future depending upon the

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
announcement and provided a report of the first, second and third quarter financial statements as well as the monthly business operation status?			and approved by the board of directors are announced and reported within three months after the end of each fiscal year. 2. Financial statements reviewed by CPA and reported to the board of directors are announced and reported within forty-five days after the end of the first, second and third quarters of each fiscal year respectively. 3. The operational status of last month is announced and reported before the tenth day of each month.	regulations of the competent authority and market demands.
VIII. Does the Company have other important information (including but not limited to employees' benefits and rights, employee care, investor relationship, supplier relationship, rights of stakeholders, educational training status of directors and supervisors, implementation of risk management policy and risk measurement standards, customer policy implementation status, purchase of liability insurance for directors and supervisors of the Company etc.) helpful to the understanding of the corporate governance operation status of the Company?	V		● Employee benefits and care are exemplarily described in the following (please refer to the Corporate Social Responsibility (CSR) Report for details): 1. Employee benefits: Labor insurance, health insurance, group insurance, gift money, employee year-end party, employee travel, three-holiday bonuses, employee stock ownership plans, employees' accommodation at free of charge and employee (relative) accommodation and dining discount, etc. 2. Education and training implementation procedures to cope with the job needs and to increase work performance. 3. Convene labor-management meetings periodically in order to enhance labor-management harmony and to explicitly specify the employment relationship and terms between labor and management as well as to protect the rights and benefits of employees.	No difference.

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			4. Establish bonus management procedures to distribute various bonuses to employees. 5. Amend relevant procedures according to the Act of Gender Equality in Employment in order to protect the rights and interests of employees. 6. Emphasize the physical and mental health of employees, provide subsidies to clubs or competition games, and consultation channel of Teacher Yun. ● Investor relationship: The Company continues to maintain excellent interaction with investors, including: financial information disclosure, communication and exchange with investors through various seminars and conferences, and also provides the feedback and comments of investors to the management and relevant units of the Company as reference for improvement and adjustment. In the future, the Company will continue to reinforce investor relations, maintains good communication with the investors. ● Supplier relationship: Maintain excellent relationships with suppliers. The Company values the rights of relevant stakeholders and protects their rights such that there have been no dispute events. Uphold the concept of mutual benefits to establish partnerships with suppliers, in order to maintain long-term cooperation relationships. In addition, obtain optimal supply quality through contract signing, supplier evaluation and field visits at suppliers' sites. In addition, suppliers are	

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			requested to comply with the principle of good faith, maintain supply quality and issue declarations. Furthermore, suppliers are also requested to perform corporate social responsibility supplier self-evaluation, to self-examine employees' rights and benefits, environmental protection and occupational safety issues annually in order to comply with relevant regulations. ● Implementation status of customer policy: Customer recommendation and satisfaction are the dynamics of the operational growth of the Company. The Company upholds the customer-oriented service attitude, and aims to provide brand new accommodation and dining experience to customers. In addition, the Company also establishes excellent interaction with customers based on trust and passion. ● Rights of stakeholders: We provide diverse communication channels and information disclosures in order to maintain proper dialogue and communication with stakeholders and also collect issues concerned by stakeholders. For the stakeholder engagement method, concerned issues and our responses, please refer to the Company's CSR Report. ● Continuing education status of directors and supervisors: The continuing education status of the current directors (independent directors) of the Company achieves the required training hours (Note 3) specified in the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies". ● Implementation status of risk	

Evaluation Item	Implementation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			management policy and risk measurement criteria: The Company has established the "Risk Management Policy" according to the approval of the board of directors in December 2021, in order to use such policy as the guiding principle for the risk management of the Company. The Company assesses risks annually and also establishes risk management policy for each type of risk, including management objective, organizational structure, responsibility and risk management procedure and mechanism, and the Company also implements properly, in order to identify, measure and control various risks of the Company, thus risks arising from business activities can be controlled within the acceptable range. The 2025 implementation status has also been reported to the board of directors' meeting on 2025/12/18. ● Status of liability insurance purchased by the Company for the directors and supervisors: The Company has completed the renewal of the liability insurance for directors, including the insured amount, coverage and premium rate, etc., and has also reported to the board of directors on August 7, 2025.	

IX. Please provide explanation on the improvement status of the corporate governance evaluation announced by Taiwan Stock Exchange (TWSE) in the most recent year, and provide priority enhancement and measures for matters yet to be improved.

The 11th term (evaluation year of 2024) of corporate governance evaluation result indicated that the Company was ranked top 6%~20% along all evaluated companies of the public company category.

The most recent corporate governance evaluation result is described in the following list:

Item	No.	Indicator	Explanation
1.	3.6	Does the company disclose the interim financial report in English within two months after the filing deadline for the Chinese version of the interim financial report?	Starting from 2025, the Company has disclosed its interim financial reports in English within two months after the deadline for filing the Chinese version of the interim financial reports.

Note 1: CPA assessment standard

Evaluation Item	Assessment result	Whether the independence criteria are satisfied
1. Whether the accountant has direct or material indirect financial interest relationship with the Company	No	Yes
2. Whether the CPA engages in financing or guarantee actions with the Company or directors of the Company	No	Yes
3. Whether the accountant has close business relationship and potential employment relationship with the Company	No	Yes
4. Whether the CPA and the audit team member presently assumes the position of director, manager or duties having material impact on the audit case presently or in the last two year	No	Yes
5. Whether the CPA provides non-audit services to the Company that may directly affect the audit work	No	Yes
6. Whether the CPA acts as broker for the stocks or other securities issued by the Company	No	Yes
7. Whether the CPA acts as the defender for the Company or represents the Company to negotiate conflicts with other third party	No	Yes
8. Whether the CPA is in kinship with service directors, managers or personnel handling duties having material impact on the audit case	No	Yes

Note 2: Corporate governance officer continuing education status

Corporate governance officer	Date of training	Organizer	Course title	Training hours
Kenny Tseng	2025/11/07	Taiwan Institute of Directors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
	2025/11/07	Taiwan Institute of Directors	Scientific Carbon Reduction: New Challenges in Corporate ESG Governance	3
	2025/10/16	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	6
	2025/07/31	Taiwan Stock Exchange	2025 Summit on Strengthening Taiwan’s Capital Market	3

Note 3: Continuing education status of directors

Name of director	Date of training	Organizer	Course title	Training hours
L' Hotel de Chine Corporation Representative: Emile Sheng	2025/11/07	Taiwan Institute of Diretors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
			Scientific Carbon Reduction: New Challenges in Corporate ESG Governance	3
L' Hotel de Chine Corporation Representative: Elaine Shihlan Chang	2025/11/13	Corporate Governance Association	Challenges and Responses to the Global Economic and Trade Situation; Strategic Leadership: The Foundation of Business Ideas	3
	2025/11/07	Taiwan Institute of Diretors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
Ruth Koo	2025/11/07	Taiwan Institute of Diretors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
			Scientific Carbon Reduction: New Challenges in Corporate ESG Governance	3
Alanna Tseng	2025/11/07	Taiwan Institute of Diretors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
			Scientific Carbon Reduction: New Challenges in Corporate ESG Governance	3
David Ding	2025/11/07	Taiwan Institute of Diretors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
			Scientific Carbon Reduction: New Challenges in Corporate ESG Governance	3
Wedge Chen	2025/11/07	Taiwan Institute of Diretors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
			Scientific Carbon Reduction: New Challenges in Corporate ESG Governance	3
Christina Sung	2025/11/07	Taiwan Institute of Diretors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
			Scientific Carbon Reduction: New Challenges in Corporate ESG Governance	3
Ming-Wei, Lo	2025/02/21	Corporate Governance Association	Current Global Economic Situation	3
	2025/11/07	Taiwan Institute of Diretors	AI-Driven Industrial Digital Transformation and Business Innovation Applications	3
			Scientific Carbon Reduction: New Challenges in Corporate ESG Governance	3

(IV) Formation, Responsibilities and Implementation Status of Remuneration Committee:

The Company has established the "Remuneration Committee Charter" approved by the board of directors on September 18, 2015, in order to establish the Remuneration Committee. Accordingly, the Remuneration Committee assesses the remuneration policy and system of directors, supervisors and managerial officers based on the professional and objective perspective, and also establishes and reviews the performance evaluation of directors, supervisors and managerial officers as well as the remuneration policy, system, standard and structure. A total of five Remuneration Committee meetings were convened in 2025, and relevant resolutions have been reported to the board of directors.

1. Remuneration Committee Member Information

For the educational background and working experience of independent directors concurrently acting as the Remuneration Committee members of the Company, please refer to relevant information of directors and supervisors on Pages 7~10.

Criteria / Name of remuneration committee member		Basic composition									Professional ability							Independence status										Number of positions as a remuneration committee member in other public companies
		Nationality	Gender	Concurrent position as employee of the Company	Age				Seniority of remuneration committee member		Finance	Management	Marketing	Information technology	Law	Media	Electricity	1	2	3	4	5	6	7	8	9	10	
					36 ~ 45	46 ~ 55	56 ~ 65	66 and above	Less than 3 years	3~9 years																		
Remuneration committee member	Wedge Chen (convener)	R.O.C.	Male					✓		✓		✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0
Remuneration committee member	Christina Sung	R.O.C.	Female					✓	✓		✓	✓				✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0
Remuneration committee member	Ming-Wei, Lo	R.O.C.	Male			✓			✓			✓			✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1

Note 1: Please check each box with "✓", if the member meets the condition during the two years prior to being appointed and during the term of office.

(1) The member is not an employee of the company or any of its affiliates.

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

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

(4) Not a manager listed in (1), or a spouse, 2nd-degree relative or closer or 3rd-degree direct relative or closer to any personnel listed in (2) or (3).

(5) Not a director, supervisor or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company, or of a corporate shareholder that ranks among the top five in shareholdings, or of a proxy appointed according to Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (provided that if the position of an independent director is held concurrently for the

company and its parent company, a subsidiary or a subsidiary of the same parent company according to this law or laws of the local country, such restriction shall not be applied).

(6) Not a director, supervisor or employee of other company not controlled by the same parties holding a majority of the number seats of directors of the company or a majority of shares with voting rights (provided that if the position of an independent director is held concurrently for the company and its parent company, a subsidiary or a subsidiary of the same parent company according to this law or laws of the local country, such restriction shall not be applied).

(7) Not a director (managing director), supervisor (managing supervisor) or employee of other company or institution being the same person holding the position of Chairman, President or equivalent position in the company or a spouse thereof (provided that if the position of an independent director is held concurrently for the company and its parent company, a subsidiary or a subsidiary of the same parent company according to this law or laws of the local country, such restriction shall not be applied).

(8) Not a director (managing director), supervisor (managing supervisor), managerial officer or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the company (provided that if the specific company or institution holds 20% or more and no more than 50% of the total number of issued shares of the company, and the position of an independent director is held concurrently for the company and its parent company, a subsidiary or a subsidiary of the same parent company according to this law or laws of the local country, such restriction shall not be applied).

(9) Not a professional providing business, legal, financial, accounting, or consulting services to the company or an affiliate, nor an owner, partner, director (managing director), supervisor (managing director), or manager, or the spouse of any of the foregoing, of a sole proprietorship, partnership, company, or organization providing such services to the company or its affiliates or cumulative remuneration amount obtained in the last two years not exceeding NT$ 500,000, provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or the Business Mergers and Acquisitions Act and related laws or regulations.

(10) The member is not a person subject to any conditions defined in Article 30 of the Company Act.

2. Information on Implementation Status of Remuneration Committee

The Company's Remuneration Committee consists of three members.

The term of office of the 4rd term of committee members is from May 27, 2024 to May 26, 2027. As of December 31, 2025, five [A] remuneration committee meetings were convened. The committee member qualification and attendance status are as follows.

Implementation Status of 4rd Term of Remuneration Committee					
Title	Name	Attendance in Person (B)	Number of attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Wedge Chen	4	1	80%	
Committee member	Christina Sung	5	0	100%	
Committee member	Ming-Wei, Lo	5	0	100%	

Additional information:

I. In the event where the Remuneration Committee's proposal is rejected or amended in a board of directors meeting, please describe the date and session of the meeting, details of the agenda, the board's resolution, and how the company had handled the Remuneration Committee's proposals (describe the differences and reasons, if any, should the board of directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): None.

II. In case where any member object or express qualified opinions to the resolution made by the Remuneration Committee, whether on-record or in writing, please describe the date and session of the meeting, details of the agenda, the entire members' opinions, and how their opinions were addressed:
A total of five remuneration committee meetings were convened in 2025, and the resolution content has been disclosed in (Note 1). The remuneration committee members had no objections or reserved options and records or written statements.

Note 1:

Term	No.	Date of meeting	Proposal content
4	5	2025/03/05	1. Approved the proposal that remunerations of employees and directors of the Company were to be issued in 2024
			2. Approved the proposal for the 2024 performance evaluation of directors of the Company
			3. Approved the proposal for the 2024 performance evaluation of remuneration committee of the Company
			4. Approved the proposal for the 2024 performance evaluation of managerial officers of the Company
			5. Approved the proposal for the distribution of 2024 performance bonus of the Company
			6. Approved the proposal for salary adjustment plan of the first half of 2025 for managerial officers of the Company
4	6	2025/05/08	1. Approved the change of Executive Vice President of the Company's Sun Moon Lake Branch
4	7	2025/08/07	1. Approved the definition and scope of "Entry-level Employees"
			2. Approved the salary adjustment plan for the Company's managers for the second half of 2025
4	8	2025/11/06	1. Approved the change of Branch Managers of the Company
			2. Approved the change of Manager of the Company's Taipei Branch
			3. Approved the salary adjustment plan for the Company's managers
4	9	2025/12/18	1. Approved the proposed amendments to parts of the company's "Remuneration Committee Charter"
			2. Approved the proposal for the 2026 remuneration of directors of the Company
			3. Approved the proposal for the 2026 remuneration of managerial officers of the Company
			4. Approved the 2025 performance bonus of the Company
			5. Approved the 2026 work plan of the remuneration committee of the Company

(V-1) Deviation of the Company's actual promotion of sustainable development execution status from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and cause thereof:

Implementation items	Execution status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
I. Has the Company established the governance structure for promoting the sustainable development, and set up a unit that specializes (or is involved) in the promotion of sustainable development, and does the board of director authorize the senior management for handling such mater, and the supervision status of the board of directors?	V		According to the Company's ESG policy and vision, the "Corporate Sustainable Development Committee" has been established in December 2020, and its organization charter has also been reviewed and approved by the board of directors in December 2020. It is the first voluntarily established functional committee of the Company. The Company has designated the General Management Department to be the adjunct governance unit for the promotion of sustainable development, to summarize and integrate relevant information of all units, and to report to the Corporate Sustainable Development Committee and the board of directors periodically. In addition, the annual sustainability report preparation and relevant public information disclosure, are also completed. The Company convenes the Corporate Sustainable Development Committee meeting at least once annually, and reports to the board of directors. A total of two committee meetings were convened in 2025, and the meetings were held on August 7, 2025 and December 18, 2025 respectively, and reports to the board of directors were also made. The committee discussion content includes the identification of various ESG risks and opportunities, and establishment of response strategies, sustainable travel, corporate governance implementation status and future plan, and relevant information is also disclosed on the Company's website. The board of directors reviews reports (including ESG Report) presented by the management team annually, and the management team is required to establish corporate strategies for the board of directors, and the board of directors must determines the feasibility of the success of such strategies, reviews the strategy process and also requests the management team to make adjustments whenever necessary.	No difference.
II. Has the Company implemented the risk assessment of environmental, social, and corporate governance issues related to corporate operation, and has the Company established relevant risk management	V		The information disclosure includes the Company's sustainable development performance for the period from January to December 2024. The risk assessment boundary of the Company includes the FDC International Hotels Corporation General Management Department and its branches. The branches include Xinzhuang Branch (Gala de Chine Xinzhuang and Gala de Luxe), Sun Moon Lake Branch (Fleur de Chine Hotel Sun Moon Lake) and Taipei Branch (Palais de Chine Hotel). During the seeking of corporate sustainable operation and profit, the Company also fulfills the corporate social responsibility, values the interests of stakeholders, focuses on the environmental, social and corporate governance issues, and also includes them in the management directives and operating activities of the Company, in order to achieve the goal of sustainable operation. The Company periodically distributes survey questionnaires (content includes environmental, social and corporate governance issues) to	No difference.

<table>
<tr><th rowspan="2">Implementation items</th><th colspan="3">Execution status</th><th rowspan="2">Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>policies or strategies based on the principle of materiality?</td><td></td><td></td><td>stakeholders. After the questionnaires are collected and assessed by the internal, material issues are identified and the issues are also ranked in priority. For material issues, an internal discussion is made, and strategy and panning are also established.
The corporate sustainable development committee of the Company performs analysis according to the materiality principle of the sustainability report, communicates with the internal and external stakeholders and integrates the information of all branches and departments, in order to assess the material ESG issues, to effectively identify, measure/evaluate, supervise and control the risk management policy as well as to adopt specific actions, thereby reducing the impact of the risks.
According to the risk assessed, relevant risk management policies established are as follows:
<table>
<tr><th>ESG aspect</th><th>Major issues</th><th>Risk assessment item</th></tr>
<tr><td rowspan="3">Governance & Economic Dimension</td><td>Corporate Governance</td><td>• According to the "Board of Directors' Meeting Regulations," meetings are held at least once per quarter.
• In accordance with the "Self-evaluation or Peer Evaluation Procedure of the Board," an internal performance evaluation is conducted annually.
• Establish committees for audit, compensation, and corporate sustainability to ensure robust corporate governance.</td></tr>
<tr><td>Economic Performance</td><td>• Establish annual business plans and operational strategies.
• Continue to deepen the brand and develop diversified operational strategies, extending the founding concept of the Palais Collection banquet platform. Utilize a zero-asset model to share profits with venue providers, aiming to reduce fixed venue rents and continuously expand locations.</td></tr>
<tr><td>Legal compliance</td><td>• Compliance with all regulatory requirements as the basic goal.
• Periodically track regulatory establishment progress and compliance status.
• Irregularly organize legal compliance related educational</td></tr>
</table>
</td><td></td></tr>
</table>

Implementation items	Yes	No	Summary			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof
					training and promotion.	
				Sustainable Supply Chain	• Continually implement purchasing standard operating procedures, conduct annual supplier audits and evaluations, and require suppliers to sign a code of conduct commitment. • Promote local procurement and collaborations with small-scale farmers.	
				Service Innovation	• Provide added value and innovative products and services through various cross-industry alliances.	
				Customer health and safety	• Food safety team to continue to operate. • Food safety laboratory performs internal and external testing on the raw materials and finished products annually. • Strengthen supplier audit system, in order to ensure the supply quality.	
				Customer privacy	• Information security management and customer privacy protection are implemented according to the “FDC International Hotels Corporation Protection Rules” • Plans the "Cybersecurity Six Treasures" to enhance information security management across all properties.	
				Service Quality and Customer Satisfaction	• Regularly conducts customer satisfaction surveys. • Follows a customer complaint handling process, providing timely responses to customer feedback.	
			Social Dimension: Human & Human Rights	Employee Care and Benefits	• The Employee Welfare Committee continues to provide full-time employees with insurance, medical subsidies, and care. • The Safety and Health Committee, following the "Seven Principles of Occupational Safety and Health	

Implementation items	Execution status: Yes	No	Summary			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof
					Management," regularly convenes meetings to discuss relevant issues and conducts safety and health education and training.	
				Talent Recruitment and Development	• Establishes recruitment strategies to attract young talent. • Develops educational training and career development plans, with regular tracking of their effectiveness.	
				Human Rights, Diversity, and Inclusion	• Fulfills the duty of care for employees and protects their basic human rights, conducting due diligence on human rights with employees as the primary focus, managing all associated risks.	
				Occupational Health and Safety	• Each branch follows the "Seven Principles of Occupational Safety and Health Management," holding regular meetings to discuss relevant issues and conducting safety and health education and training for employees. • Both Palais de Chine Hotel and Fleur de Chine Hotel have established Occupational Safety and Health Committees, staffed with dedicated occupational safety and health professionals. • The Company utilizes the "iCare Health Management System" provided by the Occupational Safety and Health Administration (OSHA), Ministry of Labor, to manage and track the health status of all colleagues effectively.	
			Environment	Greenhouse Gas and Energy Management	• Sets a target to reduce electricity consumption by 1% annually and implements the ISO energy management system to actively promote energy-saving measures. • Leverages competitive	

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><td></td><td></td><td>advantages in the catering industry to boost lodging, and achieves various sustainable tourism certifications.</td></tr>
<tr><td></td><td>Waste Management and Circular Economy</td><td>• The Company has formulated a Waste Disposal Plan and contracted qualified vendors to responsibly manage and dispose of waste in accordance with regulations.
• Branches under FDC utilize farm-to-table vegetable crates to reduce single-use plastic packaging.
• In line with our sustainability commitment, guest rooms do not proactively provide disposable amenities (single-use toiletries) or bottled mineral water in plastic bottles.</td></tr>
<tr><td></td><td>Climate Action</td><td>• Follows the TCFD framework to identify climate-related risks and devise response measures and tracking mechanisms.</td></tr>
</table></td><td></td></tr>
<tr><td>III. Environmental Issues
(I) Has the Company established environmental policies suitable for the Company's industrial characteristics?</td><td>V</td><td></td><td>The Company's Taipei Branch and Sun Moon Lake Branch have established a systematic energy management system in accordance with the ISO 50001 international standard guidelines for years. The system successfully passed third-party verification in November 2022 and completed the recertification process in December 2025. Moving forward, the Company will continue to conduct annual energy inventories in compliance with ISO 50001 standards to track energy-saving performance. Relevant results and progress will be publicly disclosed in our annual Sustainability Reports and on the Company's official website.</td><td>No difference.</td></tr>
<tr><td>(II) Is the Company committed to achieving efficient use of resources, and using renewable materials that produce less impact on the environment?</td><td>V</td><td></td><td>Our company actively promotes various energy-saving measures, selects equipment with high energy efficiency and energy-saving designs to reduce energy consumption in the hotel, and continuously expands the use of renewable energy to optimize energy efficiency.
The main energy consumption of our company comes from electrical facilities such as air conditioning and lighting. In accordance with the regulations of the Energy Bureau of our country, we have set a goal to save at least 1% of electricity annually. We also plan to install renewable energy generation equipment or purchase green energy to gradually increase the efficiency of renewable energy use.
For more detailed information, please refer to our most recent sustainability report and official website.</td><td>No difference.</td></tr>
</table>

<table>
<tr><th rowspan="2">Implementation items</th><th colspan="3">Execution status</th><th rowspan="2">Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>(III) Has the company evaluated the climate change on the present and future potential risks and opportunities of the corporation, and has the company adopted responsive actions on climate related issues?</td><td>V</td><td></td><td>The Company designates the Sustainable Development Committee as the highest organization for the climate change management, and the Chairman of the Board acts the chairperson of the committee, in order to establish relevant strategy, goal, risk and opportunity action, and to review the implementation status and discuss future plan, as well as to report to the board of directors.
The Company has summarized the joint discussions with all operation departments and branches in 2024 and assesses the risks and opportunities of climate change on the Company according to the TCFD recommendation architecture. In addition, two types of climate scenarios that may occur in the future are assessed with the use of SSPs, in order to identify the major risks and opportunities of climate change, and to assess response measures.
Please refer to the sustainability report of the most recent period and the Company's website for further information in detail.</td><td>No difference.</td></tr>
<tr><td>(IV) Has the company statistically analyzed the greenhouse gas emission, water usage and waste total weight over the past two years, and has the company established policies for energy saving, carbon reduction, greenhouse emission reduction, reduction of water usage or other waste management?</td><td>V</td><td></td><td>For Greenhouse Gas (GHG) emissions over the past 2 years, please refer to pages 70 of this annual report, "1-1-1 Greenhouse Gas Inventory Information," to understand the results of the Company's ISO 14064 carbon inventory and emission intensity.
In 2020, FDC International voluntarily extended its efforts by using methodologies from ISO 14040 and ISO 14044 as referenced by Taiwan Cement to conduct an internal carbon footprint survey. Through identifying and quantifying the resource inputs and outputs of lodging services, the company understood the sources of carbon emissions and their potential environmental impacts. Measures were proposed for each life cycle stage, such as reducing consumables usage during the operational phase, adjusting product mixes, increasing vegetarian dining options, reducing the purchase of frozen seafood that requires long-distance cold chain transportation, and selecting suppliers with lower transportation carbon emissions. Subsequently, FDC introduced the ISO 50001 energy management system to promote various energy-saving measures, such as purchasing electrical products with higher national energy-saving ratings and energy-saving labels, replacing traditional fluorescent lights with LED panel lights, and replacing high-carbon diesel boilers with thermal arch hot water boilers, etc.
Moreover, the Company obtained ISO14064-1 certification in November 2024.
Meanwhile, the Company proactively commissioned a third party to perform verification of its greenhouse gas inventory, successfully obtaining ISO 14064-1 certificates in November 2024 and September 2025.
(1) Water consumption:
<table><tr><th>Year</th><th>Total water consumption (tonne)</th><th>Water intensity (tonne/square meter)</th></tr><tr><td>2024</td><td>348,122</td><td>6.0001</td></tr><tr><td>2025</td><td>334,646</td><td>5.6814</td></tr></table></td><td>No difference.</td></tr>
</table>

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>Note 1:：The scope of data includes the General Administration Office, Palais de Chine Hotel, Gala de Chine, and Fleur de Chine Hotel. Starting from 2025, the Hualien-Taitung Branch has also been included in the scope.
The Company pays attention to the environmental protection issues of water resource and energy saving for a long period of time, and with regard to the water saving plan, the Company thoroughly implements water saving in all aspects of the business operation, in order to increase the use benefits of available water resource.
To ensure the implementation of water resource management policy, FDC International has established the responsible unit of “Water Saving Inspection and Management Organization”, and through the three main aspects of management, promotion and execution of the water resource inspection and management team, the progress and strategic direction of all water resource saving projects can be ensured.
Each branch continues to promote various water saving measures, including:
● Water-saving sanitary equipment
● Water resource monitoring system
● Rainwater recycle and reuse
● Hot spring and swimming pool wastewater recycle and reuse
In addition, the Company also implements environmental protection and water saving related education and training for employees. Furthermore, all branches also actively invite guests to participate in water saving actions. All guest rooms are installed with eco-friendly water saving marks and water saving promotional signs for guests to decide whether to change bed sheets. The Sun Moon Lake Branch has also received the honor of “Water Saving Performance Outstanding Unit and Excellence Award for Water Saving in Business and Category and Others” in the water saving outstanding performance selection event organized by the Water Resources Agency, MOEA in 2019.
The Company has established water pollution prevention measures and plans for the wastewater and sewage drained from each branch. In addition, kitchen sewage oil and water separation treatment equipment, sludge filter dehydrator and sand filter for filtering effluent water quality control with wastewater and sewage treatment have also been installed.
(2) Wastes over the past two years:
<table><tr><th>Year</th><th>Total volume (ton)</th></tr><tr><td>2024</td><td>386.11</td></tr><tr><td>2025</td><td>339.23</td></tr></table>The Company promotes the philosophy of Go Green. To implement waste reduction and to demonstrate care of our Earth, the Company actively conveys the environmental protection principles of FDC International. In 2025, the ratio of recycled or reused waste was 42.2%.
The current waste reduction measures adopted are as follows:</td><td></td></tr>
</table>

Implementation items	Execution status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			1. Since 2019, hotels do not actively offer disposable supplies, including combs, razors, and small bottles of shower gel, etc. The small bottles of shower gel are replaced by large bottles of shower gel and shampoo. 2. Restaurants do not actively provide disposable packages and tableware and straws for takeout. 3. Sparkling water drinking machines are installed to replace the use of mineral water bottles. 4. FDC International uses local food ingredients for dishes, and all vegetables use baskets exclusively for vegetables for packaging in order to reduce the use of disposable plastics for packaging. 5. Kitchen waste treatment machine is installed, and restaurant kitchen wastes are dumped into the kitchen waste treatment machine to decompose enzyme into fertilizer for further use in the interior planting and Employee Happy Farm newly established. In addition, for the fertilizer generated, the Company also cooperate with local petty farmers, in order to implement secondary use of kitchen waste and to share resource recycling. For more detailed information, please refer to our most recent sustainability report and official website.	
IV. Social issues (I) Has the Company established related management policies and procedures in accordance with applicable laws and the international human rights conventions?	V		The Company complies with the labor policies of our nation and the “Core Labor Standard of the International Labour Organization Convention”, and has also established comprehensive relevant systems and management regulations conforming with the labor laws. These systems and management regulations are published on the Company's website, and responsible personnel have also been designated for implementation, in order to protect the legitimate labor rights and interests of employees. In addition, the Company has also established the Employee Welfare Committee to organize various welfare affairs. The Company reviews its own operation and other related activities through the methods of monitoring of social major issues, data monitoring and employee survey questionnaires annually, in order to identify and assess the group facing risks and potential human rights risks. In addition, according to the potential risks, the Company establishes human rights issue control plan and also continues to monitor and improve the plan implementation outcome. The human rights policy and specific plan of the Company are summarized in the following: 1. Provide breast-feeding room to protect female employees’ right of breast-feeding. 2. Implement leave system, and encourage employees to value the balance between work and living. 3. Offer comprehensive and smooth job promotion channel. 4. Install career coach to assist new employees to adapt to the	No difference.

Implementation items	Execution status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			working environment. In addition, human rights protection related training has also been implemented for employees, and the total training hours was 21 hours in 2025. In the future, the Company will continue to pay attention to the human rights protection related issues, to promote relevant education and training, in order to increase human rights protection awareness and to reduce the likelihood of occurrence of relevant risks. For further details, please visit the Company's website: https://www.fdc-i.com/	
(II) Has the Company developed and implemented reasonable employee welfare measures (including compensation, leave of absence and other benefits), and appropriately reflected business performance or outcome in employees' compensations?	V		I. Remuneration of employees: The year-end bonus of the Company is determined based on the attendance status, seniority and annual performance evaluation of employees, and bonus equivalent to one ~ three months of salary is issued depending upon the operation status of the current year, in order to stimulate all employees to exert effort to achieve the goals of the Company. II. Workplace diversity and equality: The Company implements the equal remuneration criteria for the same job duties and equal promotion opportunity for employees of different genders. In 2025, the number of female employees accounted for 54.96% of all employees, and the number of female supervisors accounted for 44.21% of all management staff. III. Employee welfare measures: ● Bonuses: Full attendance bonus, work bonus, attendance bonus, performance bonus, Mid-Autumn Festival and Dragon Boat Festival gift money, birthday gift money ● Insurance: Labor and health insurance, and employee group insurance ● Activity: Year-end party, annual domestic/overseas employee travel, birthday party, sports day ● Discounts: Employee and relative accommodation discount, employee accommodation at free of charge, employee marriage banquet and event discount, employee dining discount ● Subsidies: Marriage congratulatory gift, funeral condolence gift ● Others: employee meal or meal allowance, employee stock ownership plan, employee stock option plan IV. Business performance reflected in employees' remuneration: The Company participates in the industry salary survey periodically, and performs the job promotion and salary adjustment operation during March and September depending upon the job market salary standard of the same industry, economic trend and personal performance. The average salary adjustment rate in 2025 was 7.22%, and maximum individual salary adjustment rate reached 28.21%.	No difference.

<table>
<tr><th rowspan="2">Implementation items</th><th colspan="3">Execution status</th><th rowspan="2">Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>(III) Has the Company provided a safe and healthy work environment for employees, and education on occupational safety and health for employees at regular intervals?</td><td>V</td><td></td><td>I. The Company adopts the core philosophy of accident prevention and control, and also uses appropriate management tools and integrates internal occupational safety and health issues according to national occupational safety related laws and regulations, in order to establish self-management mechanisms, inspect all equipment periodically, and organize occupational safety education training courses, thereby continuously improving and promoting an occupational safety culture and achieving an accident-free environment.
II. The Company’s occupational safety educational training and promotion in the last wo years:<table><tr><th>Year</th><th>Number of trainees</th><th>Total number of training hours</th></tr><tr><td>2024</td><td>404</td><td>1,214</td></tr><tr><td>2025</td><td>434</td><td>1,383</td></tr></table>III. The Company organizes employee annual health examination annually, in order to provide greater protection to self-health and safety of employees.
IV. In 2025, the number of people with occupational injuries were 50 people (accounting for 0.6% of the total number of employees), and such injuries mainly refer to 1. traffic accident during commute to work or off work, 2. tripping, 3. cutting injury, 4. burn injury. The company has internally evaluated and improved measures, such as: improving the working environment, strengthening work safety promotion, assisting in medical treatment and applying for medical subsidies, and providing work injury leave for recuperation. ◦
V. No fire incidents occurred in the fiscal year 2025.</td><td>No difference.</td></tr>
<tr><td>(IV) Has the Company established a plan for the training of effective career development and planning of employees?</td><td>V</td><td></td><td>The Company has established the group training system and has comprehensively implemented the competency-based TTQS (Taiwan Training Quality System) national training quality certification system. The education and training includes the following: school campus intern talent cultivation plan, new employee orientation, new employee career coaching and guidance, training for entry management trainees, training for medium management trainees, training for senior management trainees, medium and senior innovation seed talent training, management competency training, professional competency training, employee development plan, occupational safety training, food safety training, in order to allow employees to achieve job competency effectively.
The total number of training hours completed by the Company in 2025 was 10,994 hours, and the total number of training reached 1,219 trainees.</td><td>No difference.</td></tr>
<tr><td>(V) Has the Company complied with laws and international standards with respect to customers'</td><td>V</td><td></td><td>For products and services related to customer health and safety, customer privacy, marketing and labeling, the Company complies with relevant laws in order to protect the rights and interests of consumers. The Company's website has also published the contact method of each branch, allowing consumers to file a complaint or provide feedback.</td><td>No difference.</td></tr>
</table>

Implementation items	Execution status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
health, safety and privacy, marketing and labeling in all products and services offered, and implemented consumer or customer protection policies and complaint procedures?				
(VI) Has the company established supplier management policy, requested suppliers to comply with relevant regulations with regards to the issues of the environmental protection, occupational safety and health or labor rights etc. and the implementation status thereof?	V		The Company has established the supplier corporate social responsibility self-evaluation form, and suppliers are also requested to perform corporate social responsibility supplier self-evaluation, to self-examine employees' rights and benefits, environmental protection and occupational safety issues annually in order to comply with relevant regulations.	No difference.
V. Has the Company stipulated standards or guidelines according to the internationally accepted report, prepared sustainability report and reports for disclosing non-financial information of the Company? Has the aforementioned reports obtained the assurance or guarantee	V		The Company has prepared the annual sustainability report in accordance with the GRI Standards announced by the Global Reporting Initiative (GRI), the SASB Standards established by the Sustainability Accounting Standards Board (SASB), Sector Supplement, and the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies" announced by the Taiwan Stock Exchange. In addition, the Limited assurance report has been performed by Ye Chun United CPAs in accordance with Assurance Standard ISAE 3000 "Assurance case of non-historical financial information audit or review" on the selected key performance indicators, which is also published on the Company's website. https://www.fdc-i.com/	No difference.

Implementation items	Execution status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
opinions from a third verification unit?				

VI. If the Company has established its own sustainability development principles in accordance with "Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies" please describe its current practices and any discrepancies from the Best Practice Principles:

The Company has established the Sustainable Development Best Practice Principles and is committed to the promotion of sustainable development, which is also consistent with the best principles established.

VII. Other important information to facilitate the understanding of the status of corporate social responsibility operation:

(I) The Company's activities related to continuous promotion of establishing social supply connections:

1. Continuously supporting the beloved AiLei String Orchestra, providing a fund of 500,000 NT dollars for instrument maintenance and repair costs, enabling the orchestra to operate smoothly, and ensuring that members receive the hotel's support and encouragement on their musical journey.
2. Responding to the Winter Warmth initiative launched by the Yuchi Township Farmers' Association, sponsoring 20 sets of New Year dishes (five dishes and one soup) to care for disadvantaged families in the local community, allowing these families to enjoy a warm reunion dinner during the Lunar New Year.
3. Collaborating with the parent company to participate in the "Earth Hour" initiative initiated by WWF (World Wide Fund for Nature), turning off non-essential lights in the hotel to promote energy conservation, making the Earth a better place, and highlighting the importance of energy conservation and environmental sustainability.
4. Voluntarily initiating the "Go Green Clean Sun Moon Lake" campaign, covering one kilometer per day for a total of 468 employees, collecting 479.61 kilograms of garbage and waste, preserving the picturesque scenery of Sun Moon Lake, and demonstrating FDC's determination and perseverance in environmental protection to the local community.
5. The Hongye Valley Green Energy Resort provided its water spring area to Luan-shan Elementary School, Hongye Elementary School, and local kindergartens in Yanping Township for outdoor swimming classes. A total of 12 sessions were held with 170 participants.
6. During Christmas, LDC curated limited-time festive spaces across its hotels. Guests were invited to participate in the "Christmas Charity Donation" and "Step30" initiatives by donating idle second-hand items to be sent to Africa, embodying the spirit of sustainability and philanthropy.
7. The General Administration Office organized a Christmas Charity Market, collecting and donating 32 bags and 95 pairs of shoes to the "Step30" organization.
8. Coin collection boxes were placed in hotel rooms for the Taiwan Spina Bifida Protection Association. An estimated NT$89,002 was raised to support patients with rare diseases and reignite their hope and strength.
9. The Le Thé, KEN CAN by Ken Chan, and Le Palais restaurants achieved AMOT 3-Star Traceability Certification. Additionally, Fleur de Chine Hotel joined the "Green Dining Guide," and the Sky Lounge became a certified Green Restaurant.
10. Fleur de Chine and Palais de Chine calculated the carbon emissions from guest stays and invited guests to purchase carbon credits. With FDC's matching contributions, the carbon emissions per stay became negative. These credits were sourced from the Taiwan Carbon Rights Exchange, with 5,054 groups of guests participating.
11. For every guest participating in the Carbon-Negative initiative at Fleur de Chine, a tree is planted in Xiulin Township, Hualien County, to enhance soil conservation and carbon sequestration.
12. Fleur de Chine collected Christmas wishes from students at Shuang-Long Elementary School in Xinyi Township, providing material and emotional support during the season of gratitude.
13. A fundraising event during Christmas (including musical carousel gifts) saw 95 groups participate, donating NT$54,150；Employees at the headquarters raised NT$4,900 through a second-hand charity sale during the Christmas Market.
14. Fleur de Chine organized a Thanksgiving blood drive, supported local temple festivals, and launched the "Campus Outreach Project" at Di-Li and Ai-Guo Elementary Schools in Xinyi Township, featuring story theater and sustainability DIY workshops.

Implementation items	Execution status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies and reasons thereof
	Yes	No	Summary	

15. All proceeds from hotel amenity sales were donated to the Huashan Social Welfare Foundation and the Physicians Chamber Orchestra Taiwan. This support enabled the orchestra to hold fundraising concerts for long-term care centers, fostering diverse community partnerships.

(II) The 11th term (evaluation year of 2024) of corporate governance evaluation result indicated that the Company was ranked top 6%~20% along all evaluated companies of the public company category; Market capitalization of more than 5 billion NT dollars to 10 billion NT dollars was ranked the top 5%.
Awards and Recognitions in 2025：
(III) Awarded by the Tourism Administration, Ministry of Transportation and Communications (First Edition).
(IV) Awarded by *CommonWealth Education Media and Publishing*.
(V) Comprehensive Governance: Awarded the Platinum Grade (Category 2) Taiwan Corporate Sustainability Award.
(VI) Awarded the Exemplary Award in the Taiwan Tourism Sustainability Awards.
(VII) Awarded the Gold Award in the Sustainable Lodging category.
(VIII) Awarded the Gold Award in the Sustainable Tourism Innovation category.
(IX) Global Views ESG Corporate Sustainability Awards:
Comprehensive Performance: Awarded the Model Award in the Service Industry category.
Talent Development: Awarded the First Prize in the Talent Development category.
(X) CommonWealth () Sustainability Awards:
CommonWealth Sustainability Citizen Award: Ranked 1st in the Little Giant Group.
CommonWealth Talent Sustainability Award: Ranked 3rd in the Little Giant Group.
(XI) Business Weekly: Recognized as one of the 2025 Top 100 Carbon Competitiveness Companies.
(XII) Sky Lounge (Fleur de Chine Hotel): Awarded the 3-Star Restaurant rating by the Green Dining Guide.
(XIII)
(XIV) 2025 Sustainability Report is currently under preparation.

(V-2) Climate-Related Information of Publicly Listed Companies：

1.Implementation of Climate-Related Information

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td>I. Description of the Board of Directors and management's oversight and governance of climate-related risks and opportunities.</td><td>

In 2020, the company established the Corporate Sustainability Development Committee, composed of the Chairman and two independent directors. This committee oversees the ESG Working Group responsible for promoting environmental protection, social relations, and corporate governance. It handles matters related to sustainable corporate operations, compiles and reviews sustainability reports, and manages media evaluations.
The company convenes meetings biannually and reports to the Board of Directors. Communication topics include identifying various ESG risks and opportunities and formulating corresponding strategies, sustainable tourism, the operation of corporate governance, and future planning.
In 2023, the company established a Risk Management Committee, consisting of one director and two independent directors. The committee meets at least once a year and reports to the Board of Directors. The meetings cover discussions and reports on risk management and response strategies, including strategies for addressing climate change risks and opportunities.

</td></tr>
<tr><td>II. Explanation of how identified climate risks and opportunities impact the company's business, strategy, and finances (short-term, medium-term, long-term).</td><td>
Considering both domestic and international climate change trends and the current operational status, the company has drafted potential short, medium, and long-term climate risks and opportunities and analyzed their impacts. Relevant departments assess these based on the impact, probability, vulnerability, and controllability of each risk and opportunity. After internal investigations, key issues to address in relation to climate change are identified, and strategies and objectives are set to implement climate change management.
1. Key climate risks and response strategies：
<table>
<tr><th>Period</th><th>Risk</th><th>Impact</th><th>Mitigation Measures</th></tr>
<tr><td>Short-term</td><td>Rising Raw Material Costs</td><td>Climate change drives up raw material prices (e.g., extreme weather exacerbating avian flu, leading to spikes in poultry and egg prices), resulting in higher food costs or procurement difficulties. This increases operating costs and reduces supply chain stability.</td><td>• Adjust menus to increase the use of seasonal/local ingredients, reducing reliance on imported or high-cost items. Annual customer satisfaction surveys ensure quality is maintained.
• Monitor price fluctuations of key materials and adjust purchasing strategies accordingly.
• Annually evaluate and increase the proportion of local suppliers to improve sourcing resilience.</td></tr>
<tr><td>Short-term</td><td>Severe Water Scarcity</td><td>Extreme weather patterns, combined with Taiwan’s topography and uneven rainfall, increase the risk of water shortages. This directly impacts hotel and restaurant</td><td>• Established a dedicated "Water Conservation Audit & Management Task Force" and "Water Shortage Emergency Response Procedures." Regular training is conducted, and water</td></tr>
</table>
</td></tr>
</table>

Item	Implementation Status			
			operations (e.g., lack of domestic water for guests), severely affecting the customer experience.	trucks are mobilized during shortages. • Continuously upgrade water-saving equipment and increase the reuse of rainwater, greywater, warm water, and pool wastewater. Future plans include digital monitoring systems for better resource management.
	Short-term	Typhoons and Flooding	Frequent and intense typhoons or heavy rainfall in Taiwan's urbanized areas pose flooding risks. This may damage infrastructure, critical machinery, and equipment, leading to operational disruptions. Transportation outages also result in room cancellations, revenue loss, and higher repair costs.	• Implemented "Typhoon Preparedness Procedures" and "Major Incident Notification & Handling Norms," with regular drills to minimize damage. • Launched "Typhoon Accommodation Packages" to encourage stays under safe conditions, mitigating business losses caused by extreme weather during typhoon periods.
	2. Key Climate Opportunities and Response Strategies：			
	Period	Risk	Impact	Mitigation Measures
	Short-term	Improving Operational Efficiency	Implementing energy-saving measures and replacing aging equipment enhances efficiency in water, electricity, and waste treatment. Proper resource management reduces operational instability and demand volatility.	• Adopted the ISO 50001 Energy Management System to monitor energy consumption, with a target of 1% annual electricity savings. • Actively planning for renewable energy installations. Since 2023, solar-powered streetlights and stair lights have been installed at the Fleur de Chine Hotel staff dormitory.

<table>
<tr><th>Item</th><th colspan="4">Implementation Status</th></tr>
<tr><td rowspan="2"></td><td>Short-term</td><td>Developing Low-Carbon Stays & Travel</td><td>In response to global decarbonization trends, the Company pushes low-carbon services to capture "green" market opportunities and provide consumers with sustainable travel choices.</td><td>• Partnered with Taiwan High Speed Rail (THSR) for low-carbon vacation packages. Launched Carbon-Negative Stay add-ons, where the Company matches guest carbon credit purchases to achieve carbon-negative status. Collaborated with strategic partners on reforestation initiatives.
• Promoted Green Meetings by reducing bottled water, paper, and pens.
• Installed EV charging stations and partnered with electric vehicle manufacturers.
• Offered customized packages including sustainability lectures, eco-tours, Eco-bottle DIY, and "Blue Planet" team-building workshops.</td></tr>
<tr><td>Medium-term</td><td>Developing Circular Economy Models</td><td>Minimizing waste from hospitality operations (e.g., single-use items and food waste) and increasing reuse potential helps reduce resource input and environmental impact while creating circular value.</td><td>• Guest rooms do not proactively provide disposable amenities. Replaced individual toiletries with large dispensers and substituted bottled water with sparkling water dispensers.
• Utilized food waste decomposers to convert kitchen waste into organic fertilizer for on-site landscaping and local farmers. Encouraged staff to pack surplus food to minimize waste.</td></tr>
<tr><td>III. Explanation of the Financial Impact of Extreme Climate Events and Transition Actions.</td><td colspan="4">The financial impacts related to extreme climate events (such as natural disasters and extreme weather leading to the cancellation of guest itineraries or uneven rainfall distribution causing water shortages that affect hotel and restaurant operations) and transition actions (such as carbon reduction policies, compliance costs, or carbon taxes) are significant. These impacts, as detailed in item 2, include potential revenue losses from decreased bookings during extreme weather and increased operational costs due to the need for additional water storage or energy efficiency measures to comply with stricter regulations.</td></tr>
<tr><td>IV. Explanation of How Climate Risk</td><td colspan="4">The company adopts the framework of the Task Force on Climate-related Financial Disclosures (TCFD) to disclose actions related to climate change response. Based on governance, strategy, risk management, metrics, and targets, a management</td></tr>
</table>

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td>Identification, Assessment, and Management Processes are Integrated into the Overall Risk Management System.</td><td>framework for climate risks is established. This framework identifies potential risks and opportunities arising from climate change and assesses the impact of climate issues on company operations.
<table>
<tr><td>Governance</td><td>• A Corporate Sustainability Development Committee was established in 2020, consisting of the Chairman and the ESG working group, which meets biannually to report and discuss sustainability issues.
• A Risk Management Committee was established in 2023, meeting at least once a year to discuss risk management strategies and report on climate change risks and opportunities.</td></tr>
<tr><td>Strategy</td><td>• The company has established eight strategic pillars in its Sustainability Development Blueprint to implement strategies responsive to climate change.</td></tr>
<tr><td>Risk Management</td><td>• Conducts identification of climate risks, analyzes potential risks under different scenarios, and formulates strategic actions.</td></tr>
<tr><td>Metrics and Targets</td><td>• Continually increases the purchase of items from small farmers to raise the proportion of local procurement.
• Sets annual targets for 1% reduction in energy and water usage and tracks and discloses related performance metrics.</td></tr>
</table></td></tr>
<tr><td>V. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.</td><td>The company conducts scenario analyses on extreme climate events and transition actions to understand their financial impacts.
1. Climate change physical risk: Increased
<table>
<tr><td>Scenario Assumptions</td><td>As global average temperatures rise, hotels and banquet halls need to increase the intensity and duration of air conditioning use to maintain a comfortable guest experience, leading to higher energy consumption and costs. Research from the Taiwan Climate Change Projection and Adaptation Knowledge Platform (TCCIP) is referenced, which forecasts temperature rises in Taiwan under the RCP2.6 and RCP8.5 scenarios. It is assumed that for every 1-degree Celsius increase in temperature, air conditioning electricity usage will increase by 6%, calculated based on the total air conditioning electricity usage in 2022 and the future cost of industrial electricity at NT$3.38 per kWh.</td></tr>
<tr><td>Financial Impact</td><td>Under the RCP2.6 and RCP8.5 scenarios, temperature increases from 2021 to 2040 are projected at 0.9 degrees and 1.02 degrees Celsius, respectively, causing a 6.12% and 5.38% increase in air conditioning electricity usage, with additional costs of NT$1,648 thousand and NT$1,449 thousand. For the scenario with the highest temperature increase (RCP8.5 from 2061 to 2080, 2.53 degrees), the financial impact is estimated at NT$4,274 thousand, approximately 0.2% of total revenue.</td></tr>
<tr><td>Response Strategy</td><td>The company has set a target of reducing electricity usage by 1% annually and implements equipment upgrades for energy savings. The Taipei and Sun Moon Lake branches have integrated the ISO50001 energy management system in 2022. In 2025, the Company will continue to implement energy management and refine its energy-saving initiatives.</td></tr>
</table>
2. Transition risk: Carbon Tax
<table>
<tr><td>Scenario Assumptions</td><td>Net-zero emissions by 2050 have become a crucial climate change goal, with Taiwan expected to start levying a carbon fee in 2024. The company utilizes climate scenarios from the International Energy Agency (IEA): the Stated Policies Scenario (STEPS) and the Net Zero Emissions by 2050 Scenario (NZE), to estimate future carbon reduction pathways and targets. Based on the greenhouse gas emissions baseline in 2023, the company calculates the difference between targeted and actual greenhouse gas emissions under various scenarios. It assumes stricter carbon reduction</td></tr>
</table></td></tr>
</table>

Item	Implementation Status
	(continued) requirements in the future, with penalties for not meeting reduction targets by purchasing carbon credits to offset the shortfall.
	Financial Impact: Based on total greenhouse gas emissions of 10,338.33 tonnes CO2 equivalent in 2023, under the STEPS scenario, the emission targets for 2030 are projected at 8,785.24 and for 2050 at 3,209.51. The financial penalties for not meeting these targets are estimated at NT$1,052 thousand and NT$17,368 thousand, respectively. Under the NZE scenario, the emission targets for 2030 and 2050 are 6,882.17 and net-zero, respectively, with financial penalties estimated at NT$2,770 thousand and NT$40,967 thousand, with the maximum amount accounting for 1.68% of the total revenue.
	Response Strategy: The company conducts annual self-assessments of greenhouse gas emissions and implements carbon reduction measures, furthermore, the Company implemented the ISO 14064-1 Greenhouse Gas inventory in 2024 to strengthen its carbon management capabilities.
VI. Transformation Plan for Managing Climate-Related Risks	If there is a transformation plan to manage climate-related risks, the content of this plan should detail the indicators and targets used to identify and manage physical risks and transition risks. This includes a comprehensive strategy as mentioned in the previously referred section 5, outlining specific measures tailored to the company's operations and the associated climate risks.
VII. Use of Internal Carbon Pricing as a Planning Tool	The basis for setting prices within the company's internal carbon pricing mechanism is calculated based on the number of room stays at each branch and parameters such as carbon footprint. By charging an internal carbon price, each branch is motivated to set and adjust its carbon reduction targets and strategies, thereby embedding the sustainability belief of carbon reduction into the daily operations of all employees. In the future, the company plans to continuously adjust the internal carbon price based on international carbon price trends and gradually link it to operational strategies to expand its scope of application.
VIII. If climate-related targets are set, it is important to describe the activities covered, the scope of greenhouse gas emissions, the planned period, and the annual progress made. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the source and amount of the carbon	To accurately monitor greenhouse gas emissions and the carbon footprint generated by our operational activities, the Company implemented ISO 14064 in 2024. Using 2023 as the base year for inventory, we completed third-party verification by the end of the year. Based on the carbon emission data from Scope 1 and Scope 2, the Company has established short-, medium-, and long-term carbon reduction targets for the Group. We have formulated specific reduction measures and continue to track their effectiveness. For detailed information, please refer to the Company's Sustainability Report and official website.

Item	Implementation Status
reduction or the number of RECs should be disclosed.	

1-1 Greenhouse Gas Inventory Results for the Past Two Years

1-1-1 Greenhouse Gas Inventory Information

The following section details the greenhouse gas emissions (metric tons of CO2e), emission intensity (metric tons of CO2e per NT$ million), and the scope of data for the past two years.

As a listed company with paid-in capital of less than NT$5 billion, the Company is required to begin mandatory entity-level inventory disclosure from 2025 (Year 114). The Company has established its GHG inventory mechanism in accordance with the ISO 14064-1 standards issued by the International Organization for Standardization (ISO).

Item		2024		2025	
		Emissions (tCO2e)	Intensity (tCO2e/NT$M)	Emissions (tCO2e)	Intensity (tCO2e/NT$M)
the company	Scope 1 (Direct GHG Emissions)	2,025.4816	0.8290	1,903.8248	0.8352
	Scope 2 Indirect GHG Emissions	7,843.6266	3.2103	7,540.4139	3.2345
	Total	9,869.1082	4.0393	9,444.2387	4.0697

Note 1: Scope of Data (Scope 1 and Scope 2)

The organizational boundary is defined by the entities within Taiwan as listed in the consolidated financial statements. This includes the FDC General Administration Office and its branches: Taipei Branch (Palais de Chine Hotel), Sun Moon Lake Branch (Fleur de Chine Hotel), Fleur de Chine Staff Dormitory, Xinzhuang Branch (Gala de Chine), and the managed property, Jia-Lu Mansion (Tamsui). The Hualien-Taitung Branch was newly added to the scope in 2025.

Note 2:The emission intensities for 2024 and 2025 were calculated based on the entity's net revenue of NT$2,443,268 thousand and NT$2,424,910 thousand, respectively.

Note 3:The 2024 data for Scope 1 (Direct Emissions) and Scope 2 (Indirect Energy Emissions) has been verified by a third-party organization, BSI Taiwan (British Standards Institution). Relevant certificates are available on the Company’s official website. Verification for the 2025 data is expected to be completed by September 2026.

(VI) Ethical Corporate Management Practices, and Deviations from Ethical Corporate Management Best Practice Principles for TWSE/ TPEx Listed Companies and Reasons:

Evaluation Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies and Reasons
	Yes	No	Summary	
I. Establishment of ethical management policies and plans (I) Has the company established ethical management policies approved by the board of directors' meeting and stated in its memorandum or external correspondence about the policies and practices it has to maintain business integrity? Are the board of directors and the management committed in fulfilling this commitment?	V		The Company's "Ethical Corporate Management Best Practice Principles" have been reviewed and approved by the board of directors in March 2016, and the Company has explicitly specified the ethical management policy, commitment and implementation in the Principles.The latest amendment date of these Principles was March 2020, and the amendment has been approved by the board of directors.	No difference.
(II) Has the company established assessment mechanism for unethical conduct risk, performed periodic analysis and assessed operating activities of relatively higher unethical conduct risk in the scope of business, and has established unethical conduct solution accordingly, and at least covering the preventive measures for the conducts described in each subparagraph of Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies"?	V		(I) The Company enhances the purchase supplier management, and before making business dealings, the Company performs supplier basic information investigation to assess the legality of transaction counterparty and to determine whether there is any record of unethical conduct. The Company provides statement of transaction terms for both parties to suppliers during the beginning of each year and requests the signature and return of the statement. In the statement, it explicitly specifies that in case where any one party involves in any unethical conduct during business activities, the contract may be terminated or rescinded unconditionally at any time. (II) To prevent unethical conducts of improper donation, sponsorship and illegal political donation, the Company has established the Procedures for Ethical Management and Guidelines for Conduct . When there is any major donation, it is necessary to report to the board of directors for approval according to the procedures before execution of such donation. (III) In March 2016, the board of directors of the Company has	No difference.

Evaluation Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies and Reasons
	Yes	No	Summary	
			reviewed and approved the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" specifying requirements for personnel of the Company during their performance of duties, and the preventive measures for all actions described in subparagraphs of Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies" are also covered by said Principles and Procedures completely.	
(III) Has the Company defined and enforced operating procedures, behavioral guidelines, penalties and grievance systems as part of its preventive measures against dishonest conducts? Are the above measures reviewed and revised on a regular basis?	V		In March 2016, the board of directors of the Company has reviewed and approved the "Procedures for Ethical Management and Guidelines for Conduct" specifying operation procedure, guidelines for conduct, disciplinary actions for violation and appeal system, which are also implemented properly and reviewed periodically. The latest amendment date of these Principles was March 2020, and the amendment has been approved by the board of directors.	No difference.
II. Implementation of ethical management (I) Has the Company evaluated the record of the counterparties on business ethics, and explicitly stated business integrity as an integral part of the contracts when entering into agreements with counterparties of trade?	V		Before making business dealings, the Company performs supplier basic information investigation to assess the legality of transaction counterparty and to determine whether there is any record of unethical conduct. The Company provides statement of transaction terms for both parties to suppliers during the beginning of each year and requests the signature and return of the statement. In the statement, it explicitly specifies that in case where any one party involves in any unethical conduct during business activities, the contract may be terminated or rescinded unconditionally at any time.	No difference.
(II) Has the company established a dedicated unit directly under the board of directors and	V		According to the "Procedures for Ethical Management and Guidelines for Conduct" of the Company, the	No difference.

Evaluation Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies and Reasons
	Yes	No	Summary	
responsible for the promotion of corporate ethical management, and reporting its ethical management policy and proposal for prevention of unethical conducts as well as supervision of implementation status to the board of directors' meeting periodically (at least once annually)?			General Management Department is designated to be the responsible unit in charge of relevant affairs. The responsible unit has reported the amendment of relevant internal regulations and implementation status of the board of directors on 202512/18	
(III) Has the Company established policies to prevent conflicts of interest, provided appropriate methods for stating one's conflicts of interest, and implemented them appropriately?	V		The "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" of the Company explicitly specify the policies for prevention of conflict of interest, provision of appropriate method for stating one's conflict of interest and requesting relevant units of the Company for proper implementation. In addition, the "Rules of Procedure for Board of Directors' Meeting" of the Company also specify the recusal method for conflict of interest of directors, managerial officers and other stakeholders attending board meetings.	No difference.
(IV) Has the Company established effective accounting and internal accounting and control systems for the implementation of ethical corporate management policies, prepared audit plans according to the evaluation results of dishonesty risks, and have they results audited by internal auditors or CPAs?	V		(I) The Company has established the accounting system and responsible accounting unit. All financial statements are also audited or reviewed by CPAs, in order to ensure the fairness of the financial statements. (II) The Company has established the international audit system and self-inspection system, in order to maintain effective and appropriate internal control system operation.	No difference.
(V) Has the Company provided internal and external training on ethical management regularly?	V		Internal and external training on ethical management are organized irregularly. To implement ethical management, in 2025 the Company has organized courses related to sustainability ESG, SOP, health promotion, food/occupational safety, health safety, professional service, legal compliance, corporate seminars, etc. The total number of trainees	No difference.

Evaluation Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies and Reasons
	Yes	No	Summary	
			participating in self-organized or external education and training was 1,337people, and the total number of training hours was 1,337 hours.	
III. Implementation of the Company's whistleblowing system (I) Has the Company established a substantive reporting and reward and punishment system and convenient channels for reporting, and appointed designated personnel for handling the targets of reports?	V		For all stakeholders (including employees, investors, suppliers and customers), the Company has established dedicated window, telephone and email for stakeholders to file appeal, complaint or to exchange opinions. https://www.fdc-i.com/stakeholders/overview/	No difference.
(II) Has the Company established any investigation standard operation procedures for accepting reported misconducts, subsequent measures and relevant confidentiality measures required to be performed after the completion of the investigation?	V		For reported cases, the Company assigns dedicated personnel to understand such cases, and also keeps the reporter and report content confidential properly. In addition, according to the nature of individual case, report is also submitted to the responsible senior officer through appropriate method.	No difference.
(III) Has the Company taken any measures for the protection of the informants or reporters from suffering undue treatment?	V		In addition to keeping the identity of informants/ reporters strictly confidential, the Company also ensure that they are protected from any undue treatment due to their reports.	No difference.
IV. Enhancement of information disclosure Has the Company disclosed the content of its Corporate Governance Best Practice Principles and the effectiveness of the implementation of the principles on its website and the MOPS?	V		The Company has disclosed relevant internal policies of the Company on the Company's website and MOPS website.	No difference.
V. If the Company has established its own ethical corporate management best practice principles according to the "Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies", please specify the difference between its operation and the principles: The Company has established the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct", and the Company's operation is consistent with the Principles and Procedures established. VI. Other important information that is helpful in understanding the corporate ethical management operation of the Company (such as, the status on the Company's review and amendment of its Ethical Corporate Management Best Practice Principles): The Company complies with relevant laws of the Company Act and the Business Entity Accounting Act or other business conduct related laws, and uses such laws and regulations as the basis for implementation of ethical management.				

(VII) Other important information to facilitate the understanding of corporate governance implementation status of the Company:

1. Material information and timely disclosure.
2. The Company has established the Code of Ethical Conduct, Ethical Corporate Management Best Practice Principles and Corporate Social Responsibility Best Practice Principles

(VIII) Internal Control System Implementation Status

1. Statement of Internal Control System
   Please refer to the information on the MOPS website/ Corporate Governance/ Internal Control/ Internal Control Statement Announcement/ Company Code: 2748 Inquiry
   The Company's website:
   https://mopsov.twse.com.tw/nas/cont06/c2748114011150320.pdf
2. If the internal control system was reviewed by CPA, the CPA's review report shall be disclosed: None.

(IX) Major resolutions made by the shareholders' meetings and the board meetings during the most recent financial year and up to the printing date of the annual report

Resolutions of 2024 general shareholders' meetings:

Date	Important resolution	Subsequent implementation status
2024/05/27	1. Adoption of 2024 business report and financial statements.	Relevant statements have been reported to the competent authority for recordation and public announcement according to the Company Act and relevant laws and regulations.
	2. Adoption of 2024 profit distribution proposal.	Cash dividend of NT$2.0 per share was distributed on September 9, 2025.
	3. Proposal for the Amendment to the Company's "Articles of Incorporation."	The application for the registration of these changes was completed with the Ministry of Economic Affairs in June 2025.

Important resolutions made by the board meetings in 2025 and up to April 30, 2026:

Convention date	Important resolution
2025/03/05	1. Approved the distribution of employee and director remuneration for 2024.
	2. Approved the 2024 Business Report and Financial Statements.
	3. Approved the 2024 Earnings Distribution proposal.
	4. Approved the 2024 Internal Control System Statement.
	5. Approved the appointment of the certified public accountants (CPAs) for the 2025 financial statements.
	6. Approved the amendment to the "Articles of Incorporation."
	7. Approved the amendment to the "Corporate Governance Best Practice Principles."
	8. Approved the 2024 performance evaluation of the Audit Committee.
	9. Approved the 2024 performance evaluation of the Directors.
	10. Approved the 2024 performance evaluation of the Remuneration Committee.
	11. Approved the 2024 performance evaluation of the Managers.
	12. Approved the distribution of the 2024 performance bonuses.
	13. Approved the salary adjustment plan for managers for the first half of 2025.
	14. Approved the 2024 performance evaluation of other functional committees.
	15. Approved matters related to the convening of the 2025 Annual General Meeting of Shareholders.

Convention date	Important resolution
2025/05/08	1. Approved the consolidated financial statements for the second quarter of 2024. (Note: Please verify if this refers to Q1 114 or Q2 113 as per original context)
	2. Approved the personnel change of the Vice General Manager of the Sun Moon Lake Branch.
2025/08/07	1. Approved the consolidated financial statements for the second quarter of 2025.
	2. Approved the 2024 Sustainability Report (ESG Report).
	3. Approved the amendment to the "Internal Control System."
	4. Approved the definition of the scope of entry-level employees.
	5. Approved the salary adjustment plan for managers for the second half of 2025.
	6. Approved the establishment of the "Corporate Governance and Nomination Committee" and the "Organizational Charter of the Corporate Governance and Nomination Committee."
	7. Approved the change of the Company's registered address.
	8. Approved the Change of the registered address of Huadong Branch
2025/11/06	1. Approved the consolidated financial statements for the third quarter of 2025.
	2. Approved the proposal to establish Pinsen-Hui Co., Ltd.
	3. Approved the amendment to the "Corporate Governance Best Practice Principles."
	4. Approved the personnel changes of branch managers.
	5. Approved the personnel change of the Manager of the Taipei Branch.
	6. Approved the salary adjustment plan for managers.
	7. Approved the renewal of the credit line with Hua Nan Commercial Bank.
2025/12/18	1. Approved the 2026 Business Plan.
	2. Approved the 2026 Budget.
	3. Approved the 2026 Audit Plan.
	4. Approved the remuneration for Independent Directors for 2026.
	5. Discussed and approved the remuneration for Directors for 2026.
	6. Discussed and approved the remuneration for Managers for 2026.
	7. Discussed and approved the 2025 attendance bonuses.
	12. Approved the proposal for 2024 performance bonus of the Company
2026/03/04	1. Approved the distribution of employee and director remuneration for 2025.
	2. Approved the 2025 Business Report and Financial Statements.
	3. Approved the 2025 Earnings Distribution proposal.
	4. Approved the 2025 Internal Control System Statement.
	5. Approved the appointment of the CPAs for the 2026 financial statements.
	6. Approved the 2025 performance evaluation of the Directors.
	7. Approved the 2025 performance evaluation of the Managers.
	8. Approved the distribution of the 2025 performance bonuses.
	9. Approved the salary adjustment plan for managers for the first half of 2026.
	10. Approved the 2025 performance evaluation of the Board of Directors and functional committees.
	11. Discussed and approved matters related to the convening of the 2026 Annual General Meeting of Shareholders.

(XV) Documented opinions or declarations made by directors or supervisors against board resolutions in the most recent year and up to the printing date of the annual report: None.

IV. Information on Independent Auditor's Fee

(I) Information on Independent Auditor's Fee:

Amount unit: NT$ thousand

Name of Accounting Firm	Name of CPA	CPA's Audit Period	Audit Fees	Non-Audit Fees	Total	Remarks
Deloitte Taiwan	Ya-Ling Weng	2025/01/01 to 2025/12/31	2,400	1,530	3,930	
	Chih-Ming Shao					

(II) The accounting firm is changed and the audit fees paid for the financial year in which the change took place are lower than those paid for the financial year immediately preceding the change: None.

(III) The amount of the audit fees is reduced by more than 10% from the previous year: None.

V. Information on Change of CPAs: None.

VI. The Company's chairman, president and managerial officers in charge of its finance and accounting operations holding any positions within the independent audit firm or its affiliates in the most recent year: None.

VII. Transfer or pledge of shares owned by directors, supervisors, managerial officers, shareholders with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

(I) Equity transfer and change status of directors, supervisors, managerial officers and major shareholders with shareholding percentage exceeding 10%

Title	Name	2025		Up to March 30 , 2026 for the current year	
		Number of shares held increased (decreased)	Number of pledged shares increased (decreased)	Number of shares held increased (decreased)	Number of pledged shares increased (decreased)
Chairman	L' Hotel de Chine Corporation Representative: Emile Sheng	0	0	0	0
Director	L' Hotel de Chine Corporation Representative: Eliane Shihlan Chang				
Shareholder with shareholding exceeding 10%	L' Hotel de Chine Corporation Representative: Ruth Koo				
Chairman Corporate representative	Chairman: Emile Sheng	5,679	0	0	0
Director	Ruth Koo	0	0	0	0
Director	Alanna Tseng	0	0	0	0
Director-cum-President	David Ding	5,679	0	0	0
Independent Director	Wedge Chen	0	0	0	0
Independent Director	Christina Sung	15,000	0	5,000	0
Independent Director	Ming-Wei, Lo	0	0	0	0
President	Victor Chang	0	0	0	0
President	Andy Tan	0	0	0	0
President	Amy Yu (Date of Discharge: 2025/10/03)	0	0	0	0
Vice President	Kevien Yen (Date of Appointment: 2025/09/03)	0	0	0	0
Vice President	Vero Sun Date of Appointment: 2025/06/01	1,806	0	0	
Vice President	Kuo-Feng Chang (Date of Discharge: 2025/04/09)	0	0	0	0
Vice President	Zheng-Jen Lai Date of Discharge: 2025/09/03)	0	0	0	0
Vice President	Zona Yu	2,474	0	0	0

Title	Name	2025		Up to March 30 , 2026 for the current year	
		Number of shares held increased (decreased)	Number of pledged shares increased (decreased)	Number of shares held increased (decreased)	Number of pledged shares increased (decreased)
Vice President	May Teng	0	0	0	0
Vice President	Ryan Huang	2,940	0	0	0
Vice President	Jimmy Juan	0	0	0	0
Vice President	Viviya Lee	2,519	0	0	0
Head of financial department	Kenny Tseng	1,894	0	0	0
Head of accounting department	Gladys Shiu	1,383	0	0	0

(II) Where the counterpart of equity transfer is a related party: None.
(III) Where the counterparty of equity pledge is a related party: None.

VIII. Information on relationships among shareholders of top ten highest shareholding percentages:

Name	Shareholding of the individual		Shareholdings of spouse and minor children		Total shareholding by nominee arrangement		Company name or individual name and relationship of related parties or spouse or kinship within the second degree among the top ten major shareholders		Remarks
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Company name (or individual name)	Relationship	
L' Hotel de Chine Corporation	61,825,502	58.45%	0	0	0	0	Nutri Vita Inc.	Relative within second degree of kinship with the Chairman	-
L' Hotel de Chine Corporation Representative: Ruth Koo	0	0	0	0	0	0	Nutri Vita Inc.	Relative within second degree of kinship with the Chairman	-
Trust Property Account for the Employee Shareholding Association of FDC International Hotels Corporation, managed by CTBC Bank	814,311	0.77%	0	0	0	0	None	None	-
Nutri Vita Inc.	666,411	0.63%	0	0	0	0	L' Hotel de Chine Corporation	Relative within second degree of kinship with the Chairman	-
Nutri Vita Inc. Representative: Hsien-Ping Chang	225,242	0.21%	0	0	0	0	L' Hotel de Chine Corporation	Relative within second degree of kinship with the Chairman	-
Yisheng Xu	535,000	0.51%	0	0	0	0	None	None	-
Xiao-Ling Lin	515,000	0.49%	0	0	0	0	None	None	-

Name	Shareholding of the individual		Shareholdings of spouse and minor children		Total shareholding by nominee arrangement		Company name or individual name and relationship of related parties or spouse or kinship within the second degree among the top ten major shareholders		Remarks
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Company name (or individual name)	Relationship	
JinSheng Xu	460,000	0.43%	0	0	0	0	None	None	-
Ming-Yan Lai	385,000	0.36%	0	0	0	0	None	None	-
Zhen-Kai Xu	363,825	0.34%	0	0	0	0	None	None	-
Yushou Chen	258,851	0.24%	0	0	0	0	None	None	-

IX. Number of shares held by the Company, the Company's directors, supervisors, managerial officers and the number of shares invested in a single company which are held by the entities directly or indirectly controlled by the Company, and calculating the consolidated shareholding percentage of the above categories:

Unit: shares；%

Investee	Investment of the Company		Investment by directors, supervisors, managers, or any companies controlled either directly or indirectly by the Company		Consolidated investment	
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage
Pinsen-Hui Co., Ltd.	10,000	100.00%	—	—	10,000	100.00%
FDC Italian Hotels S.R.L.	—	100.00%	—	—	—	100.00%
Sine Qua Non S.R.L.	—	—	—	100.00%	—	100.00%
FDC (Hangzhou) Consulting & Management Co., Ltd.	—	—	—	100.00%	—	100.00%

Three. Fundraising Status

I. Capital and Shares

(I) Source of Share Capital

Unit: shares/ NT$

Year/Month	Issue price	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital increased by assets other than cash	Others
2012.11	10	10,000	100,000	10,000	100,000	Company registration capital of 100,000	-	Note 1
2014.04	10	60,010,000	600,100,000	60,010,000	600,100,000	Split or transfer with issuance of new shares of 600,000,000	-	Note 2
2015.06	-	100,000,000	1,000,000,000	60,010,000	600,100,000	-	-	Note 3
2016.11	50	100,000,000	1,000,000,000	65,637,000	656,370,000	Cash capital increase with issuance of new shares of 56,270,000	-	Note 4
2020.11	-	100,000,000	1,000,000,000	75,482,550	754,825,500	Capital increase by surplus earnings with issuance of new shares of 9,845,550	-	Note 5
2021.12	34	120,000,000	1,200,000,000	90,482,550	904,825,500	Cash capital increase with issuance of new shares of NT$150,000,000	-	Note 6
2023.04	-	120,000,000	1,200,000,000	101,067,524	1,010,675,240	Convertible corporate bonds Common share conversion	-	Note 7
2023.06	-	120,000,000	1,200,000,000	102,568,452	1,025,684,520	Convertible corporate bonds Common share conversion	-	Note 8
2023.08	-	120,000,000	1,200,000,000	103,782,587	1,037,825,870	Convertible corporate bonds Common share conversion	-	Note 9
2023.12	-	120,000,000	1,200,000,000	105,778,740	1,057,787,400	Convertible corporate bonds Common share conversion	-	Note 10

Note 1: Approval Date and Document No.: Approval according to 2012.11.22 Bei-Fu-Jing-Deng-Zi No. 1015073850 Letter.

Note 2: Approval Date and Document No.: Approval according to 2014.04.23 Jing-Shou-Shang-Zi No. 10301073700 Letter.

Note 3: Approval Date and Document No.: Approval according to 2015.06.12 Jing-Shou-Shang-Zi No. 10401108350 Letter.

Note 4: Approval Date and Document No.: Approval according to 2016.10.24 Tai-Zheng-Shang-Yi-Zi No. 1051804917 Letter.

Note 5: Approval Date and Document No.: Report effective date of July 27, 2020 announced by the Securities and Futures Bureau, Financial Supervisory Commission.

Note 6: Approval Date and Document No.: Approval according to 2021.10.19 Jin-Guan-Zheng-Fa-Zi No. 1100359948 Letter.

Note 7: Approval Date and Document No.: Approval according to 2023.04.12 Jing-Shou-Shang-Zi No. 11230055600.

Note 8: Approval Date and Document No.: Approval according to 2023.06.06 Jing-Shou-Shang-Zi No. 11230098150.

Note 9: Approval Date and Document No.: Approval according to 2023.08.30 Jing-Shou-Shang-Zi No. 11230167260.

Note 10: Approval Date and Document No.: Approval according to 2023.12.04 Jing-Shou-Shang-Zi No. 11230226020.

Unit: shares

Share type	Authorized capital				Remarks
	Number of outstanding shares		Number of unissued shares	Total	
	Offered in the public market	Not offered in the public market			
Registered common shares	105,778,740	-	14,221,260	120,000,000	Shares listed on the stock exchange or the OTC market

(II) Shareholder Structure

Base Date: March 30, 2026

No.	Name of major shareholder	Number of shares held	Shareholding percentage
1	L' Hotel de Chine Corporation	61,825,502	58.45%
2	Trust Property Account for the Employee Shareholding Association of FDC International Hotels Corporation, managed by CTBC Bank	814,311	0.77%
3	Nutri Vita Inc.	666,411	0.63%
4	Yisheng Xu	535,000	0.51%
5	Xiao-Ling Lin	515,000	0.49%
6	JinSheng Xu	460,000	0.43%
7	Ming-Yan Lai	385,000	0.36%
8	Zhen-Kai Xu	363,825	0.34%
9	Yushou Chen	258,851	0.24%
10	JinSheng Xu	460,000	0.43%
	Total	66,049,142	62.43%

(III) Company's Dividend Policy and Implementation Status

1. Dividend Policy

If the Company has a surplus earning after the final account of a fiscal year, after taxes are paid according to the laws and accumulated losses are compensated, 10% of the surplus earning shall be appropriated as the legal reserve; however, if the legal reserve has reached the paid-in capital of the Company, such appropriation may be exempted from the appropriation, and special reserve is further appropriated or reversed from the remaining surplus earning according to the laws. If there is still remaining surplus earnings, it is combined with the undistributed retained earnings as dividends for the board of directors to establish a proposal for the distribution of surplus earnings. When the distribution is made via the method of issuance of new shares, it shall be reported to the shareholders' meeting for resolution before execution of the distribution.

The Company is in the international hotel and catering industry, and the corporate life cycle is under the stable growth stage. With regard to the board of director's establishment of the proposal for earning distribution, in addition to compliance with the Company Act and the Articles of Incorporation of the Company, the annual dividend distribution method is determined depending upon the Company's capital plan and operational outcome. The shareholders' dividend and bonus distribution amount shall not be less than 50% of the net income after tax of the current year, and the cash dividend distributed shall not be less than 20% of the total dividend amount, which may be adjusted by Board of Directors through resolution depending upon the actual profit and capital demand status of the current year.

2. Dividend Distribution Status

The amendment of the Articles of Incorporation has been approved by the resolution of the shareholders' meeting on May 27, 2020, and the Board of Directors is authorized to execute the distribution of earnings in cash based on the resolution of the Board of Directors at the end of each year. With regard to cash dividend of 2025 approved by the 5th board meeting of the 5th term of the board of directors of the Company, the amount is as follows:

Cash dividend per share (NT$)	Total cash dividend amount (NT$)	Date of issuance
1.75	185,112,795	The board of directors authorizes the Chairman to specify the date of issuance, and it is expected to be issued during the 2026 general shareholders' meeting.

(IV) Impact of the present distribution of bonus shares on the business performance of the Company and earning per share: Not applicable.

(V) Remuneration of Employees, Directors and Supervisors

1. Percentage or scope of remuneration for employees, directors and supervisors as stipulated in the Company's Articles of Incorporation:

   If the Company records a profit in a year, the Company shall set aside 1‱ to 3% of the profit for employee's remuneration, which shall be distributed in shares or cash by resolution of the board of directors and shall be distributed to employees, including employees of the subsidiaries of the Company who meet certain criteria; The Company may, by resolution of the board meeting, set aside no more than 1% of the said profit for directors' remuneration. The proposal for the distribution of remuneration of employees and directors shall be reported to the shareholders' meeting.

   However, when there is has accumulated losses, amount shall be reserved for making up the accumulated loss first, followed by appropriating the remuneration of employees and directors according to the ratio described in the preceding paragraph.

2. Basis for estimation of employee remuneration and directors' and supervisors' remuneration in this period, basis for the calculation of the number of shares for stock dividends to employees, and accounting treatment if the amount paid out is different from the estimated amount.

   For the basis for estimation of 2024 remuneration of employees and directors, basis for the calculation of the number of shares for share dividends, and accounting treatment when the actual amount distributed is different from the estimated amount, such difference is treated as accounting estimation change and is recognized as profit or loss of 2025.

3. Remuneration distribution status approved by the board of directors

   (1) Amount of remuneration of employees, directors and supervisors distributed in cash or shares. Where there is a difference with the estimated amount for the year, in which the expenses are recognized, the amount of difference, reason, and accounting treatment shall be disclosed:

   The amount of remuneration of employees proposed by the board of directors of the Company for distribution is NT$ 323,000 and the remuneration of directors is NT$ 2,000,000 The remuneration of employees and directors are the same as the estimated amount recorded for 2025.

   (2) Remuneration of employees distributed in share and the ratio over the net profit in the current period and the employee bonus remuneration total amount:

   Not applicable.

4. Where there is a difference between the employee remuneration and directors' and supervisors' remuneration paid out and the estimated amounts for the prior year (including the number of shares distributed, amount, and stock price), the amount of the difference, reason, and accounting treatment shall also be specified:

<table>
<tr><th rowspan="2">Item</th><th colspan="2">The remuneration for employees, directors, and supervisors for the year 2025</th><th rowspan="2">Differ</th></tr>
<tr><th>Shareholders' Meeting Report on May 28, 2025</th><th>Board of Directors' Resolution Passed on March 5, 2025</th></tr>
<tr><td>Employee compensation</td><td>NT$ 42,000</td><td>NT$ 42,000</td><td>0</td></tr>
<tr><td>Director and supervisor remuneration</td><td>NT$ 2,000,000</td><td>NT$ 2,000,000</td><td>0</td></tr>
</table>

(VI) Repurchase of the Company's shares: None.

II. Issuance of Corporate Bonds

(I) Issuance of Corporate Bonds

<table>
<tr><th colspan="2">Corporate bond type</th><th>First secured convertible corporate bonds</th></tr>
<tr><td colspan="2">Issuance (processing) date</td><td>September 8, 2021</td></tr>
<tr><td colspan="2">Face value</td><td>NT$1 million</td></tr>
<tr><td colspan="2">Issuance and transaction place</td><td>R.O.C.</td></tr>
<tr><td colspan="2">Issue price</td><td>Issue at face value of bond</td></tr>
<tr><td colspan="2">Total</td><td>NT$500 million</td></tr>
<tr><td colspan="2">interest rate</td><td>Face interest rate 0.58%</td></tr>
<tr><td colspan="2">Maturity</td><td>5 years, Maturity date: September 8, 2026</td></tr>
<tr><td colspan="2">Guarantee institution</td><td>Hua Nan Commercial Bank, Ltd.</td></tr>
<tr><td colspan="2">Trustee</td><td>CTBC Bank Co., Ltd.</td></tr>
<tr><td colspan="2">Underwriting institution</td><td>Yuanta Securities Co., Ltd.</td></tr>
<tr><td colspan="2">Certifying attorney</td><td>Attorney Hui-Chi Kuo</td></tr>
<tr><td colspan="2">CPA</td><td>CPA Ya-Ling Weng, CPA Hui-Min Huang</td></tr>
<tr><td colspan="2">Redemption method</td><td>Bonds are redeemed all at once in cash according to the face value of the bonds.</td></tr>
<tr><td colspan="2">Outstanding principal</td><td>NT$500 million</td></tr>
<tr><td colspan="2">Covenants for redemption or early repayment</td><td>None</td></tr>
<tr><td colspan="2">Restrictive covenants</td><td>None</td></tr>
<tr><td colspan="2">Name of credit rating agency, rating date, rating result of corporate bonds</td><td>Not applicable</td></tr>
<tr><td rowspan="2">Other rights attached</td><td>As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities</td><td>Not applicable</td></tr>
<tr><td>Issuance and conversion (exchange or subscription) method</td><td>Not applicable</td></tr>
<tr><td colspan="2">Issuance and conversion, exchange or subscription</td><td>Not applicable</td></tr>
</table>

Corporate bond type	First secured convertible corporate bonds
method, issuing condition dilution on equity and impact on existing shareholders' equity	
Name of transfer agent for the transfer subject matter	Not applicable

(II) Irmnfoation on corporate bond conversion: None.

(III) Offering and issuance of corporate bonds subject to aggregate reporting: None.

(IV) Information on corporate bonds with warrants: None.

III. Preferred stock handling status: None.

IV. Issuance of global depository receipts: None.

V. Employee stock option certificate handling status: None.

VI. Issuance of new restricted employee shares: None.

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.

VIII. Capital utilization plan implementation status: Up to the printing date of annual report, previous issuances or private placements of securities have been completed and there is no situation where the plan effectiveness has not yet been revealed; therefore, this is not applicable.

Four. Overview of Operations

I. Business Activities

(I) Business Content

1. Main content of business operation:

F 5 0 1 0 3 0	Coffee/ Tea Shops and Bars
F 5 0 1 0 6 0	Restaurants
H 7 0 3 1 0 0	Real Estate Rental and Leasing
I 1 0 3 0 6 0	Management Consulting Services
J 9 0 1 0 2 0	Hotels and Motels
G 2 0 2 0 1 0	Parking Garage Business
J 9 0 1 0 1 1	International and General Tourist Hotels
D 5 0 1 0 1 0	Hot Springs Supplying
Z Z 9 9 9 9 9	All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Sales revenue percentage of main products

Unit: NT$ thousand

Year / Product type	2024		2025	
	Amount	%	Amount	%
Food service income	1,209,828	49.51%	1,165,500	48%
Guest room income	1,034,699	42.34%	1,058,312	44%
Operational management and technical service income	116,356	4.76%	110,710	4%
Other income	82,711	3.39%	90,388	4%
Total	2,443,594	100%	2,424,910	100%

3. Present products (services) and new products (services) planned for development

(1) Fleur de Chine Hotel

It is located inside the Sun Moon Lake National Scenic Area, and is the first five-starred resort hotel with natural hot spring at Sun Moon Lake area. The landscape of Sun Moon Lake can be viewed through the French windows, presenting a remarkable landscape art that changes along with the time and season. The hotel adopts the modern minimalist style with elegant and stylish arts in order to create a space with calm and introverted atmosphere, thus presenting pure, natural, relaxing and sensational feels to guests and visitors. Through the special and unique presentation of Fleur de Chine, for all customized trips or services and atmosphere, guests and visitors are able to see Sun Moon Lake with a different perspective.

- 20 guest rooms
- VIP exclusive customized services
- Dynamic and static SPA facility
- International-class SPA team
- Low-carbon mileage local food and ingredients
- Top-floor restaurant with 270 degree of panoramic view
- New and exclusive dining and entertainment space and paddling pool for children of ages 3~7

(2) Gala de Chine

Gala de Chine (Xinzhuang) is established at the end of 2014 and located at the Xinzhuang Crown Plaza with the total number of tables reaching 380 tables. Its main business include large year-end party, annual party, wedding banquet and industrial/ commercial group banquet. It provides comprehensive banquet services and aims to achieve hotel-class of luxurious service at an affordable price.

(3) Gala de Luxe

It is a banquet place equipped with a new central stage creating an elegant and luxurious atmosphere. The field has a high ceiling of 6m, and is equipped with the first 360-degree two-level elevating LED monitoring stage, making the banquet place surrounded by a stage. In addition, it also provides the services “Music Planner” and “Music Instructor” as the first to offer such services in Taiwan, in order to design and provide a unique and exclusive theme song. Furthermore, 100 sets of computer lights and sound and light special effects are planned at the same time, thereby creating a multi-functional banquet place.

(4) Palais de Chine Hotel

Palais de Chine Hotel is located at a five-traffic system hub in Taipei. It is a high-end French style five-star hotel integrated with Chinese classic design elements. With a luxurious and imperial design and atmosphere, the hotel aims to provide comprehensive and comfortable services to all business and recreational guests. Le Palais Chinese Restaurant located at 17th floor is a restaurant with Michelin Three-Star for eight consecutive years. Artbrosia Western Restaurant has also received the honor of Michelin the Plate for three consecutive years.

(5) Palais Collection

“Palais Collection” banquet business adopts the concept of “Sharing Economy” and “Profit Sharing” to the plan and integrate various beautiful sites and locations in Taiwan, allowing Palais de Chine Hotel to redefine platform matching for banquet with the integration of Michelin three-starred chef, professional wedding (event) planning and site hardware planning resources.

(6) FDC Collection

The "FDC Collection" accommodation business integrates a deep cultural and artistic heritage with the philosophy of sustainable tourism. By redefining the landscape of domestic travel, it creates a unique hospitality experience distinct from traditional hotels. Through a strategy focused on highly stylized and deeply themed operations, the business continues to provide travelers with high-quality and culturally profound travel options.

(7) Commissioned Management of Star-Rated Hotels

The Company will continue to expand its commissioned management model, aiming for enhanced operational performance and optimized profitability. "LDC Hotel Hangzhou" is scheduled to commence operations in the second half of 2026 (Year 115).

(8) International Markets

The Company has entered the Italian market, launching new ventures in international hospitality and real estate. We are also exploring cross-sector collaboration opportunities to build a diversified operational model.

(II) Industry Overview

1. Industry Current Status and Development

(1) Industry of International and General Tourist Hotels

A. Tourism and travel status of domestic tourists

Our country has successfully overcome the impact of the pandemic. People's lives are gradually returning to normal, and the willingness of outdoor activities has increased. For instance, the number of family trips, corporate incentives for employee travel, participation in religious pilgrimages, and circumambulation activities has all increased compared to the previous year, effectively supporting the continued strong demand in the domestic tourism market. Domestic tourism has rebounded to pre-pandemic levels, reflecting a sustained and growing preference among people for domestic travel.

B. Tourism and travel status of foreign tourists visiting Taiwan

The government’s proactive promotion of international tourism marketing, expansion of visa-waiver programs, and the restoration of flight routes have successfully attracted a significant influx of foreign visitors to Taiwan for tourism, business, and family visits. According to statistics from the Tourism Administration of the Ministry of Transportation and Communications, the number of international arrivals in 2025 showed growth compared to 2024, with total annual arrivals reaching 8.57 million. This indicates that Taiwan's appeal as a travel destination has steadily recovered, marking its strong return to the international tourism market.

Unit: ten thousand people

Item	2021	2022	2023	2024	2025
Number of tourists visiting Taiwan	14	90	648	786	857
Growth rate	-89.80%	+537.79%	+624.02%	+21.13%	+9.12%

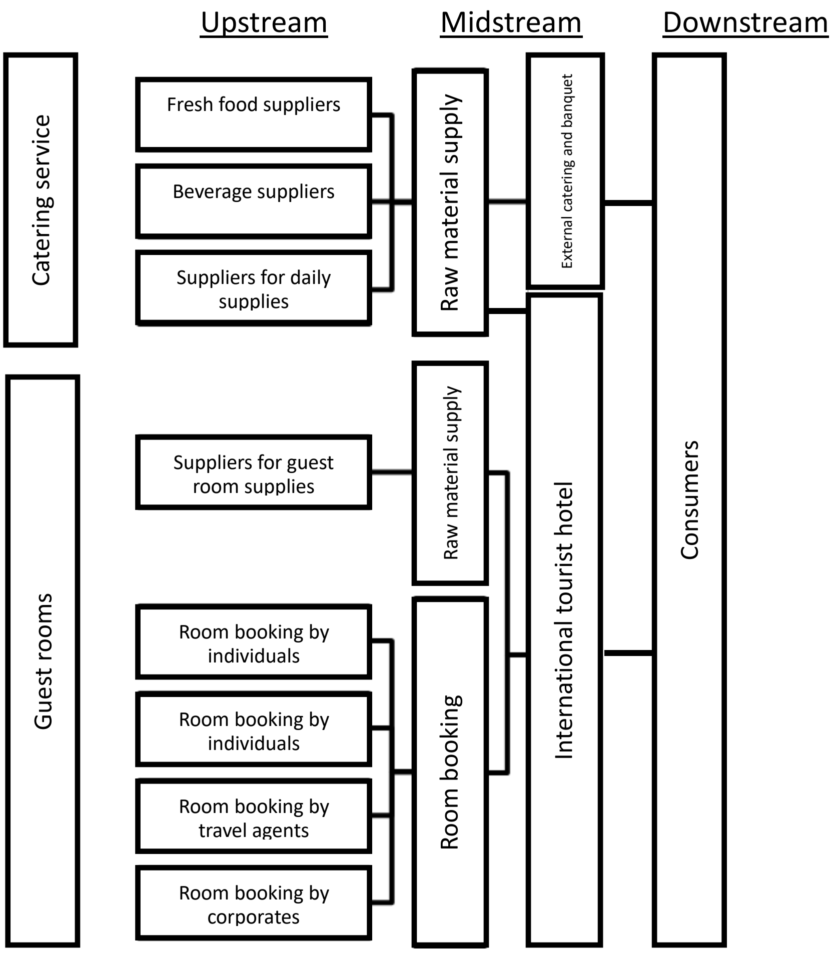
C. Domestic tourist hotel overview

In 2025, benefiting from steady growth in both domestic and foreign travelers, the occupancy rates and average room rates of tourist hotels in Taiwan continued to rise, resulting in a stable upward trend in overall revenue. Whether located in urban centers or scenic areas, tourist hotels benefited from diversified travel demands and the return of international tourists. This indicates a strengthening of overall market momentum. In response, hotel operators have actively introduced smart technologies and sustainable business practices to enhance competitiveness and improve the customer experience.

(2) Catering Industry

With increased frequency of dining out, there has been a notable rebound in private gatherings, leisure activities, and foot traffic in department stores and shopping centers—reflecting a significant recovery in service-oriented consumption. Additionally, the continued rise in international tourist arrivals has further driven demand in the food and beverage sector. However, operating pressures persist in the restaurant industry due to high prices of raw materials and the cost of imported ingredients, which remain elevated amid inflation and exchange rate fluctuations. Nevertheless, the food and beverage industry demonstrated a steady recovery in revenue throughout 2025, with market confidence gradually returning.

2. Correlation among upstream, midstream and downstream in the industry



The Company is mainly in the business of tourist hotel accommodation service and provision of the services of catering, meeting place, recreation and entertainment facilities. In addition, the Company has also established the external catering brand to provide catering and wedding banquet services. In terms of the overall correlation in the tourist hotel and catering industry, the Company is at the midstream of the industry. The upstream of the tourist hotel industry mainly refers to room booking and reservation subjects, such as room booking by individuals, and room booking by corporates and travel agents. The midstream mainly refers to hotel operators, and the downstream mainly refers to consumers. For catering services, the upstream mainly refers to suppliers of fresh food, beverage and daily supplies. The midstream mainly refers to tourist hotels and external catering services with cooked food for servicing the downstream consumers.

3. Various development trends of products

(1) Industry of International and General Tourist Hotels

A. Internet technology development

As the popularity of mobile phones and internet access increases, the ratio of consumers booking rooms via the internet platform increases year after year. As the technology of Big Data becomes more mature over time, travel agencies and business operators start to analyze vast online database in order to release customized travel related products, mobile platform technology and strategy, in order to compete with other operators in the same industry.

B. Refined tourism

As the people’s living standard increases, their demand for tourism and leisure quality also increases. The comprehensiveness of hotel facilities, the service quality of service personnel and the refined service of tours and trips will become the key competitive trend for domestic business operators.

C. Chain group management and cross-industry alliance

As the domestic hotel market becomes saturated progressively, the hotel brand image management becomes crucial to domestic chain groups. Due to the rapid change of market demand, through cross-industry alliance, the Company aims to provide services of greater diversity to customers and tourists, which will also be the trend for the future development of the industry.

D. Government’s active promotion of tourism industry development

Government still implements the policy of promoting tourism industry continuously; however, as the number of tourists visiting Taiwan continues to reach new highs, the Tourism Bureau has changed the promotion policy from “quantity” to the improvement of “quality”. In addition, the Tourism Bureau also plans amend laws in order to compulsorily request tourist hotels to provide star rating, in order to provide convenient and comfortable environment to tourists and to improve the rights and interests of consumers.

E. Hotels' urban/ village and international market planning

In the past, domestic hotel groups investing in new hotels mostly targeted at the first tier of cities and famous scenic areas in priority. Now, as the tourism market expands, business operators tend to seek business development in the second and third tier of cities and recreational areas. To overcome the island type of economy, tourism groups are moving out of Taiwan and engaging in overseas merger and acquisition of international hotel brands.

(2) Catering Industry

A. Food sanitation, safety and health, increase of health awareness

In recent years, numerous food sanitation and safety issues of inferior oil, plasticizer and avian influenza occurred domestically, causing serious impact on the consumers, and the general public's willingness to dine outside is also reduced. How to overcome consumers' concern on food safety becomes an important subject to catering industry operators. In addition, as the modern people demands fast and convenient services, they also value health maintenance and tend to choose vegetarian, low fat, low salt, and organic foods.

B. M-type consumer trend

The domestic consumer behavior for catering service indicates a M-type of trend, and such trend becomes more prominent over time. For the general public with the consumer spending power toward the left side of the M-shape trend, they tend to be more sensitive to the price, and they also determine whether great value for money can be achieved such that they tend to choose foods or dishes with an affordable price. On the other hand, there are more consumers seeking higher quality dining experiences and dining environments or atmospheres. Accordingly, high-end banquets with a selection of Michelin-starred restaurants and restaurants with hardware characteristics or wedding planning services, etc. have also become the main stream of catering service and consumption.

C. Diverse development of brands and products

The catering industry in Taiwan has gradually transformed from a traditional family type and local operation to a chain operation model with brand concept development. Due to the factors and influence of international development and internet popularity, the general public in Taiwan indicates a greater acceptance and demand for characteristic dishes and foreign cuisine. In addition, consumers also focus more on the business location atmosphere, flavor of dishes and service quality. To satisfy consumers' diverse choices and demands, domestic catering service operators are heading toward the development of composite management or single professional operation method.

4. Competition

(1) Industry of International and General Tourist Hotels

As the pandemic mitigates, the tourism industry recovers gradually, and the Taiwan commercial tourism economy is optimistic for the post-pandemic time. International hotel groups such as Marriott and InterContinental international hotel groups invested in Taiwan to open new hotels. Consequently, the tourist hotel market competition will become more severe in the future. In addition, business operators will also need to rely on unique marketing strategy in order to gain stable profit in the competitive environment.

(2) Catering Industry

With regard to the restaurant business, in recent years, private kitchen and fine dining have also emerged in the domestic market. Since 2018, Taiwanese restaurants have been included in the Michelin-starred restaurant list, and fine dining has also become the popular in the food and restaurant sector. In view of potential consumers' purchasing power, Micheline-starred chiefs and private kitchens have also opened restaurants in Taiwan, such that the number of high-end restaurants increases rapidly nationwide. Since consumers typically have high expectation for Micheline-starred restaurants, catering business operators are promoted to improve the dining quality and are also active in cuisine and service innovation, thereby driving the catering order growth.

Regarding the wedding banquet market, to seize the business opportunities associated with wedding events during the post-pandemic era, business operators are organizing brand new banquet venues, improve cuisine and dishes, provide diverse and customized project services, in order to satisfy customers' demand for ceremony type of event. In addition, business operators also actively invest in the planning of new locations for banquets and establishment of new catering brands, thereby promoting new growth opportunities for the overall business operation.

(III) Technology and Research and Development Overview: Since the Company is in the business of international tourist hotel and restaurant, this is not applicable.

(IV) Long and Short Term Business Development Plan

1. Short term business development plan

(1) Implement effective control of guess room inventory/ market supply-demand and price, and increase average production value of each guess room.

(2) To cope with the long-term competition among international chain hotel operators, the Company will increase service quality and active cultivate hotel management professional talents.

(3) Enhance service quality to maintain the leading brand position in the market, in order to secure existing customer source and to actively develop new customer groups.

2. Medium and long term business development plan

(1) Expand business scale via diverse operation aspects, and focus on the local demands and establish stable foundation. With the three-aspect management philosophy, the Company aims to achieve the commitment in providing great experience to consumers.

(2) Provide customized and refined services, and improve customer satisfaction and use frequency with innovative products, attentive service and convenient lodging environment.

(3) Increase accommodation rate of leisure and recreation tourists with consumption amount,

in order to maintain the leading position of relatively higher profit in the market.

(4) Actively seize the business opportunities of field service and accommodation for incentive travel and international conference events.

(5) Expand commissioned management service, and adopt the business model of zero asset and pure management, in order to achieve greater business performance and to optimize the profitability.

(6) Planning in the business location in Italy and expansion of overseas commissioned business operation projects.

II. Market Profile and Production and Sales Overview

(I) Market analysis

1. Main product (service) sales (supply) region

Unit: NT$ thousand

Item \ Year	2024		2025	
	Amount	percentage	Amount	percentage
Domestic sales	2,443,594	100.00%	2,424,910	100%
Total	2,443,594	100.00%	2,443,594	100.00%

2. Market share

The Sun Moon Lake Branch (Fleur de Chine Hotel) of the Company is located at the Sun Moon Lake National Scenic Area, and the main competitors of the same industry in the same scenic area are The Lalu Sun Moon Lake, Wyndham Sun Moon Lake and Grand Hilai Sun Moon Lake. According to the statistics of 2025 Nantou County tourism hotel operating scale announced by the Tourism Bureau, Ministry of Transportation and Communications, the Company is ranked No. 1 tourist hotel in the Sun Moon Lake National Scenic Area.

2024 Nantou County Tourist Hotel Operation Ranking

Ranking	Hotel name	Revenue scale weight
1	Fleur de Chine Hotel Sun Moon Lake	37%
2	Grand Hilai Sun Moon Lake	25%
3	The Lalu Sun Moon Lake	23%
4	Wyndham Sun Moon Lake	15%
	Total	100.00%

Source of information: Tourism Bureau, MOTC

The Taipei Branch (Palais de Chine Hotel) of the Company is located at the Taipei city area. According to the statistics of 2025 Taiwan international tourism hotel operating scale announced by the Tourism Bureau, MOTC, the Company is ranked No. 12 tourist hotel in the Taipei City area.

2024 Taipei City Tourist Hotel Operation Ranking

Ranking	Hotel name	Revenue scale weight
1	Regent Taipei	11%
2	Grand Hyatt Taipei	10%
3	Sheraton Grand Taipei Hotel	9%
4	Taipei Marriott Hotel	6%
5	W Taipei	6%
6	Grand Hilai Taipei	5%
7	Shangri-La's Far Eastern Plaza Hotel, Taipei	5%

Ranking	Hotel name	Revenue scale weight
8	The Grand Hotel	5%
9	Le Meridien Taipei Hotel	4%
10	Howard Plaza Hotel	4%
11	Grand Mayfull Hotel Taipei	4%
12	Palais De Chine Hotel Taipei	3%
13	Brother Hotel	3%
14	JR-East Taipei	3%
15	Caesar Park Hotel Taipei	3%
	Other	19%
	Total	100.00%

Source of information: Tourism Bureau, MOTC

3. Market future supply and demand status and growth

(1) Industry of International and General Tourist Hotels

As international flight networks undergo a deep recovery, the target for international arrivals is projected to exceed 9 million in 2026. the focus of tourism is shifting towards increasing "per capita output," with significant growth observed in long-haul travelers from Europe and America, as well as high-end business segments from Japan and South Korea, who typically stay longer and possess higher spending power.

Furthermore, the domestic travel market has evolved into a mature "short-trip, high-frequency" pattern. Consumers now increasingly favor high-end resort hotels that feature sustainability certifications and digital convenience. To address the long-standing labor shortage, the government officially implemented a policy in 2026 allowing intermediate-level migrant workers to be employed in the hospitality industry. This initiative is expected to moderately alleviate operational pressures regarding frontline labor in hotels.

Unit: ten thousand people

Item	2021	2022	2023	2024	2024
Number of tourists visiting Taiwan	14	90	648	786	857
Growth rate	-89.80%	+537.79%	+624.02%	+21.13%	+9.12%

Source of information: Tourism Bureau, MOTC

Number of Tourist Hotels in Taiwan, Average Occupancy Rate and Average Guest Room Price in the Last Five

Unit: NT$

Type / Year	International tourist hotels			Regular tourist hotels			Total average of tourist hotels in Taiwan		
	Number of hotels	Average occupancy rate	Average guest room price	Number of hotels	Average occupancy rate	Average guest room price	Number of hotels	Average occupancy rate	Average guest room price
2021	77	34.21%	3,930	44	31.57%	3,247	121	33.59%	3,778
2022	73	48.55%	4,396	44	46.43%	3,497	117	48.06%	4,195
2023	73	62.45%	4,891	46	55.72%	3,884	119	60.76%	4,660
2024	71	63.25%	4,698	45	54.78%	4,003	116	60.98%	4,531
2025	71	65.91%	4,819	45	59.30%	4,045	116	64.15%	4,629

Source of information: Tourism Bureau, MOTC

(2) Catering Industry

The Directorate-General of Budget, Accounting and Statistics (DGBAS) forecasts an economic growth rate of 7.71% for 2026. However, intensifying competition is accelerating the pace of brand restructuring across the industry. The "Michelin Star Effect" continues to drive high-end dining toward "boutique-style" development. Meanwhile, major restaurant chains are adopting a "dual-track strategy," expanding into the everyday dining market to balance operational risks.

4. Competitive niche

(1) Geographical advantage

Fleur de Chine Hotel of the Company is located inside the Sun Moon Lake National Scenic Area, a popular tourist attraction in Taiwan, and it is the first domestic five-star resort hotel with hot spring. The hotel's location allows convenient traffic access and the internal of the hotel is equipped with comprehensive facilities and complete services and functions. Accordingly, the hotel has received great recognition from domestic and foreign tourists and travel agencies.

Palais de Chine Hotel of the Company is located at a five-traffic system hub in Taipei that can be accessed by the around-the island railway, high speed railway, Taipei MRT, Airport MRT, passenger bus and public bus. With numerous traffic systems, the hotel can be accessed by tourists and visitors easily. The hotel also integrates with large department store and shopping center, office building and other entertainment facilities, such that it becomes the most popular and fashion area at the west side of Taipei.

(2) Hotel brand image and international well-known awards

Fleur de Chine Hotel and Palais de Chine Hotel of the Company provides high quality and refined services such that the hotels receive great recognition from consumers and have successfully establish great brand image and reputation. In addition, the hotels have also received numerous awards and recognition from domestic and foreign well-known tourism magazines and media. In addition, the Chinese restaurant “Le Palais” of Palais de Chine Hotel is the only restaurant in Taiwan to receive the honor of Michelin Three-Star Restaurant for eight consecutive years from 2018 to 2025.

(3) Diverse operation strategy

To fully leverage our brand excellence and superior hospitality services, the Company has adopted a customer- and market-oriented diversified marketing strategy. We are proactively developing the "Palais de Chine Collection," "FDC Collection," and commissioned management services for star-rated hotels, striving for differentiation from competitors to expand our operational scale. Furthermore, the Company has entered the Italian hospitality and real estate markets. Through cross-border asset allocation and a diversified business strategy, we aim to establish a stable, internationally competitive, and multi-faceted operational framework.

(4) Professional management team

The key management team of the Company is equipped with extensive marketing and hotel catering management experience, and all management team members have great experience and connections in the industry and product service, in order to provide timely and professional service to customers as well as to lead the Company to head toward diverse business development.

(5) Implementation of food and shop sanitation management

With the increasing concern for food safety and domestic consumers’ awareness, the general public demands higher quality food and a sanitary environment. Accordingly, the Company implements strict requirements for food safety and hygiene, and has also established food safety and health personnel to inspect the quality of meals, products, kitchen and shop environment, water quality and raw material manufacturing process periodically, in order to protect the health and interests of consumers with rigorous food safety and health control.

5. Favorable, unfavorable factors for development outlook and countermeasures

(1) Favorable factors

A. Recovery of Global Economy and Post-Pandemic Tourism Industry, boosting the momentum of private tourism consumption

People’s willingness to travel is closely tied to their disposable income. The global economic recovery supports income growth, allowing individuals greater flexibility to plan trips. Since international transportation capacity hasn’t yet to fully return to pre-pandemic levels, pent-up travel demand continues to drive growth in the tourism industry, keeping consumer spending on travel robust.

B. Government Policies Supporting the Tourism Industry

To assist the development of the domestic tourism industry, the government offers preferential loans for upgrading both software and hardware in the sector. It also subsidizes the implementation of smart management systems and the creation of quality accommodations. Additionally, measures such as project matchmaking, wage subsidies, and consumer incentive programs for international visitors aim to address labor shortages in the hotel industry and enhance Taiwan's tourism offerings. These initiatives support overall industry growth.

C. Emerging consumption model of internet group purchase

As the marking model of international travel fairs and internet group meal coupons continues to emerge, business operators are offering discount prices to stimulate people's purchase of group coupons, such that the general public's willingness to dine out and to make purchases is successfully increased.

D. Change of dietary habit and leave system

With the increase in the domestic people's income and the government's implementation of a two-day weekend and consecutive holiday system, domestic recreational tourism and travel become more popular, thereby driving the business growth of the tourism and catering industries.

(2) Unfavorable factors and countermeasures

A. Food safety issue affecting foreign tourists' willingness to visit Taiwan

In recent years, as the food safety issues of plasticizer, tainted starch and inferior oil, etc., occurred consecutively in Taiwan, a lot of well-known food enterprises, food stalls, cake makers, western catering business operators and restaurants were involved unwillingly, and the culinary tourism image of our nation has also been significantly affected. Consequently, foreign tourists' willingness to visit Taiwan is likely to be affected.

Countermeasures

With regard to the food safety issue, the government in Taiwan has implemented the four main countermeasures of "honest notification, thorough group meal investigation, synchronous information, random inspection of hotels and motels". In addition, the Company continues to emphasize the food hygiene and safety of consumers in priority, and enhances the commitment to meal quality with rigorous monitoring of the production/ sales supply chain and also promotes a food safety inspection mechanism, in order to ensure the thorough implementation of food safety management.

B. Increase of operating cost of suppliers

In addition to the pressure from the factors of main food ingredient price fluctuation and store rent increase, the domestic minimum wage is also adjusted upward. As the industry environment continues to develop toward the affordable catering market, meal price competition is severe, and the increase of cost will further cause additional pressure on business operators due to such increase of operating cost.

Countermeasures

The Company values supply chain integration and management, and has established long-term cooperation and partnership with suppliers. Accordingly, the Company is able to gain advantages in both quality and price. Furthermore, the Company will also implement tougher control on cost and expenditure, in order to save expenses and mitigate the impact of the increase in operating costs.

C. Severe competition among tourist hotel operators

As the number of domestic tourist hotels increases rapid in recent years along with international hotel groups entering the domestic market, the competition in the industry is severe.

Countermeasures

The Company will continue to provide excellent service quality and to strengthen the customers' recognition and trust on the Company. In addition, the Company also actively plans diverse travel themes and engages in cross-industry collaboration with travel agencies and credit card companies in order to release package trip discounts and to develop domestic and foreign customer groups continuously, thereby reducing the market risk.

(II) Key purpose and manufacturing process of main products:

1. Key purpose of main products

Product item	Key purpose
Guess room rental	Provide guess room accommodation for first-class recreational travel experience.
Catering service	Wedding banquet service and meal supply.

2. Production process of main products

The Company is in the business of international tourist hotel and restaurant, and the Company's product refers to provision of service; therefore, this is not applicable.

(III) Primary raw material supply status: The Company is in the business of international tourist hotel and restaurant, and the main raw materials refer to various supplies for guess rooms and food ingredients used in the catering service. As the Company maintains proper collaboration relationship with numerous suppliers, the supply status is stable.

(IV) Information on main customers of purchase (sales) of the Company in the most recent two years

1. Suppliers accounting for more than 10% of total purchase amount of the Company in the most recent two years:

   Since the Company purchases from numerous distributed suppliers, there is no supplier accounting for more than 10% of total purchase amount of the Company in the most recent two years

2. Customers accounting for more than 10% of total sales amount of the Company in the most recent two years:

   The Company is mainly in the business of international tourist hotel and restaurant, and the customers of sales refer to travel agencies and general consumers; therefore, the customers of sales are relatively distributed. Accordingly, the Company has no customer accounting for more than 10% of total sales amount of the Company in the most recent two years.

III. Employee Information for the Most Recent Two Years and Up to the Printing Date of Annual Report

	Year	2024	2025	2026 (Note)
Number of employees	Direct labor	527	452	460
	Indirect labor	281	329	316
	Total	808	781	776
Average age (years old)		34	35	36
Average years of service (year)		4.10	4.70	4.89
Education background distribution ratio	Doctoral degree	1	1	1
	Master degree	23	22	18
	University and College	558	535	543
	Senior high school	178	172	166
	Under senior high school	48	51	48

Note: Information is up to the date of 2026/3/31.

IV. Information on Environmental Protection Related Expenditures

1. According to the laws and regulations, regarding the application of pollution facility installation permit license or pollution emission permit license or required payment for pollution control fees or requirement on the installation of dedicated unit/personnel for environmental protection, please refer to the following description on the application, payment or establishment status thereof:

   The Company is in the business of tourist hotels and mainly provides the service of guest room accommodation and catering services. Accordingly, there has been no serious environmental pollution issue. For the wastewater and sewage drained from the hotels, the Company has installed a sewage treatment plant for water treatment. In addition, the Company has also submitted the water pollution control measure plan to the local competent authority, which has been reviewed by the Environmental Protection Bureau of Nantou County Government to comply with the provision of Article 14 of the Water Pollution Control Act. Furthermore, wastes are also commissioned to qualified vendors for handling and treatment. In addition, the waste disposal plan has also been reported to the local competent authority, and the written examination result indicates approval for recordation. In accordance with the regulatory requirements, the Company provides information on the required application of a pollution facility installation permit license in the following:

   (1) Fixed pollution source installation and operation permit license obtained by the Company

Type	Certificate No.	Expiration Date
Water pollution control permit license	Tou-Xian-Huan-Shui-Xu-Zi No. 00512-03	August 8, 2027

   (2) Payment of pollution control fees: None.

   (3) Environmental protection responsible unit and personnel installation status:

Name	Permit license type	Permit license number
Chia-Chien Hung	Class B wastewater treatment responsible person	(2010) EPA-Training Certification No. GB070290

2. Information on the Company's investment in main equipment for environmental control pollution and its purpose and possible benefits:

Equipment	Purpose	Benefit
Kitchen sewage oil-water separation treatment equipment (Sun Moon Lake Branch)	Hotel kitchen sewage refers to wastewater of high grease content, and through the oil-water separation treatment equipment, grease can be reduced, in order to achieve the effluent standard.	Reduce grease, maximum limit of 10mg/ L and below, satisfying the effluent standard specified in the Water Pollution Control Act.

Equipment	Purpose	Benefit
Rolling type dehydrator (Sun Moon Lake Branch)	Since the hotel waste water characteristic is of high grease, its sludge composition also includes small amount of grease. Such grease may cause clogging of filter fabric, such that the amount of sludge output is reduced gradually but the electricity consumption increases significantly.	The maximum sludge output volume can reach 500 kg per day, and the aging sludge of sewage treatment plant can be removed efficiently.
Additional installation of water flow meter and differential pressure gauge (Sun Moon Lake Branch)	In addition to the electrostatic machine and activated carbon kitchen exhaust system, Fleur de Chine also cooperates with the new regulations announced by the Department of Environmental Protection of Nantou County to additionally install water flow meter and differential pressure gauge to record relevant usage amounts daily and to further control the air quality.	Voltage, current, water consumption, and activated carbon pressure, etc. are recorded daily, in order to track and control the air quality.
Sand filter for filtering effluent water quality (Sun Moon Lake Branch)	Effluent is added with chlorine for disinfection, followed by using sand filter to filter the effluent, in order to reduce the suspended solids (SS) quantity in the effluent.	Reduce suspended solids (SS) quantity in the effluent, maximum limit of 30mg/ L and below, satisfying the effluent standard specified in the Water Pollution Control Act.
Sewage treatment field with additional installation of fine screening machine (mesh size of 2mm) (Sun Moon Lake Branch)	In the sewage treatment plant, for objects and garbage that cannot be decomposed by microorganism, during the front-end wastewater treatment unit, such objects and garbage are screened out, in order to reduce the food/ microorganism (F/ M) ratio.	Increase sewage plant microorganism culture, and wastewater treatment capacity, in order to satisfy with the effluent standard specified in the Water Pollution Control Act.
Entrust sewage operation vendor (Continental Water Engineering Corp.), and sign maintenance contract (Sun Moon Lake Branch)	Fleur de Chine Hotel is staffed with sewage treatment responsible person and sewage treatment responsible deputy person. In addition, the hotel also signs contract with operation and maintenance vendor in order to assign personnel to station onsite for maintenance.	1. Ensure that the water treatment plant site of Fleur de Chine Hotel is equipped with personnel for operation and inspection during holidays and non-holidays. In case of treatment equipment abnormality, the equipment can be repaired timely, and reports to both supervisor and central competent authority are also made properly. 2. Self-inspection and records of cubic meter per day (CMD), dissolved oxygen (DO), sludge volume index (SV30), pH, etc.
Additional installation of kitchen waste machine and fermentation tank equipment (Sun Moon Lake Branch)	According to the plan promoted by the Environmental Protection Administration (EPA), additional kitchen waste equipment is installed in order to treat the hotel kitchen waste and to generate soil improvement via fermentation, such that it can be used as fertilizer for planting of vegetables and trees in the garden.	1. Reduce industrial waste (kitchen waste code R-0106) output. 2. Environmental improvement, sustainable operation

Equipment	Purpose	Benefit
Kitchen simple oil-water separation equipment (Taipei Branch)	It refers to the first stage of oil-water separation equipment in the kitchen, and manual cleaning of food residue and floating oil is performed.	Reduce the amount of food residue and floating oil from entering into the grease interception chamber.
Grease interception tank (Taipei Branch)	Install kitchen sewage exclusive pipeline such that before draining into the public sanitary sewer, kitchen sewage passes through the second stage of grease interception for centralized treatment.	Effectively intercept grease in the sewage again, in order to reduce grease, and allowing the sewage drainage inside the sewage raft to comply with the effluent standard.

3. Please explain the process of environment protection improvement of the Company in the most recent year and up to the printing date of the annual report; for any pollution dispute event, the handling process of such event shall be explained: None.
4. Please explain the losses incurred due to environmental pollution (including compensation and violation against environmental protection laws found in the environmental protection inspection result, and the date of the penalty, the penalty document number, the law violated, the content of the law violated, and the content of the penalty shall be indicated), potential losses, and countermeasures in the most recent year and up to the publication date of this annual report. If the amount cannot be reasonably estimated, please specify the fact that it cannot be reasonably estimated: None.
5. Please explain the impact of the current pollution, the influence of the improvement on the Company's earnings, competitiveness, and capital expenditures, and the major environmental capital expenditures in the following two years:
   For the following two years, the Company will continue to improve the maintenance of the sewage treatment equipment and will also replace some of the equipment parts.

V. Labor-Management Relations

1. The Company's employee welfare measures, continued education, training, retirement system and implementation thereof, and labor management agreement and various employee benefit protection measures status

   (1) Employee welfare measures:

   The Company values employees as the most important human resources, and all welfare measures are handled in accordance with relevant laws of the Labor Standards Act, Labor Insurance Act and National Health Insurance Act. In addition, Employee Welfare Committee has also been established, and the Company and employees appropriate employee welfare fund to organize employee welfare affairs, allowing employees to enjoy welfare measures. The main policies and measures are as follows:

   - Bonus: full attendance bonus, performance bonus, year-end bonus and business operation bonus (depending upon the business performance of the Company and employees' individual performance evaluation), three-holiday gift money (voucher) and birthday gift money (voucher)
   - Insurance: Labor insurance, national health insurance and employee group insurance
   - Activity: Year-end party (or annual party), annual domestic/ overseas employee travel, birthday party and sports day
   - Discounts: Employees and relatives (friends) accommodation discount, employee accommodation at free of charge, employee marriage banquet and event discount, and employee dining discount
   - Subsidies: Three-holiday gift money (voucher), birthday gift money (voucher), marriage congratulatory gift and funeral condolence gift
   - Employee dormitories: The Sun Moon Lake Branch provides suite-style dormitory accommodations for employees from other regions.
   - Others: Health examination, employee meal or meal allowance, Employee Stock Ownership Plans

   (2) Continuing education and training:

   The Company has established the human resource strategy general goal of: "Establishing the Company to become an enterprise for all employees to treat each other faithfully as family members, thus encouraging employees to spontaneously provide host-type of service to others, and allowing internal employees and external customers to feel at home and to receive great quality service." To achieve the aforementioned goal, the Company has consecutively completed the construction of the Company's training system. It has also established the five-year medium and long term "Five Star Program" - Employer Star (establish employer's brand image and talent selection), Future Star (talent cultivation and retention), Skillful Star (talent cultivation and application), Three-aspect Star (talent cultivation and application), Innovation Star (talent cultivation, application and retention). Furthermore, the Company has also introduced the competency-based TTQS (Talent Quality-management System). In addition to the emphasis on professional SOP training in the field, the Company has also implemented the following training:

- Campus intern talent cultivation program
- New employee orientation
- New employee mentor training and certificate
- Training for entry level management trainees
- Training for medium level management trainees
- Training for senior level management trainees
- Training for SOP trainers and internal instructors
- Medium and senior officer leadership competency enhancement program
- Innovative seed talent training
- Employee out-of-pocket continuing education and external training subsidy program

(3) Retirement system and implementation status

Since July 2005, the Company has implemented the new labor pension system, and the Company appropriates 6% of employees' salary on a monthly basis as the labor pension for depositing into employees' personal pension account.

(4) Status of agreements between labor and management:

Since the establishment of the Company, the Company has maintained harmonic labor-management relations, and there has been no major labor-management disputes. In addition to that supervisors at all levels communicate with employees frequently, labor-management meetings are also convened periodically to discuss and coordinate various opinions and feedback timely. We expect that both the labor and management will continue to maintain the harmonic relationship with each other.

(5) Employee benefit protection measures:

The Company has established comprehensive management regulations to explicitly specify employee rights, obligations and welfare items, in order to achieve maximum protection on the rights and interests of employees, including such as employment, working hours, annual leave and regular leave, salary, reward/disciplinary action, performance evaluation and retirement, etc. In addition to compliance with relevant government laws and regulations, the Company also include relevant employee rights and interests in the work rules, in order to protect the rights and interests of employees.

2. Please describe any losses suffered by the Company in the most recent year and up to the printing date of the annual report due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

The Company has established comprehensive personnel management regulations, and also maintains harmonic labor-management relations since the establishment of the Company. For the most recent two years and up to the printing date of the annual report, except for the following matter, there has been no loss due to labor-management disputes. In the future, the Company expects to continue to uphold the attitude of mutual respect, in order to prevent the likelihood of major loss due to labor-management dispute.

3. Employee working environment and personnel safety:

(1) Access security: Necessary surveillance equipment is installed at the entrance, counter, kitchen, guest seating area, lounge, etc. in order to protect the work safety of employees.

(2) Equipment maintenance and inspection

2.1 According to the Regulations Governing Power-Use Locations and Full-time Electrical Technicians, professional company is entrusted to perform power-use safety inspection on the electrical equipment twice annually. In addition, power shutdown for inspection is performance at least once annually.

2.2 Office air conditioning equipment is cleaned, inspected and maintained at least once monthly.

2.3 Drinking water equipment is cleaned and maintained once monthly. The filter is replaced once every three months.

2.4 fire drill and educational training are performed twice semi-annually.

2.5 For fire safety and maintenance, qualified fire institution is entrusted to perform the inspection of various equipment and technician also certifies report for submission to the Fire Department’s review once semi-annually.

2.6 Fire prevention administrator is established to inspect and maintain fire extinguishers, fire hydrants, exhaust equipment, emergency lights and exit indicators monthly.

2.7 For building safety inspection, qualified institution is entrusted to perform various inspections and to submit report once annually.

(3) Safety and health

3.1 According to the Occupational Safety and Health Act, health examination of on-job employees is performed once annually.

3.2 Occupational safety and health seminars are organized for new employees irregularly.

3.3 Smoking is strictly prohibited for the workplace according to the regulations. In addition, working environment cleaning and disinfection are performed once monthly.

3.4 Occupational injury prevention and various (occupational) injuries are recorded, and assistance to the investigation of the cause of injury is provided.

3.5 Professional and management courses necessary for various job ranks and positions are organized irregularly, in order to provide training related to employees' psychological adjustment and knowledge enhancement.

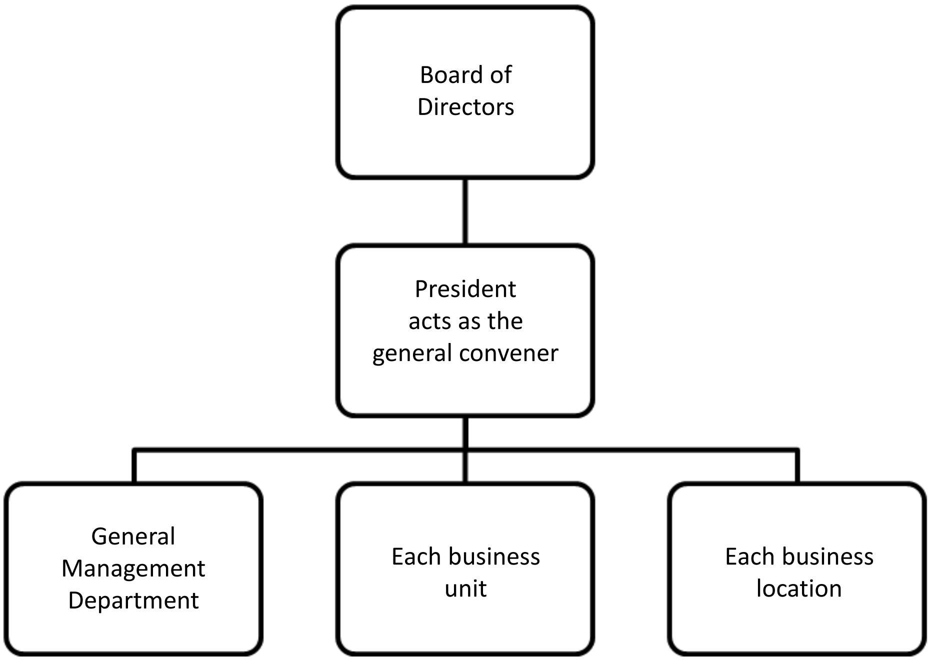
3.6 Sexual harassment prevention: Direct line complaint channel and disciplinary action clauses have been established and implemented.

VI. Cyber Security Management

1. Please describe the cyber security risk management architecture, cyber security policy, specific management solution and resources invested in cyber security management.

(I) Cyber security risk management architecture:

For the “Information Security Risk Management Committee” of the Company, the President acts as the convener of the Committee and is in charge of the review of the governance, planning, supervision and execution status of the information security policies of all business units, in order to establish information security defense capability and proper information security awareness for employees.



(2) Cyber security policy:

Establish multi-layered information security defense for lines, servers and application systems, and implement information security management concept in the daily operation process and system management, in order to protect the confidentiality, integrity and availability of important assets of the Company. Continue to provide feedback and to adjust the information security management plan according to the execution result, in order to ensure the availability of information system. In addition, construct protection mechanism to defend against threats and implement data authority and access control.

(3) Specific management program:

- Ensure system availability
  - Data remote backup system to ensure information recovery and to reduce damage.
  - Implement periodic disaster recovery drill.
- Defend against external threats
  - Detect virus and malicious program (malware).
  - Perform periodic inspection and update of system servers.
  - Protect and filter suspicious and junk mails.
  - Protect and block any intrusion through telecommunication lines.
- Authority and access control
  - Operation system authority management.
  - File access authority control.

(4) Resources invested for cyber security management:

- Weekly virus detection and protection monitoring report.
- Weekly line intrusion protection and block report.
- Daily important database system remote backup.
- Perform server operating system update periodically.
- Perform operation system upgrade process periodically.
- Perform operation system account inspection periodically.
- Perform disaster recovery drill periodically.
- Convene security incident review and improvement meetings depending upon the actual needs.
- In 2022, to further improve the information system security and availability, the Company implements the system server cloud construction project, and the system servers are relocated to the Far EasTone Ankang Server Room, in order to establish comprehensive information security system environment.

  ※ Far EasTone Ankang Server Room: Scale 7 earthquake-proof structure, high-end dual loop power system, IDC environmental monitoring system, qualified for ISO 27001 information security management certification.

2. For most recent year and up to the printing date of the annual report, any loss due to major cyber security events, possible impacts and countermeasures. If it cannot be reasonably estimated, explanation of facts for such failure of reasonable estimation shall be described: None.

VII. Important Contracts

Contract type	Contracting party	Contract starting and end date	Main content	Restrictive covenants
Lease contract	Jing-Guan Development Corporation	2014.09.01-2034.08.31	1. Lease property: 5F~8F, No. 66, Wugong Rd., Xinzhuang Dist., New Taipei City. 2. Rent calculation and payment method: Rent is paid as a commission calculated according to the revenue; however, the monthly rent paid as a commission must not be lower than the minimum rent specified.	Unless the lessor's consent is obtained, it is prohibited to transfer, lend, lease or use any other methods to provide all or a portion of the lease property to others for use.
Lease contract	L' Hotel de Chine Corporation	2018.10.01-2029.12.28	1. Lease property: No.3, Section 1, Chengde Road., Taipei, Taiwan (R.O.C) 2. Rent calculation and payment method: Rent is paid as a commission calculated according to the revenue; however, the monthly rent paid as a commission must not be lower than the minimum rent specified.	Unless the lessor's consent is obtained, it is prohibited to transfer, lend, lease or use any other methods to provide all or a portion of the lease property to others for use.
Trademark license and joint marketing agreement	L' Hotel de Chine Corporation	2024.04.01-2034.03.31	1. Trademark license (trademark name: FLEUR DE CHINE HOTEL and pattern thereof). 2. Joint marketing and planning service	Unless the prior consent of L' Hotel de Chine Corporation is obtained, FDC International Hotels Corporation shall not transfer all or a portion of its rights or obligations under this agreement to others.
Trademark license and joint marketing agreement	L' Hotel de Chine Corporation	2024.04.01-2034.03.31	1. Trademark license (trademark names: Gala de Chine, GIARDINO, Giardino, Gala de Luxe and patterns thereof). 2. Joint marketing and planning service.	Unless the prior consent of L' Hotel de Chine Corporation is obtained, FDC International Hotels Corporation shall not transfer all or a portion of its rights or obligations under this agreement to others.
Trademark license and joint marketing contract	L' Hotel de Chine Corporation	2018.10.01-2029.12.28	1. Trademark license (trademark names: Palais, Palais de Chine, Le Palais and patterns thereof). 2. Joint marketing and planning service.	Unless the prior consent of L' Hotel de Chine Corporation is obtained, FDC International Hotels Corporation shall not transfer all or a portion of its rights or obligations under this agreement to others.
Trademark license and joint marketing contract	L' Hotel de Chine Corporation	2020.05.247-2045.05.26	1. Trademark license (trademark names: Yunpin、Yunpin、Fiore Della Cine and patterns thereof). 2. Joint marketing and planning service.	Unless the prior consent of L' Hotel de Chine Corporation is obtained, FDC International Hotels Corporation shall not transfer all or a portion of its rights or obligations under this agreement to others.

Five. Review and Analysis of Financial Status and Financial Performance and Risk Management

I. Financial Status

Unit: NT$ thousand

Item \ Year	2024	2025	Variance	
			Variance amount	Variance %
Current assets	2,209,692	2,454,732	245,040	11
Property, plant and equipment	1,927,781	1,823,089	-104,692	-5
Other non-current assets	880,506	708,858	-171,648	-19
Total assets	5,017,979	4,986,679	-31,300	-1
Current liabilities	826,467	1,343,223	516,756	63
Long-term liabilities	1,238,589	605,048	-633,541	-51
Total liabilities	2,065,056	1,948,271	-116,785	-6
Equity attributable to owners of parent company	2,952,923	3,038,408	85,485	3
Share capital	1,057,787	1,057,787	-	-
Capital reserve	1,236,779	1,236,779	-	-
Retained earnings	649,615	666,811	17,196	3
Other equity	8,742	77,031	68,289	781
Treasury shares	-	-	-	-
Non-controlling interests	-	-	-	-
Total equity	2,982,923	3,038,408	85,485	3

Main reasons for assets, liabilities and shareholders' equity major change items in the last 2 years (analysis of increase/ decrease changes reaching 20%):

1. The increase in current liabilities and the decrease in non-current liabilities were primarily due to the reclassification of corporate bonds payable maturing within one year.

2.The increase in other equity was mainly attributed to fluctuations in the Euro exchange rate, resulting in an increase in exchange differences from the translation of financial statements of foreign operations.

II. Financial performance

Unit: NT$ thousand

Item / Year	2024	2024	Variance	
			Variance amount	Variance %
Operating income	2,443,594	2,424,910	-18,684	-1
Operating costs	1,631,619	1,645,797	14,178	1
Gross profit	811,975	779,113	-32,862	-4
Operating expenses	476,111	494,838	18,727	4
Operating income	335,864	284,275	-51,589	-15
Non-operating income and expenses	77,766	5,432	-72,334	-93
Net profit before income tax	413,630	289,707	-123,923	-30
Income tax expense	-82,727	-60,649	22,068	-27
Net income of the current period	330,913	229,058	-101,855	-31
Net amount after tax of other comprehensive income for the current period	382	67,984	67,602	17,697
Total comprehensive income of the current period	331,295	297,042	-34,253	-10

Analysis of increase/ decrease variations (analysis of increase/ decrease changes reaching 20%):

1. The decreases in non-operating income, profit before tax, income tax expense, and net profit for the period were primarily due to an increase in foreign exchange losses.
2. The increase in other comprehensive income (net of tax) for the period was attributed to the increase in cumulative translation adjustments resulting from exchange rate fluctuations.
3. Regarding the short-term expected sales quantity and its implications for the company's future financial operations and response plans: The company sets its annual sales targets based on the annual budget and operational plan, supplemented by past actual operational performance.

III. Analysis of cash flows

(I) Analysis of cash flow change of the most recent year

Unit: NT$ thousand

Cash balance at the beginning of the period	Cash flow from operating activities for the whole year	Net cash inflow (outflow) for the whole year	Cash surplus (deficit) amount	Remedial measures for expected cash flow deficit	
				Investment plan	Financial management plan
796,006	261,858	477,053	1,273,059	-	-

1. Analysis of changes in cash flows for the current year:
   (1) Operating activities: mainly refer to the operating profit after deduction of depreciation and interest expenses.
   (2) Investing activities: mainly refer to the acquisition of financial assets measured at amortized cost and the purchase of property and equipment.
   (3) Financing activities: mainly refers to issuance of cash dividends and payment of lease principal.
2. Analysis on remedial measures for cash deficit and liquidity: Not applicable.

(II) Improvement plant for insufficient liquidity:

The Company was not subject to any condition of insufficient liquidity in 2024; therefore, this is not applicable.

(III) Cash liquidity analysis for the next year:

Unit: NT$ thousand

Cash balance at the beginning of the period	Expected net cash flow from operating activities for the whole year	Expected net cash flow for whole year due to investing and financing activities	Expected cash surplus (deficit)	Remedial measures for expected cash flow deficit	
				Investment plan	Financial management plan
1,273,059	286,714	(1,000,000)	559,773	-	-
Analysis of changes in cash flows for the next year: (1) Operating activities: Sales income growth with net cash inflow from operating activities in 2025 is expected. (2) Investing activities: Cash outflow from investing activities due to overseas investments and hotel renovations. (3) Financing activities: Cash outflow from financing activities due to repayment of lease principal and issuance of cash dividends is expected.					

IV. Impact of significant capital expenditures in the most recent year on the financial operations of the Company: None.

V. Investment policy for the most recent year, main causes of profits or losses, improvement plans and investment plans for the next year:

To promote internationalization, on February 14, 2020, the Company’s board of directors approved the acquisition of 100% equity of the subsidiary LDC Milan Hotels S.R.L., and it was renamed to FDC Italian Hotels S.R.L. (referred to as “FDC Italian”), and the FDC (Hangzhou) Consulting & Management Co., Ltd. was also established in China and SINE QUA NON S.R.L. was established in Italy, respectively, through FDC Italian. Since it is still under its early stage of operation, and there has been no operating income, it has indicated a loss in 2025.

VI. Analysis and assessment on risk matters for the most recent year and up to the printing date of annual report

(I) Impact of interest rate, exchange rate fluctuation and inflation condition on the profit/ loss of the Company and future countermeasures

1. Impact of interest rate fluctuation on the profit/loss of the Company and future countermeasures

The Company periodically evaluates the bank loan interest rate and maintains close contact with banks in order to obtain favorable loan interest rate; therefore, the interest rate is relatively stable. The interest expenses of the Company for 2024 and 2025 were NT$20,455 thousand and NT$19,001 thousand, accounted for 0.84% and 0.78% of the operating income, indicating that the interest rate change has no material impact on the profit or loss of the Company. In addition, the financial status of the Company is stable without any concern on the loan and credit records, and the capital planning of the Company adopts the conservative and stable principle. It is expected that future interest rate change will not have any material impact on the overall business operation of the Company.

2. Impact of exchange rate fluctuation on the profit/ loss of the Company and future countermeasures

   The Company operates the business of international tourist hotels and restaurants for 100% domestic sales, and the operating income and cost are mainly in the currency of New Taiwan Dollars; therefore, exchange rate change has minor impact on the profit or loss of the Company.

3. Impact of inflation on the profit/ loss of the Company and future countermeasures

   The Company has included the risk of inflation during the planning of the annual operation plan, and also continues to monitor the market price change status, in order to make adjustment on the sales price according to the market demand. In addition, the Company also maintains excellent interaction with suppliers, and the purchase policy of the Company mainly adopts the method of tendering and price comparison among suppliers, in order to reduce purchase cost. Furthermore, there are also numerous qualified alternative suppliers available for selection, such that the impact of inflation on the profit or loss of the Company is mitigated.

(II) Policies on engaging in high risk, high leverage investments, loaning funds to others, endorsement and guarantee as well as derivative transactions, main causes of profit and loss as well as future countermeasures

1. The financial strategy of the Company is to adopt the stable and conservative principle. Accordingly, for the most recent year and up to the printing date of the annual report, the Company has not engaged in any high risk, high leverage investment and derivatives transactions.
2. The Company has established the “Procedures for Acquisition and Disposal of Assets”, “Operational Procedures for Loaning Funds to Others” and “Operation Procedures for Making Endorsements/ Guarantees” according to relevant laws and regulations of competent authorities as the basis for compliance. For the current year and up to the printing date of the annual report, the Company has not engaged in loaning funds to others and making endorsements/ guarantees.

(III) Future R&D projects and expected investment in R&D budget: Since the Company does not invest in R&D projects, this is not applicable.

(IV) Impacts of domestic/ foreign important policies and changes of laws on the financial business of the Company and countermeasures

The operations of the Company comply with domestic/ foreign related laws, and the Company also monitors domestic and foreign policy development and the trend of regulatory changes. In addition, the Company also assigns professional personnel to receive internal and external related courses irregularly, in order to cope with any changes in domestic and foreign political and economic status timely. Accordingly, changes in domestic and foreign important policies and laws have no material impact on the financial business of the Company. For the current year and up to the printing date of the annual report, the Company's financial business has not been subject to any material impact due to changes in relevant important policies and laws.

(V) Impacts of changes in technology (including cyber security risk) and industry on the financial business of the Company and countermeasures

The Company monitors technology changes (including cyber security risk) and development changes in the industry related to the Company at all times. In addition, the Company also provides innovative services to satisfy customer demands, in order to achieve the goal of sustainable development. For the most recent year and up to the printing date of the annual report, changes in technology (including cyber security risk) and industrial change have not caused any material impact on the financial business of the Company.

(VI) Impacts of change of cooperate image on the cooperate crisis management and countermeasures

The Company focuses on the management of its core business, and up to the present day, the Company has not encountered any operational crisis due to corporate image change. In the future, the Company will continue to comply and implement various corporate governance requirements and will also timely consult relevant experts' opinions, in order to reduce the occurrence of such risk and any impact of such risk on the financial business of the Company.

(VII) Expected benefits, possible risks, and countermeasures for mergers and acquisitions

For the most recent year and up to the printing date of the annual report, the Company has had no merger and acquisition plan.

(VIII) Expected benefits, possible risks and countermeasures for expansion of facilities

For the most recent year and up to the printing date of the annual report, the Company has no plan for expansion of facilities.

(IX) Risks faced due to concentrated purchase or sales and countermeasures

The Company operates the business of international tourist hotels and restaurants, and the supply condition for the main customer supplies and fresh foods, etc. is stable, and the suppliers and customers for the purchase and sales of products and services are distributed without any occurrence of concentrated purchase and sales.

(X) Impacts of directors, supervisors or major shareholders with shareholding percentage exceeding 10%, large equity transfer or change on the Company and countermeasures

For the most recent year and up to the printing date of the annual report, the Company has not been subject to any large transfer or change of equities.

(XI) Impacts, risks and countermeasures of change of management rights to the Company

For the most recent year and up to the printing date of the annual report, the Company is not subject to any change of management right.

(XII) Litigation or non-contentious events: None.

(XIII) Other significant risks and countermeasures: None.

VII. Other important matters: None.

Six. Special Disclosure

I. Affiliated Enterprises Related Information

Please refer to the information on the MOPS website/ Disclosure Zone for the Three Statements of Affiliated Enterprises/ Company Code: 2748 Inquiry

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

II. Information on private placement of securities for the most recent year and up to the printing date of the annual report: None.

III. Information on share ownership and disposal of shares of the Company by subsidiaries for the most recent year and up to the printing date of the annual report: None.

IV. Additional information required to be disclosed: None.

Seven. For the most recent year and up to the printing date of the annual report, the occurrence of events having material impact on shareholders' rights and interests or securities prices according to Subparagraph 2 of Paragraph 3 of Article 36 of the Securities and Exchange Act: None.

FDC International Hotels Corporation

Representative：Emile Sheng