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<http://www.shininggroup.com>



Shining Building Business Co., Ltd.

2025 Annual Report

Persistence, Perseverance, Quality Assurance

Issued on May 15, 2026

1.Spokesperson

Name: Hong, Sheng-Yi

Title: Special Assistant

Tel: 886-4-23227777

E-mail: yu@shininggroup.com.tw

Deputy Spokesperson: Nil

Title: Not applicable

Tel: Not applicable

E-mail: Not applicable

2.Company Address and Telephone Number**Headquarters**

Address: No. 408, Section 2, Taiwan Blvd., Taichung City

Tel: 886-4-23227777

Branch

Address: No. 472, Section 5, Zhongshan North Road, Shilin District, Taipei City

Tel: 886-2-55800777

3.Stock Transfer Agent

Fubon Securities Co., Ltd.

Address: 11th Floor, No. 17, Xu Chang Street, Taipei City

Website: <http://www.fubon.com.tw>

Tel: 886-2-23611300

4.Auditors

Auditors: Hung, Suk-Fan, Shiao, You-Wen

Crowe (TW) CPAs

Address: 25th Floor, No. 285, Section 2, Taiwan Blvd., Taichung City

Website: <http://www.crowe.tw>

Tel.: 886-4-23295666

5.Overseas Securities Exchange

Name: Nil

6.Corporate Website

www.shininggroup.com.tw

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I. Letter to Shareholders

I. Business Result of 2025

(1) Implementation Results of the Business Plans in 2025

The total of consolidated revenue in 2025 is NT\$ 1,072,641 thousand, composed of domestic accounts mainly from “Shining Dome” at NT\$ 1,595 thousand,. and revenue from Shining’s subsidiary Tai Yu Construction at NT\$ 1,467 thousand; in addition, the revenue is also contributed by the revenue Qingdao Ding-Lin Hotel at NT\$ 227,836 thousand and real estate income at NT\$ 82 thousand along with Nanjing Ding-Zheng Hotel’s revenue at NT\$ 341,377 thousand and real estate income at NT\$ 441,824 thousand, topped with revenue from lease at NT\$ 58,460 thousand; The Company recorded a loss per share at NT\$ 0.28 in 2025.

(2) Status of Budget Implementation

In accordance with the provisions in “Regulations Governing the Publication of Financial Forecasts of Public Companies,” a comparison on the budget implementation cannot be conducted as the Company did not prepare the financial forecast for the year 2025.

(3) Financial Income and Expenditure and Profitability Analysis (IFRS Consolidated Financial Report)

Unit: NT\$ thousands

Items	Actual Numbers for 2024	Actual Numbers for 2025	Gain (Loss) Condition	
			Amount	Ratio (%)
Operating Revenue	4,108,112	1,072,641	(3,035,471)	(73.89%)
Operating Cost	2,886,276	830,274	(2,056,002)	(71.23%)
Operating Margin	1,221,836	242,367	(979,469)	(80.16%)
Operating Expense	1,154,124	1,005,732	(148,392)	(12.86%)
Operating Profit (Loss)	67,712	(763,365)	(831,077)	(1,227.37%)
Net Income After Tax of the Parent Company (Loss)	(114,817)	(275,532)	(160,715)	139.97%

Items		Year	2024	2025
Profitability	Return on Assets (%)		0.88	0.38
	Return on Shareholders’ Equity (%)		(3.63)	(4.40)
	Ratio to Paid-in Capital %	Operating Profit	0.69	(7.81)
		Pre-Tax Income	(4.70)	(4.69)
	Profit (Loss) Margin Before Tax (%)		(9.30)	(41.83)
	EPS from Parent Company (NT\$)		(0.12)	(0.28)

(4) R&D Status

The Company has set up Shining Real Estate Research Office responsible for survey, research, tracking and keeping on the trend of real estate market, along with in-depth research on political and economic circumstances within the real estate market and periodic preparation of research reports. The prepared research and survey report has now become one of the most credible reference nationwide for real estate information that has precise grasps over the market pulse.

II. Operation Plans for 2026

(1) Management Guidelines:

1. Persistence in Excellence, and Assurance in Quality
2. Equivalent Standard for Various Different Products
3. Focus on Main Business and Deep Cultivation in the Market
4. Management and Control over Quality through Up-and-Down-Stream Vertical Integration
5. Perseverance on Brand and Sustainable Management
6. Social Responsibility for Brand Image
7. The Spirit of the Tiger Theory

(2) Projected Sales and Their Accordance

The company is accelerating its expansion in three major sectors: real estate, tourism, and commerce.

Projected Public Sales from 2026 to 2030:

1. Taiwan: Wanhua Urban Renewal project, Xinzhuang Urban Renewal joint-development pre-sale project, and the Shin Matsu machi New Town Project.
2. Mainland China: New acquisitions in Chengdu's R6, R4, R2, and R1 development sites.

Estimated annual project launches to remain between NTD 20 billion to NTD 30 billion.

(3) Significant Production and Sales Policies:

Amidst global initiatives toward carbon neutrality and net-zero emissions, Taiwan's carbon tax came effect in 2025. Upstream construction material suppliers have begun acquiring carbon credits to offset their emissions. Shining Group is actively investing in ESG initiatives (Environmental Protection, Social Responsibility, and Corporate Governance). The company is integrating green building practices into its operations, enforcing sustainable supply chain policies, and prioritizing circular economy practices.

III. Future Development Strategies for the Company

(1) Domestic Projects:

The successful launch of " Shining Zhong Shan " has demonstrated the value proposition of joint urban renewal development, generating strong momentum among neighboring landowners to participate in collaborative redevelopment. The pace of urban renewal joint-development contract signings has accelerated notably. The Shin Matsu machi New Town Project is currently undergoing 19 urban renewal projects with an land area of approximately 20,000 ping under consolidation. Total projected sales revenue from these projects is expected to reach NT\$200 billion, with phased launches expected over the next 2 to 3 years. As of year-end 2025, master planning and architectural design have commenced for multiple sites, including "Jilin Project 4," "Minquan Project 1," "Minquan Project 2," "Jilin Project 7," and "Nongan Project 2." These projects are scheduled to be submitted to the Taipei City Urban Planning Committee for review and approval in this year, with public sales to be launched upon receipt of the respective approvals. The Shin Matsu machi New Town Project is positioned to establish Taipei's premier premium residential district

In terms of land development, Shining gained an early-mover advantage in New Taipei City's Wenzizun **redevelopment area**, having previously secured several parcels of land for joint development totaling approximately **3,000 ping**. All of these sites are within a **10-minute walk of the Taoyuan Metro**, and master planning and architectural design are currently underway. In **Taichung**, major drivers such as **TSMC's expansion in Central Taiwan Science Park**, the commencement of construction on the MRT Blue Line, approval of the **Green Line extension**, the Grand Dome in Phase 14, and the Super Dome at Shuinan Trade and Economic Park, which is scheduled for completion and operation in 2030. These infrastructure developments, combined with favorable demographic trends and robust industrial growth momentum, are expected to generate strong residential and commercial demand in the region. Shining is focusing on Phase 13 redevelopment areas and urban core districts to accelerate land development, and plans to acquire five land parcels this year.

(2) Projects in Mainland China:

Over the past years, Chengdu has seen both prices and transaction volumes rise in the primary and secondary housing markets. Notably, secondary home transactions reached approximately three times the volume of new home sales, with overall market activity surpassing that of Hangzhou and Shanghai. Sustained purchase demand from local residents has remained robust, driving average annual housing price growth of around 6%. Chengdu has emerged as one of the strongest-performing cities in the mainland China real estate market. Shining holds residential land parcels R4 and R6, as well as commercial land parcels C1 and C2 in Chengdu located at the intersection of the North Third

Ring Road and the northward extension of Tianfu Avenue. The sites are situated within the prime urban core district, with three metro lines currently under construction. Recognizing the significant commercial potential of the location, Shining is actively accelerating the recruitment of international anchor retail tenants to enhance residential neighborhood amenities and support long-term property value.

Although project launches were previously delayed due to the relocation of FengHuangShan Airport, the prices per square meter for nearby newly launched residential projects continue to trend upward. The aggregate projected sales revenue from the R6 and R4 residential parcels is estimated to exceed 20 billion, which is expected to contribute substantially to the Group's consolidated revenue and inject significant growth momentum. The Company will monitor market conditions closely and proceed with the public sales launch at the most opportune time

- (3) Shining will continue to advance its Brand Export Strategy and accelerate the global expansion of its second hospitality brand, Amayi, into the international hotel market this year. In addition to expanding its investments across mainland China, Shining is currently engaged in land acquisition negotiations in major cities, including Beijing Daxing, Shanghai, Shenzhen and Foshan in Guangdong Province, Suzhou in Jiangsu Province, and Hefei in Anhui Province. At the same time, the Company is pursuing real estate and hotel developments in Southeast Asia, including Vietnam and Indonesia, as well as in the United States and Japan, while concurrently advancing global tenant and investment recruitment. Furthermore, Shining is exploring strategic commercial collaborations with Costco, focusing on commercial land developments in Chengdu, Foshan, Hefei, and Shenzhen.

IV. Impacts to the Company under external competition, regulation and macro management circumstances

Looking back over the past year and more, international turbulence and disruptions to the global financial, which have affected Taiwan's equity, foreign exchange, and property markets. From a developer's perspective, a more conservative operating strategy will be adopted in 2026

From the standpoint of international conditions and their impact on Taiwan's economic and real estate performance, the three key points in 2025 include the following:

- (1) The "Trump era" reshaping the international order, resulting in volatility in global trade and geopolitical risk.
- (2) A shift in U.S. financial strategy, with debt and interest rate policies impacting global.

- (3) The AI wave providing momentum, enabling Taiwan's economic power to rise to a leading position within the Asia-Pacific region for the first time.

Based on the evolution of the global situation, five major factors are expected to influence Taiwan's real estate market in 2026 including:

- (1) The global environment should stabilize as soon as possible, with no further outbreak of wars.
- (2) Future development trends in AI may lead to rising housing and construction costs.
- (3) Foreign exchange rate fluctuations caused by tariffs affecting capital flows, thereby impacting stock market volatility.
- (4) Increases or decreases in interest rates influencing home-buying willingness.
- (5) Government and central bank policies influencing housing price levels and purchasers' willingness to buy.

Following the implementation of quantitative easing monetary policies in mainland China over the past two years, and in conjunction with the upcoming "15th Five-Year Plan", monetary policy is expected to continue under a moderately accommodative stance. The real estate market remains stable, with credit demand rebounding in 2025, and unsold housing inventory rising from low levels, accelerating inventory absorption, the housing market is expected to stabilize rapidly.

II. Corporate Governance Report

2.1 Information on the Company's Directors, Supervisors, President, Vice President, Associate Vice President, and the Manager of Each Department and Branch Institution

2.1.1 (1).Information on Directors and Supervisors

April 25 , 2025

Title	Nationality or Place of Registration	Name	Gender/Age	Date Elected	Term of Office	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held by Spouse & Minors		Shares Held by Nominee Arrangement		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Second Degree Relative of Consanguinity			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Ding Lin Investment & Development Co., Ltd.	Male 66-70	2025.6.25	3 years	2001.06.05	146,508,678	13.6	146,508,678	13.6	-	-	-	-	Department of Electrical Engineering, Southern Taiwan University of Science and Technology General Chamber of Commerce of the Republic of China—President Taiwan Tourist Hotel Association—President International Real Estate Development Association of Taiwan—President Council of Industrial & Commercial Development—Honorary President Construction and Development Association of Taiwan Province—President Tai Chung City Chamber of Commerce—President	Shining Building Business Co., Ltd.—Chairman Ding Lin Investment & Development Co., Ltd.—Chairman Lalu Hotel Co., Ltd.—Chairman Guang Yu Investment & Development Co., Ltd.—Chairman Quan Yang Investment Co., Ltd.—Person In Charge Bai Huang Investment Co., Ltd.—Person In Charge Ding Lin International Enterprise Co., Ltd.—Chairman Shining Cultural and Educational Foundation—Chairman Shining Communication Co., Ltd.—Person In Charge Shining Real Estate Co., Ltd.—Chairman	Director	Chen, Shu-Fen	The Spouse	Re-elected
		Representative: Lai, Cheng-I		2025.6.25		1990.05.29	3,596,942	0.33	3,596,942	0.33	441,231	0.04	116,917,486	10.85						
Director	R.O.C.	Ding Zheng Investment Co., Ltd.	Female 66-70	2025.6.25	3 years	2007.06.13	94,131,799	9.63	143,631,799	13.33	-	-	-	-	Economics Department, Soochow University	Ding Zheng Investment Co., Ltd.—Chairman Yi Yang Investment Co., Ltd.—Chairman	Chairman	Lai, Cheng-I	The Spouse	Re-elected
		Representative: Chen, Shu-Fen		2025.6.25		1990.05.29	441,231	0.04	441,231	0.04	3,596,942	0.33	116,917,486	10.85						
Director	R.O.C.	Zheng Kee Investment Co., Ltd.	Male 66-70	2025.6.25	3 years	2005.05.10	42,824,268	3.97	42,824,268	3.97	-	-	-	-	Fiber Engineering Department, National Taiwan University of Science and Technology	Shining Building Business Co., Ltd.—Director of General Administration Division Shining Hydropower Engineering Co., Ltd.—Person In Charge Zheng Kee Investment Co., Ltd.—Chairman Li Jing Investment Co., Ltd.—Chairman Billion Capital Holding Co., Ltd.—Person In Charge	Nil	Nil	Nil	Re-elected
		Representative: Chang, Ying-Yin		2025.6.25		2004.06.10	44,273	0.00	44,273	0.00	1,964	0.00	-	-						

Title	Nationality or Place of Registration	Name	Gender/Age	Date Elected	Term of Office	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held by Spouse & Minors		Shares Held by Nominee Arrangement		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Second Degree Relative of Consanguinity			Remark					
																Quantum Investment Ltd. — Person In Charge									
Director	R.O.C.	Yi Yang Investment Co., Ltd.		2025.6.25	3 years	2004.06.10	18,695,522	1.73	18,695,522	1.73	-	-	-	-	Department of Business Administration, Tunghai University	Shining Building Business Co., Ltd. — Vice Director of General Administration Division Headway Investment LTD- Person in charge Gold Square Investment LTD-Person in charge	Nil	Nil	Nil	Re-elected					
		Representative: Liao, Pei-Chi	Female 55-60	2025.6.25		2013.6.20	37,022	0.00	37,022	0.00	-	-	-	-											
Independent Director	R.O.C.	Chiu, Wen-Jui	Male 61-65	2025.6.25	3 years	2005.05.10	12,426	0.00	12,426	0.00	-	-	-	-	Department of Electrical Engineering, Va Nung University Chiang Shun Post Co., Ltd. — Vice Chairman	IC Artis Co., Ltd. — Director	Nil	Nil	Nil	Re-elected					
Independent Director	R.O.C.	Huang, Jian-Ji	Male 56-60	2025.6.25	3 years	2019.6.25	-	-	-	-	-	-	-	-	PhD Department of Electrical Engineering, National Cheng Kung University Department of Multimedia Game Development and Application., Hung Kuang University— Dean & Associate Professor	Department of Multimedia Game Development and Application., Hung Kuang University — Associate Professor	Nil	Nil	Nil	Retired					
Independent Director	R.O.C.	Yang, Chih-Chung	Male 56-60	2025.6.25	3 years	2019.6.25	-	-	-	-	-	-	-	-	Master Degree Institute of Transportation, National Chiao Tung University Hubbard Administration Management Co., Ltd. — Person In Charge	Hubbard Administration Management Co., Ltd. — Person In Charge	Nil	Nil	Nil	Re-elected					
Independent Director	R.O.C.	Kung, Sheng-Hsiung	Male 56-60	2025.6.25	3 years	2025.6.25									Ph.D. in Business Administration, National Yunlin University of Science and Technology Associate Professor, Department of Hotel and Restaurant Management, Chia Nan University of Pharmacy and Science	Associate Professor, Department of Hotel and Restaurant Management, Chia Nan University of Pharmacy and Science					Newly elected				

Note: A full re-election was held upon the expiration of the term of office for directors on June 25, 2025.

(2).Major Shareholders of the Institutional Shareholders

April 17, 2026

Name of Institutional Shareholders	Major Shareholders of Juridical Person
Ding Lin Investment & Development Co., Ltd.	Lai, Cheng-I(21.95%) ; Chen, Shu-Fen(17.07%) ; Jing Ting Investment Co., Ltd.(14.63%) ; He Yi Investment Co., Ltd.(14.63%) Lai, Ding-Chao (7.32%) ; Lai Tzu-Ya(7.32%) ; Lai Tsai-Chi(7.32%) ; Lai, Guang-Yang (7.32%) ; Hong, Sheng-Yi (1.22%) ; Chang, Ying-Yin (1.22%) 。
Ding Zheng Investment Co., Ltd.	Lai, Cheng-I(25.00%) ; Chen, Shu-Fen (15.00%) ; Jing Ting Investment Co., Ltd.(15.00%) ; He Yi Investment Co., Ltd.(15.00%) Lai, Ding-Chao (7.50%) ; Lai Tzu-Ya(7.50%) ; Lai Tsai-Chi(6.25%) ; Lai, Guang-Yang (6.25%) ; Hong, Sheng-Yi (1.25%) ; Chang, Ying-Yin (1.25%) 。
Zheng Kee Investment Co., Ltd.	Lai, Cheng-I(52.00%) ; Chen, Shu-Fen (38.00%) ; Hong, Sheng-Yi (4.00%) ; Chang, Ying-Yin (4.00%) ; Yu Hsueh-Ping(2.00%) 。
Yi Yang Investment Co., Ltd.	Chen, Shu-Fen(100.00%)

(3).Major Shareholders of the Institutional Shareholders are Representatives of Institutional Shareholders

April 17, 2026

Name of Juridical Person	Major Shareholders of Juridical Person
Jing Ting Investment Co., Ltd.	Lai, Guang-Yang(99.00%) Chen, Shu-Fen(1.00%)
He Yi Investment Co., Ltd.	Lai, Ding-Chao(99.00%) Lai, Cheng-I(1.00%)

(4)Information of Directors and Supervisors

(a) Disclosure of directors' professional qualifications and independent directors' independence information:

Criteria Name	Professional Qualification and Work Experience	Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Chairman Lai, Cheng-I	1. Bachelor of Electrical Engineering, Southern Taiwan University of Science and Technology. Established Shining Construction in 1990. Served two consecutive terms as Chairman of the R.O.C. General Chamber of Commerce. He possesses 30 years of experience in construction and operation management. 2. The Chairman has professional qualifications and experience in leadership and decision-making, business management, operational judgment, business and commerce.	1. Chairman Lai, Ching-Yi is the representative of the corporate director of Dinglin Investment and Development Company, not an independent director. 2. The rest of the Company meets the independence criteria set forth in Article 3.1 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies issued by the Financial Supervisory Commission.	-

Criteria Name	Professional Qualification and Work Experience	Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Director Chen, Shu-Fen	1. Bachelor of Economics from Soochow University, Chairman of Ding Cheng Investment Co., Ltd. and Yi Yang Investment Co. 2. Specialized in cost analysis and a keen observer of market price fluctuations.	1. The Director, Ms. Chen, Shufen, is the representative of the Company's corporate director, Ding Zheng Investment (Stock) Company, and is not an independent director. 2. The rest of the directors meet the independence criteria listed in Article 3, Item 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	-
Director Chang, Ying-Yin	1. Bachelor of Science in Fiber Engineering Technology from National Taiwan University of Science and Technology, 30 years of service in the company, currently the Director of the General Management Office of the Company 2. Expert in business organization and management skills.	1. The director, Mr. Chang, Ying-Yin is a representative of Chengji Investment (Co., Ltd.) and is not an independent director. 2. The rest of the directors meet the independence criteria set out in Article 3, Item 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	-
Director Liao, Pei Chi	1. Bachelor of Business Administration from Tunghai University and has been the head of accounting of the Company for over 20 years. Currently serves as Vice Director of General Administration Division and Chief Accounting Officer of the Company. 2. Professional qualifications and experience in finance, accounting, auditing and business management	1. the Director, Liao, Pei Chi, is the representative of Yi Yang Investment Company and is not an independent director 2. the rest meet the independence criteria set out in Article 3, Item 1 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission.	—
Independent Director Chiu, Wen-Rei	1. Bachelor of Science in Electronics from Vannung University of Science and Technology and was the Vice Chairman of MICROLINK COMMUNICATIONS INC. 2. over 20 years of management expertise with extensive experience in China company management and corporate counseling.	1. Meet the qualifications set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14b is of the Securities and Exchange Act. 2. Independent director's experience: more than 9 years.	-
Independent Director Huang, Jian-Ji (Retired)	1. PhD in Electrical Engineering from National Cheng Kung University, teaching for about 30 years, currently Associate Professor & Head of Department of Multimedia Game Development and Application at Hung Kuang University of Science and Technology. 2. Expertise in multimedia application design, logic training and internet marketing	1. meet the eligibility requirements set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14b is of the Securities and Exchange Act. 2. Years of experience as an independent director: 3-6 years	-
Independent Director Yang, Chih-Chung	1. Master of Transportation Research Institute, National Chiao Tung University, and has been working in Hubbard College of Administration Co. 2. He is a professional lecturer and consultant in business management and has been listed as one of the top 500 business management lecturers by Management Magazine.	1. meet the eligibility requirements set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14bis of the Securities and Exchange Act. 2. years of experience as an independent director: 3-6 years	-

Criteria Name	Professional Qualification and Work Experience	Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Independent Director Kung, Sheng-Hsiung (Newly Appointed)	1. Ph.D. in Business Administration, National Yunlin University of Science and Technology. Has held teaching positions for approximately 19 years and is currently an Associate Professor in the Department of Hospitality Management at Chia Nan University of Pharmacy and Science. 2. Possesses extensive practical experience in hotel services and academic expertise in hospitality management.	1. meet the eligibility requirements set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14bis of the Securities and Exchange Act. 2. Tenure as Independent Director: 0-1 year.	-

Note: 1. All directors of the Company have not in specified in any subparagraph of Article 30 of the Company Act after investigation.

2.A full re-election was held upon the expiration of the term of office for directors on June 25, 2025.

(b) Board Diversity and Independence.

a. Board Diversity Policy.

In accordance with the Company's "Corporate Governance Best Practice Principles" 4-3-1-1, the Board of Directors should have a diverse composition and generally possess the knowledge, skills and qualities necessary to perform its duties. In order to achieve the desired goal of corporate governance, the Board of Directors as a whole should possess the following competencies: 1. operational judgment, 2. accounting and financial analysis, 3. management skills, 4. crisis management skills, 5. industry knowledge, 6. international market perspective, 7. leadership skills, and 8. decision-making skills. At present, the Board consists of 7 directors, including 3 independent directors and 4 non-independent directors. Male members account for 71% (5 seats), while female members account for 29% (2 seats). The directors range in age from 54 to 66 and possess a broad range of professional knowledge and skills, including expertise in management, finance, and accounting. The 3 independent directors include a management consultant, a university professor in hospitality management, and a business professional with many years of experience, all of whom have frequently provided valuable advice on corporate management. One of the independent directors has served for more than nine years. Owing to his extensive experience in the operation of Chinese companies and corporate consulting, he has provided valuable advice to the Company on business development and personnel management in China. In addition, he possesses keen insight into the securities market. During his tenure as an independent director, he has offered important recommendations on corporate management and capital markets. The Company continues to rely on his professional expertise, and therefore he remains in the position of independent director.

The Company places great emphasis on gender equality in the composition of the Board of Directors, with the goal of increasing the number of female directors to one-third of the board seats. In the current term, one additional female director has been appointed, bringing the total to two. As part of the director training program, six senior executives participated in the 2025 director continuing education courses for joint training. The Company is implementing a phased approach to achieve gender diversity and ensure Board succession planning.

b. Board Independence.

The Company adopts a candidate nomination system for the election of directors. All director candidates are reviewed and approved by the Board of Directors and then elected by the shareholders from the list of nominees. Among the total number of directors, the number of independent directors shall not be fewer than three and shall not be less than one-fifth of the total seats, in accordance with the Company's Articles of Incorporation. In the current Board, independent directors account for 43% (3 out of 7 seats), and employee-directors account for 43% (3 seats). Except for Chairman Lai Cheng-I and Director Chen Shu-Fen, who are husband and wife, none of the other directors fall under the circumstances specified in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. The Board maintains its independence.

2.1.2.Information on the Company's president, vice president, associate vice president, and the manager of each department and branch institution

April 17, 2026

Title (Note 1)	Nationality	Name	Gender	Date Elected	Shares Held		Shares Held by Spouse & Minors		Shares Held by Nominee Arrangement		Selected Education, Past Positions & Current Positions at Non-Profit Organizations	Selected Current Positions at the Company and Other Companies	Managers Who are Spouses or within Second Degree Relative of Consanguinity			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C.	Fang, Wei-Min	Male	2023.11.8	52	-	-	-	-	-	Department of Electronic Engineering, Jianguo University	Nil	Nil	Nil	Nil	Note 1
Director of General Administration Division	R.O.C.	Chang, Ying-Yin	Male	1997.06.16	44,273	0.00	1,964	0.00	-	-	Fiber Engineering Department, National Taiwan University of Science and Technology	Shining Hydropower Engineering Co., Ltd.— Person in Charge Zheng Kee Investment Co., Ltd.— Chairman Li Jing Investment Co., Ltd.— Chairman Billion Capital Holding Co., Ltd— Person In Charge Quantum Investment Ltd. — Person in Charge	Nil	Nil	Nil	
Vice Director of General Administration Division	R.O.C.	Liao, Pei-Chi	Female	2000.10.01	37,022	0.00	-	-	-	-	Department of Business Administration, Tunghai University	Headway Investment LTD- Person in Charge Gold Square Investment LTD-Person in Charge	Nil	Nil	Nil	Note 1
Associate Vice President of Accounting Department	R.O.C.	Hsieh-Tung-Han	Male	2025.05.09	-	-	-	-	-	-	Department of Accounting, Tunghai University	Nil	Nil	Nil	Nil	Note 1
Chief Financial Officer	R.O.C.	Chen, Chung-Yuan	Male	2020.07.24	17,543	0.00	6,000	0.00	-	-	Executive Master of Business Administration (Finance Group), College of Social Sciences and Management, National Chung Hsing University	Nil	Nil	Nil	Nil	
Director of Internal Audit Section	R.O.C.	Lin, Yin-Win	Female	2002.03.27	-	-	-	-	-	-	Business Administration Department, Overseas Chinese University	Nil	Nil	Nil	Nil	
Associate Vice President of Administration Department in Taipei	R.O.C.	Lo, Man-Li	Female	2014.01.01.	101	0.00	-	-	-	-	Department of Finance, National Chung Hsing University	Taipei Branch of Shining Building Business Co., Ltd.— Person in Charge	Nil	Nil	Nil	
Associate Vice President of Operating and Management Section Assistant Manager	R.O.C.	Lee, Chao-Chang	Male	2017.07.01	-	-	-	-	-	-	Institute of Statistics, National Taipei University	168 Investment LTD— Person in Charge	Nil	Nil	Nil	

Note 1: The position of Chief Accounting Officer was adjusted on May 9, 2025, with Liao, Pei-Chi being succeeded by Hsieh, Tung-Han.

2.2 Remuneration Paid to Directors, Independent Directors, Supervisors, President, and Vice President in Most Recent Year

- 2.2.1 Under one of conditions below, the remuneration of the individual directors or supervisors shall be disclosed, otherwise, disclosed with the name of each individual and the corresponding remuneration class interval in a summary table.
- 2.2.1.1 A company that has posted after-tax deficits in the individual financial reports or respective financial reports within the most recent three fiscal years shall disclose the remuneration paid to individual directors and supervisors and their names. This requirement, however, shall not apply if the Company has posted net income after tax in the individual financial report or respective financial report for the most recent fiscal year and such net income after tax is sufficient to offset the accumulated deficits.
- 2.2.1.2 A company that has had an insufficient director shareholding percentage for 3 consecutive months or longer during the most recent fiscal year shall disclose the remuneration of individual directors; one that has had an insufficient supervisor shareholding percentage for 3 consecutive months or more during the most recent fiscal year shall disclose the remuneration of individual supervisors..
- 2.2.1.3 A company that has had an average ratio of share pledging by directors or supervisors in excess of 50 percent in any 3 months during the most recent fiscal year shall disclose the remuneration paid to each individual director or supervisor having a ratio of pledged shares in excess of 50 percent for each such month.
- 2.2.1.4 If all directors and supervisors receive remuneration for directors and supervisors of all companies in the financial report, accounting for more than 2% of the net profit after tax, and individual directors or supervisors receive remuneration exceeding NT\$15 million, the remuneration of the individual directors or supervisors shall be disclosed.
- 2.2.1.5 A company listed on the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEX) is ranked in the last second tier in the corporate governance evaluation for the most recent fiscal year, or in the most recent fiscal year or up to the date of publication of the annual report for that year, the Company's securities have been placed under an altered trading method, suspended from trading, delisted from the TWSE or the TPEX, or the Corporate Governance Evaluation Committee has resolved that the Company shall be excluded from evaluation.
- 2.2.1.6 The average annual salary of the full-time non-supervisory employees in a TWSE or TPEX listed company is less than NT\$500,000.
- 2.2.1.7 A TWSE or TPEX listed company had an increase of 10 percent or more in net profit after tax for the most recent fiscal year, but the average annual salary of its full-time non-management employees did not increase relative to the preceding fiscal year.
- 2.2.1.8 A TWSE or TPEX listed company had a decline in after-tax net income reaching 10 percent and exceeding NT\$5 million for the most recent fiscal year, along with an increase in its average remuneration per director (not including the remuneration of those who are also employees) reaching 10 percent or more and exceeding NT\$100,000.

2.2.2 If the circumstance in sub-item "3.3.1.1" or in sub-item "3.3.1.5" of the preceding item applies to a company listed on the TWSE or the TPEX, it shall disclose the individual remuneration paid to each of its top five management personnel, such as president, vice president, chief executive officer, chief financial officer, and the remuneration paid to directors, supervisors, president, and vice president.

2.2.2.1 Remuneration of General Directors and Independent Directors (By disclosing the name of each individual and the corresponding remuneration amount)

December 31, 2025 Unit: In Thousands of New Taiwan Dollars

Title	Name	Director Thousands of Ne								Aggregate of four items of remunerations (A+B+C+D) and % of Net Income (Loss) (Note 10)		Compensation Earned by a Director Who is an Employee of the Company or of The Company's Consolidated Entities								Aggregate of seven items of remunerations (A+B+C+D+E+F+G) and % of Net Income (Loss) (Note 10)		Compensation Paid to Directors from Non-consolidated Affiliates (Note 11)
		Base Compensation (A) (Note 2)		Severance Pay and Pensions (B)		Compensation to Directors (C) (Note 3)		Allowances (D) (Note 4)				Base Compensation, Bonuses, and Allowances (E) (Note 5)		Severance Pay and Pensions (F)		Profit Sharing (G) (Note 6)						
		From the Company	From All Consolidated Entities (Note 7)	From the Company	From All Consolidated Entities (Note 7)	From the Company	From All Consolidated Entities (Note 7)	From the Company	From All Consolidated Entities (Note 7)	From the Company	From All Consolidated Entities (Note 7)	From the Company	From All Consolidated Entities (Note 7)	From the Company	From All Consolidated Entities (Note 7)	From the Company		From All Consolidated Entities (Note 7)		From the Company	From All Consolidated Entities (Note 7)	
																Cash	Stock (Fair Market Value)	Cash	Stock (Fair Market Value)			
Chairman	Ding Lin Investment & Development Co., Ltd. Representative: Lai, Cheng-I	4,305	4,305	-	-	-	-	60	60	4,365 (1.58%)	4,365 (1.58%)	-	-	-	-	-	-	-	-	4,365 (1.58%)	4,365 (1.58%)	Nil
Director	Ding Zheng Investment Co., Ltd. Representative: Chen, Shu-Fen	-	-	-	-	-	-	60	60	60 (0.02%)	60 (0.02%)	1,868	1,868	108	108	-	-	-	-	2,036 (0.74%)	2,036 (0.74%)	Nil
Director	Zheng Kee Investment Co., Ltd. Representative: Chang, Ying-Yin	-	-	-	-	-	-	60	60	60 (0.02%)	60 (0.02%)	3,098	3,098	108	108	-	-	-	-	3,266 (1.19%)	3,266 (1.19%)	Nil
Director	Yi Yang Investment Company Limited represented by Liao Pei Chi	-	-	-	-	-	-	60	60	60 (0.02%)	60 (0.02%)	1,722	1,722	95	95	-	-	-	-	1,877 (0.68%)	1,877 (0.68%)	Nil
Independent Director	Chiu, Wen-Jui	-	-	-	-	-	-	630	630	630 (0.23%)	630 (0.23%)	-	-	-	-	-	-	-	-	630 (0.23%)	630 (0.23%)	N/A
Independent Director	Huang, Jian-Ji (Note)	-	-	-	-	-	-	360	360	360 (0.13%)	360 (0.13%)	-	-	-	-	-	-	-	-	360 (0.13%)	360 (0.13%)	Nil
Independent Director	Yang, Chih-Chung	-	-	-	-	-	-	630	630	630 (0.23%)	630 (0.23%)	-	-	-	-	-	-	-	-	630 (0.23%)	630 (0.23%)	Nil
Independent Director	Kung, Sheng-Hsiung (Note)	-	-	-	-	-	-	270	270	270 (0.10%)	270 (0.10%)	-	-	-	-	-	-	-	-	270 (0.10%)	270 (0.10%)	Nil

*Please specify the policy, system, standard and structure of remuneration for independent directors, and specify the correlation with the amount of remuneration paid according to the responsibilities, risks, investment time and other factors:

The remuneration of directors and that of the Chairman is determined by the Board of Directors with reference to the standards of relevant peers and listed companies, as well as the results of performance evaluations. The remuneration for independent directors is proposed annually by the Remuneration Committee in accordance with the Company's Articles of Incorporation and approved by the Board of Directors. In 2025, except for the Chairman who received a salary, all directors did not receive director remuneration and only received transportation allowances. In addition, as there was a pre-tax loss in 2025, no directors' remuneration was allocated.

*Except as disclosed in the table above, the remuneration received by the directors of the Company for providing services in the most recent year (such as acting as consultants for all non-employees of the Company's re-investment business in the financial report of the parent company, etc.): None.

*Directors' remuneration is only for transportation fees, and there is no other remuneration.

**A full re-election was held upon the expiration of the term of office for directors on June 25, 2025.

- Note 1: The names of directors should be separately disclosed, in which the institutional shareholder should indicate the name of institutional shareholders and representatives respectively. If a director concurrently serves as the president or vice president, the table and the below Table 3 should be filled out.
- Note 2: It refers to the remuneration of directors received in the most recent year, including salaries of the directors, special responsibility allowance, severance pay, various bonuses, incentives, etc.
- Note 3: It refers to the remuneration of directors to be distributed in accordance with the proposal approved by the Board of Directors in the most recent year.
- Note 4: It refers to the relevant expenses for business operations paid to directors in the most recent year, including transportation allowance, special allowance, various allowances, and the provision of dormitory and vehicle, etc. When a house, car, and other transportation or exclusive personal expense are provided, the nature and cost of the assets provided, the actual or estimated rental expense based on a fair market price, gas expense, and other payments should be disclosed. Further, if a chauffeur is assigned, please also disclose the relevant compensation paid to such chauffeur in the Note. However, such amount shall not be included in the remuneration.
- Note 5: It refers to the salaries, special responsibility allowance, severance pay, various bonuses, incentives, transportation allowance, special allowance, and the provision of dormitory and vehicle received by the directors who concurrently serve as employees, including president, vice president, and other managerial officers and employees, in the recent year. When a house, car, and other transportation or personal expense are provided, the nature and cost of the assets provided, the actual or estimated rental expense based on a fair market price, gas expense, and other payments should be disclosed. Further, if a chauffeur is assigned, please also describe the relevant compensation paid to such chauffeur in the Note. However, such amount shall not be included in the remuneration. In addition, the salary expense recognized in accordance with IFRS 2 "Share-based payment" includes the acquisition of employee stock warrant, employee restricted stock, and subscription of new shares from cash capitalization, should also be included in remuneration.
- Note 6: It refers to the employee compensation, including stock and cash, received by the directors who concurrently serve as employees, including concurrently serving as president, vice president, and other managerial officers and employees, in the most recent year. It is required to disclose the amount of employee remuneration to be distributed in accordance with the proposal approved by the Board of Directors. If such amount is unable to be estimated, the amount can be determined in accordance with the actual distribution ratio for last year and the attached Table 1-3 shall be filled out as well.
- Note 7: Shall disclose the total amount of remuneration paid to the directors by all the companies, including the Company, enclosed in the consolidated financial statements.
- Note 8: Disclose the name of the directors in the respective range of total remuneration received from the Company.
- Note 9: Shall disclose the name of the directors in the respective range of total remuneration received from all the companies, including the Company, enclosed in the consolidated financial statements.
- Note 10: Net income (loss) after tax refers to the net income (loss) of the most recent year. After the adoption of International Financial Reporting Standards(IFRSs), it refers to the net income (loss) in the individual financial statements of the most recent year.
- Note 11:
- It is required to specify in this column the relevant remuneration amount the directors of the Company received from the invested companies other than the subsidiaries or parent company. If nil, please fill in "Nil".
 - If the Company's director has received the relevant remuneration from the invested companies other than the subsidiaries, the received amount should be included in Column I. In addition, the column title shall be revised as "Compensation Paid from Parent Company and Invested Companies".
 - Compensation shall mean the remuneration, reward, including the reward of employee, directors, and supervisors, and expense for business operation paid to the Company's directors by the invested companies other than the subsidiaries and such directors concurrently serves as directors, supervisors, or managerial officers of the invested companies.
- *Remark: Compensations in the table are different from incomes for income tax law. Therefore, figures in the table are mainly for information Disclosure and cannot be used as the basis for taxation.

2.2.2.2 Remuneration of President and Vice President (By disclosing the name of each individual and the corresponding remuneration amount)

December 31, 2025 Unit: In Thousands of New Taiwan Dollars

December 31, 2023 Unit: in Thousands of New Taiwan Dollars

Title	Name	Base Compensation (A) (Note 2)		Severance Pay and Pensions (B)		Bonuses and Allowances, etc. (C) (Note 3)		Profit Sharing (D) (Note 4)				Aggregate of four items of remunerations (A+B+C+D) and % of Net Income (Loss) (Note 8)		Compensation Paid to Directors from Non- consolidated Affiliates (Note 9)
		From the Company	From All Consolidated Entities (Note 5)	From the Company	From All Consolidated Entities (Note 5)	From the Company	From All Consolidated Entities (Note 5)	From the Company		From All Consolidated Entities (Note 5)		From the Company	From All Consolidated Entities (Note 5)	
								Cash	Stock (Fair Market Value)	Cash	Stock (Fair Market Value)			
President	Fang, Wei-Min	1,481	1,481	108	108	2,143	2,143	-	-	-	-	3,732 (1.35%)	3,732 (1.35%)	Nil
Director	Chang, Ying-Yin	3,098	3,098	108	108	-	-	-	-	-	-	3,206 (1.16%)	3,206 (1.16%)	Nil

*Remark: Regardless of job title, information on someone with an equivalent job responsibility as president and vice president, such as chairman, chief executive officer, director, etc., all should be disclosed.

Note 1: The names of president and vice president should be separately disclosed. If a director concurrently serves as the president or vice president, the table and the aforementioned Table 1 should be filled out.

Note 2: It refers to the remuneration of president and vice president received in the most recent year, including salaries of president and vice president, special responsibility allowance, severance pay, etc.

Note 3: It refers to the bonuses, incentives, transportation allowance, special allowance, various allowances, and the provision of dormitory and vehicle, and other remuneration paid to president and vice president in the most recent year. When a house, car, and other transportation or exclusive personal expense are provided, the nature and cost of the assets provided, the actual or estimated rental expense based on a fair market price, gas expense, and other payments should be disclosed. Further, if a chauffeur is assigned, please also disclose the relevant compensation paid to such chauffeur in the Note. However, such amount shall not be included in the remuneration. In addition, the salary expense recognized in accordance with IFRS 2 "Share-based payment" includes the acquisition of employee stock warrant, employee restricted stock, and subscription of new shares from cash capitalization, should also be included in remuneration.

Note 4: It refers to the employee compensation, including stock and cash, to be distributed to president and vice president in accordance with the proposal approved by the Board of Directors. If such amount is unable to be estimated, the amount can be determined in accordance with the actual distribution ratio for last year and the attached Table 1-3 shall be filled out as well. Net income (loss) after tax refers to the net income (loss) of the most recent year. After the adoption of International Financial Reporting Standards (IFRSs), it refers to the net income (loss) in the individual financial statements of the most recent year.

Note 5: Shall disclose the total amount of remuneration paid to president and vice president by all the companies, including the Company, enclosed in the consolidated financial statements.

Note 6: Disclose the name of president and vice president in the respective range of total remuneration received from the Company.

Note 7: Shall disclose the name of president and vice president in the respective range of total remuneration received from all the companies, including the Company, enclosed in the consolidated financial statements.

Note 8: Net income (loss) after tax refers to the net income (loss) of the most recent year. After the adoption of International Financial Reporting Standards(IFRSs), it refers to the net income (loss) in the individual financial statements of the most recent year.

Note 9: a. This column should clearly indicate the amount of remuneration received by the general manager and deputy general manager of the Company from the investment business other than the subsidiary or the parent company (if there is no such thing, please fill in "none").

b. If the general manager and deputy general manager of the Company receive remuneration related to the re-investment business or the parent company other than the subsidiary, the remuneration received by the general manager and deputy general manager of the Company for the re-investment business or the parent company other than the subsidiary shall be incorporated into Column E of the remuneration scale, and the name of the field shall be changed to "Parent company and all re-investment undertakings".

c. Remuneration refers to the remuneration, remuneration (including remuneration of employees, directors and supervisors) and business execution expenses and other related remuneration received by the general manager of the Company as a director, supervisor or manager of a subsidiary or a parent company in an investment business other than a subsidiary. c. Remuneration refers to the remuneration, remuneration (including remuneration of employees, directors and supervisors) and business execution expenses and other related remuneration received by the general manager and deputy general manager of the Company as directors, supervisors or managers of non-subsidiary re-investment undertakings.

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

2.2.2.3 Top Five Highest Paid Executives of the Company, listed on the TWSE (Note 1) (By disclosing the name of each individual and the corresponding remuneration amount)

As of December 31, 2025 Unit: In Thousands of New Taiwan Dollars

Title	Name	Base Compensation (A) (Note 2)		Severance Pay and Pensions (B)		Bonuses and Allowances, etc. (C) (Note 3)		Profit Sharing (D) (Note 4)				Aggregate of four items of remunerations (A+B+C+D) and % of Net Income (Loss) (Note 6)		Compensati on Paid to Directors from Non-consolidated Affiliates (Note 7)
		From the Company	From All Consolidated Entities (Note 5)	From the Company	From All Consolidated Entities (Note 5)	From the Company	From All Consolidated Entities (Note 5)	From the Company		From All Consolidated Entities (Note 5)		From the Company	From All Consolidated Entities (Note 5)	
								Cash	Stock (Fair Market Value)	Cash	Stock (Fair Market Value)			
Director	Chang, Ying-Yin	3,098	3,098	108	108	-	-	-	-	-	-	3,206 (1.16%)	3,206 (1.16%)	Nil
Chief Financial Officer	Chen, Chung-Yuan	1,868	1,868	108	108	-	-	-	-	-	-	1,976 (0.72%)	1,976 (0.72%)	Nil
Vice Director	Liao, Pei-Chi	1,722	1,722	95	95	-	-	-	-	-	-	1,817 (0.66%)	1,817 (0.66%)	Nil
President	Fang, Wei-Min	1,481	1,481	108	108	2,143	2,143	-	-	-	-	3,732 (1.35%)	3,732 (1.35%)	Nil
Assistant Vice President	Lee, Chao-Chang	1,253	1,253	73	73	-	-	-	-	-	-	1,326 (0.48%)	1,326 (0.48%)	Nil

Note 1: "Top five highest paid executives" refers to managerial officers of the Company. The scope of application for managers is defined in accordance with the Tai.Chai.Chen (III) No. 0920001301 Letter dated March 27, 2003 by the Securities and Futures Commission, Ministry of Finance. As for the calculation and determination principle of the "top five highest paid executives", it is calculated in accordance with the sum of the salaries, severity pay and pensions, bonuses and special allowances received by the managerial officers of the Company from all companies in the consolidated financial statements, as well as profit sharing amount, that is aggregate of four items of remunerations (A+B+C+D). and then recognizes the top five highest paid executives through sorting. If directors concurrently serves as the managerial officers of the Company, the table and the aforementioned Table 1 should be filled out.

Note 2 It refers to the remuneration of top five highest paid executives received in the most recent year, including salaries of president and vice president, special responsibility allowance, severance pay, etc.

Note 3: It refers to the bonuses, incentives, transportation allowance, special allowance, various allowances, and the provision of dormitory and vehicle, etc., and other remuneration paid to top five highest paid executives in the most recent year. When a house, car, and other transportation or exclusive personal expense are provided, the nature and cost of the assets provided, the actual or estimated rental expense based on a fair market price, gas expense, and other payments should be disclosed. Further, if a chauffeur is assigned, please also disclose the relevant compensation paid to such chauffeur in the Note. However, such amount shall not be included in the remuneration. In addition, the salary expense recognized in accordance with IFRS 2 “Share-based payment” includes the acquisition of employee stock warrant, employee restricted stock, and subscription of new shares from cash capitalization, should also be included in remuneration.

Note 4: It refers to the employee compensation, including stock and cash, to be distributed to top five highest paid executives in accordance with the proposal approved by the Board of Directors. If such amount is unable to be estimated, the amount can be determined in accordance with the actual distribution ratio for last year and the attached Table 1-3 shall be filled out as well.

Note 5: Shall disclose the total amount of remuneration paid to top five highest paid executives by all the companies, including the Company, enclosed in the consolidated financial statements.

Note 6: Net income (loss) after tax refers to the net income (loss) in the individual financial statements of the most recent year.

Note 7: a. This column should clearly indicate the amount of remuneration received by the Company's top five highest remuneration supervisors from reinvestment undertakings other than subsidiaries or related remuneration of the parent company (if none, please fill in "none").

b. Remuneration referred means the business execution expenses and other related remuneration received by the Company's top five highest remuneration directors, supervisors or managers of non-subsidiary reinvestment undertakings or parent companies.

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

2.2.2.4. The name of the manager who is distributed employee remuneration: No employee remuneration has been allocated in 2025.

2.2.3 Separately compare and describe total remuneration, as a percentage of net income stated in the individual financial reports or respective financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, president and vice presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

	The Company				From All Consolidated Entities			
Year	2024		2025		2024		2025	
Item	Total Amount	Ratio to Net Income (%)	Total Amount	Ratio to Net Income (%)	Total Amount	Ratio to Net Income (%)	Total Amount	Ratio to Net Income (%)
Total Remuneration of Directors, Supervisors, President, and Vice Presidents	14,641	(12.75%)	17,165	(6.23%)	14,641	(12.75%)	17,165	(6.23%)
Net Income in the Parent Company Only Financial Statements	(114,817)		(275,532)		(114,817)		(275,532)	

2.3.3.1 In the most recent two fiscal years, the Company reported net losses after tax and therefore did not distribute any employee or director remuneration.

2.3.3.2 Remuneration Policies, Standards, and Components, Procedures for Determining Remuneration, and its Correlation Between Managerial Performance and Future Risk:

- (1) According to Article 16-3 of the Company's Articles of Incorporation, the remuneration of directors and the remuneration of the chairman shall be agreed by the board of directors with reference to the standards of relevant peers and listed companies. The chairman's remuneration shall be determined in accordance with the relevant provisions on employee compensation and may include additional benefits. According to Article 25, if there is any earning after the Company's annual accounts, the Company shall set aside no less than 1% of the Company's balance as employee remuneration and distribute the dividends in the form of cash or stock in accordance with the resolution of Board of Directors. No more than 1% of the aforementioned earnings shall be appropriated as the remuneration of directors in accordance with the resolution of Board of Directors. The distribution proposal of employee remuneration and directors' remuneration shall be submitted to shareholders' meeting. If there is accumulated losses after the Company's annual accounts, the Company shall reserve an amount to offset the losses in prior years first and then appropriate employee remuneration and directors' remuneration in accordance with the aforementioned proportion.
The Chairman, serving in a full-time management position, is responsible for the Company's daily operations, strategic execution, and business performance. Given the full time and energy invested, the Chairman's salary and related remuneration are provided in accordance with the Articles of Incorporation and are based on the salary standards for employees.

The primary responsibilities of directors are to attend Board meetings, provide professional advice, and supervise the management team. As they do not participate in daily operations or management and have no fixed working hours or direct business performance responsibilities, their role is supervisory in nature. Based on the principle of alignment between authority and responsibility, no director remuneration has been paid in the most recent two years; only transportation allowances have been provided based on actual attendance. For directors who concurrently serve as employees of the Company, the salaries, bonuses, and benefits they receive are labor consideration based on their status as employees, not director remuneration.

- (2) In order to attract, retain and motivate outstanding employees. Employees' salaries are based on their academic background, professional knowledge, years of experience, and their KPI. Incentive-based salary and annual salary adjustment are based on the Company's operating conditions, and also the value of personal contribution and KPI. Employees' annual salaries are also adjusted to motivate and retain outstanding employees, and also to fulfill the Company's sustainable development goals.
- When evaluating, the Company shall take into consideration the amount of time an individual is devoted to, duties they are entrusted with, how well they have accomplished their goal, performance on another position, the salaries/remuneration paid to an individual on equivalent position in recent years, as well as determining if there is a reasonable link between individual performance, the Company's operation performance and future risks based on accomplishment of the Company's short and long-term business objectives and the Company's financial position. In accordance with the "Employee Promotion, Transfer and Rotation Regulations", "Employee Reward and Punishment Regulations" and "Employee Appraisal Regulations", the evaluation will be proposed by the Remuneration Committee and approved by the Board of Directors.

2.3 Particular of Corporate Governance

2.3.1 Board of Directors

The Board of Directors convened for 8 instances (A) in the most recent year. The attendance of the directors to the meetings is shown below:

Title	Name (Note 1)	Attendance in Person (B)	Attendance by Proxy	Percentage of Actual Attendance (%) 【B/A】 (Note 2)	Remarks
Chairman	Ding Lin Investment & Development Co., Ltd. Representative: Lai, Cheng-I	8	-	100%	Re-elected
Director	Zheng Kee Investment Co., Ltd. Representative: Chang, Ying-Yin	8	-	100%	Re-elected
Director	Ding Zheng Investment Co., Ltd. Representative: Chen, Shu-Fen	8	-	100%	Re-elected
Director	Yi Yang Investment Co., Ltd. Representative: Liao, Pei Chi	8	-	100%	Re-elected
Independent Director	Chiu, Wen-Jui	8	-	100%	Re-elected
Independent Director	Huang, Jian-Ji	2	-	100%	Retired
Independent Director	Yang, Chih-Chung	5	3	71.4%	Re-elected
Independent Director	Kung, Sheng-Hsiung	6	-	100%	Newly appointed

Note: A full re-election was held upon the expiration of the term of office for directors on June 25, 2025.

Other Disclosure:

1. Where the proceedings of the Board meeting include one of the following circumstances, then the date, session, content of proposals, opinions of every independent director, and the Company's handling of the opinions shall be described.

1.1 Items listed in Article 14-3 of the Securities and Exchange Act:

Date	Board Meeting	Content of the Proposal	Opinions of Independent Directors	The Company's Response to the Opinions of Independent Directors
2025.3.11	The 19th meeting of the 13th term	1 Approved that the year 2024 resulted in a pre-tax net loss, and no employee or director remuneration would be allocated.	None	No objections
2025.3.11	The 19th meeting of the 13th term	2 Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of December 31, 2024, that remained uncollected for more than 3 months beyond the normal credit period and involved significant amounts, would not be reclassified as loans to others.	None	No objections
2025.3.11	The 19th meeting of the 13th term	3 Approved the evaluation of the independence and suitability of the certified public accountants (CPAs) and the appointment of the CPAs for 2025.	None	No objections
2025.3.11	The 19th meeting of the 13th term	4 Approved the increase of the investment limit in the subsidiary BILLION CAPITAL HOLDING CO., LTD by US\$10 million through the subsidiary QUANTUM INVESTMENT LTD.	None	No objections
2025.3.11	The 19th meeting of the 13th term	5 Approved the waiver of the non-compete clause for the Company's newly appointed directors.	None	No objections
2025.5.9	The 20th meeting of the 13th term	1 Approved the change of the Company's Accounting Officer.	None	No objections
2025.5.9	The 20th meeting of the 13th term	2 Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of March 31, 2025, that remained uncollected for more than 3 months beyond the normal credit period and involved significant amounts, would not be reclassified as loans to others.	None	No objections
2025.5.9	The 20th meeting of the 13th term	3 Approved the liability insurance for directors and officers with an insured amount not exceeding US\$3 million.	None	No objections
2025.7.3	The 1st meeting of the 14th term	1 Approved the authorization of the Chairman to determine the limit for endorsements and guarantees provided by the Company to others.	None	No objections
2025.7.3	The 1st meeting of the 14th term	2 Approved the adjustment of the endorsement and guarantee limit for the subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.	None	No objections
2025.7.3	The 1st meeting of the 14th term	3 Approved the adjustment of the endorsement and guarantee limit for the subsidiary BILLION CAPITAL HOLDING CO., LTD.	None	No objections
2025.7.23	The 2nd meeting of the 14th term	1 Approved the disposal of shares in the subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.	None	No objections
2025.8.8	The 3rd meeting of the 14th term	1 Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of the second quarter of 2025, that remained uncollected for more than 3 months beyond the normal credit period and involved significant amounts, would not be reclassified as loans to others.	None	No objections
2025.8.8	The 3rd meeting of the 14th term	2 Approved the adjustment of remuneration for the Company's independent directors.	None	No objections
2025.11.7	The 4th meeting of the 14th term	1 Approved the ratification of the endorsement and guarantee limit adjustment for the	None	No objections

2025.3.11

			subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.		
2025.11.7	The 4th meeting of the 14th term	2	Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of the third quarter of 2025... would not be reclassified as loans to others.	None	No objections
2025.11.7	The 4th meeting of the 14th term	3	Approved the adjustment of the endorsement and guarantee limit for the subsidiary Taiyu Construction Co., Ltd.	None	No objections
2025.11.7	The 4th meeting of the 14th term	4	Approved the proposal to increase the investment limit in the subsidiary BILLION CAPITAL HOLDING CO., LTD through the subsidiary QUANTUM INVESTMENT LTD.	None	No objections
2025.11.7	The 4th meeting of the 14th term	5	Approved the amendment to certain provisions of the Company's "Internal Control System and Internal Audit System."	None	No objections
2026.3.6	The 5th meeting of the 14th term	1	Approved the 2026 Business Plan of the Company.	None	No objections
2026.3.6	The 5th meeting of the 14th term	2	Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of December 31, 2025... would not be reclassified as loans to others.	None	No objections
2026.3.6	The 5th meeting of the 14th term	3	Approved the evaluation of the independence and suitability of the certified public accountants (CPAs) and the appointment of the CPAs for 2026.	None	No objections
2026.3.6	The 5th meeting of the 14th term	4	Approved the increase of the investment limit in the subsidiary BILLION CAPITAL HOLDING CO., LTD by US\$5 million through the subsidiary QUANTUM INVESTMENT LTD.	None	No objections
2026.3.6	The 5th meeting of the 14th term	5	Approved the proposal to increase the investment limit in the subsidiary 168 INVESTMENT LTD by US\$1 million.	None	No objections
2026.3.6	The 5th meeting of the 14th term	6	Approved the waiver of the non-compete clause for the Company's directors.	None	No objections
2026.5.7	The 6th meeting of the 14th term	1	Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of the first quarter of 2026... would not be reclassified as loans to others.	None	No objections
2026.5.7	The 6th meeting of the 14th term	2	Approved the 2026 first-quarter financial statements of the Company.	None	No objections
2026.5.7	The 6th meeting of the 14th term	3	Approved the adjustment of the endorsement and guarantee limit for the subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.	None	No objections
2026.5.7	The 6th meeting of the 14th term	4	Approved the liability insurance for directors and officers.	None	No objections
2026.5.7	The 6th meeting of the 14th term	5	Approved the redemption of the Company's private placement of Class A preferred shares and the subsequent capital reduction.	None	No objections

1.2 In addition to the aforementioned matters, any other resolutions from the Board meetings where an independent director expressed a dissenting or qualified opinion that have been recorded or stated by writing:
No such circumstances

- When directors recuse themselves for being a stakeholder in certain proposals due to conflict of interests, the name of the directors, the content of the proposal, reasons for recusal and the results of voting counts shall be stated: None of the Company's directors needs to recuse themselves for being a stakeholder in the proposals of Board of Directors due to conflict of interests.
- Listed and over-the-counter (OTC) companies should disclose the information about the assessment cycle and period, assessment scope and method, and evaluation content of the board's self- (or peer) assessment and fill out the attached Table 2 in regard to the implementation status of self-assessment by the Board of Directors.

Implementation to Self-Evaluation or Peer Evaluation of Board of Directors

Evaluation Cycle (Note 1)	Evaluation Periods (Note 2)	Scope of Evaluation (Note 3)	Method of Evaluation (Note 4)	Evaluation Indicators (Note 5)	Result of Evaluation
Once a Year	1 January to 31 December 2025	Board of Directors	Self-Evaluation of the Performance by Board of Directors	(1) Participation in the operation of the Company (2) Improvement of the quality of the board of directors' decision making (3) Composition and structure of the Board of Directors (4) Election and continuing education of the directors (5) Internal control	Excellent The average grade is 4.85
Once a Year	1 January to 31 December 2025	Respective Member of Board of Directors	Self-Evaluation of the Performance by the Respective Member of Board of Directors	(1) Alignment of the goals and missions of the Company (2) Awareness of the duties of a director (3) Participation in the operation of the Company (4) Management of internal relationship and communication (5) Election and continuing education of the directors (6) Internal control	Excellent The average grade is 4.92
Once a Year	1 January to 31 December 2025	Audit Committee	Peer Evaluation	(1) level of involvement in the Company's operations (2) Recognition of functional committee responsibilities (3) Enhancing the quality of decision making in functional committees (4) Composition of functional committees and selection of members (5) internal control	Excellent Average grade is 4.98
Once a Year	1 January to 31 December 2025	Remuneration Committee	Peer Evaluation	(1) level of involvement in the Company's operations (2) Recognition of functional committee responsibilities (3) Enhancing the quality of decision making in functional committees (4) Composition of functional committees and selection of members (5) internal control	Excellent Average grade is 4.98
Once a year	January 1, 2025 to December 31, 2025	Sustainable Development Committee	Peer evaluation	(1) Participation in the Company's operations. (2) Awareness of duties of functional committees. (3) Improvement of the decision-making quality of functional committees. (4) Composition and selection of members of functional committees. (5) Internal control.	Excellent; average grade is 4.66

Note 1: The implementation cycle of the evaluation by the Board of Directors is listed.

Note 2: The period covered by the evaluation of the Board of Directors is listed.

Note 3: The scope of evaluation includes performance evaluation of the Board of Directors, individual directors, and functional committees.

Note 4: The method of evaluation includes internal self- evaluation by the Board of Directors, self- evaluation by directors, peer evaluation, evaluation through the appointment of external professional institutions and experts, or other appropriate methods for performance evaluation.

Note 5: The evaluation content includes at least the following items according to the scope of the evaluation: (1) Performance evaluation of the board of directors: it includes at least the degree of participation in the Company's operations, the quality of the board's decision-making, the composition and structure of the board of directors, the selection and continuous education of directors, internal control, etc. (2) Performance evaluation of individual directors: it includes at least the mastery of the Company's goals and tasks, the awareness of directors' responsibilities, the degree of participation in the Company's operations, internal relationship management and communication, the professional and continuing education of directors, internal control, etc. (3) Performance evaluation of functional committees: participation in company operations, awareness of functional committee responsibilities, quality of functional committee decisions, composition and selection of functional committee members, internal control, etc. 4. Measures taken to strengthen the functions of the Board for the current year and the most recent year and the implementation The Board of Directors of the Company adopt diversified policy for the composition of its members who possess various professional knowledge and skills. The independent directors of the Audit Committee are the ones who have business experience, are management consultants or academic professors, or possess other professional knowledge. To enhance the professional skills of the Board of Directors, each director is required to complete at least 6 hours of continuing education annually during their tenure. This initiative aims to support their ongoing knowledge enrichment, cultivate future leadership talent, and maintain their core values, professional strengths, and capabilities. The following table sets out the training of directors in 2025.											
Training Date	Course Name	Organizer	Training Hours	Director s	Director s	Director s	Director s	Independent director	Independent director	Independent director	Independent director
				Lai, Cheng-I	Chen, Shu-Fen	Chang, Ying-Yin	Liao, Pei-Chi	Chiu, Wen-Jui	Huang, Jian-Ji (Retired)	Yang, Chih-Chung	Kung, Sheng-Hsiung (Newly Appointed)
2025.06.15	Key Points for Mastering Industrial Holding and Conglomerate Operations	Chinese Financial and Economic Development Association	3	v							
2025.07.03	Analysis of Global Financial and Economic Challenges	Chinese Financial and Economic Development Association	3	v	v	v	v	v	v	v	v
2025.07.20	Practicing Sustainable Development through the Taipei Exchange Market - General Principles	Taipei Exchange (TPEX)	3	v							
2025.07.25	2025 Advocacy Seminar on Legal Compliance	Securities and Futures Institute	3								v

	nce of Insider Equity Trading										
2025.09. 26	2025 Insider Trading Preventi on Seminar	Securitie s and Futures Institute	3								v
2025.11. 07	Observat ion of China's Political and Economi c Develop ment under Geopolit ics and U.S.- China Rivalry	Chinese Financia l and Economi c Develop ment Associat ion	3	v	v	v	v	v	v	v	v

Note 1: For directors and supervisors who are juristic persons, the name of institutional shareholders and their representatives shall be disclosed.

Note 2:

- In case any director has been released of his/her duty before the end of the year end, the date of turnover shall be specified in the Remarks column. Actual presence (attendance) rate (%) shall be calculated based on the number of Board meetings convened and the actual attendance during his/her term of service.
- In case any seat of director has been re-elected before the end of the year, both the previous and current director shall be filled, and the Remarks column shall indicate whether a director was from a previous term, newly appointed, or re-appointed, and the date of re-election. Actual presence (attendance) rate (%) shall be calculated based on the number of Board meetings convened and the actual presence (attendance) during his/her term of service.

Note 3: A full re-election was held upon the expiration of the term of office for directors on June 25, 2025.

2.3.2 Operations of the Audit Committee

Audit Committee has convened 8 meetings (A) in the most recent year. The attendance records of independent directors are as follows:

Title	Name (Note 1)	Attendance in Person (B)	Attendance by Proxy	Percentage of Actual Attendance (%) 【 B / A 】 (Note 2)	Remarks
Independent Director	Chiu, Wen-Jui	8	-	100%	Re- elected
Independent Director	Huang, Jian-Ji	2	-	100%	Retired
Independent Director	Yang, Chih-Chung	5	3	62.5%	Re- elected
Independent Director	Kung, Sheng-Hsiung	6	-	100%	Newly appointed

Note: A full re-election was held upon the expiration of the term of office for directors on June 25, 2025.

Other disclosures:

If any of the following circumstances applies to the operations of the Audit Committee, the date and period of the Audit Committee meeting, the content of the motion, the content of the objections, reservations or material recommendations of the independent directors, the results of the Audit Committee resolution and the Company's handling of the Audit Committee's opinion should be stated.

1.1 Items listed in Article 14-5 of Securities and Exchange Act.

Date	Board Meeting	Content of the Proposal	Resolutions of the Audit Committee	The Company's Handling of Opinions of the Audit Committee
2025.03.11	The 20th meeting of the 2nd term	1 Approved that the year 2024 resulted in a pre-tax net loss, and no employee or director remuneration would be allocated.	Nil	No objections
2025.03.11	The 20th meeting of the 2nd term	2 Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of December 31, 2024, that remained uncollected for more than 3 months beyond the normal credit period and involved significant amounts, would not be reclassified as loans to others.	Nil	No objections
2025.03.11	The 20th meeting of the 2nd term	3 Approved the 2024 financial statements of the Company.	Nil	No objections
2025.03.11	The 20th meeting of the 2nd term	4 Approved the evaluation of the independence and suitability of the certified public accountants (CPAs) and the appointment of the CPAs for 2025.	Nil	No objections
2025.03.11	The 20th meeting of the 2nd term	5 Approved the increase of the investment limit in the subsidiary BILLION CAPITAL HOLDING CO., LTD by US\$10 million through the subsidiary QUANTUM INVESTMENT LTD.	Nil	No objections
2025.03.11	The 20th meeting of the 2nd term	6 Approved the 2024 Internal Control System Statement.	Nil	No objections
2025.03.11	The 21st meeting of the 2nd term	7 Approved the waiver of the non-compete clause for the Company's newly appointed directors.	Nil	No objections
2025.05.09	The 21st meeting of the 2nd term	1 Approved the change of the Company's Accounting Officer.	Nil	No objections
2025.05.09	The 21st meeting of the 2nd term	2 Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of March 31, 2025... would not be reclassified as loans to others.	Nil	No objections
2025.05.09	The 21st meeting of the 2nd term	3 Approved the liability insurance for directors and officers with an insured amount not exceeding US\$3 million.	Nil	No objections
2025.07.03	The 1st meeting of the 3rd term	1 Approved the authorization of the Chairman to determine the limit for endorsements and guarantees provided by the Company to others.	Nil	No objections
2025.07.03	The 1st meeting of the 3rd term	2 Approved the adjustment of the endorsement and guarantee limit for the subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.	Nil	No objections
2025.07.03	The 1st meeting of the 3rd term	3 Approved the adjustment of the endorsement and guarantee limit for the subsidiary BILLION CAPITAL HOLDING CO., LTD.	Nil	No objections
2025.07.23	The 2nd meeting of the 3rd term	1 Approved the disposal of shares in the subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.	Nil	No objections
2025.08.08	The 3rd meeting of the 3rd term	1 Approved that the accounts receivable... as of the second quarter of 2025... would not be reclassified as loans to others.	Nil	No objections

2025.08.08	The 3rd meeting of the 3rd term	2	Approved the 2025 second-quarter financial statements of the Company.	Nil	No objections
2025.11.07	The 4th meeting of the 3rd term	1	Approved the ratification of the endorsement and guarantee limit adjustment for the subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.	Nil	No objections
2025.11.07	The 4th meeting of the 3rd term	2	Approved that the accounts receivable... as of the third quarter of 2025... would not be reclassified as loans to others.	Nil	No objections
2025.11.07	The 4th meeting of the 3rd term	3	Approved the adjustment of the endorsement and guarantee limit for the subsidiary Taiyu Construction Co., Ltd.	Nil	No objections
2025.11.07	The 4th meeting of the 3rd term	4	Approved the proposal to increase the investment limit in the subsidiary BILLION CAPITAL HOLDING CO., LTD through the subsidiary QUANTUM INVESTMENT LTD.	Nil	No objections
2025.11.07	The 4th meeting of the 3rd term	5	Approved the amendment to certain provisions of the Company's "Internal Control System and Internal Audit System".	Nil	No objections
2026.03.06	The 5th meeting of the 3rd term	1	Approved the 2026 Business Plan of the Company.	Nil	No objections
2026.03.06	The 5th meeting of the 3rd term	2	Approved that the accounts receivable... as of December 31, 2025... would not be reclassified as loans to others.	Nil	No objections
2026.03.06	The 5th meeting of the 3rd term	3	Approved the 2025 financial statements of the Company.	Nil	No objections
2026.03.06	The 5th meeting of the 3rd term	4	Approved the evaluation of the independence and suitability of the certified public accountants (CPAs) and the appointment of the CPAs for 2026.	Nil	No objections
2026.03.06	The 5th meeting of the 3rd term	5	Approved the increase of the investment limit in the subsidiary BILLION CAPITAL HOLDING CO., LTD by US\$5 million through the subsidiary QUANTUM INVESTMENT LTD.	Nil	No objections
2026.03.06	The 5th meeting of the 3rd term	6	Approved the proposal to increase the investment limit in the subsidiary 168 INVESTMENT LTD by US\$1 million.	Nil	No objections
2026.03.06	The 5th meeting of the 3rd term	7	Approved the 2025 Internal Control System Statement.	Nil	No objections
2026.03.06	The 5th meeting of the 3rd term	8	Approved the waiver of the non-compete clause for the Company's directors.	Nil	No objections
2026.5.7	The 6th meeting of the 3rd Audit Committee	1	Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of the first quarter of 2026, that remained uncollected for more than 3 months beyond the normal credit period and involved significant amounts, would not be reclassified as loans to others.	None	No objections
2026.5.7	The 6th meeting of the 3rd Audit Committee	2	Approved the 2026 first-quarter financial statements of the Company.	None	No objections

2026.5.7	The 6th meeting of the 3rd Audit Committee	3 Approved the adjustment of the endorsement and guarantee limit for the subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.	None	No objections
2026.5.7	The 6th meeting of the 3rd Audit Committee	4 Approved the liability insurance for directors and officers.	None	No objections
2026.5.7	The 6th meeting of the 3rd Audit Committee	5 Approved the redemption of the Company's private placement of Class A preferred shares and the subsequent capital reduction.	None	No objections

Other Disclosures:

- 1.2 Except for the above matters, other resolutions passed by two-thirds of all the directors but yet to be approved by the Audit Committee: Nil
2. In regards to the recusal of independent directors due to conflict of interests, the names of the independent directors, the content of proposals, reasons for recusal, and results of voting shall be stated: The proposals of the Company's Audit Committee do not lead to the recusal of independent directors due to conflict of interests.
3. Communications between the independent directors and the Internal Audit supervisor and the CPAs (including material matters, methods, and results of communications over the Company's finances and business operations)
- 3.1 The independent directors communicate with the Internal Audit supervisor and CPAs at least once a year through Audit Committee and they can communicate with each other directly when required. The communication between them is good and two times of communication has already been conducted three time in 2024.
- 3.2 The internal audit supervisor usually submits audit reports to independent directors for inspection every month, and then submits the reports to Board of Directors. The implementation status and effectiveness of the auditing events have been fully communicated. The internal audit supervisor has attending 6 instances of the Audit Committee meetings in 2025.

In 2025, the communications between the independent directors and the Internal Audit supervisor and the CPAs is described as the follows:

Date	Matters Communicated	Subject of Communication	Suggestion and Results of Communication
2025.03.11	2024 consolidated and parent company only financial statements audit results and communication with the governance unit.	1. Audit scope. 2. Audit findings. 3. Other communication matters. 4. Audit Quality Indicators (AQI). 5. Legal updates.	No objections.
2025.12.14	2025 consolidated and parent company only financial statements preliminary audit planning communication with the governance unit.	1. Roles and functions of the governance unit. 2. Roles and responsibilities of the audit CPAs. 3. Quality management system of the CPA firm. 4. Independence of audit personnel. 5. Risk-oriented audit methodology. 6. Planning (Group) audit scope and timing. 7. Audit team. 8. Others.	No objections.

Note:

- * In case any independent director has been released of his/her duty before the end of the year, the date of turnover shall be specified in the Remarks column. Actual presence (attendance) rate (%) shall be calculated based on the number of meetings convened and the actual attendance during his/her term of service.
- * In case any independent director has been re-elected before the end of the year, both the previous and current independent director shall be filled, and the Remarks column shall indicate whether an independent director was from a previous term, newly appointed, or re-appointed, and the date of re-election. Actual presence (attendance) rate (%) shall be calculated based on the number of meetings convened and the actual presence (attendance) during his/her term of service.

2.3.3 Corporate Governance Implementation Status and Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies’ and Reasons

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Did the Company establish and disclose the Corporate Governance Best Practice Principles based on "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies " ?	V		For the establishment of a good corporate governance system, the Company referred to the relevant regulations of “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and stipulated “Corporate Governance Practice Principles" in 2020, which set up the effective structure of corporate governance.	No Significant Difference
2. Shareholding Structure and Shareholders’ Rights				
(1) Did the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(1)The Company has established a spokesperson and a unit for stock affairs to deal with shareholders’ doubts, concerns, etc., as a whole.	No Significant Difference
(2) Did the Company maintain a register of major shareholders with controlling power as well as a register of persons exercising ultimate control over those major shareholders?	V		(2)The Company masters the shareholding status of directors, managerial officers, and major shareholders holding more than 10% of the shares at all times and declares the shareholding of major shareholders on schedule. Please refer to pages 6 and 60 of the 2025 annual report.	No Significant Difference
(3) Did the Company establish and execute the risk management and firewall systems with its affiliated businesses?	V		(3)Both the Company and its reinvestment businesses are financial autonomy and business independence and the "Regulations and Procedures Governing Financial and Business Operation of Conglomerate, Specific Companies, and Related Parties", is stipulated, in which the implementation status is regularly audited by internal auditors.	No Significant Difference
(4) Did the Company establish internal rules that prohibit Company insiders from trading securities using undisclosed information?	V		(4) The Company has stipulated "Procedures for Handling Material Inside Information", which clearly indicates that insiders are prohibited to trade securities using undisclosed information known by them, and shall not disclose the undisclosed material information known by them to others for preventing others from using undisclosed information to	No Significant Difference

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			trade securities.	
3. Composition and Responsibilities of the Board of Directors: (1) Does the Board of Directors formulate diversification policies, specific management objectives and implement them on the composition of members? (2) In addition to establishing the Remuneration Committee and Audit Committee according to the regulations, has the Company voluntarily established other functional committees? (3) Did the Company establish a standard to measure the performance of the Board of Directors and implement it annually? Did the Company submit the results of performance assessments to the Board of Directors and use them as reference in determining remuneration for individual directors, their nomination, and additional office term? (4) Did the Company regularly evaluate the independence of Certified Public Accountants (CPAs)?	V	V	(1) In accordance with Article 4-3-1-1 of the Company's “Corporate Governance Practice Principles”, the Board of Directors shall adopt a diversified approach for the composition of board members and all members of the board shall have the knowledge, skills, and experience necessary to perform their duties. Please refer to pages 9-12 of the 2025 annual report. (2) The Company's current Board of Directors is competent for performing the Duties of functional committees. In consideration of practical needs, the Company may set up other functional committees in accordance with the laws and regulations in the future. (3) The Company has stipulated the “Regulations Governing Performance Assessment of the Board of Directors” in 2020, conducted performance assessment for the Board of Directors, board members, and functional committees, and submitted the assessment results for 2025 to the Board of Directors on March 6, 2026. Please refer to pages 24-25 of the 2024 annual report. (4) The Company evaluates the independence of certified public accountants (CPAs) once a year. On March 6, 2026, the Board of Directors passed the evaluation reports regarding the independence of CPAs. The 2024 evaluation indicators are described as follows:	No Significant Difference No Significant Difference No Significant Difference No Significant Difference

Evaluation Item	Implementation Status (Note)					Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons	
	Yes	No	Abstract Illustration				
				Evaluation Item	Assessment Result	Met Independence Criteria	
				1. Whether the accountant and the audit team's professional service personnel have any investment relationship with the company.	No	Yes	
				2. Whether the accountant and the professional service personnel hold any director or officer positions in the company.	No	Yes	
				3. Whether there is any business relationship between the accounting firm and the company.	No	Yes	
				4. Whether there is a litigation relationship between the accounting firm and the company	No	Yes	
				5. The CPA has provided audit services to the Company for seven consecutive years	No	Yes	
				6. Whether the accountant has complied with the independence requirements of Bulletin No. 10 of the Code of Professional Ethics for Certified Public Accountants and has obtained an Independence Statement from the audit CPA.	No	Yes	
4. Did the TWSE/TPEX listed company have designated appropriate personnel to handle corporate governance tasks and appointed a governance officer in charge of corporate governance matters (including but not limited to providing information for directors and supervisors to perform their duties, assisting directors and supervisors with regulatory compliance, handling matters related to Board meetings and shareholders' meetings, and preparing proceedings for Board meetings and shareholders' meetings)?	V			The Company has appointed a corporate governance officer on August 12, 2020, by Mr. Lee, S.C., Assistant Manager of the General Administration Office. which has been approved by the Board of Directors. The corporate governance officer is in charge of providing information required by directors to perform their duties, dealing with matters related to the Board meetings and shareholders' meetings in accordance with the law, handling company registration and change registration, and preparing meeting minutes of Board of Directors and shareholders' meetings, etc. The relevant information can be found on the Company's official website. 12 hours of training will be completed in 2025.			No Significant Difference

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
5. Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers and suppliers)? Has a stakeholders' area been set up on the Company website? Are major Corporate Social Responsibility (CSR) topics that the stakeholders are concerned with addressed appropriately by the Company?	V		The Company proactively communicates with stakeholders and discloses the communication status of the stakeholders and the Company on the Company website, in which the stakeholders' section was set up. Stakeholders can leave questions through "Contact Us" which will be replied by relevant departments or use LINE friends and fan pages of FACEBOOK to leave a message in order to solve issues through the assistance of customer service system. Please refer to the Company's official website and pages 28-39 of the Sustainability Report 2024.	No Significant Difference
6. Does the Company appoint a professional shareholder services agency to deal with shareholder affairs?	V		The Company has appointed the stock affairs department of Fubon Securities Co., Ltd. to deal with the affairs of shareholders' meetings.	No Significant Difference
7. Information Disclosure				
(1) Did the Company establish a website to disclose information on financial operations and corporate governance?	V		(1) The Company has established an official website, www.shininggroup.com, to disclose information on financial operation, business operation, and corporate governance, etc. Information on financial operation, corporate governance, announcements, and material information can also be queried through linking to the Market Observation Post System.	No Significant Difference
(2) Did the Company have other information disclosure channels (such as establishing an English language website, delegating a professional to collect and disclose Company information, implementing a spokesperson system, and disclosing the process of investor conferences on the Company website)?	V		(2) Except the aforementioned (1), the digital marketing department is in charge of the maintenance of external information on the Company's official website; the accounting department is responsible for the information declaration on the Market Observation Post System and implementation of spokesperson system; and the institutional investor conference will be held at least once a year. The relevant information can also be inquired through the Company's official website and Market Observation Post System.	No Significant Difference
(3) Does the Company publish and report its annual financial statements within two months after the end of an accounting period, and publish and report its financial statements for the first, second, and third quarters as well as		V	(3) In accordance with the provisions of "Securities and Exchange Act", the Company announces and declares quarterly financial statements and monthly operating status before the specified deadline.	No Significant Difference

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
its operating status for each month before the specified deadline?				
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance(including but not limited to employee's rights, employee wellness, investor relations, supplier relations, stakeholders' rights, Directors and Supervisors training records, implementation of risk management policies and measurement standards, implementation of customer policies and purchase of liability insurance for the Directors and Supervisors of the Company)?	V		(1) Employee Rights and Employee Wellness Please refer to the Company’s official website and pages pages 82-85 of the 2025 Annual Report.	No Significant Difference
			(2) Investor Relations and Supplier Relations Please refer to the Company’s official website and page 28-39, pages 49-50 of the Sustainability Report 2024.	
			(3) Rights of Stakeholders Please refer to the Company’s official website and pages 28-39 of the Sustainability Report 2024.	
			(4) Training Records of Directors and Supervisors Please refer to pages 25-26 of the 2025 Annual Report.	
			(5) Risk Management Policies, Practices, and Risk Assessment Standards The Company has disclosed the risk management policies and implementation status on the official website. Please refer to pages 91-95 of the 2025 Annual Report.	
			(6) Implementation of Customer Policy Please refer to the Company’s official website and pages 56-63 of the Sustainability Report 2024.	
			(7) Insurance against Directors’ and Supervisors’ Liabilities The Company has purchased liability insurance for directors and managerial officers in June 2025.	

Evaluation Item	Implementation Status (Note)			Deviations from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
9. Please specify the Company's measures to improve the items listed in the corporate governance review result by Taiwan Stock Exchange's Corporate Governance Center and provide prioritized improvement plans for items yet to be completed.				
(1) Improvements Made in 2025: Establishment of the Sustainable Development Committee(2) Priority enhancements and measures for 2025 that have not been improved: None				

Note 1: No matter the operation item is ticked "yes" or "no", the status shall be described in abstract illustration column.

2.3.4 Disclosure of the composition, responsibilities, and operations of the Remuneration Committee, if Applicable.

The company does not have a nomination committee, and the operation of the Remuneration committee is as follows:

2.3.4.1 Information of Remuneration Committee Members

Criteria		Professional Qualification and Work Experience (Note 2)	Independence (Note 3)	Number of other public companies' remuneration committees in which the member served as part-time member
Title (Note 1)	Name			
Independent Director (convener)	Chiu, Wen-Jui	1. Bachelor of Science in Electronics from Vanung University of Science and Technology and was the Vice Chairman of MICROLINK COMMUNICATIONS INC. 2. He has over 20 years of expertise in the management field and has extensive experience in company management and corporate counseling in China.	In compliance with the eligibility requirements set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14-2 of the Securities and Exchange Act.	Nil
Independent Director	Huang, Jian-Ji (Retired)	1. PhD in Electrical Engineering from National Cheng Kung University, teaching for about 30 years, currently Associate Professor & Head of Department of Multimedia Game Development and Application at Hong Kong University of Science and Technology. 2. Expertise in multimedia application design, logic training and internet marketing	In compliance with the eligibility requirements set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14-2 of the Securities and Exchange Act.	Nil
Independent Director	Yang, Chih-Chung	1. Master of Transportation Research Institute, National Chiao Tung University, has been working in Hubbard Administration System for more than 10 years, and is now in charge of Hubbard Administration Taiwan. 2. He is a professional lecturer and consultant in business management and has been listed as one of the top 500 business management lecturers by Management Magazine.	In compliance with the eligibility requirements set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14-2 of the Securities and Exchange Act.	Nil
Independent Director	Kung, Sheng-Hsiung (Newly Appointed)	1. PhD, Department of Business Administration, National Yunlin University of Science and Technology. Has served in teaching positions for approximately 19 years and currently serves as Associate Professor of the Department of Hospitality Management, Chia Nan University of Pharmacy and Science. 2. Possesses extensive practical experience in hotel services and academic knowledge in hospitality management.	In compliance with the eligibility requirements set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14-2 of the Securities and Exchange Act.	-

Note 1: Please specify the relevant working years, professional qualifications and experience of the members of each remuneration committee and their independent status in the form. For independent directors, please refer to the relevant content of Director and Supervisor Information (1) in Schedule 1 on Page 4-5. Please fill in the identity as an independent director or other (if it is a convenor, please mark it).

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

Note 3: Meet the independent status: specify whether the members of the remuneration committee meet the independent status, including but not limited to whether relatives within myself, spouse, second parent, etc. are directors, supervisors, or employees of the Company or its affiliated companies; the number and proportion of shares held by relatives within myself, spouse, second parent, etc. (or in the name of others); whether they are directors, supervisors, or employees of companies with specific relationships with the Company; the amount of remuneration obtained for providing business, legal, financial, accounting and other services of the Company or its affiliated companies in the last 2 years.

Note 4: The Directors were fully re-elected in June 2025 upon expiry of their term, and were re-appointed by the Board of Directors in July 2025.

2.3.4.2 Operation of Remuneration Committee

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

(b) The term of office of the current members: From July 3, 2025 to June 24, 2028., there were 4 (A) meetings held by Remuneration Committee in the most recent year. The qualification and attendance of the members are as follows:

Title	Name	Attendance in Person (B)	Attendance by proxy	Percentage of actual attendance (%) 【 B / A 】 (Note)	Remarks
Convener	Chiu, Wen-Jui	4	-	100	N/A
Committee Member	Huang, Jian-Ji	2	-	100	Retired
Committee Member	Yang, Chih-Chung	3	1	75	N/A
Committee Member	Kung, Sheng-Hsiung	2	-	100	Newly Appointed

Other Disclosures:

1. If the board of directors declines to adopt or modifies a recommendation of Remuneration Committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the opinions of Remuneration Committee (e.g., the remuneration passed by the Board of Directors exceeds the recommendation of Remuneration Committee, the circumstances and cause for the difference shall be specified): There is no such situation. The Board of Directors adopted all the recommendations of Remuneration Committee.

2. Resolutions of the Remuneration Committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members date of the meeting, session, content of the motces

3. Major Resolutions of Remuneration Committee:

Date	(Remuneration Committee Meeting prior to) Board Meeting	Content of the Proposal	Opinions of Independent Directors	Handlings of the Company to the Opinions of Independent Directors
2025.3.11	The 1st Remuneration Committee Meeting in 2025	To adopt a net loss before tax for the year 2024, with no provision for employee and director remuneration.	Nil	No Objection
2025.5.9	The 2nd Remuneration Committee Meeting in 2025	1. To approve the change of the Company's Chief Accounting Officer.	Nil	No Objection
2025.5.9	The 2nd Remuneration Committee Meeting in 2025	2. To approve the Company's managers' approved monthly salaries and explanations for bonus distribution.	Nil	No Objection
2025.7.3	The 3rd Remuneration Committee Meeting in 2025	1. To approve the adjustment of the Company's independent directors' remuneration.	Nil	No Objection
2026.3.6	The 1st Remuneration Committee Meeting in 2026	1. To adopt a net loss before tax for the year 2024, with no provision for employee and director remuneration.	Nil	No Objection

Note:

1. In case any independent director has been released of his/her duty before the end of the year, the date of turnover shall be specified in the Remarks column. Actual presence (attendance) rate (%) shall be calculated based on the number of meetings convened and the actual attendance during his/her term of service.
2. In case any independent director has been re-elected before the end of the year, both the previous and current independent director shall be filled, and the Remarks column shall indicate whether an independent director was from a previous term, newly appointed, or re-appointed, and the date of re-election. Actual presence (attendance) rate (%) shall be calculated based on the number of meetings convened and the actual presence (attendance) during his/her term of service.
3. The Directors were fully re-elected in June 2025 upon expiry of their term, and were re-appointed by the Board of Directors in July 2025.

2.3.5 The implementation situation of promoting sustainable development

The implementation situation of promoting sustainable development and the differences from the Code of Practice for Sustainable Development of listed companies and the reasons

Promotional Items	Implementation (Note 1)			Differences and reasons from the Code of Practice for Sustainable Development of Listed Companies
	Yes	No	Explanation in Brief	
1. Does the company establish a governance structure to promote sustainable development, and set up a special (part-time) unit to promote sustainable development, and the board of directors authorizes the senior management to handle it, and the board of directors supervises the situation?	V		1. The Company's Code of Practice on Sustainable Development (formerly known as the Code of Practice on Corporate Social Responsibility, the name of which was approved by the Board of Directors on 16 February 2022) was adopted by the Board of Directors on 30 September 2010 and implemented. 2. In accordance with the "Sustainable Development Best Practice Principles", the Company has set up a special (part-time) unit to promote sustainable development. The management team of the General Management Office is responsible for proposing and implementing sustainable development policies, systems or related management guidelines and specific promotion plans, and reports regularly to the Board of Directors. 3. Mr. Lee Chao Chang, Director of the operation team of the general administration division, reported to the Board of Directors on November 7, 2025 on the implementation of various operations to promote sustainable development. Afterwards, the Board of Directors provided adjustment suggestions and future implementation plans for various implementation situations afterwards.	None
2. Does the Company conduct risk assessment on environmental, social and corporate governance issues related to its operations in accordance with the principle of materiality and establish relevant risk management policies or strategies? (Note 2)	V		1. The Company has established a "Risk Management Policy" in 2020, which was implemented on September 30 2020 following its approval by the Board of Directors. 2. The Company shall report to the Board of Directors at least once a year on the operation of risk management, which was reported to the Board of Directors on 4 November 2025.	None
3.Environmental Issue (1)Does the company establish proper environmental management systems based on the characteristics of their industries?	V		(1) Please refer to the Company's official website and pages 72-88of the 2024 Sustainability Report.	None
(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment?	V		(2) Please refer to the Company's official website and pages 72-88 of the 2024 Sustainability Report.	None
(3) Does the company assess the potential risks and opportunities of climate change to the company now and in the future, and	V		(3) Through the General Affairs Department and the Taipei Branch Management Department, the Company is responsible for internal electricity and water consumption, and has established various measures to save	None

Promotional Items	Implementation (Note 1)			Differences and reasons from the Code of Practice for Sustainable Development of Listed Companies
	Yes	No	Explanation in Brief	
take measures to deal with climate-related issues?			electricity and water, as well as to promote them from time to time, such as using energy-saving LED lamps, equipment with energy-saving labels, and monitoring whether there are any abnormalities in water and electricity bills in each period, and making timely inquiries and solutions if there are any abnormalities to avoid wasted energy. please refer to the Company's website and page 72-88 of the Sustainability Report 2024.	
(4) Does the company keep track of greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water use reduction or other waste management?	V		(4) In order to focus on the use of energy resources, the Company's headquarters and its subsidiary, Taiyu Construction, have jointly formulated relevant management measures for the use of water, electricity, waste pollution prevention and environmental pollution prevention, etc. For related information, please refer to the Company's official website and page 72-88 of the Sustainability Report 2024.	None
4.Social Issues (1) Has the Company set up management policies and procedures according to related laws and regulations as well as the International Bill of Human Rights?	V		(1) The Company has formulated human rights policies in 2020, which comply with internationally recognized labor human rights, such as freedom of association, right to collective negotiation, caring for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, elimination of employment and employment discrimination, and confirmed that its human resources application policies have no differential treatment such as gender, race, socio-economic class, age, marriage and family status, so as to implement employment, employment conditions, salary, welfare Equality and fairness of training, evaluation and promotion opportunities. The Company strengthens the implementation and advocacy of human rights policies in the annual education and training courses. Please refer to the company's official website and pages 89-107 of the 2024 Sustainability Report. In 2025, the total number of trainees for all employees was 3,300, with 4,320 training hours. The number of internal general training courses for new employees was 35, with 140 training hours.	None
(2) Has the Company established and adopted reasonable employee welfare measures (e.g. bonuses and salaries, leaves, and other benefits), and had employee bonuses and salaries adequately reflect its operation performance or results?	V		(2) The Company's Articles of Incorporation stipulate that if there is any earning after the Company's annual accounts, the Company shall set aside no less than 1% as employee remuneration, of which no less than 10% shall be set aside for distribution to frontline employees. As the Company recorded a loss after tax in 2025, the Remuneration Committee resolved annually and the Board of Directors approved that no employee remuneration would be distributed. Please refer to the company's official website and pages 82-85 of the 2025 annual report for various welfare measures.	None

Promotional Items	Implementation (Note 1)			Differences and reasons from the Code of Practice for Sustainable Development of Listed Companies
	Yes	No	Explanation in Brief	
(3)Has the Company offered a safe and healthy work environment and routinely implements safety and health education for its employees?	V		(3) The working environment of the company's employees is a simple indoor office, which is subject to office disinfection and air conditioning cleaning from time to time, and safety personnel are specially responsible for maintaining the surrounding environment and portal safety; Employees' health examination shall be provided regularly every year, and medical staff can consult health problems. Please refer to the company's official website and pages 89-98 of the Sustainability Report 2024.	None
(4)Has the Company established an effective career developmental plan for its employees?	V		(4) Each department of the company receives external training courses according to professional needs every year. The total number of trainees for all employees in 2025 was 51, with 442 training hours. In order to create a training plan for the Company's important management successors, the Company established "Shining Management Institution" and organized a series of online courses on business management. The total number of trainees in 2024 was 55, with 165 training hours. For the training status in 2025, please refer to pages 99 to 104 of the 2024 Sustainability Report.	None
(5)Do the company's products and services comply with relevant laws and international standards in relation to issues such as customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer or customer protection and grievance procedure policies implemented?	V		(5) The Company emphasizes the spirit of lifelong service, assigns special personnel to solve the residential problems of residents, establishes a complete voucher system, tracks the processing progress, and ensures to provide customers with the best product and service performance and achieve the purpose of protecting their rights and interests. Gradually integrate with relevant laws and regulations and international standards. Please refer to pages 56-63 of Sustainability Report 2024.	None
(6)Has the Company had a supplier management policy and required all its suppliers be compliant with laws and regulations on environmental protection, occupational safety & health, and labor rights and verified their compliance?	V		(6) For the safety and health management of suppliers, the company has a standard table for contractors to deduct project funds in violation of safety and health management rules. For environmental protection manufacturers, they must have legal certificates or licenses from the government; Personnel related to occupational safety shall have complete education and training hours, relevant licenses and health certificates; And the manufacturer's safety maintenance management on the construction site. If there is any deficiency, the project payment will be	None

Promotional Items	Implementation (Note 1)			Differences and reasons from the Code of Practice for Sustainable Development of Listed Companies
	Yes	No	Explanation in Brief	
			deducted. For supplier management policies, please refer to the company's official website and pages 49-50 of 2024 Sustainability Report .	
5. Does the company prepare sustainability reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Have the reports mentioned above received the confirmation or guarantee of a third-party authenticator?	V		The Company compiles sustainability reports and other reports that disclose the Company's non-financial information in accordance with the internationally common reporting guidelines (GRI Standards) and publishes them on the Public information Observatory. It has not obtained the assurance or guarantee opinions of third-party verifiers. Please refer to pages 118-123 of the 2024 Sustainability Report .	None
6. If a company has its own sustainable development code under the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe the differences between its operation and the established code: In fiscal 2020, the Company formulated the Code of Practice for Corporate Social Responsibility of Listed Companies, and in fiscal 2022, it was revised to "Sustainable Development Best Practice" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" Principles. The company is committed to taking care of employees, shareholders and consumers, and does not slack off on various social responsibilities, in addition to providing employees with a safe working environment, strictly supervising subsidiaries, maintaining the safety of construction sites, and actively participating in the development of community services, it also provides various sponsorships from public welfare organizations to promote sustainable operation and enhance the company's brand image.				
7. Other important information to help understand the implementation of sustainable development. The Company actively invests efforts in social care, co-organizes various education and social feedback programs with public welfare groups, and integrates the Group's resources to create a happy and inclusive society. The Company expects to contribute to society and strengthen the positive connection between society and the economy. Please see page 108-117 of the Sustainability Report 2024.				

Climate-related Information

1. Climate-related Information And Implementation Situation:

Items	Implementation Situation																			
1. Specify how the board of directors and the senior management supervise and govern the climate-related risks and opportunities.	In order to deal with the high degree of climate uncertainty and rapid changes in policies and markets, and to promptly control and estimate the possible impacts of climate changes, the Company regularly convenes senior managers from each department to identify major climate risks and opportunities. Meanwhile, the Company will further evaluate the risks of floods, droughts, typhoons and high temperatures on each base of operation, expecting to grasp climate change and market dynamics of the external environment, and to consider the overall operational strategic planning in a more comprehensive manner. The Company has established a "sustainable development team", which holds meetings quarterly and is responsible for formulating, promoting and strengthening the action plans and capital expenditures of important sustainable development policies (including climate-related issues) of each company, and reviewing, tracking and revising the implementation situation and results of the sustainable development. The situation and results were reported to the board of directors on November 7, 2025.																			
2. Specify how will the identified climate risks and opportunities impact the Company’s business, strategies an finance (short-term, medium-term and long-term)	The company is actively developing solutions hoping to reduce the operational and financial impacts of climate change and strengthen organizational climate resilience. The short-term is defined as no longer than 3 years, the medium-term is 3-5 years, and the long-term is longer than 5 years. The Company will evaluate the potential operational and financial impacts of related climate risks and opportunities and thus plan various actions to respond to climate-related risks and opportunities. <table><tr><th></th><th>The categories of risks and opportunities</th><th>Short-term (1~3 years)</th><th>Medium-term (3-5 years)</th><th>Long-term (longer than 5 years)</th></tr><tr><td rowspan="2">Risks</td><td>Transition risk: Focus on the risks resulting from the transition to low-carbon economy. Transition risks include policy, legal, technology, market and reputational risks.</td><td>The limitation of total greenhouse gas emissions, carbon tax and carbon fee.</td><td>The transformation of consumer demands and preferences, transition into low-carbon/plastic-reducing technologies, new renewable energy-related laws and regulations, and the response of insufficient climate actions which led to a decline in brand reputation.</td><td>The trend of net-zero emission.</td></tr><tr><td>Physical risk: Risks caused by climate change driven by events (acute risk), or the long-term risk resulting from the climate model (long-term physical risk). Acute physical risks arise from weather-related events , such as storms.</td><td>The limitation of total greenhouse gas emissions, carbon tax and carbon fee due to extreme climate model.</td><td>Increased drought causes supply chain disruptions.</td><td>Average temperature increases.</td></tr><tr><td>Opportunities</td><td>The positive impacts of Climate changes on individuals. Climate change mitigation and adaptation efforts can possibly create climate-related opportunities for individuals.</td><td>Research and development (R&D) and innovation of new low-carbon products and services</td><td>Improve resource utilization.</td><td>Improve the Company's reputation.</td></tr></table>		The categories of risks and opportunities	Short-term (1~3 years)	Medium-term (3-5 years)	Long-term (longer than 5 years)	Risks	Transition risk: Focus on the risks resulting from the transition to low-carbon economy. Transition risks include policy, legal, technology, market and reputational risks.	The limitation of total greenhouse gas emissions, carbon tax and carbon fee.	The transformation of consumer demands and preferences, transition into low-carbon/plastic-reducing technologies, new renewable energy-related laws and regulations, and the response of insufficient climate actions which led to a decline in brand reputation.	The trend of net-zero emission.	Physical risk: Risks caused by climate change driven by events (acute risk), or the long-term risk resulting from the climate model (long-term physical risk). Acute physical risks arise from weather-related events , such as storms.	The limitation of total greenhouse gas emissions, carbon tax and carbon fee due to extreme climate model.	Increased drought causes supply chain disruptions.	Average temperature increases.	Opportunities	The positive impacts of Climate changes on individuals. Climate change mitigation and adaptation efforts can possibly create climate-related opportunities for individuals.	Research and development (R&D) and innovation of new low-carbon products and services	Improve resource utilization.	Improve the Company's reputation.
	The categories of risks and opportunities	Short-term (1~3 years)	Medium-term (3-5 years)	Long-term (longer than 5 years)																
Risks	Transition risk: Focus on the risks resulting from the transition to low-carbon economy. Transition risks include policy, legal, technology, market and reputational risks.	The limitation of total greenhouse gas emissions, carbon tax and carbon fee.	The transformation of consumer demands and preferences, transition into low-carbon/plastic-reducing technologies, new renewable energy-related laws and regulations, and the response of insufficient climate actions which led to a decline in brand reputation.	The trend of net-zero emission.																
	Physical risk: Risks caused by climate change driven by events (acute risk), or the long-term risk resulting from the climate model (long-term physical risk). Acute physical risks arise from weather-related events , such as storms.	The limitation of total greenhouse gas emissions, carbon tax and carbon fee due to extreme climate model.	Increased drought causes supply chain disruptions.	Average temperature increases.																
Opportunities	The positive impacts of Climate changes on individuals. Climate change mitigation and adaptation efforts can possibly create climate-related opportunities for individuals.	Research and development (R&D) and innovation of new low-carbon products and services	Improve resource utilization.	Improve the Company's reputation.																

Items	Implementation Situation		
	The Company evaluates the above risks, and proposes climate-related risks and opportunities that may make significant financial impact. The responding strategies are as follows:		
	Transition Risks/Climate Opportunities		
	Risks (R)/ Opportunities (O)	Financial impact -/+	Responding strategies
	R: The limitation of total greenhouse gas emissions, carbon tax and carbon fee. R: Establish renewable energy laws and regulations.	-: Paying carbon fees, causing operating cost increases. -: Signing renewable energy power purchase agreements, causing operating cost increases. -: Paying fines for the violations of regulatory requirements, causing operating cost increases.	➤ Strengthen green R&D and innovation. ➤ Improve energy efficiency and invest in green energy equipment.
	R: The trend of net-zero emission.	-: Increase in carbon reduction equipment installation and operating costs.	➤ Continue to implement greenhouse gas reduction actions. ➤ Encourage suppliers to take appropriate climate mitigation and adaptation actions.
	R: The transformation of consumer demands and preferences O: Research and development (R&D) and innovation of new low-carbon products and services	-: Market sales decreased, resulting in revenue decline (R) +: Increase the sales ratio of low-carbon products, resulting in revenue increase	Continue to invest in low-carbon product R&D. Reformulate product ingredients with raw materials with low carbon footprint. Green product R&D.
	R: Transition into low-carbon/plastic-reducing technologies	-: Develop new low-carbon manufacturing processes and plastic reduction technologies, resulting in R&D costs increase. Development failure can result in financial losses.	Build a professional R&D team, and cooperate with external research teams to develop the most applicable low-carbon technology that can be well-managed to reduce the use of plastic.
	R: Insufficient climate actions which led to a decline in brand reputation.	-: Failure to meet the expectations of stakeholders, resulting in losing the Company's reputation and sales reduction in market.	Highly concerned about climate related issues.
	O: Improve the Company's reputation.	+: Improve funding availability and lower the cost of capital.	Improve the Company's governance and concern about climate related issues.
	Physical Risk/Climate Opportunities		
	Risks (R)/ Opportunities (O)	Financial impact -/+	Responding strategies
	R: Extreme climate model, causing more flooding. R: Supply chain disruption (droughts).	-: Suspension from work in operating bases, resulting in revenue deduction. -: Prices of raw materials increased, resulting in an increase in operating costs. -: Production decrease, resulting in revenue deduction.	➤ Consider the risks of flooding when establishing new operating bases. ➤ Develop alternative energy sources.
	R: Average temperature increases. O: Improve energy utilization.	-: Increase electricity consumption, resulting in an increase in operating costs (R). -: The raw material shortage, resulting in increased prices (R).	➤ Construct green buildings ➤ Use alternative energy ➤ Purchase energy-efficient equipment

Items	Implementation Situation
3. Specify how extreme climate events and transition actions impact the Corporate's finance status.	1. The financial impacts of extreme climate events: The Company identifies that flood, drought, shifts in rainfall patterns and extreme changes in climate patterns can pose potential risks to production or transportation stages through internal discussion, stocktaking, and evaluation. Flood caused by intense rainfall leads to office location shutdown and equipment breakdown, then temporarily unable to ship. Drought and water shortage impact have negative influences on keeping the production line working efficiently. When facing water shortage, it is needed to maintain product supply by reducing water consumption, multi-regional water trucking or stock transfer from other plants, which result in an increase in operating costs. To deal with the risks of floods caused by typhoons, shifts in rainfall patterns and extreme changes in climate patterns, the Company has analyzed the operational and financial impacts on each office, respectively based on Taiwan Climate Change Projection Information and Adaptation Knowledge Platform(TCCIP) and research data from Chinese Academy of Sciences, and refers to "Representative Concentration Pathways"(RCP)8.5, the most severe warming scenario, in Fifth Assessment Report(AR5) from Intergovernmental Panel on Climate Change(IPCC). Under this scenario, the number of typhoons affecting Taiwan will decrease by 15% by the middle of the century, while the percentage of severe typhoon will increase by 100%. The drought period in office locations in South China will increase by 54% by the middle of the century, extending from the current average of 2.67 months to 4.11 months. The analysis results show that they will take more risks. The Company will continue to improve the physical risk scenario analysis, and will choose Shared Socioeconomic Pathways(SSP)1-2.6, Sustainable Development Scenario, and SSP5-8.5, Fossil Fuel-Driven Development Scenario in the latest Sixth Assessment Report(AR6) from IPCC to conduct a risk change assessment of office locations. In addition, the assessment plan is expected to include not just existing risk issues but also high temperature risks, so as to strengthen the climate adaptation management and strategy of the merged company. 2. The financial impacts of transition actions: The Company is exposed to the transition risk, and in order to successfully conduct low-carbon economic transition, the Company may need to face extensive changes in policies and regulations, technologies and market. According to the characteristic, speed, and emphasis of the changes mentioned above, within the analysis time frame, carbon fee and greenhouse gases cap, renewable energy regulations, and changes in consumer preferences, etc., may lead to increase in operating costs or declining sales. Considering the merged company sells several low-carbon products currently, and continues to develop, innovate, and expand the diversification of related products, there will be no great impact on marketing under each scenario, so the Company focuses on operating costs analysis. Under the scenario of low-carbon transition, the financial impact of carbon pricing on the merged company will lead to increases in company's own operating and supply chain costs.
4. Specify how to integrate the identification, evaluation and management process in to the overall risk management system.	The Board of Directors is the highest decision-making unit for risk control of each company in the Group, and directly supervises the risk governance structure of each company in the Group. In order to improve risk assessment and strengthen the Company's management functions, the Company established the "Risk Management Group" in 2020, which is responsible for identifying and managing risks in the Company's operations, including physical and transition risks that may result from climate changes, and leading the planning of relevant responding measures. In the same year, the "Risk Management Policy" was formulated to control the risks that may arise from various businesses within an acceptable range, and establish appropriate risk management operating principles. The risk management group is responsible for conducting the seven major risk identification and analysis based on the business scope of each department, including operations, finance, national, legal compliance, ESG, HR and information security, and updating the annual major risk identification matrix. Based on the results, each department will carry out strategic planning, integrate and manage risks that may affect operations and profits, submit the management implementation status and risk control report to the Board of Directors at least once a year (submitted to the Board of Directors on November 7, 2025), supervise, track and review the implementation of risk management of the management team, with a view to strengthening the constitution of the Company.
5. If the Company conduct scenario analysis to evaluate climate change risks resilience, please specify the	The Company does not conduct scenario analysis to evaluate climate change risks resilience.

Items	Implementation Situation
scenario, parameter, consumption, analytical factor and the major financial impacts.	
6. If the Company has established transition plans to manage climate-related risks, please specify the details of the plan and the metrics and goals for identifying and managing physical risks and transition risks.	The Company does not establish transition plans to manage climate-related risks.
7. If the Company uses internal carbon pricing as a planning tool, please specify the pricing foundation.	The Company does not use internal carbon pricing as a planning tool.
8. If the Company has set climate-related targets or goals, please specify the actions, greenhouse gas emission scopes, projected schedule, yearly progress. If the Company uses carbon offsets or renewable energy certificates (RECs) to achieve related targets or goals, please specify the source or amount of offset credit or the quantity of renewable energy certificates (RECs).	The Company does not set any climate-related targets or goals.
9. Greenhouse gas inventory and assurance reports, reduction targets, strategies and specific action plans (refer to 1-1 and 1-2.)	Please refer to 1-1 and 1-2 below.

1-1 Greenhouse Gas Inventory and Assurance Reports in the Most Recent Two Years:

1-1-1 Greenhouse Gas Inventory Information:

Please specify the amount(MTCO ₂ e), intensity(MTCO ₂ e / million dollar) and the data scope of greenhouse gas emission.					
In accordance with the Sustainable Development Roadmap of the Financial Supervisory Commission, the Company shall disclose the following information to the least extent:					
1.The parent company only shall implement the inventory procedures starting from 2023.					
2. The subsidiaries included in the consolidated financial statements shall implement the inventory procedures starting from 2024.					
The Company complies with the Greenhouse Gas Protocol issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI)/ISO14064-1 Standards for Greenhouse Gas Inventories (specify the applicable standard) published by the International Standards Organization (ISO) and establishes the greenhouse gas inventory mechanism. ° Since 2023, the Company has conducted regular annual inventories of the greenhouse gas emissions for the Company only and the subsidiaries included in the consolidated financial statements, to fully understand the usage and emission status of greenhouse gas, and verify the effectiveness of greenhouse gas reduction actions. In addition, the greenhouse gas inventory data for the recent two years are summarized based on the operational control method (or other methods actually adopted by the Company, such as the equity ratio method/equity method, financial control method, etc.), including the greenhouse gas emissions of the Company and all subsidiaries included in the consolidated financial statements, described as follows:					
		2024 (Shining Building Co., Ltd – Parent Company Only and Consolidated Subsidiaries) Scope 1 and Scope 2		2025 (Shining Building Co., Ltd – Parent Company Only and Consolidated Subsidiaries) Scope 1, Scope 2 and Scope 3	
		Amount of emission (MTCO ₂ e)	Intensity(MTCO ₂ e / million NT dollars revenue)	Amount of emission (MTCO ₂ e)	Intensity(MTCO ₂ e / million NT dollars revenue)
The Company (Parent Company Only)	Scope 1 Direct greenhouse gas emissions	56.8736	1.38%	56.1822	5.24%
	Scope 2 Indirect greenhouse gas emissions	514.2740	12.52%	436.2328	40.67%
	Scope 3 Indirect greenhouse gas emissions			129.2721	12.05%
	Subtotal	571.1476	13.90%	621.6871	57.96%
All subsidiaries included in the consolidated financial statements	Scope 1 Direct greenhouse gas emissions	2,169.8935	52.82%	2,124.3265	198.05%
	Scope 2 Indirect greenhouse gas emissions	7,718.8846	187.89%	7,701.4688	717.99%
	Scope 3 Indirect greenhouse gas emissions			20,645.4958	1,924.73%
	Subtotal	9,888.7781	240.71%	30,741.2911	2,840.77%
Total		10,459.9257	254.62%	31,092.9782	2,898.73%

Note 1: Direct emissions (Scope 1: emissions that occur from sources that are controlled or owned by a company), energy indirect emissions (Scope 2: greenhouse gas emissions associated with the purchase of electricity, heat or steam), and other indirect emissions (Scope 3: emissions that occur from the Company's activities, not categorized as energy indirect emissions, but occur from sources that are

Please specify the verification statements regarding the most recent two years by the publication date, including the verification scope, institutions, standards and opinions.
1. The parent company only shall implement the verification procedures starting from 2024. 2. The subsidiaries included in the consolidated financial statements shall implement the verification procedures starting from 2025. As specified in the 1-1-1 "Disclosure of Total Greenhouse Gas Emissions" of the Company, the verification scope for 2024 only includes the Company only; it does not include the subsidiaries included in the consolidated financial statements. The Company is approved by AFNOR Asia Ltd., an international verification institute, in accordance with the International Standard on Assurance Engagements (TWSAE 3410 "Assurance Engagements on Greenhouse Gas Statements")/ ISO 14064—3:2019 published by International Organization for Standardization (ISO), to implement the verification procedures. The verification opinion is the unqualified concluding opinion with reasonable assurance.

controlled or owned by other companies).

Note 2: The data scope of direct emissions and energy indirect emissions shall be handled in accordance with the timetable specified in the order specified in Paragraph 2 of Article 10 of the Standard. Other indirect emissions information may be disclosed voluntarily.

Note 3: Standard for Greenhouse Gas Emissions Inventories and Verification: The Greenhouse Gas Protocol, GHG Protocol, or the ISO 14064-1 published by International Organization for Standardization, ISO.

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of the product/service or sales, but the data calculated in terms of sales (NTD million) shall be stated to the least extent.

1-1-2 The Information regarding the verification of Greenhouse Gas:

Note 1: The verification shall be handled in accordance with the timetable specified in the order stipulated in Article 10, Paragraph 2 of the Standard. If the Company has not obtained a complete greenhouse gas verification opinion by the publication date of the Annual Report, the Company shall indicate that "The complete verification information will be disclosed in the Sustainability Report." If the Company does not prepare a sustainability report, it shall indicate that "The complete verification information will be disclosed at MOPS", and disclose the complete verification information in the next Annual Report.

Note 2: The verification institutions shall comply with the relevant requirements for sustainability report verification institutions established by Taiwan Stock Exchange Corporation and Taipei Exchange.

1-2 Greenhouse Gas Reduction Targets, Strategies and Specific Action Plans:

Please specify the greenhouse gas reduction base year, reduction targets, strategies, specific action plans and the completion.
1. Greenhouse gas reduction base year and targets: In order to plan its greenhouse gas (GHG) reduction strategies, and in accordance with the Taiwan Stock Exchange Official Document No. 1110004505 dated March 21, 2022, the Company began conducting GHG inventory procedures in 2023. In 2025, the Company completed the inventory of Scope 1, Scope 2 and Scope 3 emission sources based on the financial reporting boundary of the parent company and the subsidiaries included in the consolidated financial statements. Scope 3 was included in the inventory scope for the first time and exceeded the materiality threshold of 5%. Therefore, 2025 is set as the base year for GHG inventory and verification. The Scope 1, Scope 2 and Scope 3 emissions amounted to 2,180.5086 metric tons, 8,137.7016 metric tons and 20,774.7679 metric tons of CO₂e, respectively. Through the following specific actions, the Company aims to achieve an annual reduction of at least 3–5% from the 2025 base year in subsequent years, in order to meet the goal of a 20% reduction by 2030. 2. Greenhouse gas reduction strategies and specific action plans: The Company integrates carbon management into its operating strategies, including the implementation of internal carbon pricing mechanisms, carbon management platforms, ESG performance-linked employee rewards and other mechanisms, to seek breakthroughs in carbon reduction. In response to the international trends of carbon pricing, the Company has considered the international carbon market price, the carbon price regarding the greenhouse gas-related regulations, and the Company's internal carbon reduction costs, to formulate an internal carbon price as a reference for carbon reduction management and planning. The Company implemented the carbon pricing mechanism, in order to respond early to the carbon fees to be levied by the "Climate Change Response Act" in Taiwan, the carbon emission-related regulatory mechanisms of countries around the world, and the requirements of the "Renewable Energy Development Act" to increase the usage of green electricity, so that the Company can lower the pressure and risks to reduce carbon emissions. The Company can also leverage this mechanism to evaluate the opportunities made by low-carbon transition, make rolling adjustment to relevant policies and plans, and develop advanced carbon reduction technologies or low-carbon investments, such as process improvement, carbon capture and storage. In addition, the carbon management platform can also systematically integrate the emission information of the Group, so that the information required for carbon management can be grasped in real time, and comprehensive supervision can be carried out on multiple greenhouse gas reduction plans, including improving energy efficiency, purchasing energy-efficient machines, building solar photovoltaic systems, reducing greenhouse gas raw materials, building high-efficiency greenhouse gas destruction equipment, evaluating the use of low-carbon fuels/energy and the development of carbon negative technologies, to ensure that reduction process is followed. The Company will take a proactive approach to reduce the impact of carbon emissions, and improve operational competitiveness. In order to encourage the management, the team, and all of the employees to achieve the greenhouse gas reduction goals together, and improve energy and resource efficiency, the Company has included the important goals in the Company's KPI, which will serve as the basis for employee performance appraisal and bonus, to promote accountability in management.

Note 1: All matters shall be handled in accordance with the timetable specified in the order stipulated in Article 10, Paragraph 2 of this Standard.

Note 2: The base year shall be the year in which the verification is completed based on the boundaries of the consolidated financial report. For example, according to the provisions of Article 10, Paragraph 2 of the Standard, companies with a capital of more than 10 billion dollars shall complete the 2024 verification of the consolidated financial report in 2025. Therefore, The base year is 2024. If the Company has completed the verification of the consolidated financial report in advance, the earlier year is considered the base year. In addition, the data of the base year can be calculated as the average of a single year or multiple years.

2.3.6 Fulfillment of Code of Ethics and Business Conduct

Fulfillment of Code of Ethics and Business Conduct, Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Abstract Illustration	
1. Stipulating policies and plans for ethical corporate management				
(1) Has the Company established the Code of Ethics and Business Conduct, which have been approved by the Board of Directors, and clearly stipulated regulations and policies for ethical business conduct and relevant guidelines in company articles and external documents? Does the Company's Directors and management team actively fulfill their commitment to corporate policies?	V		(1) The Company has stipulated "Procedures for Ethical Management and Guidelines for Conduct", which specifically regulates the matters that the Company's personnel should watch out when executing their duties. The financial statements approved by Board of Directors is presented by the chairman, president, and accounting supervisor together with no false concealment statement.	No Significant Difference
(2) Has the Company established a risk assessment mechanism against unethical conduct, regularly analyzed business activities within their business scope which are at a higher risk of being involved in unethical conduct? Does the Company establish prevention programs accordingly including measures prescribed in Article 7 Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	V		(2) The Company's "Procedures for Ethical Management and Guidelines for Conduct" clearly indicated various dishonest behaviors which should be prohibited, whistle-blowing systems, and disciplinary systems, which shall be put into practice in each unit. The Article 4-4 of the guideline clearly states the importance of strengthening prevention programs for those business activities within the business scope which are at a higher risk of being involved in unethical conduct, including the behaviors defined in Article 7 Paragraph 2 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".	No Significant Difference
(3) Has the Company clearly prescribed procedures, code of conduct, punitive measures for violations and appeal systems in the unethical conduct prevention plan, and did the plan be implemented accordingly and periodically reviewed and revised?	V		(3) The Company has stipulated prevention programs for dishonest behaviors in the "Procedures for Ethical Management and Guidelines for Conduct" and clearly indicated relevant operating procedures, guidelines for conduct, disciplinary actions against employee's violation of rules and policies, and grievance system. Furthermore, for the implementation of	No Significant Difference

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Abstract Illustration	
			ethical management, the Company has set up an "ethical management steering group", responsible for the promotion and supervision of ethical management policies and prevention programs, regular inspection and reports submitted to Board of Directors regarding the implementation status, measures adopted, and implementation effect every year.	
2. Implementing ethical corporate Management				
(1) Has the Company established the Code of Ethics and Business Conduct, which have been approved by the Board of Directors, and clearly stipulated regulations and policies for ethical business conduct and relevant guidelines in company articles and external documents? Does the Company's Directors and management team actively fulfill their commitment to corporate policies?	V		(1) The legal affairs unit has planned to draw up relevant contract clauses with the counterparts. The Company's significant contract matters must be countersigned by legal staff who shall rigorously review the terms and conditions for avoiding contents against Company's entitlements and have improper clauses.	No Significant Difference
(2) Has the Company established a risk assessment mechanism against unethical conduct, regularly analyzed business activities within their business scope which are at a higher risk of being involved in unethical conduct? Does the Company establish prevention programs accordingly including measures prescribed in Article 7 Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	V		(2)The Operating and Management Section of General Administration Division is the "ethical management steering group", in charge of assisting Board of Directors and management team at formulating and supervising the implementation of ethical management policies and prevention programs in accordance with job functions and scopes and ensuring the implementation of "Procedures for Ethical Management and Guidelines for Conduct". The unit has reported the implementation status on November 7, 2025.	No Significant Difference
(3) Has the Company established policies preventing conflict of interests, provided proper channels of appeal, and enforced these policies and channels accordingly?	V		(3)The Article 4-7 of "Procedures for Ethical Management and Guidelines for Conduct" clearly indicated that when employees encounter conflicts of interest while performing job duties, they should report relevant matters to their direct supervisors at the same time. No such situations occurred in the Company in 2025.	No Significant Difference

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Abstract Illustration	
(4) Has the Company established effective accounting systems and internal control systems for enforcing ethical corporate management? Did internal auditors establish relevant audit plan to verify the status of compliance with unethical conduct prevention action plans based on the result of risk assessment on unethical conduct? Did the Company entrust audits to a CPA ?	V		(4)The Company has established an accounting system and an internal control systems and the financial statements are presented by the chairman, managerial officers, and accounting supervisor together with no false concealment statement for ensuring the transparent disclosure of the Company's financial status. The audit supervisor regularly submits audit reports to the Board of Directors and issues "Internal Control System Statement" every year for declaring that no malpractice has occurred. The auditors perform auditing procedures in accordance with the defined annual audit plans and regularly report the information to Market Observation Post System.	No Significant Difference
(5) Does the Company regularly organize internal and external training for ethical corporate management?	V		(5.1) Ethical conduct and corporate ethics are announced to the Company's newcomers when they are on board. Number of Trainees in 2025: 41 persons Number of People Accomplished in 2025: 35 persons (5.2) External lecturers were invited every month for providing education and trainings of corporate sustainability, operation management, and ethical management to the Company's managerial officers. Number of Trainees in 2025: 317 persons Number of People Accomplished in 2025: 317 persons (5.3) "Procedures for Ethical Management and Guidelines for Conduct" is disclosed internally and on the Company's website as the reference of internal staff and the public. (5.4) For training courses, please refer to pages 99-105 of the Sustainability Report2024.	No Significant Difference

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Abstract Illustration	
3. Status for enforcing whistle-blowing systems in the Company (1) Has the Company established concrete whistle-blowing and reward systems as well as accessible whistle-blowing channels? Does the Company assign a suitable and dedicated individual for the case being exposed by the whistle-blower? (2) Has the Company established standard operating procedures (SOP) for whistleblowing cases, follow-up measures and relevant systems of confidentiality after the investigation ? (3) Has the Company adopted protection measures against inappropriate disciplinary actions for the whistle-blower?	V		(1) The Company has stipulated "Regulations Governing Whistle-Blowing System" which has been disclosed on the Company's internal portal and official website. The Company encourages internal and external staff to whistle-blow unethical conduct or improper behaviors and the independent whistle-blowing channels have been established and announced on the Company's official website and internal portal for the access of internal and external staff. (2) The Company's "Regulations Governing Whistle-Blowing System" has defined standard operating procedures (SOP) for whistleblowing cases, follow-up measures, and relevant systems of confidentiality after the investigation (3) The Company's "Regulations Governing Whistle-Blowing System" has adopted protection measures against inappropriate disciplinary actions for the whistle-blower.	No Significant Difference No Significant Difference No Significant Difference
4. Improvement of information disclosure (1) Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and Market Observation Post System (MOPS)?	V		The Company has stipulated "Procedures for Ethical Management and Guidelines for Conduct" which can be found on the Company's official website and Market Observation Post System.	No Significant Difference

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Reasons
	Yes	No	Abstract Illustration	
5. If the Company has established the Code of Ethics and Business Conduct based on the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”, please describe any deviations between the Code of Ethics and Business Conduct and their implementations:				
In accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", the Company has stipulated the "Procedures for Ethical Management and Guidelines for Conduct" and abides by the regulations defined by the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" without setting up another corporate governance practice principles.				
6. Other information helpful for understanding the principle of integrity of the Company's operations (e.g., the Company's amendment of its principles of integrity):				
The Company has stipulated "Procedures for Ethical Management and Guidelines for Conduct" which can be found on the Company's official website and Market Observation Post System. Company Website > Corporate Sustainability > Corporate Governance https://shininggroup.com/social_responsibility/governance				

Note 1: No matter the operation item is ticked "yes" or "no", the status shall be described in abstract illustration column.

2.3.7 Other Important Information Regarding Corporate Governance

You may refer to the Company's official website for the status of corporate governance operations.

Company Website > Corporate Sustainability > Corporate Governance

2.3.8 https://shininggroup.com/social_responsibility/governanceImplementation Status of the Internal Control System

2.3.8.1 The Company's Statement on Internal Control can be accessed via the Market Observation Post System (MOPS) by entering the Company Code "5531".

Navigation path: MOPS > Single Company > Corporate Governance > Corporate Charter/Internal Control > Internal Control Statement Announcement Website:

<https://mops.twse.com.tw/mops/#/web/t06sg20>

2.3.8.2 Those who entrust certified public accountants to audit reports on the internal control system should disclose the CPAs' audit report: Not Applicable

2.3.9 Major Resolutions of Shareholders' Meetings and Board Meetings in the Most Recent Year and up to the Publication Date of the Annual Report

2.3.9.1 Significant Board resolutions for FY2025 and up to the date of publication of the Annual Report:

Date	Board Meeting	No.	Major Resolutions
2025.3.11	The 19th meeting of the 13th Board of Directors	1	Approved the planning of the Company's 2025 Annual Business Plan.
		2	Approved the exclusion of employee and director remuneration for the year 2024 as a net loss before tax.
		3	Approved not to classify as loans any accounts receivable and other amounts due to the Company and its subsidiaries, which have been outstanding for more than three months past the normal credit period and are significant in amount, as of December 31, 2024.
		4	Approved the financial statements for 2024.
		5	Approved the Deficit Compensation Statement for 2024.
		6	Approved the independence and suitability assessment of the certified public accountants and the appointment of the Company's certified public accountants for 2025.
		7	Approved increasing the investment in the subsidiary BILLION CAPITAL HOLDING CO., LTD by US\$10,000,000 via the subsidiary QUANTUM INVESTMENT LTD.
		8	Approved the Company's issuance of the first secured ordinary corporate bonds for 2025, with a total issuance amount not exceeding NT\$1 billion.
		9	Approved the Internal Control System Statement for 2024.
		10	Approved the definition of the Company's frontline employees.
		11	Approved the amendment of certain provisions of the Company's "Articles of Incorporation."
		12	Approved the nomination of the Company's director candidates.
		13	Approved the lifting of the non-compete restriction on the Company's newly appointed directors.
		14	Approved setting the date of the Company's 2025 Annual General Shareholders' Meeting as June 25, 2025, as well as the venue, reasons for

			convening, and the period for accepting shareholder proposals and director candidate nominations from April 18, 2025 to April 28, 2025.
2025.5.9	The 20th meeting of the 13th Board of Directors	1	Approved the change of the Company's Chief Accounting Officer.
		2	Approved the Company's managers' approved monthly salaries and explanations for bonus distribution.
		3	Approved not to classify as loans any accounts receivable and other amounts due to the Company and its subsidiaries, which have been outstanding for more than three months past the normal credit period and are significant in amount, as of March 31, 2025.
		4	Approved the Company's financial statements for the first quarter of 2025.
		5	Approved liability insurance for directors and managers in an amount not to exceed US\$3,000,000.
		6	Approved the cancellation of the issuance of the first secured ordinary corporate bonds for 2025.
		7	Approved the review results of shareholder proposals and director candidate nominations for the 2025 Annual General Shareholders' Meeting, with no shareholder proposals or nominations.
2025.7.3	The 1st meeting of the 14th Board of Directors	1	Approved the election of Lai, Cheng-I, representative of Ding Lin Investment & Development Co., Ltd., as the Company's Chairman.
		2	Approved the appointment of members of the current Remuneration Committee.
		3	Approved the authorization granted to the Chairman to decide on credit limits for loan applications to financial institutions due to business needs.
		4	Approved the authorization granted to the Chairman to decide on the Company's endorsement and guarantee limits for others.
		5	Approved the amendment of the endorsement and guarantee line provided by the Company for its subsidiary Qingdao Dinglin International Business Management Co., Ltd.
		6	Approved the amendment of the endorsement and guarantee line provided by the Company for its subsidiary BILLION CAPITAL HOLDING CO., LTD.
2025.7.23	The 2ed meeting of the 14th Board of Directors	1	Approved the Company's disposal of equity interests in Qingdao Dinglin International Business Management Co., Ltd., a subsidiary invested in mainland China.
2025.8.8	The 3rd meeting of the 14th Board of Directors	1	Approved not to classify as loans any accounts receivable and other amounts due to the Company and its subsidiaries, which have been outstanding for more than three months past the normal credit period and are significant in amount, as of the end of the second quarter of 2025.
		2	Approved the Company's financial statements for the second quarter of 2025.
		3	Approved the adjustment of the Company's independent directors' remuneration.
		4	Approved the Company's 2024 Sustainability Report.
		5	Approved the establishment of the Company's Sustainable Development Committee and the adoption of its organizational regulations.
		6	Approved the appointment of members of the Company's 1st Sustainable Development Committee.
2025.11.7	The 4th meeting of the 14th	1	Approved the ratification of the amendment of the endorsement and guarantee line provided by the Company for its subsidiary Qingdao

	Board of Directors		Dinglin International Business Management Co., Ltd.
		2	Approved not to classify as loans any accounts receivable and other amounts due to the Company and its subsidiaries, which have been outstanding for more than three months past the normal credit period and are significant in amount, as of the end of the third quarter of 2025.
		3	Approved the Company's financial statements for the third quarter of 2025.
		4	Approved the amendment of the endorsement and guarantee line provided by the Company for its subsidiary Tai Yu Construction Co., Ltd.
		5	Approved the Company's proposed increase in the investment in the subsidiary BILLION CAPITAL HOLDING CO., LTD via the subsidiary QUANTUM INVESTMENT LTD.
		6	Approved the amendment of certain provisions of the Company's "Internal Control System and Internal Audit System."
2026.3.6	The 5th meeting of the 14th Board of Directors	1	Approved the ratification of the amendment of the endorsement and guarantee line provided by the Company for its subsidiary Qingdao Dinglin International Business Management Co., Ltd. ("Qingdao Dinglin").
		2	Approved the planning of the Company's 2026 Annual Business Plan.
		3	Approved the exclusion of employee and director remuneration for the year 2025 as a net loss before tax.
		4	Approved not to classify as loans any accounts receivable and other amounts due to the Company and its subsidiaries, which have been outstanding for more than three months past the normal credit period and are significant in amount, as of December 31, 2025.
		5	Approved the Company's financial statements for 2025.
		6	Approved the Deficit Compensation Statement for 2025.
		7	Approved the independence and suitability assessment of the certified public accountants and the appointment of the Company's certified public accountants for 2026.
		8	Approved increasing the investment in the subsidiary BILLION CAPITAL HOLDING CO., LTD by US\$5,000,000 via the subsidiary QUANTUM INVESTMENT LTD.
		9	Approved the Company's proposed increase in the investment in the subsidiary 168 INVESTMENT LTD by US\$1,000,000.
		10	Approved the Internal Control System Statement for 2025.
		11	Approved the lifting of the non-compete restriction on the Company's directors.
		12	Approved setting the date of the Company's 2026 Annual General Shareholders' Meeting as June 17, 2026, as well as the venue, reasons for convening, and the period for accepting shareholder proposals from April 10, 2026 to April 20, 2026.
2026.5.7	The 6th meeting of the 14th term	1	Approved the application for loans from financial institutions.
		2	Approved that the accounts receivable and other receivables of the Company and its subsidiaries as of the first quarter of 2026, that remained uncollected for more than 3 months beyond the normal credit period and involved significant amounts, would not be reclassified as loans to others.
		3	Approved the 2026 first-quarter financial statements of the Company.
		4	Approved the adjustment of the endorsement and guarantee limit for the subsidiary Qingdao Dinglin International Commercial Management Co., Ltd.
		5	Approved the liability insurance for directors and officers.

		6	Approved the amendment to certain provisions of the Company's "Rules of Procedure for Shareholders' Meetings."
		7	Approved the amendment to certain provisions of the Company's "Articles of Incorporation."
		8	Approved the redemption of the Company's private placement of Class A preferred shares and the subsequent capital reduction.
		9	Approved the review results of shareholder proposals for the 2026 Annual Shareholders' Meeting, with no proposals received from external shareholders.
		10	Approved the supplement to the convening reasons for the Company's 2026 Annual Shareholders' Meeting.

2.3.9.2. Major Resolutions and implementation of the 2025 shareholders' meeting:

- (1) Approved the 2024 Business Report and Financial Statements.
- (2) Approved that the Company had accumulated losses for 2024 and had no earnings available for distribution.
- (3) Approved the amendment of certain provisions of the Company's "Articles of Incorporation," and the amended procedures have been uploaded to the Company's official website.
- (4) Approved the full re-election of directors upon expiry of their term. The amendment to the Company's Articles of Incorporation and the change registration of directors were approved by the Ministry of Economic Affairs on August 26, 2025 and completed.
- (5) Approved the lifting of the non-compete restriction on Lai, Cheng-I, representative of the Company's newly appointed director Ding Lin Investment & Development Co., Ltd., and the relevant announcement has been completed on the Market Observation Post System.

2.3.10 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Major Resolutions Passed by the Board of Directors in the Most Recent Year and up to the Publication Date of the Annual Report: Nil

2.4 Information on CPAs' Professional Fees

CPAs' Professional Fees

Unit: NTD (in thousands)

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-Audit Fee	Total	Remark
Crowe Global	Hung, Suk-Fan Shiao, You-Wen	Q1 2025 to Q4 2025	7,990	425	8,415	Nil

Description: 1 Audit fees refer to the fees paid by the Company to the endorsing accountant for the audit, review, review and review of financial reports and financial forecasts
2. Non audit service content: mainly including profit-seeking enterprise income tax transfer pricing certification, advance receipts trust account audit, certification of information on full-time non-managerial employees, etc.

2.4.1 Whether the Company changes its accounting firm and the amount of fees paid for auditing services during the year in which the change is made are lower than for the previous year: Nil

2.4.1 Whether the amount of fees paid for auditing services is lower than for the previous year by ten percent or more: Nil

2.5 Information on the Replacement of CPAs

The Company has replaced the certified public accountant in the most recent two years:

None.

2.6 Whether the Company's Chairman, President or Managers in charge of Finance or Accounting has been under Current Audit Firm or its Affiliates' Employment within the most recent year: Nil

2.7 In the Most Recent Year and up to the Publication Date of the Annual Report, the Circumstances regarding Transfer of Shares and Changes in Pledged Shares of Directors, Supervisors, Managerial Officers and Major Shareholders with a stake of more than 10%

2.7.1 There were no changes in the share transfer or share pledge activities for the Board of Directors, Supervisors, Managers, and shareholders holding more than 10% of shares in the Company during the year 2025. Relevant information can be found on the Market Observation Post System (MOPS) by entering the Company Code "5531".

2.7.1.1 Shareholding Transfers: Navigation path: MOPS > Single Company > Shareholding Changes / Securities Issuance > Insider Shareholding Transfer Information > Post-reporting of Insider Shareholding Changes

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

2.7.1.2 Pledge of Shares: Navigation path: MOPS > Single Company > Shareholding Changes / Securities Issuance > Insider Pledge/Release of Pledge > Insider Pledge/Release of Pledge Announcements

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

2.7.2 The counterparties of shareholding transfers and shareholding pledges are related parties: Nil

2.8 Information on the Company's Top Ten Shareholders who are Related Parties to Each Other or Spouses or Relatives within Second Degree Relative of Consanguinity

Relationship among the Top Ten Shareholders

April 17, 2026

Name (Note 1)	Current Shareholding		Spouse's and Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship of the Company's Top Ten Shareholders Who are Related Parties to Each Other Defined in Bulletin No. 6 of Financial Accounting Standards, or Spouses or Relatives within Second Degree Relative of Consanguinity (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Ding Lin Investment & Development Co., Ltd. Representative: Lai, Cheng-I	146,508,678 3,596,942	13.60% 0.33%	— 441,231	— 0.04%	— 116,917,486	— 11.96%	Quan Yang Investment Co., Ltd., Guang Yu Investment & Development Co., Ltd., Ho Ting Investment Co., Ltd., Lalu Hotel Co., Ltd., Ding Zheng Investment Co., Ltd., Ming Hang Investment Co., Ltd.	The same chairman The spouse of the chairman	
Ding Zheng Investment Co., Ltd., Representative: Chen, Shu-Fen	143,631,799 441,231	13.33% 0.04%	— 3,596,942	— 0.33%	— 116,917,486	— 11.96%	Ming Hang Investment Co., Ltd., Quan Yang Investment Co., Ltd., Ding Lin Investment & Development Co., Ltd., Guang Yu Investment & Development Co., Ltd., Ho Ting Investment Co., Ltd., Lalu Hotel Co., Ltd.	The same chairman The spouse of the chairman	
Quan Yang Investment Co., Ltd. Representative: Lai, Cheng-I	98,221,964 3,596,942	9.11% 0.33%	— 441,231	— 0.04%	— 116,917,486	— 11.96%	Ding Lin Investment & Development Co., Ltd., Guang Yu Investment & Development Co., Ltd., Ho Ting Investment Co., Ltd., Lalu Hotel Co., Ltd., Ding Zheng Investment Co., Ltd., Ming Hang Investment Co., Ltd.	The same chairman The spouse of the chairman	
Guang Yu Investment & Development Co., Ltd. Representative: Lai, Cheng-I	66,000,854 3,596,942	6.12% 0.33%	— 441,231	— 0.04%	— 116,917,486	— 11.96%	Ding Lin Investment & Development Co., Ltd., Quan Yang Investment Co., Ltd., Ho Ting Investment Co., Ltd., Lalu Hotel Co., Ltd., Ding Zheng Investment Co., Ltd., Ming Hang Investment Co., Ltd.	The same chairman The spouse of the chairman	
Ming Hang Investment Co., Ltd. Representative: Chen, Shu-Fen	56,978,163 441,231	5.29% 0.04%	— 3,596,942	— 0.33%	— 116,917,486	— 11.96%	Ding Zheng Investment Co., Ltd., Quan Yang Investment Co.,	The same chairman The spouse of the chairman	

Name (Note 1)	Current Shareholding		Spouse's and Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship of the Company's Top Ten Shareholders Who are Related Parties to Each Other Defined in Bulletin No. 6 of Financial Accounting Standards, or Spouses or Relatives within Second Degree Relative of Consanguinity (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
							Ltd., Ding Lin Investment & Development Co., Ltd., Guang Yu Investment & Development Co., Ltd., Ho Ting Investment Co., Ltd., Lalu Hotel Co., Ltd.		
Ho Ting Investment Co., Ltd.	55,510,514	5.15%	—	—	—	—	Quan Yang Investment Co., Ltd., Ding Lin Investment & Development Co., Ltd., Guang Yu Investment & Development Co., Ltd., Lalu Hotel Co., Ltd., Ding Zheng Investment Co., Ltd., Ming Hang Investment Co., Ltd.	The same chairman	
Representative: Lai, Cheng-I	3,596,942	0.33%	441,231	0.04%	116,917,486	11.96%		The spouse of the chairman	
Lalu Hotel Co., Ltd.	47,447,799	4.40%	—	—	—	—	Quan Yang Investment Co., Ltd., Ding Lin Investment & Development Co., Ltd., Guang Yu Investment & Development Co., Ltd., Ho Ting Investment Co., Ltd., Ding Zheng Investment Co., Ltd., Ming Hang Investment Co., Ltd.	The same chairman	
Representative: Lai, Cheng-I	3,596,942	0.33%	441,231	0.04%	116,917,486	11.96%		The spouse of the chairman	
Zheng Kee Investment Co., Ltd.	42,824,268	3.97%			—	—	Nil	Nil	
Representative: Chang, Ying-Yin	44,273	0.00%	—	—	—	—	Nil	Nil	
Chuanlong Investment Co., Ltd.	27,064,420	2.51%	—	—	—	—	Nil	Nil	
Representative: Hong, Sheng-Yi	397,974	—	—	—	—	—	Nil	Nil	
Rong Yang Investment Co., Ltd.	24,526,383	2.28%	—	—	—	—	Nil	Nil	
Representative: Chen, Jin-Mei	-	-	—	—	—	—	Nil	Nil	

Note 1: Top 10 shareholders shall all be disclosed, in which the institutional shareholder should indicate the name of institutional shareholders and representatives respectively.

Note 2: The shareholding ratio refers to the calculation of the shareholding percentage in accordance with the shares held by the person, the person's spouse and minor children, or nominee arrangement.

Note 3: The aforementioned shareholders include institutional shareholders and natural-persons. The relationship among the shareholders shall be disclosed in accordance with the issuers' preparation standards of the financial statements.

2.9 The Comprehensive Number of Shares Held in Any Single Enterprise by the Company, Its Directors, Supervisors, and Managerial Officers, and Any Companies Controlled Either Directly or Indirectly by the Company

Comprehensive Shareholding Ratio

March 31, 2026

Affiliated Enterprises (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managerial Officers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Tai Yu Construction Co., Ltd.	18,633,334	92.70%	220,000	1.10%	18,853,334	93.80%
Worldwide Overseas Corp	-	-	1,000	100.00%	1,000	100.00%
Bai Huang Investment Corporation	-	100.00%	-	-	-	100.00%
Ding Lin International Enterprise	25,500	51.00%	24,500	49.00%	50,000	100.00%
Diamond Overseas Co.,Ltd	385,835	100.00%	-	-	385,835	100.00%
Headway Investment Ltd	7,489,522	66.67%	-	-	7,489,522	66.67%
Gold Square Investment Ltd	-	-	1	100.00%	1	100.00%
Qingdao Xiangdu Real Estate Co., Ltd	-	-	-	100.00%	-	100.00%
Fast Growth Limited	100,721,791	100.00%	-	-	100,721,791	100.00%
Centry Up Limited	-	-	239,244,060	81.21%	239,244,060	81.21%
Qingdao Dinglin International Business Management Co.	-	-	-	79.94%	-	79.94%
Qingdao Dinglin Hotel Co.	-	-	-	100.00%	-	100.00%
168 Investment Ltd	187,145,674	94.93%	-	-	187,145,674	94.93%
Nanjing dingzheng Real Estate Co.	-	-	-	100.00%	-	100.00%
Nanjing dingzheng Hotel Co.	-	-	-	100.00%	-	100.00%
Quantun Investment Ltd	139,697,333	93.32%	-	-	139,697,333	93.32%
Billion Capital Holding Co.,Ltd	-	-	149,697,333	100.00%	149,697,333	100.00%
Chengdu Chunya Enterprise Management Co.	-	-	-	100.00%	-	100.00%
Chengdu Dingkang Real Estate Co.	-	-	-	100.00%	-	100.00%

Note: The Company's investments are accounted for using equity method.

III. Capital Overview

3.1 Capital and Shares

3.1.1 Types of the Company's Issued Shares in the Most Recent Year and Up to the Publication Date of Annual Report

3.1.1.1 Source of Capital

Source of Capital

Unit: Shares (In Thousands)/New Taiwan Dollars (In Thousands)

Year/ Month	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2011.07	10	500,000	5,000,000	467,435	4,674,352	Capitalization of Retained Earnings	Nil	Note 1
2012.07	10	700,000	7,000,000	560,920	5,609,200	Capitalization of Retained Earnings	Nil	Note 2
2013.07	10	700,000	7,000,000	617,000	6,170,000	Capitalization of Retained Earnings	Nil	Note 3
2014.07	10	1,000,000	10,000,000	802,100	8,021,000	Capitalization of Retained Earnings	Nil	Note 4
2016.07	10	1,000,000	10,000,000	882,310	8,823,100	Capitalization of Retained Earnings	Nil	Note 5
2017.06	10	1,000,000	10,000,000	926,426	9,264,255	Capitalization of Retained Earnings	Nil	Note 6
2018.06	10	1,000,000	10,000,000	972,747	9,727,468	Capitalization of Retained Earnings	Nil	Note 7
2019.07	10	1,500,000	15,000,000	982,474	9,824,742	Capitalization of Retained Earnings	Nil	Note 8
2020.09	10	1,500,000	15,000,000	977,589	9,775,892	Cancellation of Treasury Shares	Nil	Note 9
2023.07	10	1,500,000	15,000,000	1,077,589	10,775,892	Private placement of preferred shares	Nil	Note 10

Note 1: Approval sought from Letter No. Jin-Guan-Zheng-Fa-Yi-1000032673 of Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated July 14, 2011

Note 2: Approval sought from Letter No. Jin-Guan-Zheng-Fa-Yi-1010030397 of Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated July 10, 2012

Note 3: Approval sought from Letter No. Jin-Guan-Zheng-Fa-Yi-1020026425 of Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated July 8, 2013

Note 4: Approval sought from Letter No. Jin-Guan-Zheng-Fa-Yi-1030027079 of Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated July 16, 2014

Note 5: Approval sought from Letter No. Jin-Guan-Zheng-Fa-Yi-1050026976 of Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated July 17, 2016

Note 6: Effective Registration and Approval sought from Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated June 26, 2017

Note 7: Effective Registration and Approval sought from Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated June 27, 2018

Note 8: Effective Registration and Approval sought from Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated July 1, 2019

Note 9: Effective Registration and Approval sought from Financial Supervisory Commission, Executive Yuan, R.O.C. (Taiwan), dated May 26, 2020

Note 10: Approval of the change of registration sought from Letter No. Jing-Shang-Zi -11230120220 of Ministry of Economic Affairs, R.O.C. (Taiwan), dated July 13, 2023.

Unit: Share (In Thousands)

Share Type	Authorized Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Common Shares	977,589	422,411	1,400,000	Public Shares
Preferred Shares	100,000	-	100,000	Unlisted (Private Placement of Preferred Shares)
Total	1,077,589	422,411	1,500,000	

3.1.1.2 Information Relevant to the Aggregate Reporting Policy: Nil

3.1.2 List of Major Shareholders

Name and Shareholding Amount and Ratio of Shareholders with more than 5% Shareholding or Top 10 Shareholders

April 25, 2025

Share — Name of Major Shareholders	Shareholding	Shareholding Ratio (%)
Ding Lin Investment & Development Co., Ltd.	146,508,678	13.60%
Ding Zheng Investment Co., Ltd.	143,631,799	13.33%
Quan Yang Investment Co., Ltd.	98,221,964	9.11%
Guang Yu Investment & Development Co., Ltd.	66,000,854	6.12%
Ming Hang Investment Co., Ltd.	56,978,163	5.29%
Ho Ting Investment Co., Ltd.	55,510,514	5.15%
Lalu Hotel Co., Ltd.	47,447,799	4.40%
Zheng Kee Investment Co., Ltd.	42,824,268	3.97%
Chuanlong Investment Co., Ltd.	27,064,420	2.51%
Rong Yang Investment Co., Ltd.	24,526,383	2.28%

3.1.3 Dividend Policy and Implementation Status

3.1.3.1 Dividend Policy Defined in the Company's Articles of Incorporation

In accordance with the earnings allocation policy regulated by the Company's Articles of Incorporation, if there is any earning after the Company's annual accounts, the Company shall pay taxes in accordance with the laws, offset prior years' accumulated losses, and then set aside 10% of the Company's balance as a statutory surplus reserve. However, when the statutory surplus reserve is equal or more than the paid-in capital, the Company shall not set aside statutory surplus reserve and a certain amount of the remaining earnings shall be set aside or reversed as special reserve in accordance with laws and regulations. If there is still any remaining earning, together with the accumulated undistributed earnings, the Board of Directors shall draft a surplus earnings distribution proposal and submit it to the shareholders' meeting for resolution in order to distribute dividends to shareholders.

For leveling off constant growth dividend policy, the Company takes the investment capital needs and the degree of dilution of the earnings per share into account while making the decision to appropriately distribute the dividends in the form of cash or stock. The amount of cash dividends shall not be less than 10% of the total shareholder dividends. However, in case the cash dividend per share is less than NT\$0.1, or when the Company's debt ratio is higher than 50% in which the Board of Directors shall comprehensively considers the financial statements for the year, or when there is a major capital expenditure plan for the year, the percentage of cash dividends may be reduced or changed to stock dividends.

3.1.3.2 Distribution of dividends proposed at the Shareholders' Meeting

The Company's loss after tax for fiscal year 2025 was NT\$275,532 thousand; the losses to be covered at the end of the period was NT\$2,317,878 thousand. In accordance with the Company's Articles of Association and the resolution of the Board of Directors, no earnings were available for distribution.

3.1.4 Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent Shareholders' Meeting: Not Applicable

3.1.5 Employee Profit Sharing and Remuneration of Directors and Supervisors

3.1.5.1 Amount or Scope of Employee Profit Sharing and Remuneration of Directors and Supervisors as prescribed under the Articles of Incorporation

In accordance with the Company's Articles of Incorporation, if there is any earning after the Company's annual accounts, the Company shall set aside no less than 1% of the Company's balance as employee remuneration, of which no less than 10% shall be set aside for distribution to frontline employees, and distribute the dividends in the form of cash or stock in accordance with the resolution of Board of Directors. No more than 1% of the aforementioned earnings shall be appropriated as the remuneration of directors and supervisors in accordance with the resolution of Board of Directors. The distribution proposal of employee remuneration and directors' remuneration shall be submitted to shareholders' meeting. If there is accumulated losses after the Company's annual accounts, the Company shall reserve an amount to offset the losses in prior years first and then appropriate employee remuneration and directors' remuneration in accordance with the aforementioned proportion.

3.1.5.2 Basis of Estimating Employee, Directors' and Supervisors' Bonus in the Period, Basis of Calculating Employee Bonus Appropriated in Shares, and Accounting Treatment if Discrepancy is found between the Actual Distributions and the Estimates

The remuneration of employees and directors and supervisors was not assessed in the year of 2025 because of loss. If changes exist after the announcement of annual financial statements, the changes will be treated as changes to accounting estimates, and adjustments will be made in the subsequent year.

3.1.5.3

The board of directors adopts the distribution of remuneration and the actual distribution of the remuneration of employees, directors and supervisors in the previous year, and those who are different from the remuneration of recognized employees, directors and supervisors, and shall specify the number of differences, the reasons and the handling situation:

The Company's Board of Directors resolved on March 11, 2025 and March 16, 2026 to approve employee compensation and director and supervisor compensation for 2024 and 2025, and the related amounts recognized in the financial statements, as follows.

Unit: New Taiwan Dollars (In Thousands)

	2024		2025	
	Employee Remuneration	Employee Remuneration	Employee Remuneration	Employee Remuneration
Resolution of Appropriated Amount	\$ -	\$ -	-	\$ -
Amount Recognized in Annual Financial Statements	-	-	-	-
Amount of Difference	\$ -	\$ -	\$ -	\$ -

3.1.6 Share Repurchases by the Company: Nil

3.2 Issuance of Corporate Bond: None

3.3 Issuance of Preferred Stock:

Issuance of Preferred Stock

Issue Date (Note 2)		Private placement of Preferred Stock A 2023.07.25 (Note 3)
Items		
Denomination		NT\$10
Offering Price		NT\$10
Number of stock		100,000 thousand stocks
Total Amount		1,000,000 thousand dollars
Rights and obligations	Distribution of Dividends	1. The Company shall pay all taxes, as required by the law, from the current year's earnings and make a regulatory required deduction for prior years' losses and contributions to legal, and deduction or reversal of special reserves in accordance with the laws and regulatory authority when there are positive earnings shown on the approved financial statements. If there is still any remaining earning, together with the accumulated undistributed earnings, the Company shall distribute the current year's and the remaining dividends of the preferred stock to shareholders. 2. The dividend for preferred shares is an annual rate of 7%, calculated by the issuance price per share, and the dividend may be one-time distributed in cash every year. After the financial statements is approved by the general shareholders' meeting, the board will determine the ex-dividend base date to pay the distributable and remaining dividends. The amount of dividends of each year is calculated by the actual issuance days of the current year, starting from the issue date. 3. The Company has discretion over the dividend distribution of preferred shares. The Company may decide not to distribute dividends of preferred shares if there are no earnings in the annual accounts or the earnings are insufficient to distribute dividends of preferred shares, or in accordance with other necessary consideration. In this case, it is not constituted a breach. The shareholders of preferred shares may not object to the decision. The shareholders of preferred shares may not object to the decision. The preferred shares issued are of the accumulative type, the undistributed dividends or the deficit of dividends will not be accumulated for deferred payment in the years with earnings in the future.
		4. Shareholders of preferred shares may not be a part of the cash and equity capital of earnings and additional paid-in capital of ordinary shares, but may receive dividend.
	Distribution of residual properties	Preference shareholders have a higher claim to the Company's residual properties than common stockholders. Different types of

Issue Date (Note 2)		Private placement of Preferred Stock A 2023.07.25 (Note 3)	
Items			
		preference shares issued by the Company grant holders the same rights to claims, and preference shareholders stay subordinate to general creditors. The amount preference shareholders are entitled to is capped at the product of number of outstanding preference shares at the time of distribution and issuance price.	
	Voting Rights Claim	Shareholders of preferred shares do not have the right to vote or suffrage in common shareholders' meetings. However, they will have to right to vote in shareholders' meetings of preferred shares or shareholders' meetings that involve the rights and obligations of shareholders of preferred shares.	
	Others	1. During the issuance period of preferred stock, capital surplus with the issuance price over the par value can't be transferred to the Company's capital unless used to offset deficit. 2. During the issuance period of preferred stock, the Company cannot go public.	
Preferred stock outstanding	The redeemed or converted amount	N/A	
	The non-redeemed or non-converted amount	N/A	
	The terms for redeemed or converted shares	1. The company's preferred stock may not be converted to common share. 2. The Company's preferred stock have no maturity, the shareholder of preferred stock do not have the right to request the Company to redeem preferred stock possessed by shareholders. Starting from the next day after one year since the issue date, the Company may, in accordance with the issuance price and related issuance methods, redeem special shares in cash. If the Company is unable to redeem all or part of the special shares due to objective factors or force majeure upon the expiration of issuance period, the unredeemed special shares shall retain the rights in accordance with the issuance conditions of each section of the issuance regulations until the Company has fully redeemed the same.	
	2025	Highest	N/A
		Lowest	N/A
		Average	N/A
	As of April 30, 2026 (Note 4)	Highest	N/A
		Lowest	N/A
		Average	N/A
Other Rights of Shareholders	Amount of Converted or Subscribed stock as of the Publication Date of the Annual Report	Preferred stock A may not be converted to common share.	
	Issuance (Conversion or Subscription) Right	Refer to the Company's Articles of Incorporation.	
The effect of issuance terms on preferred stock shareholders' equity, possible conditions of dilution and effect on concurrent shareholders' equity		As the pricing for this private placement of preferred stock is set in accordance with the principles of the "Directions for Public Companies Conducting Private Placements of Securities", and shall take into consideration the future development of the Company and the timing, the identity of the transferee and the quantity of the private placement, as well as factors such as the lower liquidity on account that converted shares are not eligible for listing application, the pricing for the privately placed shares is deemed to be reasonable, and shall not have a significant impact upon the shareholders' equity.	

Note 1: The execution circumstances of preferred stock shall include the descriptions in regard to private placement preferred stock and public offering preferred stock that are under processing. The public offering preferred stock under processing refer to those that have been effective (approved) by the Financial Supervisory Commission (FSC). The private placement preferred stock under processing refer to those that have been approved by the Board of Directors.

Note 2: The adjustment of the number of the fields is in accordance with actual issuance frequency.

Note 3: The private placement shall be marked in a prominent way.

Note 4: The information is be recorded as of the publication date of the Annual Report.

3.4 Issuance of Global Depositary Receipts: Nil

3.5 Issuance of Employee Stock Options: Nil

3.6 Issuance of New Shares Restricting Employee Rights: Nil

3.7 Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies: Nil

3.8 The Implementation of the Company's Capital Allocation Plans

3.8.1 Content of the Plan:

As of the end of the most recent quarter preceding the publication date of this annual report, information regarding previous offerings or private placements of securities that are either still in progress or were completed within the past three years but have not yet shown significant results, can be accessed via the Market Observation Post System (MOPS) by entering the Company Code "5531".

Navigation path: MOPS > Single Company > Shareholding Changes / Securities Issuance > Capital Raising > Capital Utilization Plan Execution

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

3.8.2 Implementation Status:

As of the end of the most recent quarter preceding the publication date of this annual report, the implementation status and the comparison with the originally expected benefits can also be accessed via the same platform.

Navigation path: MOPS > Single Company > Shareholding Changes / Securities Issuance > Capital Raising > Capital Utilization Plan Execution

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

IV. Operational Highlights

4.1 Business Activities

4.1.1 Business Scope

4.1.1.1 Major Businesses:

E801010 Building Maintenance and Upholstery
E801020 Doors and Windows Installation Engineering
E801030 Indoor Light-gauge Steel Frame Engineering
E801040 Glass Installation Engineering
E801070 Kitchen and Bath Facilities Construction
E901010 Painting Engineering
E903010 Anti-Corrosion and Anti-Rust Engineering
F111090 Wholesale of Building Materials
F211010 Retail Sale of Building Materials
H201010 Investment
H701010 Housing and Building Development and Rental
H701040 Specific Area Development
H701050 Investment, Development and Construction in Public Construction
H701060 New County and Community Construction and Investment
H701070 Land Levy and Delimit
H701080 Urban Renewal Reconstruction
H701090 Urban Renewal Renovation or Maintenance
H702010 Construction Manager
H703090 Real Estate Commerce
H703100 Real Estate Rental and Leasing
H703110 Senior Citizen Residence
I102010 Investment Consulting
I103060 Management Consulting
I401010 General Advertising Services
I503010 Landscape and Interior Designing
IZ15010 Market Research and Public Opinion Polling
J101110 Disposal Industry of Construction Surplus Soil
J901020 Regular Hotel
ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

4.1.1.2 Percentage of Revenue

Unit: Dollars (In Thousands)

Product & Business Items	2025 Accumulated Consolidated Total Operating Revenues	Percentage of Revenue (%)
Housing Revenue	443,419	41.34%
Hotel Revenue	569,213	53.07%
Others	60,009	5.59%
Total	1,072,641	100.00%

4.1.1.3 Current Products (Services) of the Company and Expected New Products (Services) To-Be-Developed

Currently, the Company has two projects available for sale online. The first is "Shining Zhongshan Mansion," the initial launch of the 110,000-ping "Xin Song Town New City Plan." In addition to individual project sales, the Company continues to develop the Xin Song Town New City Plan, aiming to create Taipei City's most prestigious residential area.

The second is "Shining Shizuoka." The site is located approximately 190 meters from the Fuxinggang MRT Station on the Tamsui-Xinyi Line, backed by Mount Datun and facing the Guandu Plain, with an excellent surrounding school district. Considering Beitou's local Japanese culture and its inherent leisure and vacation atmosphere, the project is designed in the style of a Japanese resort hotel. Benefiting from the future development of the Beitou Shilin Technology Park (BSTP), public interest in the Shilin and Beitou areas has increased, which also benefits this project.

The Wanhua Project is expected to be officially launched in Q3 2026. The two sites combined exceed 2,000 pings. In the future, the Jiala Station of the MRT Wanda Line will be just 300 meters away from the project, making it a landmark development in Wanhua.

The Xinzhuang Project is expected to be officially launched in Q4 2026. The site covers approximately 1,000 pings and is located at the intersection of two MRT lines, 550 meters from both Touqianzhuang Station and Xinzhuang Station, aiming to create the most prominent project in the Xinzhuang urban area.

4.1.2 Industry Overview

4.1.2.1 Current State and Development of the Industry

In 2025, the real estate market entered a lock-in period from an initially overheated state due to the impact of government policies in September 2024. The total number of transferred buildings in Taiwan in 2024 was 350,525, hitting an 11-year high, with housing prices increasing by an average of about 17%. In 2025, the total number of transferred buildings in Taiwan decreased by 25.5% to 261,308, hitting a nine-year low, and housing prices showed no significant increase. The overall trend exhibited a contraction in volume with a slight rise in prices. This clearly indicates that the policies have caused public sentiment towards homebuying to turn conservative. Moreover, because land and construction costs remain high, there is no room for housing prices to loosen. Looking ahead to 2026, the real estate market will continue to face challenges. The main focus will be on whether the policy aspects will loosen, and whether public sentiment will shift after experiencing 2024 and 2025 without a drop in housing prices.

4.1.2.2 Economic effects on housing in 2025

In 2025, Taiwan's economy benefited from the AI trend and technology-driven momentum, achieving a full-year economic growth rate of 8.68%. Because some people adopted a wait-and-see attitude towards the housing market, they transferred their homebuying funds to the stock market to revitalize their assets and increase their own capital through investments. The overall stock market surged by 26%, hitting a nearly 15-year high.

However, the housing market in 2025 still demonstrated a certain degree of resilience. The primary target customer group in the market consisted of those with rigid demand, rather than property investors or speculators. Furthermore, with mortgage rates at 2.5% to 2.8%, people with basic housing needs still engaged in homebuying behaviors, although the proportion of their asset allocation was more focused on investment items other than real estate.

This phenomenon shows that even under policies unfavorable to the housing market, some people still maintain confidence in real estate rather than injecting all their funds into the stock market. In the future, as the economy and stock market continue to grow, it is expected that more people will transfer their funds back to real estate after profiting in the stock market. The trajectory of the housing market will remain an important area of focus.

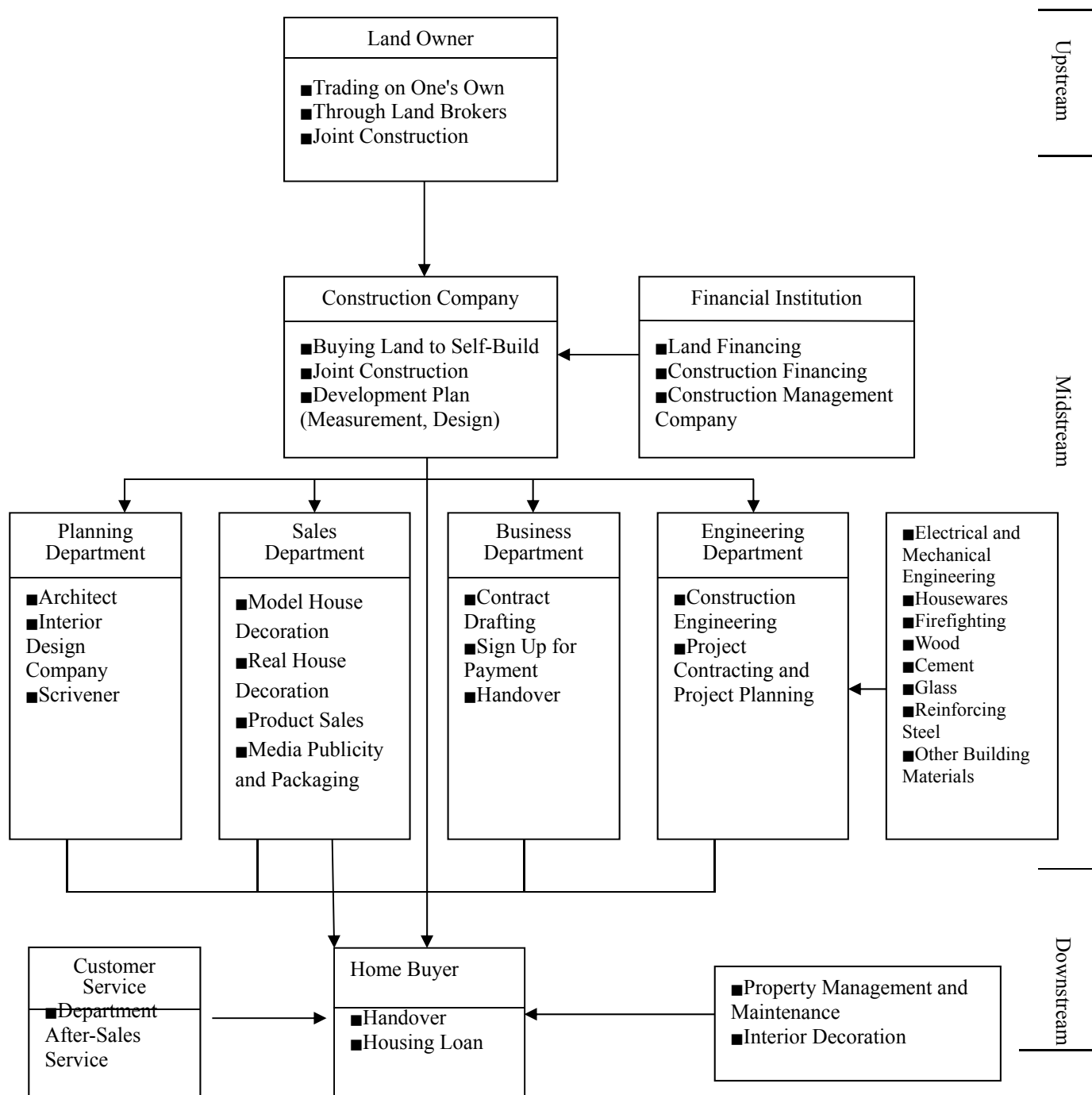
4.1.2.3 Correlation among Upstream, Midstream, and Downstream of the Industry

The manufacturing process of real estate covers a wide range, from landlords, land brokers, scriveners, financial industry to measurement, design, construction, hydroelectricity, building materials, advertising, decoration, and asset management, property management, etc., which can be considered as the industry with the widest coverage range in all industries and is a quite important landmark of economic development.

Real estate has to purchase the land first and then develops the land in accordance with its intensity of use. During the development process, it requires the scrivener and the financial industry to proceed supporting operations such as land transfer registration and financing. Furthermore, the field surveying will be conducted by the measurement companies and the geological surveying will be carried out by drilling companies. During the planning and design phase, architect firms, interior design companies, or landscape design companies are responsible at carrying out software and hardware design of the building and the application of relevant permits.

In the sales stage, sales departments and advertising companies shall perform sales operations, and the decoration companies need to conduct the decoration design and construction of the sales center, model houses, and real houses, and a variety of media shall be applied for publicity. The industrial fields involved in the construction phase are countless, in which a lot of manpower and materials are provided by construction companies, mechanical and electrical industry, fire protection industry, and other industries, including cement, reinforcing steel, ceramic tiles, doors and windows, pipes, housewares, wood, glass, and machinery equipment, etc.

After construction completion and house handover, property management companies, electrical and mechanical (hydroelectricity) companies, fire protection companies, and other professional companies need to manage and maintain the building usage. The users stationed in drives the demand for furniture, furnishings, and home appliances, etc. A series of flows from top to bottom effectively give an impetus to economic circulation, which has a positive contribution to prosperity. The industrial linkage analysis of the upstream, middle and downstream industries of real estate is illustrated as follows:



4.1.2.4 Various Development Trends of Products

(a) Elaboration of Product

Because of the transform of consumer demand patterns, high-grade communities and buildings will turn into the mainstream trend. How to reinforce the functions of products such as health preservation, technology, environmental protection, leisure, safety, comfortable sensation, and premium texture in software and hardware facilities, will become the mainstream of future residential district.

(b) Futuristic Design

To coincide with the humanistic characteristics of the site where the building located, the composite functions of the building, the professional planning and design of the building space, and consider the future development of appearance and modeling and functionality, will reinforce the characteristics of the building and its lasting value.

(c) Economization of Construction

How to shorten working hours and retrench labor and materials in order to cut down the environmental load while environmental awareness is rising nowadays and the labor costs are upsurge, is the characteristics of high-grade buildings in the future.

(d) Artistic of Community

The considerations of future product design will focus on improving the humanity attainment and artistic atmosphere of the community, in order to allow residents to assimilate the office and living environment that they contact day and night, and enhance the artistic aesthetics.

(e) Diversification of Life Functions

Community with service diversification is emphasized. Other than general security measures, banquets, catering, conferences, leisure and entertainment, etc., all are the life functions contained in the community, which inject humanized texture into residential quality.

(f) Rigidization of Planning

In response to the demands of the market, the product planning based on rigid demand will take 20-40 pings/2~3 rooms as the bread-winning products and high added value as the appeal to offer buyers with high quality but affordable options.

4.1.2.5 Market competition

Since the incorporation of the Company in 1990, the Company takes Taichung City as the main focus of projects. Nowadays, it sets the main focus on north Taiwan and takes the central Taiwan as the supplement. In line with the management philosophy of "Persistence, Perseverance, and Quality Assurance", the product appeals are ploughed deeply to all customer segments. No matter the customers are the capital maturation type who swap the house for the second or third times, or the young buyers who purchase the house for the first time, all will be offered with exquisite designs, which are relatively different from the general products in the market and have relatively fewer competitors.

Furthermore, with the faith in "having each customer enjoy the happiness of appreciation", we have a set of standard operating procedures for product planning, construction quality, transaction safety and after-sales service, etc. in order to earn the recognition from home buyers. Starting from the first blueprint, we consistently insist on our management philosophy, select the best location, and make the best planning, and therefore draw the attention of consumers at all segments and stimulate their unexpected purchasing behaviors. The Company has built up a good reputation and brand image in the market of high-quality and high-profile product territory, and retained a certain scale of revenue in the market.

4.1.3 Technology and Research and Development Overview

Research and development expenses and successfully developed technologies or products invested in the most recent year and as of the date of publication of the annual report:

The Company cannot engage in construction businesses in accordance with the regulations of the building code and therefore outsources the construction engineering projects to its subsidiary, Tai Yu Construction Co., Ltd., instead of engaging in production. The scope of business of the Company's research and development department is to evaluate land development projects, and therefore no dedicated department to carry on research and development of production technology and product features.

The Company entrusts its subsidiary, Tai Yu Construction Co., Ltd., for contracting, construction, and developing the following techniques:

- (a) Research and develop a three-level waterproof method to effectively prevent the window frame from leaking.
- (b) Research and develop the construction joint of foreign material anastomosis of light partition to reduce the occurrence of wall cracks.
- (c) Flooring polishing tile installation method to enhance leveling.
- (d) Crystallization prevention engineering method for flooring tiles
- (e) Water diversion engineering method for the basement compound wall
- (f) Anti-crack engineering method for preformed holes on the floor surface
- (g) Descending floor method for the bathroom.
- (h) Odor emissions engineering method for the same segment of the bathroom and toilet
- (i) Closure engineering method for the reserved channel of RC wall

4.1.4 Short-Term and Long-Term Business Development Plans

4.1.4.1 Short-Term Business Development Plans

(a) Utilize Network Marketing and Media Channels to Achieve Intended Effect

Through digital media platforms such as LINE friends and Facebook fan pages, combined with keyword search optimization and other strategies, we promote the product information of various projects and enhance customer communication channels. Examples of successful projects currently being sold online include the Company's "Shining Shi Lin Residence," "Shining Art Museum," and "Shining Zhongshan Case." The proportion of inquiries made through online calls and transactions resulting from scheduled visits is steadily increasing. This trend highlights the growing impact of the internet on sales channels, signaling the potential for a new era in sales strategies. As a result, the Company has established a Digital Marketing Department, focusing on leveraging big data and similar profile analysis for precise and effective marketing delivery.

(b) Increase Market Share

For enhancing the Company's reputation in the industry and the subconscious cognition of house buyers, other than the general media coverage, the Company upholds the enthusiasm of contribution to the society over the years, goes through the operation of "Shining Cultural and Educational Foundation" to hold dozens of large and small charitable activities, such as "Thousands of People Love the Earth and Protect the Butterflies", "Look for Formosan Black Bears", and "Speak Out Your Love" love song concerts, and proactively participates in the sponsorship of various public welfare activities, which invisibly raise the Company's reputation and indirectly heighten market share.

(c) Set Up a Unique Brand

For more than 40 years, the Company has adhered to quality assurance and earned the recognition from customers who purchase the house for the first time or house swapping. In the future, we will continuously hold on our own path, starting from Taiwan, establishing the basis on both sides of the strait, and expanding the horizons to include the whole world, and keep up with the times for striving to reach a higher level.

4.1.4.2 Long-Term Business Development Plans

- (a) To develop year by year and grow continuously and steadily. To set up a land database, push forward projects in accordance with annual demands and have a prudent operation. The focus will be on the development of the "Xin Song Town New City Plan" in the Zhongshan District of Taipei, aiming to create the city's most prestigious residential area in the future. Through both traditional media and online platforms, the Company will increase exposure, boosting landowners' willingness to participate in the project. This will also attract high-net-worth individuals and enhance the region's living standards, thereby increasing property values in the area.
- (b) To proactively lay out the real estate development market in China, and have comprehensive development entities engage in investment projects. Different from other hotel groups, the Shining Group is mostly self-sustained and self-management. Currently, Lalu has been deeply rooted in Qing Dao, Nan Jing, and Cheng Du for many years, which has run a new page belonging to the "International Lalu Aesthetics" and become the trendsetting of leisure hotels.
- (c) The mid-term and long-term target is to develop into the construction company in the Greater China region. Other than the prudent market operations of great Taichung, Taipei City, and New Taipei City, the Company also expands its market territory to other regions in China and take its place on China and global markets by the way of operation diversification and investment arrangement.

4.2 Market and Sales Overview

4.2.1 Market Analysis

4.2.1.1 Sales and Supply Regions of Major Products and Services

The main business of the Company is lease and sale of residential buildings and commercial buildings, its major products can be divided into residential buildings, including flat with shop, and office buildings, and its main sales territories are concentrated in central Taiwan and north Taiwan.

4.2.1.2 Market Share

2025 Construction Market Share Overview

Unit: New Taiwan Dollars (In Thousands)

Rank	Company Abbreviation	2025 Operating Revenue	Rank	Company Abbreviation	2025 Operating Revenue
1	CHC	34,378,309	29	LD	5,452,084
2	REC	31,480,700	30	HSC	4,741,072
3	Farglory	31,153,367	31	SUN YAD	4,404,254
4	Highwealth	31,056,097	32	ky	4,371,218
5	CATHAY RED	24,289,234	33	Fu Hua	4,054,432
6	KINDOM	22,872,606	34	HUA YU LIEN	3,890,912
7	GBM	22,532,724	35	KTC	3,675,047
9	DA-CIN	22,072,399	37	TRIOCEAN	3,643,138
10	KEDGE	21,494,724	38	APEX	3,420,125
11	BES	20,718,434	39	ADVANCETEK	3,330,041
12	HUAKU	18,238,702	40	SWEETEN	2,293,357
13	SAKURAD	14,003,249	41	YGI	1,949,553
14	CROWELL	12,276,492	42	SANFAR	1,787,734
15	HWANG CHANG	11,838,665	43	SUNTY	1,433,489
16	JSL	11,304,194	44	HSIN BA BA	1,296,227
17	JEAN	10,734,412	45	SanDi	1,259,124
18	Hong Pu	10,460,323	46	WE & WIN	1,255,647
19	New Asia	10,342,982	47	FOUNDING	1,164,507
20	DA-LI CO.,LTD.	9,531,068	48	PCC	1,137,730
21	PHD	9,354,699	49	Shining	1,072,641
22	KSECO	9,038,390	50	I-HWA	828,991
23	CHONG HONG	8,489,975	51	ASCENT	813,096
24	CHIEN KUO	7,095,608	52	Hung Ching	658,881
25	RUN LONG	6,495,857	53	KeeTai	298,724
26	DELPHA	6,339,127	54	BLG	285,015
27	RADIUM	6,153,592	55	CHAINQUI	264,407
28	HUANG HSIANG	6,076,420			

4.2.1.3 Future Supply and Demand Status and Growth of the Market

In 2025, the total transaction amount for land nationwide was approximately NT\$163.9 billion, a significant decline of about 37.7% compared to the previous year (approximately NT\$263.2 billion). This was primarily due to the central bank's seventh wave of selective credit controls and mortgage restrictions, which caused the market to become observant and conservative. The structure of land acquisitions also changed: driven by strong demand for factory expansion in the technology sector, the proportion of industrial land jumped to 50%; residential land declined to about 40% due to policies and market sentiment; and commercial land remained at about 10%.

The regional distribution was still dominated by Taipei and New Taipei Cities, accounting for nearly 47% of the total nationwide transaction amount (approximately NT\$77 billion). Although the overall volume contracted substantially due to policy factors, under the global inflationary environment, land remains the preferred hedging asset for high-net-worth individuals, exhibiting characteristics of "capital return and rigid support for land prices."

It is anticipated that this year's real estate market will be shaped by three major trends. First, rigid demand will be the primary driving force. Consumers are mainly purchasing for self-occupation, with proximity to the city center or transportation convenience being the primary considerations. Project launches in Taipei and New Taipei Cities will focus on city centers or areas along MRT lines. Second, the maximization of spatial efficiency. As construction costs continue to climb, driving housing unit prices high, developers are not only planning compact housing products to control the total sales price but also improving spatial efficiency to increase consumers' living space. Third, consumers maintain a wait-and-see attitude. With no relaxation of policies, consumers remain observant toward the housing market, especially property investors. Currently, the primary homebuyers are those with urgent needs. Although the overall market continues to face severe challenges, housing prices have not loosened to date because developers have no room for price concessions. Therefore, overall housing prices present a trend of reduced volume and stable prices.

4.2.1.4 Competitive Niche and Favorable and Unfavorable Factors of Development Prospects and Response Strategies

(a) Competitive Niche

With rich development experience in the Company over the years, the projects introduced have not only earned the affirmation and recognition from the public, achieved high sales records, but also frequently won awards such as "Architecture Gold Award—Best Quality" and "Architecture Gold Award—Best Planning", etc. (refer to the table below), which are the evidences of excellent construction quality, good corporate image and complete after-sales service of Shining Building Business Co., Ltd. Additionally, the Company has also been awarded "Excellence Identification Mark—Construction Investment Industry" by Construction and Planning Agency, Ministry of the Interior and has established a good reputation in the high-grade housing swap market. Consequently, we have adjusted, well prepared, and been accumulating our strength for a take-off in the more elaborative real estate market in the future.

Winning Project List of Shining Building Business Co., Ltd.

Project Name	Award	
Shining Science Building	Architecture Gold Award — Best Quality	Architecture Gold Award — Golden Lion Award for Office
Shining Li Jing	Shortlist, 1998 FIABCI (Fédération Internationale des Administrateurs de Biens Conseils et Agent Immobiliers) — Outstanding Architecture Gold Award	Architecture Gold Award — Best Quality
Shining Yun Gang	Architecture Gold Award — Best Planning	Architecture Gold Award — Best Quality
Shining Li Chi	Selected for Architecture Gold Award— Best Planning	Selected for Architecture Gold Award— Best Quality
Shining Empire Double Star	2006 Taiwan Real Estate Excellence Award	Excellence Award — Planning and Design
Shining Athens	2006 Taiwan Real Estate Excellence Award	Gold Tier Award — Construction Quality
Shining Imperial Palace	2012 iResearch Award	Best Award— National Habitation and City
	2012 Golden Stone Award — Chinese Architecture	Gold Award— Outstanding in Planning and Design
Shining Da Jing	2013 Golden Stone Award — Chinese Architecture	Gold Award— Outstanding in Planning and Design
Shining Chun Yong	2017 EEWH Green Building Label — Silver Grade	
Shining Shan Hui	2018 EEWH Green Building Label — Silver Grade	A' Design Award, Italy
Shining The True Life”	2021 EEWH Green Building Label — Silver Grade	
Shining Yuan Ding	2023 The National Golden Award For Architecture— First prize	

The Company's affiliated company, "Lalu Hotel", is second to none and world-class tourist hotel in the country, which has won the World Architecture Gold Award and earned deep appreciation from all social circles. Leveraging on the construction experience and reputation of Lalu Hotel, the Company has already possessed the best word of mouth and strength in domestic high-quality real estate development. As the global economy is rebound, the Company picks up the best location and builds the best house on the basis of the good foundation of comprehensive talents from land development, planning, operation, sales, and management services, which is the best guarantee for competitiveness.

(b) Favorable Factors of Development Prospects

- On the supply side, the government's preferential housing loan policy remains the same and bank interest rates are still at low grades. It is expected that buyers will continue to approach the market proactively and demand will keep steady.
- Because of the construction of transportation network and the effects of Central Taiwan Science Park and high speed rail in Taichung region, out of town investors have begun to approach the market, which has changed the buyer structure in Taichung housing market. The increased customer base is no longer restricted by regions.

- The Executive Yuan brings forward the proposal to allow the construction industry to take part in urban renewal plans for revitalizing the domestic economy and will give awards in accordance with the original floor area ratio and building coverage ratio, which has positive meanings for both construction companies and landlords. Moreover, the inflation of prices can also promote the demand of house purchase for value preservation.
- Capacity transfer, urban renewal, and securitization of real estate have added new pipelines for building development and the investing public. Moreover, the favorable factors, such as the full opening of national highway No. 3, and the construction completion of high speed rail, will supply more essence zones worthy to be developed, provide infinite business opportunities, improve the investment confidence of compatriots, and what is more is that they have a positive catalysis on real estate.
- The permission of the exchanges of mails, trade, air and shipping services, and direct flight across the Taiwan Straits, and China tourists to Taiwan, makes the Taichung International Airport and Port of Taichung be classified as the airport of direct flight and sea port in the first wave of cross-strait linkage services, which let central Taiwan becomes the first to benefit from the value-added potentiality.
- Since the global economy has been confronted with material changes in the recent period, including the introduction of unprecedented quantitative easing monetary policies in Europe, the United States, and Japan, and caused by the concept of asset preservation, high asset groups have re-allocated their assets and shift the focus to real estate investment, which has enhanced the potential benefits of projects.

(c) Unfavorable Factors of Development Prospects

- The fluctuations in the price of building materials and the shortage of construction workers in the market have caused indeterminacy in investment profits, and a considerable degree of influence on the production time and benefits of real estate industry.
- Since the floor area ratio was implemented, the land use intensity has universally decreased, the land prices have not yet been consolidated to reasonable prices, and the difficulties of land purchase have heightened.
- With the bracing of Taiwanese businessmen returning to Taiwan, the prices of luxury houses receive a certain extent of support, but a market highly dependent on out of town customers may cause the relevant risk become greater, which is deviated from the basic demand of general market.
- While the economy growth slows down, the increase in the tax base or tax rate of domestic immovable property holdings will distinctly influence the public on the decision-making and intention of purchase houses.

(d) Response Strategies

- The choice of land development location is focusing on looking for prestigious road sections and sections with high-profile, convenient transportation, and sufficiency living conditions in order to segment the market.
- The product planning will take the planning for rigid demand as the main focus, and have products with 20 to 40 pings or 2~3 rooms as the major product force. The design concept of premium residences will be incorporated into the first-purchase products for attracting young customer group and cultivating a larger customer base.

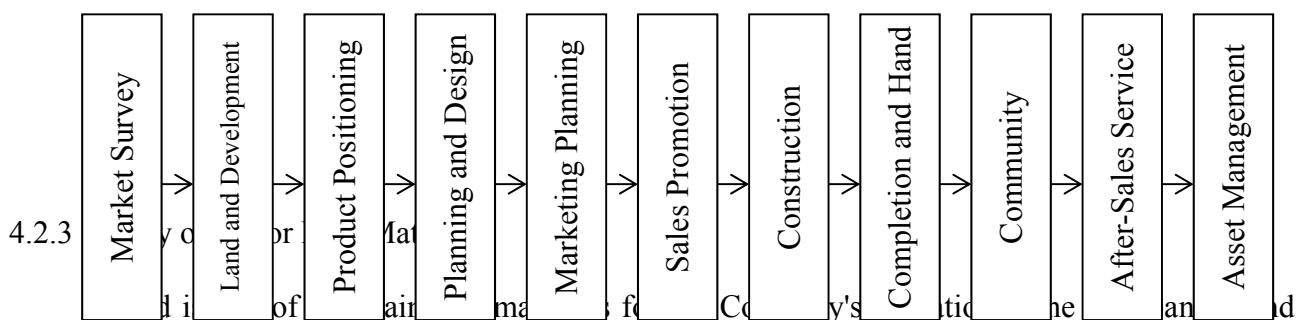
- Cultivate the top-level customer segment deeply, get the attention of capital maturation type of customers, manage the house swap markets in which the customers intend to swap the house for the second or third times, consolidate the niche market customer segment, and set up the brand of Shining Building Business Co., Ltd. as the synonym for highest grade residence.
- Put emphasis on consumer rights, cautiously discuss the advertisement contents while pushing forward projects and rigidly prohibit to exaggerate and promote disinformation, comply with Fair Trade Act and Consumer Protection Act, set up a complete pre-sale and transaction system for reducing disputes, keep a good interactive relationship with consumers in a fair and reasonable way, and strengthen legal education and training for employees for improving the diathesis of the Company's employees and reducing the legal liability risks of the Company.
- Not blindly develop projects, substitute qualitative growth for quantity increase, re-plan and redesign every project with a zeroing approach and upgrade the spirit and value of each project, reinforce the financial structure with good planning and management, and sustain prudent operation continuously.
- Comprehensively promote institutionalized management and reinforce human resources for giving full scope to the talents, improving the diathesis of manpower and work quality of the Company, and managing the operation with high-efficiency.

4.2.2 Important uses of major products and production process

4.2.2.1 Important Uses: The purpose is to offer a good living environment and housing quality for compatriots.

- (a) High-Grade Residence: The Company is used to praise oneself as the trend leader. No matter the luxury house for young customer group or top-level luxury house, all are in accordance with customer demand and use "market-oriented" thinking to plan the high-grade residences with most suitable location, textural quality, and corresponding to user-friendly demand.
- (b) Community Villa: The community-based leisure and vacation villa community utilizes the plan of "blue ocean strategy" to underline exquisite leisure functions, which is different from the ordinary traditional terrace house.

4.2.2 Production Process



selection for development is focusing on the essence sections of the metropolis for the construction of upscale and high quality high-grade residences and the customer segments are mostly in the form of house swapping.

Since the Company's products are positioned in the customer segment with higher demand for residential quality, the direction of land development is therefore majorly in the main force of business areas, such as the areas in Taichung City which meet the Company's operating targets of products and customer segments, and Taipei City, New Taipei City and Taoyuan. The Company has used the results of rigorous market assessment to design products which are classy, high-quality, able to segment the market, and ahead of our competitors, acquires the designated areas with excellent locations and elegant environments recommended by brokers, intermediary agencies, or landlords who are familiar with the Company's main force of operating areas, as well as obtains the tenders released by National Property Administration, banks, and cost equivalent lands of redevelopment zones or the essence districts of court auction, and has lands acquired to be developed and constructed immediately.

The landlords of the essence sections of the metropolis are often complex in composition who requires greater energy and effort on development and may take a longer time on integration. The Company's mid-term and long-term development policies are to acquire lands in significant locations first, and then through the adoption of cannibalization strategy to acquire lands in the essence sections of integrated lands, which are trading time for money.

Consequently, the Company set up the land development department to pay attention to the dynamics of hundreds of lands at all times and has the present scope even branched out into those districts with development potential in real estate such as Taipei City, New Taipei City, Changhua and Yunlin. The land development strategy is affirmative.

Other ancillary raw materials such as cement, reinforcing steel, sand and gravel, etc., are relatively unsteady in source and price variation at present. For the tendencies of other relevant construction materials, there is a dedicated department in Tai Yu Construction Co., Ltd., an affiliated company reinvested by the Company, to pay attention to the response at all times.

4.2.4 The Name, Purchase (Sales) Amount, and Ratio of the Suppliers and Customers Accounted for Over 10% of the Total Purchase (Sales) in One of the Most Recent Two years.

4.2.4.1 The Name, Purchase Amount, and Ratio of the Suppliers Accounted for Over 10% of the Total Purchase in One of the Most Recent Two years: IFRS Individual Financial Statements

Unit: Dollars (In Thousands)

Item	2024				2025				First Quarter of 2026			
	Item	Amount	As a percentage of net purchase for the year %	Relation with Issuer	Company Name	Amount	As a percentage of net purchase for the year %	Relation with Issuer	Company Name	Amount	As a percentage of net purchase for the year %	Relation with Issuer
1	Tai Yu Construction Co., Ltd.	839,202	98.17	Subsidiary	Tai Yu Construction Co., Ltd.	704,762	96.11	Subsidiary	Tai Yu Construction Co., Ltd.	242,857	98.27	Subsidiary
2	Other	15,654	1.83		Other	28,511	3.89		Other	4,285	1.73	
3												
	Net purchase	854,856	100.00		Net purchase	733,273	100.00		Net purchase	247,142	100.00	

4.2.4.2 The Name, Sales Amount, and Ratio of the Customers Accounted for Over 10% of the Total Sales in One of the Most Recent Two years:

The Company's major customers are the general public. Hence, there were no customers with sales amount accounted for more than 10% of the Company's total sales in the most recent two years and as of 2024

4.3 The Number of Employees and Their Average Years of Service, Average Age, and Education Levels

		Unit: Number of People		
Year		2024	2025	As of May 15, 2026
Number of Employee (Person)	Staff	148	140	141
	Technician	-	-	-
	Total	148	140	141
Average Age (Year)		46.3	47.7	47.4
Average Years of Service (Year)		10.38	11.42	11.61
Academy Ratio (%)	Ph.D.	-	-	-
	Masters	16	14	14
	Bachelor's Degree	117	115	114
	Senior High School	13	11	11
	Below Senior High	-	2	2

4.4 Disbursements for Environmental Protection

4.4.1 Total Losses Suffered by the Company and Disposition Amount in the Most Recent Year and Up to the Publication Date of the Annual Report due to Environmental Pollution Incidents

The Company entrusts all construction projects to outsourcing construction companies, who are in charge of the environmental conservation of the construction site, the control of dust and sound pollution, and the waste disposal for preventing messiness and inconvenient of nearby neighbors. Hence, as of the publication date of the annual report for the most recent two years, the Company has not suffered losses or dispositions because of environmental pollution incidents.

4.4.2 Future Adaptive Strategies (Including Corrective Measures) and Possible Expenditures

Our construction partner, Tai Yu Construction Co., Ltd., does not only abide by laws and regulations in the process of construction, but also make further site pollution prevention and management for the surrounding neighborhood. After the classification of general waste and construction waste in the job site, the waste will be delivered to qualified collection and disposal companies and transported to the declaration site for treatments. The prevention and control plan of water pollution is dealt with in accordance with laws and regulations and there are four treatment guidelines to ensure the prevention and control of water pollution on the construction site. The prevention and control plan of air pollution has stipulated nine

preventive measures to rigorously supervise possible air pollution on the construction site. During the construction period of the project, it is easy to bring about noise because of the requirements of the project. For protecting the rights and interests of residents around the area where the construction project is located, two measures have been set up to strictly control the noise of construction site in accordance with laws and regulations.

4.5 Labor Relations

4.5.1 The Company's Employee Benefit Plans, Continuing Education, Training, Retirement Systems, and the Status of Their Implementation, and the Status of Labor and Management Agreements and Measures for Preserving Employees' Rights and Interests.

4.5.1.1 Employee Benefit Plans

- (a) Employees are entitled to labor insurance, health insurance, pension, and official travel safety insurance.
- (b) Holiday bonuses for three festivals (including Dragon Boat Festival, Mid-Autumn Festival and Chinese Lunar New Year), birthday cash gifts, cash gifts for the celebration of house purchase, maternity allowance.
- (c) Regular corporate retreats every year
- (d) Regular annual health examinations for employees are provided, including free screenings for the three major health indicators—blood pressure, blood sugar, and blood lipids—as well as BMI assessments. These are accompanied by consultations with professional physicians.
- (e) Organize employee recreation activities, such as year-end party, dinner party, or other self-empowerment recreational activities.
- (f) Allowances of wedding, funeral, and festive activities and the operation of the Employees' Welfare Committee.

Expenditure of Employees' Welfare Committee in 2025

Unit: New Taiwan Dollars

Item	Amount
Birthday Cash Gifts	102,600
Health Examination	48,300
Dragon Boat Festival and Mid-Autumn Festival Bonuses	1,313,500
Cash Benefits of Wedding, Funeral, and Festive Activities	49,100
Corporate Retreats	1,138,000
Total	2,651,500

4.5.1.2 Continuing Education and Trainings and Development of Employees

(a) Competence Development and Competitiveness Development

Lay emphasis on benchmarking spirit, encourage employees to have broadness of minds while learning from the best experiences of the industry and out of the industry and exchanging and guiding industrial generic techniques in order to bring the training into full play and achieving strategic goals.

- (1) Regular Internal Training: Professional Training on Standard Construction Practices and Methods, Professional Training on Providing Impressive Service for Customers, Training on Scale of Architectural Design
- (2) External Training: Seminars on Building Planning, Lecture Series on Building Service, Talks on the Market Analysis of Real Estate, Workshops on Multimedia Marketing Management, Lectures on Internal Control of Enterprises, Workshops on Laws and Regulations of Finance, Accounting, and Taxation, and Other Training Activities.

In 2025, a total of [CLIENT CONFIRMATION REQUIRED] trainees participated in 29 external training courses with a total of 167 training hours and a total of 982 trainees participated in 124 internal training courses, including mobilization meetings and newcomer trainings, with a total of 2,074 training hours.

(b) Shaping Corporate Culture

- (1) New Employee Orientation and Education: Guide newcomers to understand and adapt to the Company's basic rules and regulations and management environment, and promote the goals of employees' belongingness and feeling of honor to the Company.
- (2) Quarterly Mobilization Meeting
 - Operating Reports of Department Heads: Encourage employees to understand the Company's direction of businesses, business philosophy, and strategies and guidelines, so that all colleagues can unanimously proceed with our common objectives.
 - Lecture on Special Subjects: A lecture on diversified subjects is arranged per quarter, including generative AI, interpersonal relationship management, employee motivation, etc., for offering employees with life-wide learning and assisting employees at expanding their horizons and self-development.
 - Shining Gold Award: Through election by ballot to recognize employees with extraordinary job performance and award the Shining Gold Award, which is expected to encourage all colleagues to continuously give full scope to creativity and service enthusiasm in work.

(c) Keep the Career Path Smooth for Employees

Regularly perform the performance appraisal and integrate it with the rules and procedures of performance bonuses and position promotion for providing excellent talents with a development platform to challenge themselves, keep going beyond, and be innovate continuously.

4.5.1.3 Retirement Systems

(a) For settling down colleagues' lives after retirement, the Company set up a Labor Retirement Reserve Committee in accordance with Labor Standards Act and Labor Pension Act, and appropriates labor pension reserve funds and contributes employees' labor pension funds on a monthly basis to employees' individual labor pension accounts of Bureau of Labor Insurance. Other than deposits in accordance with laws and regulations, the Company also regularly confirms the amount of appropriation every year for protecting the rights and interests of colleagues in claiming pensions in the future.

(1) For Employees to Whom the Old Labor Pension System Applies: The Company regularly appropriates a monthly labor pension reserve fund on the basis of 2% of the total salary and wage and deposits such amount in a designated account in Bank of Taiwan (formerly the Central Trust of China) to protect employees' rights.

(2) For Employees to Whom the New Labor Pension System Applies: Since July 1, 2005, the new retirement system released by the government has been adopted by the Company in parallel, in which the Company contributes 6% of the employee's salary and wage as labor pension funds to the employee's individual labor pension accounts on a monthly basis. Employees can voluntarily pay pension and the voluntarily withholding rate will be withheld from the employees' monthly salary and wage to the individual labor pension accounts of Bureau of Labor Insurance.

(b) The applicable regulations of the Company in accordance with Labor Pension Act are described as follows:

(1) Voluntary Retirement: A worker may apply for voluntary retirement under any of the following circumstances. (For the workers to whom the Labor Pension Act applies, they shall be handled in accordance with the provisions of the same regulations.)

- Where the worker has worked for fifteen years and attains the age of fifty-five.
- Where the worker has worked for more than twenty-five years.
- Where the worker has worked for ten years and attains the age of sixty.

(2) Mandatory Retirement: The Company shall not force a worker to retire unless any of the following circumstances has occurred:

- Where the worker attains the age of sixty-five.
- Where the worker is mentally or physically disabled and unable to perform his/her duties.

The Company may request the central competent authority to adjust the age prescribed in the preceding paragraph if the specific job entails risk, requires substantial physical strength or otherwise of a special nature; provided, however, that the age shall not be reduced below fifty-five.

(c) Pension Payment Standard

(1) Where the worker's seniority prior to and after his/her application to Labor Standards Act, where the worker chooses to be covered by the pension system of Labor Standards Act in accordance with the options regulated by Labor Pension Act, or where the worker retains the seniority prior to the enforcement of Labor Pension Act, the pension payment and standard shall be calculated in accordance with Article 84-2 and Article 55 of the Labor Standards Act.

(2) The employee with seniority prescribed in the preceding paragraph and is mandatorily retired in accordance with Subparagraph 2 of Paragraph 1 of Article 35 of Labor Pension Act, and his/her mental or physical disability is incurred because of the execution of the duties shall be paid an additional 20% on top of the amount calculated in accordance with Subparagraph 2 of Paragraph 1 of Article 55 of Labor Standards Act.

(3) For employees to whom the pension regulations of Labor Pension Act apply, the Company contributes 6% of the employee's salary and wage as labor pension funds to the employee's individual labor pension accounts on a monthly basis.

(d) Pension payment: The Company shall pay the pension to the employee within 30 days from the day of retirement.

Implementation Status of Pension System

Retirement System	Old Pension System	New Pension System (Since July 1, 2005)
Sources of Law	Labor Standards Act	Labor Pension Act
How to Allocate	The Company regularly appropriates a monthly labor pension reserve fund on the basis of 2% of the total salary and wage and deposits such amount in a designated account in Bank of Taiwan (formerly the Central Trust of China)	The Company contributes 6% of the employee's salary and wage as labor pension funds to the employee's individual labor pension accounts on a monthly basis. Employees can voluntarily pay pension and the voluntarily withholding rate will be withheld from the employees' monthly salary and wage to the individual labor pension accounts of Bureau of Labor Insurance.
Appropriation Amount	As of the end of 2025, the accumulated amount of the labor pension reserve fund of the old pension system was approximately NT\$14,250 thousand.	In 2025, a total of approximately NT\$6,546 thousand was allocated to the individual labor pension accounts of Bureau of Labor Insurance.

4.5.2 Any losses suffered by the company in the most recent year and up to the publication 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:

4.6 As of 2025 and up to the publication date of the annual report, the Company has not been punished by the government competent authority of labor affairs for failing to do its job well after labor inspections.**Cyber security management**

4.6.1 Cyber security risk management structure:

In order to improve information security management, the Company has established a cross-departmental "Information Security Group" in 2020, and the Board Meeting approved the appointment of Chang Ying-yin (the current director of General Administration Division) as the Chief Information Security Officer on 8 November 2023, who is responsible for coordinating and formulating the Company's information security management policy and implementation policy, reviewed the cyber security system on a quarterly basis, tracked and reviewed the improvement measures, and regularly reports the implementation to the Board of Directors. It was reported to the Board on 7 November 2025.

4.6.2 Information and communication security policies

The implementation of the Company's information security work is the most important basic key to providing a stable and sustainable information environment. In order to ensure that the various information security management systems can be implemented, effectively operated, supervised and managed, and continuously carried out, in addition to ensuring the confidentiality, integrity and availability of various forms of information generated by operation, we will strive to ensure that they are not attacked, destroyed and leaked by malicious or accidental intrusion.

Information assets are related to the continuity of the Company's daily operations, and information assets must be protected according to their importance at different priority levels, and cooperate with the implementation of the Company's information security work, in order to effectively use resources and achieve the maximum information security effect. The Company's information security policy aims to ensure the smooth operation of the Company, the integrity of information, corporate confidentiality and security, in order to protect the credibility of the Company itself.

The objectives of the Company's Information Security Policy are described below:

Information Security Policy			
management aspect	confidential aspect	system aspect	consciousness aspect
Strictly prevent the occurrence of information security risks and threats, and reduce the impact of information security incidents.	Ensure that the confidentiality of information is not disclosed, and avoid improper use and access.	Improve the availability of information equipment and systems to ensure the normal operation of each information system.	Let all employees understand the responsibilities and obligations that should be observed in the information security system.

4.6.3 Management plan and resources invested in cyber security management

Shining Building Business Co., Ltd.

Implementation of information security in 2025

Evaluation Item	Operation			Remark
	Yes	No	Brief Description	
1. Computer equipment safety management. Has a control mechanism been set up for the information room and is it managed by authorized and responsible staff?	V		1. The personnel in the information room shall inspect the machine room regularly and regularly, and lock it normally. Irrelevant persons are strictly prohibited to enter. The maintenance of the manufacturer shall be accompanied by the personnel in the information room.	No major abnormality
2. Network security management Are there firewalls and other necessary security facilities to control the transmission of data and access to resources between the external and internal networks?	V		2. Intranet and extranet are separated by firewall, and white list and blacklist are established for online management. The network firewall failed in 2025 and has been replaced with a next-generation firewall. Connection management, whitelists, and blacklists have been re-established.	No major abnormality
3. Virus Protection and Management (a) Is endpoint protection software installed and regularly updated on the server and internal personal computer equipment? (b) Is the email server equipped with email anti-virus and spam filtering mechanism to prevent viruses or spam?	V		3. (1) Use trend antivirus software and update virus code regularly. The protection software was updated regularly in 2025. (2) At present, the e-mail system is used to manage letters, isolate letters at risk, and send them to the user's mailbox only after the user confirms that they are safe and released. The protection software will be updated regularly in 2025.	No major abnormality No major abnormality
4. System access control Are system programs regularly backed up and encrypted, and do you control the approval and access rights of employees to important data?	V		4. The system data shall be backed up regularly, and each colleague shall belong to the use group and set corresponding permissions. Only the files with permissions in the Group can be used.	No major abnormality
5. Ensuring the sustainable operation of the system			5. The overall backup of the system is carried out every day, and the	

Is the overall backup of the system carried out by information specialists and is a standard operating procedure established in the event of an accident?	V		recovery action can be carried out quickly in case of accident.	No major abnormality
6. System development and maintenance management mechanism The system procurement, development, and maintenance requirements are all set up in a form for each requesting unit to apply for, and are planned by the specialized information personnel?	V		6. The application for equipment upgrade, authority and system use right of Tongren shall be in accordance with the process, including bill of lading and purchase. After submitting the application form, the information personnel will evaluate the implementation method of the demand form and record the processing status.	No major abnormality
7. Information Security Promotion and Education Training Are the articles be written or seminars be provided from time to time to promote information security issues and raise the awareness of information security among your employees?	V		7. From time to time, the information security team will release the latest information on information security on the digital library page of the internal website to enhance the information security awareness of colleagues and understand the latest information security trends. <u>The implementation of asset safety advocacy, education and training in 2025 was as follows:</u> (1) Released 14 information related to asset safety; (2) Handled 4 cloud online information security teaching initiatives.	No major abnormality

4.6.4 Losses, possible impacts and Countermeasures Caused by major information security incidents in the most recent year and up to the printing date of the annual report: none.

4.7 Important Contracts (Contracts were either still effective as of the date of publication of the annual report, or expired in the most recent year.)

Nature of Contract	Counterparty	Period	Major Contents	Restrictions
Construction Contract	Tai Yu Construction Co., Ltd.	2021/11/15+1000 Calendar Days	Shining Heng Mei Construction Contract (renovation engineering)	Nil
Construction Contract	Tai Yu Construction Co., Ltd.	2021/11/17+1,300 Calendar Days	Shining Yuan Ding Construction Contract (New Construction)	Nil
Construction Contract	Tai Yu Construction Co., Ltd.	2023/12/14+1,000 Calendar Days	Shining The Zhong Shan New Construction	Nil
Construction Contract	Tai Yu Construction Co., Ltd.	2025/09/01+1,000 Calendar Days	Shining Shizuoka Construction Contract (New Construction)	Nil
Construction Contract	Tai Yu Construction Co., Ltd.	2024/11/28+1,000 Calendar Days	Shining The Yun Feng Construction Contract (New Construction)	Nil

V. Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Analysis of Financial Status (Consolidated Financial Statements)

New Taiwan Dollars (In Thousands)

Item \ Year	2024	2025	Difference	
			Amount	%
Current Assets	21,434,610	21,758,745	324,135	1.51%
Property, Plant and Equipment	9,757,843	9,345,486	(412,357)	(4.23%)
Intangible Assets	3,312	2,384	(928)	(28.02%)
Other Assets	11,913,435	13,522,063	1,608,628	13.50%
Total Assets	43,109,200	44,628,678	1,519,478	3.52%
Current Liabilities	20,872,911	21,727,056	854,145	4.09%
Noncurrent Liabilities	11,694,742	13,053,743	1,359,001	11.62%
Total Liabilities	32,567,653	34,780,799	2,213,146	6.80%
Capital Stock	9,775,892	9,775,892	-	-
Capital Surplus	8,591	8,591	-	-
Retained Earnings	723,102	444,542	(278,560)	(38.52%)
Other Equity	(172,031)	(385,497)	(213,466)	124.09%
Treasury Stock	-	-	-	-
Equity Attributable to Shareholders of the Parent	10,335,554	9,843,528	(492,026)	(4.76%)
Non-Controlling Interests	205,993	4,351	(201,642)	(97.89%)
Total Stockholders' Equity	10,541,547	9,847,879	(693,668)	(6.58%)

Note: The analysis and explanation of the changes in rate of increase or decrease reached 20% and with amount more than NT\$10 million in the most recent two years:

1. Retained Earnings: The decrease was primarily due to an increase in accumulated deficits to be compensated compared to the previous period.
2. Other Equity: The change was mainly attributable to the increased exchange loss arising from the translation of foreign subsidiaries' financial statements during the period.
3. Non-controlling Interests: The decrease was primarily due to the net loss attributable to non-controlling interests during the period.

5.2 Analysis of Business Performance (Consolidated Financial Statements)

Review and Analysis of Business Performance

Unit: New Taiwan Dollars (In Thousands)

Item	2024	2025	Increase/ Decrease Amount	Variable Proportion (%)
Operating Revenue	4,108,112	1,072,641	(3,035,471)	(73.89%)
Gross Profit	1,221,836	242,367	(979,469)	(80.16%)
Operating Income	67,712	(763,365)	(831,077)	(1,227.37%)
Non-Operating Income and Expenses	(526,890)	304,958	831,848	(157.88%)
Net Income Before Tax from Operations of Continued Segments	(459,178)	(458,407)	771	(0.17%)
Income Tax	77,105	9,716	(67,389)	(87.40%)
Net Income After Tax for the Period from Operations of Continued Segments	(382,073)	(448,691)	(66,618)	17.44%

Note: The analysis and explanation of the changes in rate of increase or decrease reached 20% and with amount more than NT\$10 million in the most recent two years:

1. Analysis and Explanation of the Variable Proportion of Increase or Decrease Amount:

1. Operating Revenue: The change was mainly due to differences in the recognized revenue from property development projects compared to the previous year.
2. Gross Profit: The change was mainly due to differences in the recognized revenue from property development projects compared to the previous year.
3. Operating Profit: The change was mainly due to differences in the recognized revenue from property development projects compared to the previous year.
4. Non-operating Income and Expenses: Primarily due to net foreign exchange gains in the current period.
5. Income Tax: Primarily due to the reversal of deferred income tax in the current period.

2. The Sales Volume Forecast and the Measures to be Taken in Response on the Basis of the Possible Effect upon the Company's Future Financial and Sales Performance

For sales volume forecast and the basis, please refer to page 1 of "I. Letter to Shareholders". All projects are implemented in accordance with the schedule plan. Hence, there is no material effect upon the Company's financial and sales performance.

5.3 Analysis of Cash Flow (Consolidated Financial Statements)

5.3.1 Analysis of Cash Flow Changes in the Most Recent Year

Unit: New Taiwan Dollars (In Thousands)

Item \ Year	2024	2025	Increase(Decrease)
Net Cash Inflow (Outflow) of Operating Activities	1,578,383	(591,634)	(2,170,017)
Net Cash Inflow (Outflow) of Investment Activities	(994,230)	(162,088)	832,142
Net Cash Inflow (Outflow) of Financing Activities	(249,831)	972,966	1,222,797
Increase and Decrease Amount of Cash and Cash Equivalents of the Current Period, Net	317,361	(179,806)	(497,167)

5.3.1.1 Increase in Net Cash Outflows from Operating Activities: Primarily due to no completed projects during the current period.

5.3.1.2 Decrease in Net Cash Outflows from Investing Activities: Mainly due to a reduction in other financial assets compared to the same period last year.

5.3.1.3 Increase in Net Cash Inflows from Financing Activities: Mainly attributable to an increase in long-term borrowings.

5.3.1.4 Increase in Net Decrease in Cash and Cash Equivalents: Primarily due to the impact of exchange rate fluctuations during the current period.

5.3.2 Remedies for Insufficient Liquidity

The Company does not have insufficient liquidity issue since all the construction and sales of projects are supported by our own working capital together with banking financing.

5.3.3 Analysis of Cash Liquidity in the Incoming Year (Consolidated Financial Statements)

Unit: New Taiwan Dollars (In Thousands)

Estimated Cash, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities for the Whole Year (2)	Estimated Cash Outflow for the Whole Year (3)	Estimated Cash Surplus (Deficit) (1)+(2)-(3)	Remedies of Estimated Cash Deficits	
				Investment Plans	Financing Plans
501,190	2,437,777	2,344,559	456,853	-	-
(1)Analysis of Cash Liquidity for the Coming Year • Annual net cash inflow: It mainly estimates the collectible house payments, pre-sale real estate payments, rent income and hotel income in the next year. • Annual net cash outflow: it mainly estimates the payable land fee, construction fee, sale and marketing expense and operating expense , etc (2)Remedies of Estimated Cash Deficits and Liquidity Analysis: Nil					

5.4 The Effect upon Financial Operations of any Major Capital Expenditures in the Most Recent Years

The Company's major capital expenditure in the most recent fiscal year amounted to NT\$12,606 thousand, primarily for public facilities maintenance and air conditioning projects related to fixed assets. This expenditure did not have a material impact on the Company's financial or business operations.

5.5 The Company's Reinvestment Policy for the Most Recent Fiscal Year, the Main Reasons for the Profits and Losses Generated from Reinvestments, and the Plan for Improving Re-Investment Profitability in the Incoming Year

Shining Building Business Co., Ltd. has been expanding its presence in Taiwan while strategically deploying investments in Mainland China. Under the implementation of the "1030 Plan" — to establish 30 hotels within 10 years — the Company has not only invested in The Lalu Hotel in China, but also engaged in comprehensive development projects including commercial and residential real estate. The Qingdao real estate project has been fully divested, while The Lalu Hotels and integrated commercial projects in Qingdao and Nanjing continue to contribute stable profits to the Company.

Currently, the Company has obtained approval from the Investment Commission of the Ministry of Economic Affairs for projects in Qingdao, Nanjing, and Chengdu. These approved projects, with a total investment amount of US\$156 million, include the development of five major facilities: international leisure and tourism hotels, shopping malls, residential buildings, office complexes, and villas. The investment loss recognized under the equity method from subsidiaries and associates in 2025 amounted to NT\$415,081 thousand. The loss was primarily attributable to the Company's reinvestment in hotel and real estate businesses in China, which remained affected by the incomplete post-pandemic economic recovery, the Chinese government's property control policies, and exchange rate fluctuations. The performance of these reinvested businesses is expected to improve following the gradual relaxation of property control measures by the Chinese government.

5.6 The Analysis of Risk Matters

5.6.1 The Impact of the Fluctuation of Interest Rate, Exchange Rate, and Inflation Rate on the Company's Revenue, as well as Corresponding Actions

5.6.1.1 The nature and extent of each significant financial risk (exchange rate risk and interest rate risk) have not changed significantly from those described in the Consolidated Financial Statements for the fiscal year 2025. Please refer to Note 6, pages 56-58 to the Consolidated Financial Statements for a description of these risks.

5.6.1.2 Inflation may bring about the price rising of land and raw materials. Generally speaking, the rising in the costs of land and construction can often be rationally shifted to housing prices. Moreover, the housing market may have a more active trading sight because of the psychological expectations of consumers or even investors. The Company adequately gathers relevant information of lands and masters the market prices of raw materials for acquiring lands at a reasonable price and rigorously controlling construction costs, which shall be helpful at upholding the well-manage advantage.

5.6.2 The Major Reasons for the Company's Policies, Profit or Loss of High-Risk, Highly-Leverage

Investments, Capital Loans to Other Parties, Endorsements, Guarantees, and Derivative Commodity and Future Response Measures

The Company did not get involved in the investments of high-risk and high-leverage derivatives. In response to the operational requirements of subsidiaries, the Board of Directors has passed the resolutions on providing fund loaning, endorsement, and guarantees, which will be handled in accordance with the Company's "Operation Procedures for Loaning Funds to Other Parties" and "Procedures for Endorsement and Guarantee".

5.6.3 Research and Development Work to be Carried Out in the Future, and Further Expenditures Expected for Research and Development Work

The Company's domestic land development plans and strategies are not limited to Taipei, New Taipei, and Taichung. In earlier stages, the focus in the Greater Taipei area has been on acquiring floor area ratio (FAR) incentives and consolidating developable land parcels. In the long term, the Company aims to expand its operations in urban renewal and establish a land database to support annual development needs. In central Taiwan, development will extend beyond Taichung City to neighboring counties such as Changhua and Yunlin. With regard to the research and development of new construction methods, the Company continues to introduce the latest domestic and international construction technologies to shorten construction timelines, enhance quality, and reduce costs. Innovative approaches are also applied to strengthen space utilization, functionality, and safety in each project, thereby increasing the added value and market competitiveness of its buildings. Although no new R&D projects are planned, the Group has allocated NT\$2.76 million in fiscal year 2025 for employee training and the development of new construction methods.

5.6.4 The Impact of Important Domestic and Overseas Policies and Legal Changes on the Financial Position of the Company and Future Countermeasures Please refer to page 1 of "I. Letter to Shareholders".

5.6.5 The impact of changes in technologies (Include Cyber security risk) and industry on the financial position of the Company and future countermeasures

The price fluctuation of building materials has a considerable impact on the construction time and benefits of the real estate industry. Since the floor area ratio was implemented, the land use intensity has universally reduced and the difficulties of land purchase have heightened. Hence, the countermeasures of the Company are to have land development department watch over the dynamics of lands and the shift direction of floor area ratios at all times, to request the dedicated department of the Company's subsidiary, Tai Yu Construction Co., Ltd., to be on the alert for the relevant trends of building materials at all times, to apply the online marketing model on the promotion of construction product information, and to increase the supply of communication channels to customers for cutting down operating costs.

Information assets is related to daily operation continue of the Company. To enhance Cyber Security Management, the information related assets have to be protected under separately classified priority according to their importance and cooperate with Cyber Security operation to [exert](#) their Information security effect. The Cyber Security Management and risk were listed on 2025 annual report from Page 83 to 85 and Page 92 to 93 for your reference.

5.6.6 The Impact of Changes in Corporate Image on the Risk Management of the Company and Future

Countermeasures

The Company has always placed value upon corporate image and organized charitable events one by one. Over a long period of time, it has been well known for its commitment on "Persistence, Perseverance, and Quality Assurance" without any change for the past few years and has maintained a consistently excellent corporate image. In the most recent years, it has proactively push forward the "Year of Brand Emozione" to enhance the story of Shining brand, reinforce emotion marketing, and plan the story gallery for every project in the designated area inside the construction project for having house buyers empathize with the value.

5.6.7 The Expected Resultant Benefits, Potential Risks, and Countermeasures of Implementation of Mergers and Acquisitions: Nil

5.6.8 The Expected Benefits and Potential Risks of Plant Expansion and Countermeasures: Nil

5.6.9 Risks and Countermeasures for the Concentration of Purchase and Sales

In consideration of the characteristics of construction industry, the major suppliers of the Company are construction companies and landlords. Most of the land acquisitions are from the foreclosure bidding of individuals or banks and the construction companies are the Company's reinvested subsidiaries. Although the purchases are concentrated, the risks are lower and the project quality can be controlled better. The source of customers is the general public and no risk for the concentration of sales accordingly.

5.6.10 The impacts, risks, and countermeasures of a large number of shares transferred or replaced by directors, supervisors, or shareholders holding more than 10% of the shares of the Company:

For the past few years, there has been no large number of shares transferred or replaced by directors, supervisors, or shareholders holding more than 10% of the shares of the Company.

5.6.11 Impacts and Risks Associated with the Change of Management Rights, and Countermeasures: No such a condition.

5.6.12 Litigation or Non-Litigation Events

Major litigation, non-litigation, or administrative arbitration event which involves the Company and the Company's directors, supervisors, presidents, persons in charge, major shareholders holding more than 10% of the shares and its subsidiaries with judgment confirmed or still in litigation, and its consequence may have material impact on the interests of shareholders or security prices: The cases still in litigation have no material impact on the interests of the Company's shareholders or security prices.

5.6.13 Other Important Risks and Countermeasures

The Company's Board of Directors approved the "Risk Management Policy" on September 30, 2020 and established the "Risk Management Group" for the purpose of strengthening the Company's governance and establishing sound risk management practices. the Company regularly evaluates various risks in accordance with its overall operating policies to effectively identify, measure and control risk factors, prevent possible losses within the tolerable risk range, and report annually to the Board of Directors on the implementation of

the risk management policy.

Based on the principle of materiality, the Company integrates and manages all potential strategic, operational, financial, and hazard risks that may affect the Company's operations and profits, and identifies potential risks through risk categories, with the aim of providing appropriate risk management for all stakeholders. Based on the three major aspects of environment, society and corporate governance, we propose eight major risk items, including "environmental risk", "climate change risk", "operation and privacy risk", "construction design risk", "raw material risk", "financial risk", "human resources management risk" and "information security risk", and propose risk control and management measures respectively.

:

Major Issues	Risk Item	Risk Control and Management Countermeasures
Environment	 Environmental Risk	Facing the changes in the general environment, government policies, price indices, etc., the development process of the company takes considerable amount of time from land acquisition, planning and design to the sales stage, It requires more time cost and in some cases, the development process is lengthy and needs to be reviewed for obsolescence, etc. , confirm whether it has complied with current laws, regulations, policies or market trends, and constantly cross review it over and over again to prevent businesses impacts caused by the environment.
	 Climate Change Risk	As extreme climate aggravates year after year, to confront with the more harsh threats of typhoons and floods than before and avoid making an effect on operating conditions, resulting in financial burdens, or giving rise to other risks, more costs shall be invested in the prevention of natural disasters and floods, the maintenance of post-disaster facilities, and the acquisition of operational capabilities, and shall incorporate the design concept of natural disaster prevention into the Company's construction community. At present, flood control drills are one of the regular exercises for the internal staff. During the rainy and typhoon season, we recruit relevant staff to operate flood control equipment and observe the drainage condition of the surrounding external ditches and drains, and contact the chief by phone to help dredge the mud during the typhoon season to maintain the smooth drainage of the surrounding areas to avoid unnecessary damage and loss caused by poor drainage of the ditches.
Society	 Operational and Privacy Risks	We strictly set the approval authority for each work item and strictly control the use of confidential information for customers, suppliers or employees' personal information to prevent leakage. The sales content in the pre-sale stage is easy to fall behind the customers' cognition when delivering the houses. The publicity content is also part of the delivery content. Therefore, the fundamental solution is to strictly review the publicity and select and train the sales personnel. For the procurement of building materials for the pre-sale houses, if the manufacturer needs to purchase products of the same grade in case of supply there is any shortage, it shall notify the buyers in writing to avoid disputes.
	 Construction Design Risk	During the planning and design phase of a project, regulatory assessments are reviewed in conjunction with timely draft ordinances and regulations from the public sector. The professional knowledge and skills of our internal staff are enhanced over time. The annual building regulations briefing and related regulatory correspondence is an integral part of the in-house staff's training. Applications for building licenses are entrusted to architects' offices. The professional engineering part is entrusted to a professional industrial technician. The architects are also jointly and severally responsible for the effective handling of regulatory risks.
	 Raw Material Risk	In terms of building materials, Taiwan's steel prices are affected by fluctuations in the international raw material situation. In order to correspond to the market price, we have cultivated mutual trust and tacit cooperation with our suppliers and implemented the supply in accordance with the agreed contract content. It is also for us to spread the risk of market fluctuations, and in order to achieve sustainable management, the raw materials are based on

Major Issues	Risk Item	Risk Control and Management Countermeasures
		environmentally friendly materials as a consideration. Pay attention to the market changes and industry trends of professional market reporting websites every week, and at the same time, through daily interaction with third-party manufacturers, pay attention to the supply of raw materials or market changes at any time, in order to avoid the risk of raw materials out of stock and sudden price spikes. In addition, due to the comprehensive effects of the new crown pneumonia, the increase in wages and the congestion of international maritime traffic have led to the extension of the shipping period. Therefore, perform the following response: • Propose alternatives that can reduce costs, and review them in close consultation with the planning and design department. • In line with the needs of planning, design and business sales, confirm the unit price or negotiate the price before placing the sample. Seek manufacturers with good quality, reasonable prices, and good cooperation to respond together.
Corporate Governance	 Financial Risk	In response to the revised financial reporting standards issued by the Stock Exchange, the Company enhances the professional knowledge of its accounting personnel annually. Both the chief accounting officer and designated deputies are required to complete 12 hours of certified training each year. The Board of Directors includes three independent directors who oversee corporate governance from an independent standpoint. The Company strictly enforces ethical conduct among its management team and has strengthened controls and audit mechanisms in the areas of information security and internal control in order to prevent fraud.
Corporate Governance	 Human Resources Management Risk	The fault risk of human resources, personnel health risk, attendance rates and salary positions of employees, whether there are potential labor disputes, department leadership and employee communication, and employee equality issues may all become human resources risks. Hence, the Company uses internal talent training, education and training, and project management as the internal control mechanism of the department, and the heads of various departments actively cultivate succession plans, and use internal organization and professional re-entrustment methods to face various crises.
	 Information Security Risk	In order to improve information security management, the company has established an inter-departmental "Information security team" in 2020. The management team of the General Management Office coordinates and formulates the company's information security management policy and implementation policy. The system reviews and improves the information security system every quarter, tracks and reviews the improvement measures, and regularly reports the implementation to the board of directors to ensure the smooth operation of the Company, the integrity of information and data, and the security of corporate secrets to protect the company's own reputation. Information security management is divided into seven major programs, and the implementation items are as follows: • Computer equipment security management • Network security management • Virus protection and management • System access control • Ensure the sustainable operation of the system • System development and maintenance management mechanism Information security promotion and education and training

5.7 Other Important Matters

Employees Involved in Financial Transparency and the Status of Their Relevant Licenses Specified by the Competent Authority

Department	Name	Relevant Studies and Licenses
Accounting Department	Hsieh-Tung-Han	Professional Certification of Financial and Accounting Supervisors of Public Company

VI. Special Disclosure

6.1 Information on Affiliated Companies

6.1.1.1 Basic Information of Affiliated Company

The Report on Affiliated Enterprises, Consolidated Financial Statements of Affiliated Enterprises, and the Statement of Transactions with Related Parties can be accessed on the Market Observation Post System (MOPS) by entering the Company code 5531.

Navigate Path: MOPS > Individual Company > Electronic Documents Download > Section for the Three Reports of Affiliated Enterprises

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

6.2 The Status of Private Placement of Securities in the Most Recent Year and as of the Date of Publication of the Annual Report

Relevant information can be accessed on the Market Observation Post System (MOPS) by entering the Company code 5531.

Navigate Path: MOPS > Thematic Areas > Investment Section > Private Placement Section

<https://mops.twse.com.tw/mops/#/web/t116sb01>

6.3 Other Necessary Supplement: Nil

6.4 The Significant Impacts on Shareholders' Right or Share Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Act in the Most Recent Year and as of the Date of Publication of the Annual Report: Nil

6.5 In Case the Company and its Affiliated Companies have Financial Difficulties in the Most Recent Year and as of the Date of Publication of the Annual Report, the Impact on the Company's Financial Status: Nil

Shining Building Business Co., Ltd.

Chairman: Lai, Cheng-I