Stock Code: 6222

Li Hsuan Development & Construction Co., Ltd.

(formerly Li Hsuan International Construction Co., Ltd.)

2025 Annual Report

Printed on May 5, 2026

Website of Public Information Observation Station:http://newmops. tse.com.tw
Company website:http://www.sotac.com.tw

1. Company Spokesperson, Authorized Spokesperson

Item	Spokesperson	Spokesperson
Name	Hsiao-Ling Chi	Hui-Chin Lin
Title	Accounting Manager	Accounting Specialist
Contact Number	(02) 2691-8000	(02) 2691-8000
Email Address	sharonchih@sotac.com.tw	sadenlin@sotac.com.tw

2. Addresses and Phone Numbers of the Head Office, Branch Offices, and Factories

Head Office
Address: 8F., No. 258, Sec. 1, Wenhua 1st Rd., Linkou Dist., New Taipei City
Phone: (02) 2691-8000

3. Stock Transfer Agency

Name: Registrar Services Department, Yuanta Jin Ding Securities Co., Ltd.
Address: No. 97, Sec. 2, Dunhua S. Rd., Da’an Dist., Taipei City 10682, Taiwan (B2)
Website:https://agency.capital.com.tw/
Phone: (02)2702-3999

4. Auditing Accountants for the Most Recent Annual Financial Report

Accountant name: Ms. Hsin-Ting Huang and Mr. Shih-Qin Chi (Accountant)
Firm name: Ernst & Young (Taiwan) Joint Accounting Firms
Address: 68F, No. 7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City, Taiwan
Website:https://kpmg.com/tw
Phone: (02) 8101-6666

5. Names of Trading Venues for the Listing and Trading of Overseas Securities, and the Methods for Retrieving Information About Such Overseas Securities:None

6. Company website:http://www.sotac.com.tw

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I: Shareholders' Report

Dear Shareholders, Ladies and Gentlemen:

Thank you for your support and care for the Company over the past year. I would like to express my sincere appreciation. The business performance is reported as follows:

1. Business Results of the Previous (114) Fiscal Year

(1) Results of Implementation of the Business Plan

Due to a slight decrease in customer orders compared with the previous year, in fiscal year 114, the Company's operating revenue of 2,767 thousand TWD decreased by 11 thousand TWD compared with the prior year. Operating gross profit increased by 779 thousand TWD compared with the prior year, while operating expenses were 24,447 thousand TWD, an increase of 6,472 thousand TWD compared with the prior year. Non-operating income and expenses decreased by 5,836 thousand TWD. Net loss after tax for fiscal year 114 24,644 thousand TWD.

Unit: NT$ thousand

Amount Item	Fiscal Year 114	Fiscal Year 113	Increase (Decrease) Amount	Increase (Decrease) Rate%
Operating Revenue	2, 767	2, 778	−11	−0. 40%
Cost of Operations	2, 313	3, 103	−790	−25. 46%
Operating Gross Profit (Loss)	454	(325)	779	239. 69%
Operating Expenses	24, 447	17, 975	6, 472	36. 01%
Operating Profit (Loss)	(23, 993)	(18, 300)	−5, 693	31. 11%
Other Operating Income and Expenses	(624)	5, 212	−5, 836	−111. 97%
Net Profit (Loss) Before Tax	(24, 617)	(13, 088)	−11, 529	88. 09%
Net Profit (Loss) After Tax	(24, 644)	(16, 481)	−8, 163	49. 53%
Other Comprehensive Income (Loss)	(7, 020)	(25)	−6, 995	27, 980%
Total Comprehensive Income (Loss) for the Period	(31, 664)	(16, 506)	−15, 158	91. 83%

(2) Budget Execution Status: The Company did not disclose any financial forecast to the public for Fiscal Year 114, so this does not apply.

(3) Analysis of Financial Receipts and Payments and Profitability

Unit: NT$ Thousands

Item			FY 2025	Fiscal Year 2024
Financial Receipts and Payments	Operating Revenue		2, 767	2, 778
	Gross Operating Profit		454	(325)
	Net Profit (Loss) After Tax		(24, 644)	(16, 481)
Profitability	Return on Assets (%)		(4. 29)	(5. 79)
	Return on Equity (%)		(4. 34)	(5. 88)
	As a Percentage of Paid-in Capital (%)	Operating Profit	(3. 39)	(4. 51)
		Net Profit Before Tax	(3. 49)	(3. 22)
	Net Profit Margin (%)		(890. 63)	(593. 27)
	Earnings Per Share (NTD)		(0. 40)	(0. 41)

2. Summary of the Company's Business Plan for Fiscal Year 115

(1) Business Strategy

1. Operating Product Categories

In recent years, our company's major lines of business have been the sales of LED lighting light sources, LED lighting fixtures and related products. Based on our existing business areas, we strive to transform our operating product categories and sales channels, and actively seek potential partners to drive revenue growth and profitability for the company.

2. Organization and Team

By bringing in professional talent, strengthening our sales, planning, and marketing teams, expanding opportunities in physical retail channels, enhancing the company's image, and building corporate value.

(2) Expected Sales Quantity and the Basis

1. 115 The company's annual projected sales quantities are as follows:

Annual Product Category	FY 115 Planned Quantity
	Sales Volume
LED Bulbs	30, 000PCS
LED Panel Light	5, 000PCS
Total	35, 000PCS

2. Based on

The planned sales quantity targets are set with reference to factors such as the industry environment, market supply and demand conditions, future business development, market segmentation, product differentiation, and other considerations, to achieve the goal of maximum profitability and sustainable operations.

3. Future Company Development Strategy

(1) Optimize Organizational Structure:

Adjust the company's internal structure to achieve "vertical management with execution capability and horizontal integration with team cohesion," strengthen members' professional capabilities, and optimize company operations for maximum efficiency.

(2) Proactive Transformation:

1. Given the overall economic environment is becoming increasingly complex, market demand for products and market marketing and distribution have diversified. As a result, the company will further strengthen its precise perspective in product development and its efforts in exploring and operating new sales channels.
2. By leveraging the effectiveness of "resource focus," allocate the company's resources to achieve optimal deployment. In the future, the company will continue to devote itself to promoting and developing niche products to deliver outstanding results and create the greatest benefits for all shareholders.

4. Impact of External Competitive Environment, Regulatory Environment, and Overall Business Conditions

As environmental protection regulations in countries worldwide are becoming increasingly stringent and sustainability is receiving greater attention, along with rising production costs and fluctuations in raw material prices, the challenges we face are becoming more severe. Our measures to address these challenges are as follows:

1、Recruit professionals, strengthen business management, and improve the company's overall operations.

2、Provide professional services to meet customer needs.

3、Stay alert to policy and legal changes at home and abroad, and propose timely measures as needed.

4、In accordance with the materiality principle, conduct sustainability-related risk assessments for company operations and establish relevant management policies.

Finally, we would like to thank our shareholders again for your continued support and encouragement. We commit to doing our utmost in the future, with the goal of enhancing the company's overall value and maximizing the interests of all shareholders.

Wishing all shareholders good health and all the best in everything you do

Sincerely, Chairman Ming-Hung Chen

II. Corporate Governance Report

I. Information on the Board of Directors, Supervisors, General Manager, Deputy General Manager, Assistant Managers, and Heads of Departments and Branch Organizations

(1) Directors:

1. Basic Information of Directors

April 4, 2025

Title	Natio-nality or Place of Regist-ration	Name	Gender and age	Election and ( ) term start date	Term of off-ice	Date of initial appointment	Shares held at the time of election		Shares Currently Held		Spouse, Minors Shares Currently Held by Children		Holding shares in another person's name		Major education (academic background)	Currently serving in positions at the Company and other companies	Other executives, directors, or Supervisors			Notes
							Number of shares	Shareholding Ratio	Number of Shares	Equity Holding Ratio	Number of Shares	Equity Holding Ratio	Shares	Sharehold-ing Percent-age			Title	Name	Relationship	None
Chai-rman of the Board	Repu-blic of China	Yongxuan Develo - pment Investment Co., Ltd.	-	113.9.19	3 yea rs	113.9.19	3,010,000	7.42%	39,680,000	41.47%	0	0.00%	0	0.00%	-	None	None	None	None	None
	Repu-blic of China	Represent at- ive: Ming-Hong Chen	Male, 41 -50	113.9.19	3 yea rs	113.9.19	3,806,000	9.38%	4,059,000	4.24%	0	0.00%	0	0.00%	Mechanical Department, Liming Institute of Techno-logy Chairman and General Manager, Lixuan Deve-lopment and Construct-ion Co., Ltd.	Chairman and General Manager, Yongxuan Development and Investment Co., Ltd. Yu-Xuan Construction Co., Ltd. Chairman and General Manager; Yu- Xuan Construction Co., Ltd. Chairman and Ge- neral Manager; Ming- Xuan Development and Construction Co., Ltd. Chairman and General Manager; Le-Xuan De- velopment and Constr-uction Co., Ltd. Chair- man and General Man- ager; Yue-Xuan Deve- lopment and Construct- ion Co., Ltd. Chairman and General Manager Zhao-Xuan Construction Co., Ltd. Chairman and General Manager; Zi-Xuan Develop-ment and Investment Co., Ltd. Chairman and General Man-ager Chairman of Hua-Xuan Real Estate Co., Ltd.	None	None	None	None
Director	China Republic era	Kechen Invest-ment Co., Ltd.	-	113.9.19	3 Yea r	113.9.19	350,000	0.86%	4,062,000	4.25%	0	0.00%	0	0.00%	-	None	None	None	None	None

Title	Nationality or Place of Registration	Name	Gender and Age	By choosing ( ) the appointment date	Term of office	Date of initial appointment	Shares held at the time of appointment		Shares currently held		Spouse and minors Children currently hold shares		Hold shares in someone else's name		Highest education (academic)	Currently serving in positions at this company and other companies	Other executives, directors, or supervisors with a spouse or a relationship within two degrees of kinship Supervisors			Notes
							Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage			Title	Name	Relationship	None
	Republic of China	Representative: Hsieh Sen- gang	Male 71-80	113.9.19	3 years	113.9.19	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Pingtung County Municipal Zhìzhèng Junior High School Chairman and General Manager, Yung Sheng Transpo- rtation Co., Ltd.	Chairman, Kechen Investment Co., Ltd. Chairman and General Manager, Yongsheng Transportation Co., Ltd.	None	None	None	None
Director	China Republic	Yongfa Investment Co., Ltd.	-	113.9.19	3 Year	113.9.19	700,000	1.72%	7,724,000	8.07%	0	0.00%	0	0.00%	-	None	None	None	None	None
	Republic of China	Representa- tive: Lee Rong-fa	Male 51-60	113.9.19	3 years	113.9.19	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Municipal San Chong Senior High School in New Taipei City Chairman and General Manager, Yangfa Industrial Co., Ltd.	Chairman, Yangfa Investment Co., Ltd. Chairman and General Manager, Yangfa Industrial Co., Ltd.	None	None	None	None
Director	Republic of China	Jingwen Zhang	Female 21-30	113.9.19	3 years	113.9.19	525,000	1.29%	8,868,000	9.27%	0	0.00%	0	0.00%	College of Humanities and Social Sciences, National Ts- ing Hua University Japan Airlines Ground Operations Officer	Japan Airlines Operations Staff	None	None	None	None
Independent Director	Republic of China	Junkai Huang	Male 51-60	113.9.19	3 years	113.9.19	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Doctor of Philosophy in Materials Science and Engineering, National Tsing Hua University; Engineering, National Taiwan University. Master of Engineering; (China-Canada) Co., Ltd. Executive Consultant Senior Vice President of Sales and Business Development, [Company Name]	Senior Business Deputy General Manager, Qin-Kai Technology Co., Ltd., ( ) Company Director, Sino-Canada Consulting Co., Ltd. Hiwin Technology Co., Ltd.( ) Company Director Independent Director, Weijiang Hold- ings Co., Ltd., ( ) Company, Cayman Islands, British Overseas Territory	None	None	None	None
Independent Director	Republic of China	Xinyi Qiu	Female 51-60	113.9.19	3 years	113.9.19	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Graduate Institute of Finance and Financial Management, National Sun Yat-sen University Chief Financial Officer, Bafang Yunji International (Co.) Chairman, Actfar Management Consulting Co., Ltd.	Chairman, Xingyuan Management Consulting Co., Ltd. Independent Director, Micro- Edge Technology Co., Ltd., ( ) Company Independent Director, Hon Ch- uan Precision Industrial Co., Ltd., ( ) Company	None	None	None	None
Independent Director	Republic of China	Wan Ting Zhang	Female, 41 –50	113.9.19	3 years	113.9.19	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master ’s degree, Finance Law Group, Department of Law, National Taipei University Leading Partner, Anjun Attorneys-at- Law Attorney-at-Law	Managing Partner, Anzhong Law Firm Independent Director, Jiaolei Information Services Co., Ltd. Independent Director, Yid- eng Technology Co., Ltd. Legal Representative Director of Shangfeng Technology Co., Ltd.	None	None	None	None

Note 1: If the Company ’s Chairman and the General Manager or persons holding equivalent positions (i.e., the highest-level executive) are the same person, are spouses, or are first-degree relatives, the Company shall state the reasons, reasonableness, necessity, and the corresponding measures to be taken: No such situation exists.

2. Major Shareholders of Corporate Shareholders

Table 1: Major Shareholders of Corporate Shareholders

Apr 04, 115

Corporate Shareholder Name Note (1)	Major Shareholders of Corporate Shareholders Note (2)
Yongxuan Development Investment Co., Ltd.	Chen Ming-hong 100%
Kechen Investment Co., Ltd.	Xie Senggang 50%; Xie Zongru 17%; Xie Zhenxin 16.5%; Xie Wenqi 16.5%
Yangfa Investment Co., Ltd.	Li Rongfa 40%; Qiu Wenqi 20%; Li Junyi 20%; Li Ruofan 20%

Note 1: If directors and supervisors are represented by corporate shareholders, the name of the corporate shareholder must be provided.

Note 2: Enter the name of the corporate shareholder ’ s major shareholder (within the top ten by shareholding percentage) and its shareholding percentage.

Table 2: In Table 1, the major shareholders are corporate shareholders; their major shareholders

04 April 115

Corporate Name Note (1)	Major Shareholders of the Corporation Note (2)
None	None

Note 1: If directors and supervisors are represented by corporate shareholders, the name of the corporate shareholder must be provided.

Note 2: Provide the name of the primary shareholder of the corporate shareholder (whose shareholding percentage is among the top ten) and its shareholding percentage.

3. Directors and Supervisors Information:

Conditions Name and Title	Professional Qualifications and Experience Note (1)	Independence criteria (2)	Serving concurrently in other roles Public offering Company independence Number of directors
Chen Ming-Hung, Representative of Yung Hsuan Development Investment Co., Ltd.	· Work experience required for business or the business of our company. ·Currently Chairman of Li Xuan Real Estate Development and Construction Co., Ltd.; Chairman of Yong Xuan Development and Investment Co., Ltd.; Chairman of Yu Xuan Construction Co., Ltd.; Chairman of Ming Xuan Development and Construction Co., Ltd.; Chairman of Le Xuan Development and Construction (Co.) Co., Ltd.; Chairman of Yue Xuan Development and Construction Co., Ltd.; Chairman of Zhao Xuan Construction Co., Ltd.; Chairman of Zi Xuan Development and Investment Co., Ltd.; and Chairman of Hua Xuan Real Estate Co., Ltd. · There is no circumstance under Article 30 of the Company Act.	Not an independent director; not applicable	0
Xie Sen-Gang, Representative of Ke Chen Investment Co., Ltd.	· Work experience required for business or the business of our company. ·Currently Chairman of Ke Chen Investment Co., Ltd.; Chairman of Yong Sheng Transportation Co., Ltd. · There is no circumstance under Article 30 of the Company Act.	Not an independent director; not applicable	0
Li Rong-Fa, Representative of Yang Fa Investment Co., Ltd.	· Work experience required for business or the business of our company. ·Currently Chairman of Yang Fa Investment Co., Ltd.; Chairman of Yang Fa Industrial Co., Ltd. · There is no circumstance under Article 30 of the Company Act.	Not an independent director; not applicable	0
Zhang Jing-Wen	· Work experience required for business or the business of our company. ·Current operations staff member at Japan Airlines. · No matters under Article 30, paragraphs of the Company Act.	Not an independent director; not applicable	0
Huang Jun-Kai	· Working experience in business and finance. ·Former part-time lecturer at the Institute of Industrial Engineering, National Taiwan University. ·Current Senior Vice President of Business Affairs at China-Canada Advisory Co., Ltd. ( ) . · No matters under Article 30, paragraphs of the Company Act.	· The Company' s independent director meets the independence criteria. ·The independent director, their spouse, and relatives within two degrees of kinship have not served as directors, supervisors, or employees of the Company or other related entities; they have not held any shares of the Company; and they have not served as directors, supervisors, or employees of companies that have specific relationships with the Company. ·In the most recent two years, there has been no instance in which the independent director provided business, legal, financial, accounting, or other services to the Company or other related entities in exchange for remuneration.	1
Qiu Xin-Yi	· Working experience required in business and finance. ·Former CFO of Eight-Fang Yunji International Co., Ltd. ( ) . ·Current Chairman of the Board of Xingyuan Management Consulting Co., Ltd. ( ) . · No matters under Article 30, paragraphs of the Company Act.	· The Company' s independent director meets the independence criteria. ·The independent director, their spouse, and relatives within two degrees of kinship have not served as directors, supervisors, or employees of the Company or other related entities; they have not held any shares ofthe Company; and they have not served as directors, supervisors, or employees of companies that have specific relationships with the Company. ·No business, legal, financial, accounting, or similar services were provided to our company or any other related enterprise during the past 2 years in exchange for compensation.	2

Criteria / Name and Title	Professional Qualifications and Experience Note (1)	Independence Status Note (2)	Also serves in other roles Public offering Company independence Number of directors
Wan-Ting Zhang	· Has work experience in legal affairs. ·Previously served as an associate lawyer at Fa-Yu Law Offices (joint firm). ·Current managing partner at AnZhong Attorneys-at-Law. · No circumstances under Article 30 of the Company Act, as listed in each item.	· Independent director of the Company; meets the criteria for independence. ·The independent director, their spouse, and relatives within the second degree of kinship have not served as directors, supervisors, or employees of the Company or any other affiliated entity; they do not hold any shares of the Company; and they have not served as directors, supervisors, or employees of any company that has a specific relationship with the Company. ·In the past 2 years, there has been no circumstance in which the Company or any other affiliated entity provided business, legal, financial, accounting, or other services and the individual received compensation.	2

Note 1: Professional qualifications and experience: Describe the professional qualifications and experience of each director and supervisor. If they are members of the Audit Committee and have accounting or finance expertise, their accounting or finance background and work experience shall be stated. In addition, state whether they have any of the circumstances set out in Article 30 of the Company Act, items 1 through those applicable provisions.

Note 2: Independent directors shall state that they meet the requirements for independence, including but not limited to whether the independent director, their spouse, and relatives within the second degree of kinship serve as directors, supervisors, or employees of the Company or its affiliated entities; the number of shares and their shareholding ratio held by the independent director, their spouse, their relatives within the second degree of kinship, or (through the use of another person's name); whether they serve as directors, supervisors, or employees of a company that has a specific relationship with the Company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 through 8 of the Regulations Governing the Establishment and Compliance Matters for Independent Directors of Public Offering Companies); and the amount of compensation received in the past 2 years for providing business, legal, financial, accounting, or other services to the Company or its affiliated entities.

4. Board diversity:

The Company promotes and respects a policy of board diversity. To strengthen corporate governance and support the sound development of the board's composition and structure, we believe that a diversity strategy helps enhance the Company's overall performance. The selection of directors is based on merit and suitability, with members bringing diverse and complementary capabilities across different industries. These include the basic composition (such as age, gender, nationality, etc.), as well as individual industry experience and relevant skills (such as finance, accounting, law, information technology, and public welfare initiatives), along with abilities in business judgment, business management, leadership and decision-making, and crisis management.

Referring to Article 3 of the Company's Director Election Regulations, all members of the board of directors shall meet the following requirements:

A , Business judgment ability, B , Accounting and financial analysis ability, C , Business management ability, D , Crisis management ability, E , Industry knowledge, F , Global market perspective, G , Leadership ability, H , Decision-making ability.

The Company's board diversity policy and its implementation are as follows:

Director's name	Gender	Nationality	Serving concurrently as an employee of the company	Age				Independent director Tenure (years of service)		A Operational judgment	B Accounting and financial analysis skills	C Business management skills	D Crisis management skills	E Industry knowledge	F International Market View	G Leadership Capability	H Decision-Making Capability
				Age 21 −30	41 −50 years old	Age 51 −60	Age 71 −80	3 Year By Below	3 To 9 Year								
Chairman — Yong-Xuan Development & Investment Co., Ltd. Representative Chen Ming-Hong Limited company representative Chen Ming-Hong	Male	Republic of China	None		✔					✔	✔	✔	✔	✔	✔	✔	✔
Director — Ke-Chen Investment Co., Ltd. Representative Xie Seng-Gang	Male	Republic of China	None				✔			✔		✔	✔	✔	✔	✔	✔
Director — Has investments Company representative: Li Rongfa	Male	Republic of China	None			✔				✔		✔	✔	✔	✔	✔	✔
Director: Zhang Jingwen	Female	China Republic	None	✔						✔			✔	✔	✔	✔	✔

Director Name	Gender	Nationality	Concurrent employee of this company	Age				Independent director Term length and tenure in years		A Operational Judgment Ability	B Accounting and Financial Analysis Ability	C Business Management Ability	D Crisis Management Ability	E Industry Knowledge	F International Market Market Market Observation	G Leadership Capability	H Decision-Making Capability
				Age 21 －30	41 －50 years old	51 －60 years old	71 －80 years old	3 Year By Below	3 To 9 Year								
ndependent Di- ector - Huang un-Kai	Male	Chinese Republic of China	No			✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
Independent Director - Qiu Xin-Yi	Female	China Republic of China	No			✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
ndependent Di- ector - Zhang Wan-Ting	Female	China Republic of China	No		✓			✓		✓	✓	✓	✓	✓	✓	✓	✓

The Company has established 7 seats on its Board of Directors (including 3 independent directors) based on its current operating scale and development needs. All directors in non-employee director positions account for 100%. Female directors (including independent directors) account for 43%. Directors aged 21 －30 (including independent directors) account for 14%. Directors aged 41 －50 (including independent directors) account for 29%. Directors aged 51 －60 (including independent directors) account for 43%. Directors aged 71 －80 (including independent directors) account for 14%. Directors possess capabilities such as decision-making, business management, and operating judgment, while independent directors have professional backgrounds and capabilities in finance, accounting, law, and corporate governance.

5. Board Independence:

The Company’s board of directors currently consists of 7 directors, including 3 independent directors. Independent directors account for 43% of all directors.

There is no spousal relationship or any relationship within the second degree of kinship among the directors, in compliance with the requirements of Paragraph 3 of Article 26-3 of the Securities and Exchange Act.

(2) General Manager, Deputy General Manager, Assistant General Manager, and Information for Heads of Each Department and Branch Organization

April 4, 2025

Job Title Reference		Nationality	First Name and Last Name	Gender	Select and ( ) appointment date	Shares held		Spouse, and minor Shares held by underage children		Holding shares in another person's name		Primary education (including major)	Currently serves in an executive position at another company	Spouse or within two degrees of kinship Manager		
						Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage			Position Title	Last name First name	Closed None
General Manager		Republic of China	Li Xuehua	Female	113/9/19	0	0%	0	0%	0	0%	Department of Accounting, Tunghai University Deputy General Manager, Li-Xuan Development & Construction Co., Ltd.	Chairman and General Manager, Huaxuan Real Estate Co., Ltd. ( ) Chairman and General Manager, Yi-xuan Marketing Co., Ltd. (Limited)	None	None	None
Accounting Supervisor	1	Republic of China	Yu Chengxian	Male	114/1/1	0	0%	0	0%	0	0%	MBA, Department of International Business Administration, College of Culture; Manager, Audit Department, Andersen Tax and Accounting (KPMG) Alliance CPA Firm	None	None	None	None
Accounting Supervisor	2	China Republic of China	Chi Xiaoling	Female	114/11/12	1,000	0%	0	0%	0	0%	Department of Accounting, Tunghai University Manager, Accounting Department, Shangyang Technology Co., ( )	None	None	None	None

Note 1: Accounting Supervisor Yu Cheng-Hsien took office on 114/1/1 and resigned on 114/11/11.

Note 2: Accounting Supervisor Chi Hsiao-Ling took office on 114/11/12.

Note 3: For situations where the Chairman of the Board and the General Manager or persons holding equivalent positions (i.e., the highest-level executives) are the same individual, are spouses of each other, or are first-degree relatives, their related information must be disclosed, including the reasonableness and necessity of the arrangement and the 대응 measures. For example (such as increasing the number of independent director seats), and ensuring that more than half of the directors do not concurrently serve as employees or executive officers, etc.: No such situation exists.

II. Compensation of Directors, Supervisors, General Manager, and Deputy General Managers

(1) Compensation of Directors, including (Independent Directors)

(1-1) Directors, including (Independent Directors): Compensation (Do not disclose names and compensation methods)

Fiscal Year 114 Unit: Thousand NTD

Position	First Name Last Name	Director remuneration								The proportion of the total amounts of the four items A, B, C, and D to net profit after tax		Part-time employees receive related remuneration								The proportion of the total of the seven items A, B, C, D, E, F, and G to the net profit after tax.		Did you receive any remuneration from investments outside of subsidiaries?
		Compensation (A)		Severance and retirement benefits (B)		Directors' remuneration (C)		Business execution expenses (D)				Salaries and bonuses And special expenses, etc. (AND)		Retirement pension (F) Note (2)		Employee compensation (G)						
		Our company	All companies in the financial report	Our company	All companies in the financial report	Our company	All companies in the financial report	Our company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial report	Our company	All companies in the financial report	Our company		All companies in the financial report		Our company	All companies in the financial report	
																Now Gold Gold Amount	Share Ticket Gold Amount	Now Gold Gold Amount	Stock Amount			
Director	Yongxuan Development Co., Ltd. And Co., Ltd. Legal Representative: Ming-Hung Chen	2,400	2,400	0	0	0	0	104	104	2,504 -10.17%)	2,504 -10.17%)	0	0	0	0	0	0	0	0	2,504 (-10.17%)	2,504 (-10.17%)	0
Director	Kechen Investment Co., Ltd. Company legal representative Representative: Hsieh Sen-gang	0	0	0	0	0	0	92	92	92 (-0.37%)	92 (-0.37%)	0	0	0	0	0	0	0	0	92 (-0.37%)	92 (-0.37%)	0
Director	Yangfa Investment Co., Ltd. Company legal representative Representative: Li Rong-fa	0	0	0	0	0	0	104	104	104 (-0.42%)	104 (-0.42%)	0	0	0	0	0	0	0	0	104 (-0.42%)	104 (-0.42%)	0
Director	Chang Jing-wen	0	0	0	0	0	0	72	72	72 (-0.29%)	72 (-0.29%)	0	0	0	0	0	0	0	0	72 (-0.29%)	72 (-0.29%)	0
Independent Director	Huang Jun-kai	600	600	0	0	0	0	80	80	680 (-2.76%)	680 (-2.76%)	0	0	0	0	0	0	0	0	680 (-2.76%)	680 (-2.76%)	0
Independent Director	Qiu Xin-yi	600	600	0	0	0	0	88	88	688 (-2.80%)	688 (-2.80%)	0	0	0	0	0	0	0	0	688 (-2.80%)	688 (-2.80%)	0
Independent Director	Zhang Wan-ting	600	600	0	0	0	0	80	80	680 (-2.76%)	680 (-2.76%)	0	0	0	0	0	0	0	0	680 (-2.76%)	680 (-2.76%)	0

1. Please describe the policy, system, standards, and structure for the payment of remuneration to independent directors, and explain the relationship between the amount of remuneration and factors such as the responsibilities, risks, and time invested.

The remuneration of the Company's independent directors includes compensation and remuneration. Directors' compensation is determined in accordance with the Company's Articles of Association, regardless of profit or loss, based on the degree of participation and value of the director's contribution to the Company's operations, and in accordance with industry standards. The remuneration is proposed by the Remuneration Committee and then submitted to the Board of Directors for discussion and resolution before payment. In addition, in accordance with Article 26 of the Company's Articles of Association, a certain percentage is allocated as directors' remuneration based on the company's profitability, which is then distributed after being resolved by the Board of Directors and submitted to the Shareholders' Meeting. Business execution expenses are paid on a per-attendance basis, depending on the independent director's personal attendance at meetings.

2. In addition to the information disclosed in the table above, the remuneration received by the company's directors for services provided in the most recent year (such as serving as consultants to non-employees of all companies' investments or subsidiaries listed in the parent company's financial statements) is: None.

(1-2 Rewards) Gold Tier Price Bracket Table

	Total remuneration for the first four items (A+B+C+D)		Total compensation for the first seven items (A+B+C+D+E+F+G)	
	Our company	All companies included in the consolidated financial statements	Our Company	All companies within the consolidated financial statements
Below NT$1,000,000	Legal representatives: Xie Seng-gang (Ke Chen Investment Co., Ltd.), Li Rong-fa (Yang Fa Investment Co., Ltd.), Zhang Jing-wen, Huang Jun Kai, Qiu Xin-yi, Zhang Wan-ting	Kinchen Investment Co., Ltd., legal representative: Xie Sengang; Yangfa Investment Co., Ltd., legal representative: Li Rongfa; Zhang Jingwen; Huang Jun Kai; Qiu Xinyi; Zhang Wanting	Legal representatives of company: Xie Sen-gang (Kechen Investment Co., Ltd.), Li Rong-fa (Yangfa Investment Co., Ltd.), Zhang Jing-wen, Huang Jun Kai, Qiu Xin-yi, Zhang Wan-ting	Corporate representative of Kes Chen Investment Co., Ltd.: Hsieh Sen-Gang; corporate representative of Yang Fa Investment Co., Ltd.: Li Rong-Fa; Zhang Jing-Wen; Huang Jun Kai; Qiu Xin-Yi; Zhang Wan-Ting
NT$1,000,000 (inclusive) to NT$2,000,000 (exclusive)	Legal representative of Everxuan Development & Investment Co., Ltd.: Chen Ming-hong	Yongxuan Development and Investment Co., Ltd., legal representative: Chen Minghong	Legal Representative, Chen Ming-Hong, Yongxuan Development Investment Co., Ltd.	Corporate representative of Yongxuan Development Investment Co., Ltd.: Chen Ming-Hong
NT$2,000,000 (inclusive) to NT$3,500,000 (exclusive)	None	None	None	None
NT$3,500,000 (inclusive) to NT$5,000,000 (exclusive)	None	None	None	None
NT$5,000,000 (inclusive) to NT$10,000,000 (exclusive)	None	None	None	None
NT$10,000,000 (inclusive) to NT$15,000,000 (exclusive)	None	None	None	None
NT$15,000,000 (inclusive) to NT$30,000,000 (exclusive)	None	None	None	None
NT$30,000,000 (inclusive) to NT$50,000,000 (exclusive)	None	None	None	None
NT$50,000,000 (inclusive) to NT$100,000,000 (exclusive)	None	None	None	None
Over NT$100,000,000	None	None	None	None
Total	14	14	14	14

(2) Remuneration of Supervisors: The Company conducted a full election on June 30, 2022 (111 in the ROC calendar), replacing Supervisors with the Audit Committee; therefore, this is not applicable.

(3) Remuneration of the General Manager and Deputy General Manager

(3-1) Remuneration of the General Manager and Deputy General Manager (Do not disclose names and remuneration methods)

Fiscal Year 2025 Unit: Thousand NTD

Title	Name	Salary (A)		Severance and Retirement Benefits (B)		Bonuses and special allowances, etc. (C)		Employee Compensation Amount (D)				The proportions ofthe four total amounts ofA, B, C, and D to net profit after tax (%)		Compensation received for investments in business ventures outside of subsidiaries
		Our Company	Financial Statement Within the Report Company Assets	Our Company	Financial Statement Within the Report Company Assets	Company	Financial report Within the report The company has	Company		All companies in the financial report		Our company	All companies in the financial report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
General Manager Note (1)	Hsueh-Hua Lee	1,411	1,411	72	72	269	269	0	0	0	0	1,752 (-7.12%)	1,752 (-7.12%)	0

(3-2) Gold-level pay range table

Compensation pay range for the company ’ s General Managers and Deputy General Managers	Names of the General Manager and Deputy General Manager	
	Our Company	All companies included in the consolidated financial statements
Below 1,000,000 yuan	None	None
1,000,000 yuan (inclusive) to 2,000,000 yuan (exclusive)	Hua Li	Hsueh-Hua Lee
2,000,000 yuan (inclusive) to 3,500,000 yuan (exclusive)	None	None
3,500,000 yuan (inclusive) to 5,000,000 yuan (exclusive)	None	None
5,000,000 yuan (inclusive) to 10,000,000 yuan (exclusive)	None	None
10,000,000 yuan (inclusive) to 15,000,000 yuan (exclusive)	None	None
15,000,000 yuan (inclusive) to 30,000,000 yuan (exclusive)	None	None
30,000,000 yuan (inclusive) to 50,000,000 yuan (exclusive)	None	None
RMB 50,000,000 (inclusive) to RMB 100,000,000 (excluding)	None	None
RMB 100,000,000 or more	None	None
Total	2	2

(3-3) Top five remuneration highest-paid executives' remuneration (Do not disclose names or remuneration methods)

114 Annual Unit: Thousand Yuan

Job Title	Name	Salary (A)		Retirement and Severance Pay (B)		Bonuses and Special Allowances (C)		Employee Compensation Amount (D)				The combined totals of four items, A, B, C, and D, as a percentage of net income after tax (%)		Whether it was received Transferred out from the subsidiary To parties other than the subsidiary Investment Business Compensation
		Our Company	Financial Statement Company Information There is a company	This Company	Financial Statement Company Information There is a company	This Company	Finance Report In the Announcement A Company	Our Company		All companies in the financial report		This company	All companies in the financial report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
General Manager	Li Xuehua	1,411	1,411	72	72	269	269	0	0	0	0	1,752 (-7.12%)	1,752 (-7.12%)	0
Manager	Qiu Chuihong	823	823	52	52	213	213	0	0	0	0	1,088 (-4.42%)	1,088 (-4.42%)	
Manager	Chi Xiaoling	737	737	43	43	159	159	0	0	0	0	939 (-3.81%)	939 (-3.81%)	0
Manager Note (1)	Yu Chengxian	807	807	50	50	25	25	0	0	0	0	882 (-3.58%)	882 (-3.58%)	0

Note 1: Yu Chengxian resigned on 11/11/114.

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(3-4) Manager names responsible for allocating employee compensation and the allocation details:

Fiscal Year 2025 Unit: Thousands of dollars

	Title	Name	Stock amount	Cash amount	Total	Percentage of total amount of net profit after tax (%)
Manager	General Manager	Lee Hsueh-hua	0	0	0	0.00%
	Accounting Supervisor Note (1)	Yu Cheng-hsien				
	Accounting Supervisor Note (2)	Chi Hsiao-ling				

Note 1: Accounting supervisor Yu Cheng-hsien assumed office on 114/1/1 and resigned on 114/11/11.

Note 2: Accounting supervisor Chi Hsiao-ling assumed office on 114/11/12.

(4) An analysis and explanation of the policy, standards and composition of remuneration paid, the procedures for determining remuneration, and the relationship between remuneration and operating performance and future risk, for all companies of the Company and its consolidated financial statements, regarding the total remuneration paid to the Company ' s directors, supervisors, general manager, and deputy general manager over the most recent two fiscal years as a proportion of the net income after tax shown in the individual or separate financial reports:

1. Over the most recent two fiscal years, the total remuneration paid to the Company ' s directors, supervisors, general manager, and deputy general manager as a proportion of the net income after tax shown in the individual or separate financial reports:

Unit: Thousands of dollars

Item	Fiscal Year 2024				Fiscal Year 114			
	Company		All Companies in the Consolidated Report		The Company		Consolidated Report — All Companies	
	Total remuneration	Proportion of net income after tax (%)	Total Remuneration	After Taxes Net Profit Margin (%)	Total Remuneration	After Taxes Net Profit Margin (%)	Total Remuneration	After Tax Net Profit Margin (%)
Directors	2,328	-14. 13%	2,328	-14. 13%	4,820	-19.58%	4,820	-19.58%
Supervisors	-	-	-	-	-	-	-	-
General manager	742	-4.50%	742	-4.50%	1,752	-7. 12%	1,752	-7. 12%

2. Policies, standards, and composition of remuneration paid; the procedures for determining remuneration; and the relationship between remuneration and operating performance and future risks:

（1）The directors ' remuneration consists of salaries and vehicle allowances, which are determined by reference to industry peers based on the value of their level of participation in and contributions to the company ' s operations.

（2）The general manager ' s remuneration is a salary expense. It is approved by the Company ' s Compensation Committee and paid in accordance with the salary management rules.

（3）The Company conducted a full re-election on June 30, 111, with the Audit Committee replacing the Supervisors ' role.

III. Corporate Governance Operations

(1) Information on the Board of Directors ' Operations

Meetings of the Board of Directors held in the most recent fiscal year (FY 114)10(A). Attendance of directors is as follows:

Title	Name with footnote (1)	Actually present (listed) Number of seats (B)	Number of proxy attendances	Actual Attendance Rate (B/A) Note (2)	Remarks
Chairman of the Board	Chen Ming-Hong, Legal Representative, Yongxuan Development Investment Co., Ltd.	10	0	100%	
Director	Xie Seng-Gang, Legal Representative, Kechen Investment Co., Ltd.	9	1	90%	
Director	Li Rong-Fa, Legal Representative, Yangfa Investment Co., Ltd.	10	0	100%	
Director	Zhang Jingwen	8	2	80%	
Independent Director	Huang Jun-Kai	10	0	100%	
Independent Director	Zhang Wanting	10	0	100%	
Independent Director	Qiu Xinyi	10	0	100%	

Other matters to be recorded:

1 、 If the Board of Directors ' operation involves any of the following circumstances, the date of the Board meeting, session/term, the contents of the resolutions, all independent directors ' opinions, and how the company handled the independent directors ' opinions shall be stated:

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

In fiscal year 114, a total of 10 Board meetings were held. The contents of the resolutions are as stated in the Annual Report, pages 39 to 41. All independent directors had no objections to the matters listed in Article 14-3 of the Securities and Exchange Act, and the resolutions were approved as proposed.

（2）Resolutions of Board meetings, other than the foregoing, in which independent directors voted against or expressed reservations and where there are records or written statements: None.

2 、 The execution status regarding the directors ’ recusal from matters involving interests should state the directors ’ names, the contents ofthe proposals, the reasons for the recusal due to conflict of interest, and their participation in the voting:

Previous auction period	Director Name	Resolutions content	Reasons for avoiding conflicting interests	Voting Participation Status
February 3, 2025	Huang Shao-kai / Qiu Xin-yi / Qiang Wan-ting	Amend certain provisions of our company ’ s “Salary and Labour Handling Measures for Directors and Managerial Personnel. ”	Have conflicting interests with oneself.	A conflict of interest is avoided; did not participate in discussions or voting.
February 3, 2025	Chen Ming-hong	Rent an office to the client/party (Diao Tiaoren).	Have conflicting interests with oneself.	A conflict of interest is avoided; did not participate in discussions or voting.
February 3, 2025	Chen Ming-hong	Acquire real estate from the client/party (Diao Tiaoren).	Have conflicting interests with oneself.	A conflict of interest is avoided; did not participate in discussions or voting.
February 21, 2025	Chen Ming-hong	Co-development transaction with the client/party (Diao Tiaoren).	Have conflicting interests with oneself.	A conflict of interest is avoided; did not participate in discussions or voting.
April 30, 2025	Chen Ming-hong	Provide management services to the client/party (Diao Tiaoren).	Have conflicting interests with oneself.	A conflict of interest is avoided; did not participate in discussions or voting.
April 30, 2025	Chen Ming-hong	Invest in Zhao Han Co-nstruction Co., Ltd.	Have conflicting interests with oneself.	A conflict of interest is avoided; did not participate in discussions or voting.
July 18, 2025	Chen Ming-hong Xie / Sen Gang	Funds and projects transaction of Qiao Lian Enterprises, Part (Diao Lian qi zhi zi jin huo yu an)	Have conflicting interests with oneself.	A conflict of interest is avoided; did not participate in discussions or voting.
October 23, 2025	Chen Ming-hong Xie / Sen Gang / Li Rong-zui Qiang / Jing Wen	Invest in Yue Han Investment and Construction Co., Ltd.	Have conflicting interests with oneself.	A conflict of interest is avoided; did not participate in discussions or voting.
November 25, 2025	Chen Minghong thanks / Senggang / Li Rongzui Strong / Jingwen	Investment Yue Han Ku ô Construction Co., Ltd.	There is a conflict of interest in relation to oneself.	Employees who have not partici-pated in the discussion and voting.

3 、 Strengthening the functions of the board of directors in the current year and the most recent year (e.g., establishing an audit committee, enhancing information transparency, etc.) and assessment of execution:

(1) To implement our corporate integrity management policy, our company has officially established the “Code of Ethical Conduct Standards. ”

(2) The board meeting rules of our company are established in accordance with the “Corporate Board Meeting Procedures for Companies. ” After being approved by the board of directors and submitted to the shareholders ’ committee, the operations of the board of directors are conducted in accordance with the “Board Meeting Procedures. ”

(3) Our company has set up an investor section on its corporate website to provide investors with the relevant information they need through the Internet. The information on financial affairs, business operations, and corporate governance is an important responsibility of our company. Our company has duly complied with the relevant laws and regulations and the requirements of the securities exchange, faithfully fulfilling its obligations.

(4) Our company has established and implemented a spokesperson system. Spokespersons and authorized spokespersons represent the company to make external statements. Our company has adopted unified procedures for making statements and requires that internal personnel of the company keep confidential the company ’ s financial and business secrets and may not arbitrarily disclose any information externally. In the event of any changes to the spokespersons and authorized spokespersons, information disclosure shall be carried out accordingly.

Note 1: When directors or supervisors perform their duties as a legal representative, they shall disclose the name of the legal entity shareholder and the name of its representative.

Note 2: (1) If any directors or supervisors resign before the end of the year, the resignation effective date shall be stated in the remarks column, and the actual attendance rate (%) shall be calculated based on the number of board meetings during their tenure and the number of times they actually attended (including attendance in and out).

(2) Before the end of the year, if directors or supervisors are re-elected, both the new and former directors or supervisors shall be listed, and the board of directors shall specify in the remarks column that particular director

The Supervisor ’ s term includes the outgoing and incoming appointments, or re-election, and the term to be replaced. The actual attendance rate (% based on) is calculated based on the number of meetings held during the term of office of the board of directors and the number of meetings the Supervisor actually attended.

4 、 Board of Directors self-evaluation and implementation status:

Nature	Assessment Frequency	Assessment Period	Assessment Scope	Assessment Method	Assessment Content
Board of Directors	Conducted once annually	114.01.01-114.12.31	Board of Directors and Individual Directors	Self-Assessment by the Board and Self-Assessment by Director Members	The performance evaluation measurement items of the Company ' s Board of Directors include the following five major aspects: 1. The level of participation in the Company ' s operations. 2. Improving the quality of Board decisions. 3. Board composition and structure. 4. Appointment of directors and ongoing professional development. 5. Internal control. The measurement items for self-evaluation by Board members include the following six major aspects: 1. Understanding of the Company ' s goals and mission. 2. Awareness and understanding of directors ' responsibilities. 3. The level of participation in the Company ' s operations. 4. Internal relationship management and communication. 5. Directors ' expertise and ongoing professional development 6. Internal control.
Compensation Committee	Conducted once annually	114.01.01-114.12.31	Compensation and Remuneration Committee	Internal Self-Assessment by the Compensation and Remuneration Committee	In the Company ' s internal self-assessment of performance evaluation for the Remuneration Committee, the assessment criteria include the following four major aspects: 1. Level of participation in the company ' s operations. 2. Awareness of the Remuneration Committee ' s responsibilities. 3. Improve the decision-making quality of the Remuneration Committee. 4. Composition of the Remuneration Committee and appointment of members.
Grand Audit Committee	Conducted once annually	114.01.01-114.12.31	Compensation and Audit Committee	Internal Self-Assessment by the Compensation and Audit Committee	In the Company ' s internal self-assessment of performance evaluation for the Audit Committee, the assessment criteria include the following four major aspects: 1. Level of participation in the company ' s operations. 2. Understanding of the Audit Committee ' s responsibilities. 3. Enhancing the quality of the Audit Committee ' s decision-making. 4. Composition of the Audit Committee and selection of its members. 5. Internal control.

Based on the Company ' s self-assessment results of the Board of Directors ' performance for fiscal year 114, the results are as follows:

Overall average score for the Board of Directors ' self-evaluation: 4.63 (out of 5)

Overall average score for the Board members ' self-evaluation: 4.48 (out of 5)

Overall average score for the Audit Committee ' s self-evaluation: 4.89 (out of 5)

Overall average score for the Remuneration Committee ' s self-evaluation: 4.95 (out of 5)

(2) Audit Committee Operations Information:

The Company established the Audit Committee on June 30, 2022. During the most recent fiscal year (2025), the Audit Committee held 9 meetings (A). The attendance of Audit Committee members is as follows:

Title	Name Note (1)	Number of actual attendance (B)	Number of delegated attendance	Actual attendance rate (B/A)Notes(2)	Remarks
Independent Director	Huang Jun-Kai	9	0	100.00%	
Independent Director	Qiu Xin-Yi	9	0	100.00%	
Independent Director	Zhang Wan-Ting	9	0	100.00%	

Other matters to be documented:

1 、 If the audit committee operates under any of the following circumstances, the board of directors ’ date, period, contents ofthe proposals, all independent directors ’ opinions, and the company ’ s handling of the independent directors ’ opinions shall be stated:

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

Audit Committee	Proposal Content	Resolution result	Handling of the Company ’ s response to the Audit Committee ’ s comments
Second Term, Fourth Meeting 114 February 3,	1. Proposed to lease an office to a related party. 2. Internal Control System for the Construction Industry of the Real Estate Development Business Department. 3. Proposed to acquire a real estate property from a related party.	Approved as proposed	Submitted to the board of directors meeting for reporting or discussion on 114/2/3
2nd Session, 5th Meeting 114 Year 2, 21 February	1. Internal Control System for the Construction and Sales Agency Business of the Real Estate Development Business Department. 2. Proposed joint construction transaction with a related party.	Approved as proposed	Submitted to the board of directors meeting for reporting or discussion on 114/2/21
2nd Session, 6th Meeting 114 Year 3, 14 March	1. Republic of China Year 113 Financial Statements. 2. Republic of China Year 113 Loss Appropriation Statement. 3. Republic of China Year 113 Business Report. 4. Republic of China Year 114 Auditor ’ s Fees. 5. Assessment of the independence and fitness of the certified public accountant who certifies the Company ’ s financial reports. 6. Evaluation of the effectiveness of the internal control system for the year of the Republic of China 113, and the internal control system statement. 7. Revisions to certain provisions of the Company ’ s articles of incorporation. 8. Revisions to certain provisions of the Company ’ s internal control system (Payroll and Labor Cycle Department).	Approved as proposed	Submitted to the board of directors meeting for reporting or discussion on 114/3/14
2nd Session, 7th Meeting 114 Year 4, 30 April	1. Revisions to procedures for making loans of funds to others. 2. Proposal for the Company to provide related-party management services. 3. Revisions to certain provisions of the Company ’ s internal control system (Payroll and Labor Cycle Department). 4. Internal audit implementation guidelines for the construction, property development, and sales agency businesses of the Real Estate Development Division. 5. Revisions to certain provisions of the Company ’ s articles of incorporation. 6. Financial statements of the Company for the first quarter of 114 in the Republic of China. 7.Cancel the land purchase and joint development project for Lot No. 179 in Lìnkǒu District, New Taipei City. 8. The Company plans to invest in the project of Zhaoxuan Construction Co., Ltd.	Approved as proposed	Submitted to the board of directors meeting for reporting or discussion on 114/4/30
2nd Session, 8th Meeting 114 Year 7, 18 July	1. Related-party loan of funds among affiliated enterprises.	Approved as proposed	Submitted to the board of directors meeting for reporting or discussion on 114/7/18
2nd Session, 9th Meeting 114 Year 8, 6 August	1. The Company ’ s financial statements for the second quarter of 114. 2. The Company plans to obtain shares of Zhaoxuan Construction Co., Ltd.	Approved as proposed	Submitted to the board of directors meeting for reporting or discussion on 114/8/6

Audit Committee	Agenda Item Content	Resolution result	Company's Handling of the Audit Committee's Comments
10th Meeting of the 2nd Term 114 October 23, Year 10	1. The Company intends to invest in Yuexuan Development & Construction Co., Ltd. 2. The Company intends to conduct a cash capital increase by way of private placement issuance of common shares.	Approved as submitted	Submitted to the Board of Directors for report or discussion on 114/10/23
11th Meeting of the 2nd Term 114 November 11, Year 11	1. Our company's 3rd quarter financial statements for fiscal year 114. 2. Proposed general principles for our company's policy on pre-approved non-assurance services. 3. Our company's fiscal year 115 audit plan. 4. Amendments to our company's "Board Meeting Procedures." 5. Amendments to our company's "Position Authority Approval and Management Regulations." 6. Appointment and reassignment of our company's accounting主管.	Approved as submitted	Submitted to the Board of Directors for report or discussion on 114/11/11
12th Meeting of the 2nd Term 114 November 25, Year 11	1. Amendments to our company's "Procedures for the Acquisition or Disposal of Assets." 2. Our company's proposal to authorize the Chairman an annual land development budget. 3. Our company's proposed investment in Yuexuan Development and Construction Co., Ltd.	Approved as submitted	Submitted to the Board of Directors for report or discussion on 114/11/25

(2) Except for the foregoing matters, the resolution items that were not approved by the Audit Committee but were approved by more than two-thirds of all directors: There were no such resolution items in 114.

2、 The manner in which independent directors abstained from resolutions involving conflicts of interest shall state the names of the independent directors, the content of the resolutions, the reasons for abstention from the beneficial interest, and the manner in which they participated in the voting: There were no such resolution items in 114.

3、 Communication between independent directors and the head of internal audit and the auditors (including the material matters, methods, and results of communications regarding the company's financial and business conditions):

（1）After the audit supervisor submits the audit report and follow-up report to the Chairman for approval, each month the supervisor emails them to all independent directors for review. If the independent directors have any questions or suggestions after reviewing, they ask the audit supervisor or notify them.

（2）The Company holds a regular board meeting each quarter. The internal audit主管 attends the board meeting and reports to the directors and independent directors on the execution status of internal audit activities.

（3）Summary of communications between the independent directors and the internal audit supervisor

Date	Reporting matters
114 March 14, 3rd year	113 Report on the execution of the audit plan from October of the 10th year to January of the 114th year.
114 April 30, 4th year	114 Audit Plan Execution Status Report for February 2025 to March 2025.
114 August 6, 8th year	114 Audit Plan Execution Status Report for April 2025 to June 2025.
114 November 11, 11th year	114 Audit Plan Execution Status Report for July 2025 to September 2025.

（4）Independent directors communicate with and understand the content of financial reports and other relevant legal/regulatory requirements with the auditing accountant on an as-needed basis.

(3) Corporate Governance Operations, Differences from and Reasons for Deviations from the Code of Practice for Corporate Governance of Listed and Over-the-Counter Companies

Assessment Items	Operation Status			Differences from the Corporate Governance Best Practice Code for Listed and OTC Companies and Reasons
	Yes	No	Summary Description	
(1) Has the company formulated and disclosed its corporate governance code in accordance with the "Code of Practice for Corporate Governance of Listed and Over-the-Counter Companies"?		V	The Company has not yet established a corporate governance practices code.	The Company will establish its corporate governance practices code according to its actual operations
(2) Company Shareholding Structure and Shareholder Rights (1) Has the company established internal operating procedures to handle shareholders' proposals, doubts/concerns, disputes, and litigation matters, and implemented them in accordance with the procedures? (2) Does the company have in its possession the list of major shareholders that actually control the company, and the final controllers of those major shareholders? (3) Has the company established, implemented, and executed risk control and firewall mechanisms among related parties? (4) Has the company established internal regulations prohibiting company insiders from trading in securities using material non-public information available in the market?	V V V V		The Company has designated a spokesperson as a service contact window to handle matters such as shareholders' recommendations or disputes, and has disclosed the contact person and phone number on the Company website to ensure shareholders' rights and interests. The Company entrusts a stock affairs agent to handle matters related to shareholders. Based on the shareholders' register maintained by the stock affairs agent, the Company identifies major shareholders and ultimate controllers. The Company also regularly reports changes in shareholdings of directors, managerial officers, and major shareholders holding more than 10% of the shares. The Company and its related enterprises operate independently and have established "Supervision and Management of Subsidiaries" and "Policies on Transactions Among Group Companies, Specific Persons, and Related Parties." All dealings with related enterprises are carried out in accordance with these policies. To establish sound internal mechanisms for handling and disclosing material inside information and to prevent improper disclosure, the Company has set out "Procedures for Handling Internal Material Inside Information." These procedures ensure consistency and accuracy in information the Company discloses to external parties. The applicable persons include the Company's directors, supervisors, managerial officers, employees, and other individuals who, due to their identity, occupation, or controlling relationship, have access to the Company's internal material inside information..	No material differences. No material differences. No material differences. No material differences.
(3) Board of Directors—Composition and Responsibilities (1) Has the board of directors developed a diversity policy, specific management objectives, and ensured implementation?		V	The Company has not established a board diversity policy, but in accordance with relevant corporate governance requirements, the composition of the board of directors should take diversity into consideration. Based on the Company's business development scale and practical operational needs, the board members should be equipped with the knowledge, skills, and competencies necessary to perform their duties. For details on implementation, please refer to pages 8 –9.	No material differences.

Assessment Items	Operations Overview			Differences and reasons compared with the Corporate Governance Best Practice Principles for listed and over-the-counter companies
	Yes	No	Summary	
(2) In addition to establishing a Remuneration Committee and an Audit Committee in accordance with the law, has the company voluntarily established other types of functional committees? (3) Has the company established a board of directors performance evaluation policy and evaluation methods, and conducts performance evaluations on a regular annual basis; reports the results of the performance evaluations to the board of directors; and uses such results as references for determining individual directors' remuneration and for nomination/renewal of their terms? (4) Does the company regularly assess the independence of its certifying accountants?	V V	V	In addition to establishing the Remuneration Committee and the Audit Committee in accordance with applicable law, the Company has not yet set up any other types of functional committees. The Company has established rules and methods for assessing the performance of the Board of Directors, and reports the relevant assessment results at the Board meetings. Independent audit firm evaluation items as required by Article 47 of the Certified Public Accountant Act and by the accounting professional ethics standards bulletin No. 10 titled "Integrity, Fairness, Objectivity, and Independence." The Company's Accounting Department conducts an annual preliminary assessment of the independence and suitability of the certified public accountant in accordance with the evaluation form. After submission to and approval by the Audit Committee, the matter is submitted to the Board for discussion and resolution. Please refer to Appendix 1 and Appendix 2.	Establish other types of functional committees according to the company's actual operations. No material differences. No material differences.
4. For listed and over-the-counter companies, has the company appointed a suitable and appropriate number of corporate governance personnel, and designated a corporate governance officer responsible for matters related to corporate governance, including but not limited to providing directors and supervisors with the information required to carry out their duties, assisting directors and supervisors in complying with laws and regulations, duly handling matters relating to meetings of the board of directors and shareholders in accordance with law, and preparing minutes of board meetings and shareholders' meetings, etc.?	V		The Company, pursuant to a Board resolution approved on November 7, 113, designated Manager Hsiao-Ling Chi as the corporate governance officer to safeguard shareholders' rights and strengthen the Board's functions. Manager Hsiao-Ling Chi has more than three years of experience in managerial positions at publicly listed companies involving finance and corporate affairs. The corporate governance officer's main responsibilities include handling matters related to Board and shareholders' meetings in accordance with law, preparing minutes of Board and shareholders' meetings, assisting directors upon assumption of office and with ongoing professional development, providing directors with information required to carry out their duties, and assisting directors in complying with laws and regulations, among others. The Company's business operations for Year 114 are as follows: 1. Assisting independent directors and general directors in performing their duties, providing the required information, and arranging for director continuing education. 2. Assist the board of directors and shareholders' meetings with procedural matters and resolutions compliance. 3. Draft the board meeting agenda, notify the directors seven days in advance, convene the meeting and provide meeting materials. If any matters require conflict-of-interest recusal, remind in advance, and complete the board meeting minutes within twenty days after the meeting. 4. Handle shareholders' meeting pre-registration by law, prepare and issue the notice of meeting, meeting handbook, and meeting minutes within the statutory time limits, and process changes in registration in the event of amended articles of incorporation or the re-election of directors. 5. Implement sustainability initiatives and schedule accordingly on a timely basis.	No material differences.

Assessment Items	Operational Status			Differences between corporate governance best practice guidelines for listed and OTC companies and the reasons
	Yes	No	Summary	
			Regarding the continuing education status of Ms. Hsiao-Ling Chi, the Corporate Governance Officer, for fiscal year 114, please see Appendix 3 in detail.	
5. Whether the company has established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), and has set up a dedicated stakeholders section on the company website, with appropriate responses to key corporate social responsibility issues of concern to stakeholders?	V		Our company has set up a dedicated section for stakeholders on its corporate website at:http://www.sotac.com.tw/web/investment/investment.jsp?d m_no=DM1537707246988&cp_no=CP1539743692598. Stakeholders may contact our company at any time regarding the issues of concern by phone, letter, fax, or email. Our company will promptly handle the matter appropriately and provide a positive response.	No material differences.
6. Whether the company has appointed a professional securities affairs agent to handle matters related to shareholders' meetings?	V		The Company has appointed the Operations Agency Department of Fubon Securities Co., Ltd. (effective as of February 12, 2026, it was reassigned to the Operations Agency Department of Yuanta Jindin Securities Co., Ltd.) to handle all corporate affairs and share-operator matters ofthe Company.	No material differences.
7. Information Disclosure (1) Whether the company has set up a website to disclose financial, business, and corporate governance information? (2) Whether the company adopts other information disclosure methods (e.g., establishing an English website, designating specific personnel responsible for collecting and disclosing company information, implementing the spokesperson system, placing information on the company website during the corporate briefing session process, etc.)? (3) Whether the company announces and files its annual financial reports within two months after the end of the fiscal year, and announces and files the financial reports for the first, second, and third quarters and monthly operating conditions in advance before the statutory deadlines?	V V	V	The Company has set up a corporate website. Information regarding its financials and corporate governance can be accessed through the website's investor section, and it can also be linked to the Market Observation Post System. Please refer to the Company's website http://www.sotac.com.tw/. The Company assigns dedicated personnel to collect and disclose Company information to implement the spokesperson system. The Company will announce and file its quarterly financial reports and the operating status for each month within the required timeframes. Please visit the "Market Observation Post System" of the Taiwan Stock Exchange Corporation to search. The website is:https://mops.twse.com.tw/mops/we b/index.	No significant difference. No significant difference. No significant difference.
8. Whether the company provides other material information that helps understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relationships, stakeholders' rights, the professional development of directors and supervisors, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, and whether the company purchases directors' and supervisors' liability insurance, etc.)?	V		1. Employee rights and interests: The Company, in accordance with regulations, purchases labor insurance and national health insurance for employees, and, as required by applicable laws and regulations, makes monthly contributions to the labor pension reserve. If the Company is profitable during the year, it will allocate and distribute employee compensation in accordance with the Articles of Incorporation. 2. Employee care: The Company has established a staff welfare committee, implemented a pension system, and encourages employees to participate in various training programs to enhance their overall quality. 3. Investor relations: Establish a spokesperson system. The spokesperson and the deputy spokesperson represent the Company externally to publish messages and provide related information such as corporate governance.	No significant difference.

Evaluation Items	Operations Status			Differences from and reasons for deviations from the Corporate Governance Best Practice Principles for Listed and OTC Companies
	Yes	No	Summary Description	
			... For matters related to investor relations and related issues, please seek professional services from the designated shareholder affairs agent. The Company also assigns dedicated shareholder affairs personnel to provide relevant assistance. 4. Stakeholder Rights and Interests: The Company's website has a dedicated stakeholder section. All relevant stakeholders may provide feedback and communicate with the Company at any time. The Company values all suggestions and uses them as references for future work. 5. Relationship with Suppliers: Relevant procurement personnel regularly communicate and coordinate with suppliers to establish and maintain a good working relationship and ensure effective communication channels. 6. Directors' Training and Development: Each year, directors are scheduled to attend training and study programs on a regular basis. Please see Appendix IV for details. 7. Implementation of Risk Management Policies and Risk Assessment Criteria: The Company has already been established in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Publicly Issued Companies" To establish comprehensive internal control systems, ensure effective implementation, and conduct regular reviews in response to changes in the internal and external environment of the company, in order to reduce and avoid any potential risks. To establish comprehensive internal control systems, ensure effective implementat-ion, and conduct regular reviews in response to changes in the internal and external environment of the company, in order to reduce and avoid any potential risks. 8. Stakeholders' Rights: The Company places importance on protecting the rights and interests of shareholders, customers, suppliers, and employees, and strives to safeguard and balance the rights of all stakeholders. 9. Customers' Rights: Customer data protection-related operating procedures are in place, and a dedicated customer service hotline has been set up to provide after-sales service, thereby protecting customers' rights and enhancing customer satisfaction. 10. Liability Insurance Purchased for Directors and Supervisors: The Company has purchased directors' and supervisors' liability insurance for its directors and supervisors.	
9. Please describe the improvement status regarding the corporate governance evaluation results published by the Governance Center of the Taiwan Stock Exchange Corporation in the most recent fiscal year, and for items that have not yet been improved, propose priority enhancement areas and measures: After the corporate governance evaluation results are announced each year, the Company will review items that have not yet met the evaluation standards, and will continue to adjust and improve them, thereby gradually implementing the required measures. With respect to information disclosure, the Company will adjust and update the annual report and the information disclosed on its corporate website to make the company's information more transparent and reduce information asymmetry.				

Appendix 1: Assessment Form for the Independence and Suitability of the Engagement Auditor

1. Evaluate and appoint the accounting firm and auditors: KPMG Taiwan / CPA Huang Hsinting, and CPA Chi Shiqing

(1) Assessment content: Based on Article 47 of the Certified Public Accountants Act and the "Integrity, Fairness, Objectivity, and Independence" set out in No. 10 of the Professional Ethics Standards for Certified Public Accountants ofthe Republic of China:

Assessment Items	Assessment result
1. The engagement auditor has no direct or material indirect financial interest relationship with the Company.	■Yes□No
2. The engagement auditor has no material close business relationship with the Company.	■Yes□No
3. When auditing the Company, the engagement auditor has no potential employment or engagement relationship.	■Yes□No
4. The engagement auditor has no history of making or receiving money loans with the Company.	■Yes□No
5. The engagement auditor has not accepted from the Company, or from the Company's directors, supervisors, or managerial officers, any gifts or items of value that are significant (whose value exceeds ordinary standards of social courtesies).	■Yes□No
6. The engagement auditor has not provided auditing services to the Company for seven consecutive years.	■Yes□No
7. The audit accountant signing the report does not hold any shares of our company.	■Yes□No
8. During the audit period or within the past two years, the audit accountant signing the report, their spouse or dependents, and their audit team have not served as directors, supervisors, managers, or in any other positions that would have a significant impact on the audit engagement for our company. It is also confirmed that during future audit periods, they will not serve in the aforementioned related positions.	■Yes□No
9. Whether the audit accountant signing the report has complied with the requirements regarding independence set out in Accounting Professional Ethics Bulletin No. 10 and obtained an "Independence Declaration" issued by the audit accountant signing the report.	■Yes□No

(2) Assessment Results:

For this fiscal year, the financial statements were audited and certified by CPAs Chi Shih-Chin and Huang Hsin-Ting of Ernst & Young聯合會計師事務所, as engaged by this company. Based on the assessment, both CPAs' independence and suitability fully meet requirements.

Appendix II, Independent Statement of Dissociation

Recipient: Li Hsuan International Construction Co., Ltd.

Subject Matter: Mingben Certified Public Accountants was entrusted to audit and sign the financial statements of Lixuan International Construction Co., Ltd. for the fiscal year 2024.

The certification work has met the relevant independence requirements of the Code of Ethics for Accountants and the International Ethics Committee for Accountants.

Note: The firm's independence guidelines include the personal financial independence of its members(including financial interests, financing guarantees, employment relationships, etc.), business relationships with clients, accountant rotation system, and policies and procedures related to non-audit services. Key guidelines and compliance matters are explained below:

I. Important Norms Regarding Independence

(a) Require accounting firms, their personnel and other persons subject to independence regulations (including personnel of affiliated firms) to maintain independence in accordance with the Code of Ethics for Accountants and the relevant independence requirements of the International Committee on Ethics for Accountants.

(ii) Prohibit any person from engaging in (direct or indirect) insider trading, misusing inside information, or any conduct that may mislead in the securities or capital markets. Also, obtain an annual statement from the firm confirming that its personnel have complied with its independence policies and procedures.

(iii) For cases involving the audit of financial statements, such as those handled by the lead accountant, co-signing accountants, quality control review accountants, and auditing accountants of subsidiaries that meet certain conditions, the period of their work must have met the standards of professional ethics for accountants and international accounting ethics.

The committee or firm may require rotation within the time limit stipulated by its policies or laws.

(iv) Identify and assess any circumstances that may affect independence in the services to be provided, and take appropriate measures to mitigate or reduce such impact to an acceptable level. If appropriate measures are not available or the impact cannot be reduced to an acceptable level, the appointment will not be accepted.

II. Supervision of Independence Policy Compliance

(i) All auditors have signed an online declaration of independence for the audited cases, confirming that they have complied with independence standards from the date of their assignment to the date of issuance of the audit report, and have signed an annual affidavit of independence, reiterating their compliance with independence standards and other firm independence policies and regulations.

(ii) Conduct regular spot checks to verify the independence compliance of the firm

’s personnel, and check through the personal investment reporting system whether the deputy manager (inclusive) level and above have reported personal investment changes in accordance with regulations.

(iii) Supervise and conduct spot checks on the rotation of accountants in cases and the appropriateness of the provision of non-audit services, including the case visa period of accountants and the prior approval of the non-audit services provided.

(iv) Any member who violates the independence policy (including partners) will be subject to risk and independence measures.

The committee/disciplinary committee handles cases in accordance with its independent disciplinary policy and takes appropriate disciplinary action based on the severity and nature of the violation

In summary, this auditor, under the engagement to perform an audit of the financial statements of Li Hsuan International Construction Co., Ltd. for the 2025, has maintained a rigorous and impartial attitude as well as an objective and independent spirit, and has not violated any professional ethics standards, nor any matters as stipulated by the International Ethics Standards Board for Accountants.

KPMG

Huang Hsinting

Accountant

Chi Shiqin

March 6, 2025

Appendix 3: Continuing Education of Corporate Governance Officer in the 114th Year (2025 – 2026):

Continuing Education Date		Organizer	Course Name	Continuing Education Hours	Enrollment for the Current Year Total training hours
Start	End				
114/06/19	114/06/19	The Chinese Association of Corporate Operations and Sustainability Development	Board of Directors and Shareholders' Meeting Operations in Practice	3	18
114/07/30	114/07/30	The Chinese Association of Corporate Operations and Sustainability Development	Building Workplace Gender Equality Awareness and Preventing Sexual Harassment in Practice	3	
114/09/17	114/09/17	The Chinese Association of Corporate Operations and Sustainability Development	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring	3	
114/10/31	114/10/31	The Chinese Association of Corporate Operations and Sustainability Development	Unconsented M&A Practices and Corporate Governance Issues	3	
114/11/27	114/11/27	The Chinese Association of Corporate Operations and Sustainability Development	Driving Corporate Sustainability Through Risk Management	3	
114/12/11	114/12/11	Chinese National Association for Company Operations and Sustainable Development	Corporate Governance and Securities Regulations: An Analysis of Corporate Governance Risks from the Prosecutor's Perspective	3	

Appendix 4. Directors' continuing education for fiscal year 114:

Title	Name	Training Date	Organizing Unit	Course Title	Continuing Education Hours
Director's legal entity Representative of the legal entity	Chen Ming-Hong	114/10/31	Corporate Legal Person: Republic of China Company Management and Sustainable Development Association	Practical Guide to Unsolicited Mergers and Acquisitions and Corporate Governance Issues	3 Hours
Representative of the director's legal entity	Chen Ming-Hong	114/12/11	Corporate Legal Person: Republic of China Company Management and Sustainable Development Association	Corporate Governance Risks from the Perspective of Corporate Governance and Securities Regulatory Prosecutors	3 Hours
Director's legal entity Representative of the legal entity	Xie Sen-Gang	114/07/10	Corporate Legal Person: Republic of China Company Management and Sustainable Development Association	Corporate Governance and Securities Regulations	3 Hours
Representative of the director's legal entity	Xie Sen-Gang	114/09/17	Corporate Legal Person: Republic of China Company Management and Sustainable Development Association	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring	3 Hours
Director's legal entity Person representing the person	Li Rong-Fa	114/07/10	Corporate Legal Person: Republic of China Company Management and Sustainable Development Association	Corporate Governance and Securities Regulations	3 Hour
Law of the directors Person representing the person	Li Rong-Fa	114/11/27	Corporate Legal Person: Republic of China Company Management and Sustainable Development Association	Driving Corporate Sustainability with Risk Management	3 Hour
Director	Zhang Jing-Wen	114/07/10	Corporate Legal Person: Republic of China Company Management and Sustainable Development Association	Corporate Governance and Securities Regulations	3 Hour
Director	Zhang Jing-Wen	114/12/15	Taipei Financial Research and Development Foundation	Corporate Governance Reform Takes Off! Key Highlights for ESG Evaluation in the 115th Corporate Governance Evaluation Transformation	3 Hour
Independent director	Huang Jun-Kai	114/06/19	Chinese Corporate Governance Association	Corporate Governance and Securities Regulations	3 Hour
Independent director	Huang Jun-Kai	114/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance & Climate Change Summit Forum	6 Hour
Independent director	Qiu Xin-Yi	114/02/21	Chinese Republic of China Association for Business Management and Sustainable Development	Corporate Governance and Securities Regulations: Taiwan's Policies to Promote Sustainable Development and Related Securities Laws and Regulations	3 Hour

Title	Name	Continuing Education Date	Organizer	Course Name	Training hours
Independent Director	Qiu Xinyi	114/06/13	Taiwan Corporate Governance Association	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring	3 Hours
Independent Director	Qiu Xinyi	114/07/09	Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6 Hours
Independent Director	Wan-Ting Zhang	114/06/04	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3 Hours
Independent Director	Wan-Ting Zhang	114/07/18	Taiwan Corporate Governance Association	Practical Compliance Work for Corporate Governance Officers	3 Hours
Independent Director	Wan-Ting Zhang	114/10/14	Taipei Import and Export Chamber of Commerce	New Thinking in Cybersecurity Governance Under Corporate Digital Transformation	3 Hours
Independent Director	Wan-Ting Zhang	114/11/12	Chinese Corporate Governance Association	Digital Finance: The Principles of Stablecoins and the Development Trends of Blockchain Virtual Assets Development Trends	3 Hours

(4) If the company has established a remuneration committee, it shall disclose its composition, duties, and operating status:

1. Remuneration Committee Member Information

December 31, 2025

Role	Name and Title	Professional Qualifications and Experience Note (1)	Independence circumstances note (2)	Number of households in which the director serves as a member of the remuneration committee of other publicly issued companies
Independent Director Convener	Huang Jun-Kai	· Has work experience in business and finance. ·Former part-time lecturer at the Graduate Institute of Industrial Engineering, National Taiwan University. ·Current Senior Vice President of Business Development at China-Canada Consulting Co., Ltd. · There are no circumstances listed in Article 30 of the Company Act.	· The Company's independent director meets the independence circumstances. ·The independent director, together with their spouse and relatives within the second degree of kinship, has not served as a director, supervisor, or employee of the Company or any other related enterprise; has not held any shares of the Company; and has not served as a director, supervisor, or employee of a company with a specific relationship to the Company. ·In the past 2 years, there has been no circumstance in which the Company or any other related enterprise provided business, legal, financial, accounting, or other services in exchange for remuneration.	1
Independent Director	Qiu Xin-Yi	· Working experience required for business and finance. ·Former Chief Financial Officer at Bafang Yunji International Co., Ltd. ·Current Chairman of the Board at Xingyuan Management Consulting Co., Ltd. · There are no circumstances listed in Article 30 of the Company Act.	· The Company's independent director meets the independence circumstances. ·The independent director, together with their spouse and relatives within the second degree of kinship Has not served as a director, supervisor, or employee of the Company or any other related enterprise; has not held any shares of the Company; and has not served as a director, supervisor, or employee of a company with a specific relationship to the Company. ·In the past 2 years, there has been no circumstance in which the Company or any other related enterprise provided business, legal, financial, accounting, or other services in exchange for remuneration.	2
Independent Director	Chang Wan-Ting	· Working experience in legal affairs. ·Former affiliated lawyer at Fa Yu Law Office. ·Current Managing Partner at Anzhong Law Office. · There is no situation under Paragraphs of Article 30 of the Company Act.	· The Company's independent director meets the independence circumstances. ·No directorships, supervisory roles, or employment positions at the Company or any other related entity are held by the independent director, their spouse, or any relatives within two degrees of kinship, and they do not hold any shares in the Company. They also do not serve as directors, supervisors, or employees of companies that have a specific relationship with the Company. ·In the past two years, there has been no instance of providing business, legal, financial, accounting, or similar services to the Company or any other related entity in exchange for compensation.	2

2. Compensation Committee Operations

(1) The Company's Compensation Committee consists of 3 members.

(2) Term of the committee: from September 30, 113 to September 18, 116. The Compensation Committee met 3 times in the most recent fiscal year (114) (A). The members' qualifications and attendance are as follows:

Title	Name	Actual Attendance Count (B)	Number of Attendance by Proxy	Actual Attendance (Attendance) Attendance Rate (B/A)	Remarks
Convener	Huang Jun-Kai	3	0	100%	
Member	Qiu Xin-Yi	3	0	100%	
Member	Wan-Ting Chang	3	0	100%	

Other matters to be recorded:

(1) If the Board of Directors does not adopt or amends the recommendations of the Remuneration Committee, the Board shall state the date of the Board meeting, the term/period, the contents of the proposals, the results of the Board resolutions, and how the company addresses the Board's views on the Remuneration Committee's opinions (if the remuneration approved by the Board is better than the Remuneration Committee's recommendations, the differences and the reasons shall be stated): No such event.

(2) Resolutions of the Remuneration Committee: if any member has opposing or reservation opinions and such opinions are recorded or included in a written statement, the Remuneration Committee shall state the date of the Remuneration Committee meeting, the term/period, the contents of the proposals, the opinions of all members, and how the Committee handles the members' opinions:

No such event.

(3) Compensation Committee: Meeting dates, term, agenda content, resolutions, and the Company's handling ofits comments regarding the Compensation Committee over the past year:

Compensation Committee	Agenda content	Resolution result	How the Company addresses the Audit Committee's comments
Sixth Session, Second Meeting February 3, 2025	1. Amend certain provisions of the Company's "Remuneration Policies for Directors and Managers."	Approved as proposed	Submitted on Feb 3, 2025 Board of Directors' discussion.
Sixth Session, Third Meeting November 11, 2025	1. The Company's accounting manager has been reassigned.	Approved as proposed	Submitted on Nov 11, 2025 Board meeting discussion.
Sixth Session, Fourth Meeting November 25, 2025	1. The Company's accounting manager's salary adjustment proposal.	Approved as proposed	On November 25, 114 Board meeting discussion.

3. If the company has established a nomination committee, it shall disclose its composition, responsibilities, and operations. Our company has not established a nomination committee; therefore, this is not applicable.

(5) Current Status of Implementing Sustainable Development, as Well as Differences Between the Company's Practices and the Sustainable Development Guidelines for Listed and OTC Companies, and the Reasons:

Assessment Item	Operations Overview			Discrepancy Between the Company's Corporate Social Responsibility Practices and Those of Listed and Over-the-Counter Companies, and the Reasons
	Yes	No	Summary	
(1) Has the company established a governance structure to promote sustainable development, designated a dedicated (or shared) unit responsible for promoting sustainable development, and assigned the board of directors' authorization to senior management to handle the matter, with oversight by the board of directors?	V		The Company has established a dedicated part-time (or full-time, as applicable) sustainability development unit to drive sustainability initiatives. The Company's corporate governance and business management situation is reported to the Board of Directors in its business overview. In addition, in accordance with legal and regulatory requirements, necessary proposals are submitted to the Board of Directors for oversight and supervision by the Board of Directors.	No material differences.
(2) Does the company, based on the principle of materiality, conduct risk assessments for environmental, social, and corporate governance issues related to its operations, and formulate related risk management policies or strategies?		V	Although the Company has not established a related risk management policy, it has integrated risk management for environmental, social, and corporate governance issues related to operations into its business strategy. This includes company policies, internal operational management, and business execution.	In the future, we will plan and proceed in this direction.
(3) Environmental Issues (a) Does the company establish appropriate environmental management systems in accordance with its industry characteristics?	V		The Company engages in wholesale and trading. It is committed to energy saving, carbon reduction, and the reduction of greenhouse gas emissions. During business activities, no waste water, chemical substances, gases, noise, or waste hazardous to the environment or human health are generated. However, the Company will still discuss with suppliers the environmental impacts ofthe products they use.	No material differences.
(b) Does the company strive to improve energy-use efficiency and use recycled materials with lower environmental impact?	V		The Company strongly promotes and implements eco-label－related products, and conducts waste classification and resource recycling. In the office areas, the Company implements energy-saving measures in line with government agencies. It also installs energy-efficient lighting fixtures and reduces the use of air conditioning to achieve the goals of energy saving, carbon reduction, and greenhouse gas emission reduction.	No material differences.
(c) Does the company assess the potential risks and opportunities that climate change poses to the company's current and future operations, and take measures to address climate-related issues?	V		The Company has established a Sustainability Development Team to regularly conduct greenhouse gas inventories. This enables effective control of greenhouse gas emissions generated by operations, and further develops energy-saving and carbon-reduction action plans to comply with changes in regulations.	No material differences.
(d) Has the company calculated the total greenhouse gas emissions, total water usage, and total weight of waste for the past two years, and formulated policies for energy saving and carbon reduction, greenhouse gas reduction, reducing water use, or other waste management?	V		Given the Company's current scale and manpower, it has not yet established related statistical management policies. However, the Company continues to compile monthly statistics on electricity and water usage and pay attention to Water and electricity usage, in order to reduce unnecessary energy waste and achieve the objectives of energy saving, carbon reduction, and greenhouse gas emission reduction.	No material differences.
(4) Social Issues (1) Does the company, in accordance with relevant laws and regulations and international human rights conventions, formulate related management policies and procedures?	V		Our company values workers' safety and welfare and conducts operations in accordance with relevant labor laws and regulations. Pursuant to the Labor Standards Act and related laws and regulations, we have established "Employee Work	No material differences.

Assessment Item	Operational Status			Differences and reasons compared with the Corporate Social Responsibility Best Practice Principles for listed and OTC companies
	Yes	No	Summary Description	
			“Provide a friendly, safe, and healthy working environment; establish labor-management communication channels; and protect personal data. In 114, there were no violations of the human rights policy. We will continue to monitor human rights issues and conduct training to enhance employees’ human rights awareness.	
(2) Whether the company has established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and whether business performance or outcomes are appropriately reflected in employees’ compensation?	V		1. Employee Compensation Policy Employee salaries are determined based on education level, professional knowledge and technical skills, contribution to the company, and individual performance. They are adjusted in accordance with market salary levels, economic conditions, industry business sentiment, and updates to government regulations. The company has established a salary management policy that clearly defines a reasonable compensation and benefits policy. 2. Leave Policy Develop the leave policy in accordance with labor laws and regulations, and include it in the “Work Rules” for announcement so that employees are informed. 3. Employee Benefits Policy Establish an employee welfare committee to provide employees with a wide range of benefits. 4. Workplace Equality and Diversity The company is committed to workplace equality and diversity and does not offer preferential treatment based on gender, race, religion, political stance, or other factors. The proportion of female managers is 25%.	No material differences.
(3) Whether the company provides a work environment that ensures employee safety and health, and whether it regularly implements safety and health education for employees?	V		In accordance with the Labor Standards Act, the company regularly organizes employee health checkups, strengthens oversight of each department’s occupational safety and health management, and continues to Provide safety and health training to help employees develop emergency response capabilities and safety awareness. In 114, there were no workplace safety incidents.	No significant differences.
(4) Whether the company has established an effective career development and training plan for employees’ capability building?	V		The company periodically arranges job-competency training courses for employees and provides relevant colleagues with opportunities to participate in internal and external training.	No significant differences.
(5) Regarding customers’ health and safety, customer privacy, marketing, and labeling for products and services, whether the company complies with relevant regulations and international standards, and has formulated related consumer-rights protection policies and complaint procedures?	V		All of our sales activities comply with relevant regulations and international standards. We also have established a “Customer Complaint Handling Procedure” to reinforce our close relationship with customers, including after-sales customer service and repair warranty coverage. Any customer complaint issues are handled and reported immediately in the first instance.	No significant differences.

Assessment Items	Operational Status			Differences between our company and the Corporate Social Responsibility Best Practice Principles for listed and OTC companies, and the reasons
	Yes	No	Summary Description	
(VI) Has the company established a supplier management policy requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor rights, and what is the current implementation status?	V		The raw materials the company requires suppliers to provide must comply with RoHS requirements. Suppliers have not used any statement regarding hazardous substances, aiming to support the company's policy of sustainable environmental protection. Our company's contract with suppliers includes hazardous substances that are not used; if any are used, they will be refused.	No material differences.
Five, Does the company refer to internationally recognized reporting guidelines or standards when preparing reports for disclosure of non-financial information, such as sustainability reports? Do the foregoing reports obtain assurance opinions or guarantee opinions from third-party verification bodies?		V	Our company has not yet disclosed information related to corporate responsibility. However, in accordance with the "Regulations Governing Matters to be Disclosed in the Annual Report of Public Companies," we prepare our shareholders' annual report and transmit the electronic file of the annual report to the Market Observation Post System before the shareholders' meeting is held.	We will disclose information related to corporate responsibility based on the company's actual operations.
6. If the company has established its own sustainability development code in accordance with the "Sustainability Development Best Practice Principles for Listed and OTC Companies," please describe its operation and the differences from the code: Our company has not yet formulated a sustainability development code, so this does not apply.				
7. Other important information that helps in understanding the implementation of sustainability development: (1) In our recruitment and employment practices, our company does not make distinctions based on employees' gender, race, nationality, or other such factors. We spare no effort to protect employees' rights and interests. Each employee is enrolled in labor insurance and health insurance in accordance with the law, and we also duly set aside retirement preparation funds to safeguard employees' rights and interests, while providing employees with a good working environment. (2) For environmental protection, our company complies with relevant environmental protection laws and regulations, obtains the required permits, ensures compliance with government regulations, mitigates impacts on the environment, and works toward the goal of preventing pollution. (3) Regarding supplier relationships, we conduct periodic evaluations to ensure delivery schedules and quality, and maintain good interaction with our suppliers. (四) Regarding the rights of the Company's investors and stakeholders, the Company maintains open communication channels at all times, fully leverages the spokesperson mechanism, and adheres to the principle of integrity by promptly disclosing public information to safeguard the rights and interests of investors and stakeholders.				

(六) Implementation Status of Climate-Related Information

Item	Implementation status
1、Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	As global warming accelerates, the frequency of extreme weather events such as heavy rainfall and drought is increasing. These risks have posed significant challenges to the operations of many companies. Climate governance has become an important issue that enterprises must address. The Company will proactively respond to the potential risks brought by climate change and actively develop management strategies and actions to address extreme weather in order to enhance climate resilience. In addition, to slow down the pace of climate change, we will gradually move toward low-carbon operations. .Board of Directors The highest level of climate governance in the Company is the Board of Directors. It is responsible for driving and making decisions on the Company's climate-related strategy direction, while also playing the role of overseeing the overall implementation of the Company's climate actions. The Board of Directors is also a key decision-making body for the Company's climate commitments and targets. It discusses current trends in climate risks and opportunities on an irregular basis, proposes overall concrete strategies for key climate risks, and thereby helps ensure the Company's sustainable operations are maintained stably. . Sustainability Development Working Group To strengthen the Company's management and identification of climate-related risk and opportunity matters, the Company established a Sustainability Development Working Group in 2025, which will

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td></td><td>Conduct one fewer report to the Board of Directors, including key climate risk and opportunity issues, as well as related implementation results.
The responsibilities of the Sustainability Development Group are to understand stakeholders ’ requirements and evolving trends regarding climate-related issues, convene relevant departments with the appropriate authority to assess and manage climate risks, and report to and confirm with management the actions to be taken through strategy or target plan formulation.</td></tr>
<tr><td>2 、 Describe how the identified climate risks and opportunities affect the company ’ s business, strategy, and finances (short term, mid term, long term).</td><td>To develop the company ’ s key climate change strategy, the first step is to identify key climate risk and opportunity topics for the year. In 2025, under the guidance of the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Sustainability Development Group, through internal discussions, inventorying, and evaluation, incorporates the recommended disclosure and management framework into consideration, comprehensively assesses the impact of climate change issues on the company, and thereby formulates management strategies for the short, mid, and long term.
<u>Risks related to climate issues in the short, medium, and long term :</u>
<table>
<tr><th>Timeline</th><th>Risk</th><th>Potential Impacts</th><th>Financial impact</th><th>Management strategy</th></tr>
<tr><td>Short term
(1 to 2 years)</td><td>Physical risk:
Typhoons and severe rainfall</td><td>Global Warming Indirectly Leads to Climate Anomalies (Flooding)</td><td>Extreme weather may cause delivery delays or damage to warehouses, drive up shipping costs and increase emergency logistics expenditures, or result in revenue losses due to stockouts.</td><td>1. Plan for natural disaster insurance coverage to mitigate financial impacts caused by low-disaster occurrences.
2. Develop a backup plan.</td></tr>
<tr><td>Mid term
(3 to 5 years)</td><td>Physical risk:
Average temperature increase</td><td>1. Increased Energy Consumption
2. Changes to the Supply Chain Structure</td><td>Increase in operating costs.</td><td>1. Introduce new energy-saving equipment (variable-frequency air conditioners, LED lighting. fi. xtures, etc.).
2. Diversify the supply chain.</td></tr>
<tr><td>Long term
(more than 5 years)</td><td>Transition risk: regulations and carbon fees</td><td>Climate-Related Regulations Becoming Stricter and the Implementation of Carbon Fees</td><td>1. If a carbon fee is introduced, it may lead to higher costs.
2. Fines resulting from non-compliance with climate regulations.</td><td>1. Ensure compliance with regulatory requirements and actively manage emissions.
2. Develop and implement an energy-saving and carbon-reduction plan to reduce carbon emissions and address carbon fee risks.</td></tr>
</table>
<u>Opportunities related to climate issues in the short, medium, and long term :</u>
<table>
<tr><th>Timeline</th><th>Opportunity</th><th>Plan</th><th>Financial impact</th><th>Management Strategy</th></tr>
<tr><td>Short-term</td><td>Choose Environmentally Friendly Products</td><td>Consumer demand for low-carbon products creates market opportunities</td><td>1. Reduce packaging costs.
2. Meet consumer environmental needs to increase product sales.</td><td>Work with suppliers to purchase environmentally friendly products to reduce carbon emissions.</td></tr>
<tr><td>Medium-term</td><td>Eco-Friendly and Energy-Saving Equipment</td><td>Prioritize the introduction of equipment with the highest energy-saving efficiency</td><td>1. Lower energy expenses.
2. Qualify for government energy-saving subsidies.</td><td>Proactively promote energy saving and carbon reduction to reduce carbon emissions.</td></tr>
<tr><td>Long-term</td><td>ESG Corporate Image</td><td>Enhance the company ’ s green image through transparent disclosure
Strengthen corporate governance and build a culture in which the company values climate-related issues and takes action</td><td>Prevent supply chain disruptions and customer loss caused by a negative image.</td><td>Comply with regulations and transparently disclose relevant information to stakeholders.</td></tr>
</table></td></tr>
<tr><td>3 、 Describe the impact of extreme weather events and transition actions on finances.</td><td>If extreme weather occurs more frequently, it may prevent suppliers from delivering shipments normally or cause damage to our company ’ s warehouses, increasing the likelihood of an operational interruption and resulting in a decline in company revenue. Our company reduces operating costs and increases overall revenue through measures such as improving energy-use efficiency, introducing environmentally friendly products, and replacing with low-pollution equipment.</td></tr>
</table>

Master Tears	Implementation status
4 、 Describe how the identification, assessment, and management process for climate-related risks is integrated into the overall risk management system.	To enable the company to掌握 key climate opportunities and risks in advance, the Sustainability Development Subcommittee regularly compiles relevant content in the company ' s annual sustainability report, including risk and opportunity topics. The Subcommittee reports to each climate-related department the company ' s annual status in managing climate risks. Through interviews with the respective departments responsible for each climate topic, it also gathers their views on the severity of impacts on the topics and the likelihood of emerging effects. The company then consolidates and compiles the annual key climate risks and opportunities, and reports the results upward to the board of directors for decision-making and the establishment of company strategy.
5 、 If scenario analysis is used to assess the exposure of climate change risks, the scenarios used, parameters, assumpt-ions, analysis factors, and the key financial impacts should be described.	So far, no scenario analysis has been used to assess exposure to climate change risks.
6 、 If there is a transition plan to manage climate-related risks, describe the plan and the indicators and targets used to identify and manage physical risks and transition risks.	Currently, there is no plan to manage climate transition risks.
7 、 If internal carbon pricing is used as a governance tool, explain how the pricing is determined.	Currently, there are no policy tools in place for using carbon pricing.
8 、 If climate-related targets have been set, describe the covered activities, greenhouse gas emission categories, the compliance timeline, and information such as annual progress. If carbon offsets or renewable energy certificates (RECs) are used to achieve these targets, describe the source and quantity of the emissions reductions to be offset, or the number of renewable energy certificates (RECs).	Currently, no climate-related emission targets have been set.
9 、 Greenhouse gas inventory and assurance status, as well as reduction targets, strategies, and detailed action plans (to be filled in 1-1 and 1-2).	Please see the explanations for 1-1 and 1-2 below.

1-1 Recent two-year period: company greenhouse gas inventory review and assurance status

1-1-1 Greenhouse gas inventory information stating the greenhouse gas emissions (tons CO2e) and intensity (tons CO2e per ten thousand NT$) for the most recent two years, and the scope of data coverage.

Describe the greenhouse gas emissions for the most recent two fiscal years (metric tons CO2e), the intensity (metric tons CO2e per hundred dollars of revenue), and the coverage scope of the data.

Year	Scope 1 emissions (tons CO2e)	Category 2 Emissions (metric tons CO2e)	Total Emissions (metric tons CO2e)	Emissions Intensity (metric tons CO2e per hundred dollars of revenue)
Year 113	1.92	19.56	21.48	7.73
Year 114	1.88	6.51	8.39	3.03

Category 1 (Scope 1): Fuel consumption of the company ' s owned vehicles (primarily for business travel).
Category 2 (Scope 2): Indirect emissions from purchased electricity (including lighting, air conditioning, etc.).

Note 1: Direct emissions scope (Scope 1), i.e., emissions directly from emission sources owned or controlled by the company; energy indirect emissions scope (Scope 2), i.e., greenhouse gas emissions caused by purchased electricity, heat, or steam; and other indirect emissions scope (Scope 3), i.e., emissions generated from the company’s activities that are not energy indirect emissions, and that are from emission sources owned or controlled by other companies.

Note 2: The data for direct emissions and energy indirect emissions cover the relevant portions. They shall be handled in accordance with the procedures specified in Article 10, Paragraph 2 of this standard. Information on other indirect emissions may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: ISO 14064-1 as issued under the Greenhouse Gas Protocol (GHG Protocol) or by the International Organization for Standardization (International Organization for Standardization, ISO). Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue; however, at least the data calculated based on revenue (NT$ million) shall be stated.

1-1-2 Greenhouse Gas Assurance Information

Describe the assurance status for the most recent two years up to the publication date of the annual report, including the assurance scope, the assurance provider, the assurance level, and the assurance opinion.
Under development.

Note 1: The procedures shall be handled in accordance with the procedures specified in Article 10, Paragraph 2 of this standard. If the company is unable to obtain a complete greenhouse gas assurance opinion by the time the annual report is published, it shall state that “Complete assurance information will be disclosed in the sustainability report.” If the company does not prepare a sustainability report, it shall state that “Complete assurance information will be disclosed on the company’s corporate information disclosure website,” and disclose the complete assurance information in the following year’s annual report.

Note 2: The assurance provider shall comply with the requirements for sustainability report assurance set out by the Taiwan Stock Exchange Corporation and the Chinese Taipei Corporate Sustainability Assurance Management Center.

Note 3: For the disclosure content, please refer to the sample best-practice reference provided on the Taiwan Stock Exchange Corporate Governance Center website.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Plans

State the baseline year for greenhouse gas reduction and its data, the reduction targets, strategies, and specific action plans, as well as the achievement status of the reduction targets.
To formulate the rules and regulations.

Note 1: Follow the timetable specified in this Standard and in Article 10, Paragraph 2.

Note 2: The baseline year shall be the year in which the inventory is completed using the financial reporting boundary, for example, pursuant to this Standard and the requirements set out in Article 10, Paragraph 2. Companies with paid-in capital of more than NT$10 billion should complete the inventory of their consolidated financial reports for the year 113 in 114; therefore, the baseline year is 113. If a company completes the inventory of its consolidated financial reports in advance, it may use the earlier year as the baseline year. In addition, the baseline-year data may be calculated using a single year or an average of multiple years.

Note 3: For the disclosure content, please refer to the sample best-practice reference provided on the Taiwan Stock Exchange Corporate Governance Center website.

(7) Information on Integrity-Based Management Practices, Differences from the Integrity-Based Management Code for Listed and OTC Companies, and the Reasons:

Assessment Items	Operational Status			Differences and reasons compared with the Integrity Management Guidelines of listed and OTC companies
	Yes	No	Summary Description	
1. Establishing integrity-based management policies and programs				
(1) Has the company established an integrity-based management policy approved by the board of directors, And clearly stated in its bylaws and external documents the policy and practices for integrity-based management, as well as the board of directors' and senior management's commitment to actively implement the management policy?	V		The Company has established a code of conduct as its guiding principle.	No material differences.
(2) Has the company established a risk assessment mechanism for dishonest conduct, regularly analyzing and assessing business activities within its scope that have a higher risk of dishonest conduct, And, based on that, formulated programs to prevent dishonest conduct? At a minimum, do these programs include measures to prevent the various types of conduct listed in Paragraph 2 of Article 7 of the integrity-based management code for listed and OTC companies?	V		The Company has implemented personal information management policies and signed confidentiality agreements with relevant personnel. The internal management rules for relevant personnel include clear provisions prohibiting Bribery and accepting bribes conduct are prohibited, so that employees comply.	No material differences.
(3) Has the company, within its programs to prevent dishonest conduct, clearly specified Operating procedures, conduct guidelines, disciplinary measures for violations, and a complaint mechanism; ensured implementation; and regularly reviewed and revised the above programs?	V		The Company has established a Code of Ethics to ensure that the conduct of its directors and supervisors As well as managers complies with ethical standards, helps stakeholders understand the Company's ethical standards, and prevents dishonest conduct from occurring and reduces its occurrence rate through the management of internal audit systems and internal control systems.	No material differences..
II. Upholding Integrity in Business Operations (1) Does the company assess the integrity records of its counterparties and specify integrity-related conduct as a contractual clause in the agreements it signs with those counterparties? (2) Does the company establish a dedicated unit for promoting integrity in business operations under the board of directors, and regularly (at least once a year) report to the board its integrity in business operations policies, plans to prevent unethical conduct, and the status of supervision and implementation? (3) Does the company formulate a policy to prevent conflicts of interest, provide appropriate reporting channels, and implement them effectively? (4) Has the company established effective accounting systems and internal control systems to implement integrity in business operations? Based on internal audit unit assessments of the risks of unethical conduct, does it develop related audit plans and verify compliance with the measures to prevent unethical conduct, or commission certified public accountants to conduct audits? (5) Does the company regularly hold internal and external education and training on integrity in business operations?	V V V V	V	The Company has relevant management rules and regulations for all external transactions. When entering into contracts with others or other companies, the parties should fully understand the status of integrity management, and it is advisable to incorporate integrity management into the contract terms. The Company has an audit team as a dedicated unit to handle regulation amendments, execution, interpretation, and notification matters. The Company's board meeting rules clearly require that when a director has a conflict of interest in an agenda item presented to the board of directors, the director may present opinions and answer inquiries; during discussions and voting, the director shall recuse himself/herself. If colleagues encounter a conflict of interest while carrying out business activities that presents a conflict of interest Unexpectedly arises, they shall report to their direct supervisor. The Company conducts periodic audits by audit personnel. The Company does not hold internal and external integrity-management training on a regular basis.	No material differences. No material differences. No material differences. No material differences. We will hold integrity management training in accordance with the company's actual operations.

Assessment Items	Operational Status			Differences from and Reasons for Deviations from the Code of Integrity Management for Listed and OTC Companies
	Yes	No	Summary	
III. Operation of the Company's Whistleblowing System (1) Has the company established specific whistleblowing and incentive mechanisms, set up convenient whistleblowing channels, and assigned appropriate dedicated personnel to handle reports against the whistleblowing targets? (2) Has the company established standard operating procedures for investigating the subject matters of whistleblowing, the subsequent measures to be taken after the investigation is completed, and the relevant confidentiality mechanisms? (3) Has the company taken measures to protect whistleblowers from improper treatment as a result of making whistleblowing reports?	V	V V	The company has not yet established a specific whistleblowing and reward system, but it does provide convenient whistleblowing channels. Personnel who violate the integrity requirements will be disciplined in accordance with the company's relevant rules and regulations. The company has not yet established standard operating procedures for investigating whistleblowing matters and related confidentiality mechanisms. If the company receives a whistleblowal report, it will do so anonymously and will take measures to protect the whistleblower from any improper treatment as a result of making the report.	The Company shall establish specific reporting and reward mechanisms based on its actual operations, and set up convenient reporting channels. The Company shall establish investigation standards and related confidentiality mechanisms for receiving reported matters, based on its actual operations. No material differences.
IV. Strengthening Information Disclosure (1) Does the company disclose the contents of its integrity business operation code and its implementation results on its website and at the public information observation station?	V		Information on the company's financial and business matters on its website is disclosed periodically in accordance with regulations on the Market Observation Post System. For information that must be disclosed for integrity-based business practices, if it meets legal requirements or those of competent authorities, it will be reported and disclosed in accordance with regulations.	No material differences.
V. If the Company has established its own Code of Integrity Management pursuant to the "Code of Integrity Management for Listed and OTC Companies," please describe the differences between how it operates and the code it has established: None.				
VI. Other important information that helps understand the Company's integrity management operations: (e.g., any reviews or amendments the Company makes to its established code of integrity management): The Company conducts all business activities based on the principles of integrity management, values the rights and interests of every stakeholder, and promotes the Company's sustainable development. In its decision-making, the Company gives priority to the interests of shareholders and the Company, and complies with relevant laws, regulations, and requirements of the authorities overseeing OTC-listed companies.				

(VIII) If the Company has established a corporate governance code and related rules and regulations, it shall disclose how to access them:

1. The Company has not yet established a "Corporate Governance Practices Code."
2. Corporate governance-related rules and regulations:
   (1) Board of Directors meeting procedural rules.
   (2) Election Regulations for Directors and Supervisors.
   (3) Code of Ethical Conduct.

Corporate governance-related rules and regulations, which have been reviewed and approved by the Board of Directors. The policy has been announced on the company's internal website, and it can also be accessed by visitors through the Company Important Internal Rules section in the Investors area on the company's official website.

Please see the following path in detail: http://www.sotac.com.tw/web/index/index.jsp

Other important information that can further enhance understanding of the company's corporate governance operations may also be disclosed as a whole: None.

(10) Internal Control System: Implementation Status:

1. Internal Control Statement

Li Shen Kuang Zhe Construction Co., Ltd.
Internal Control System Statement

Previous period: March 5, 115

For the Company's fiscal year 114, the Company’s internal control system, based on the results of its self-assessment, hereby solemnly declares as follows:

1. The Board of Directors and management of the Company are responsible for establishing, implementing, and maintaining the internal control system. The Company has already established this system. The system provides reasonable assurance of achieving objectives related to operating effectiveness and efficiency (including profitability, performance, and safeguarding asset security), the reliability of reporting, and the achievement of compliance and transparency as well as compliance with applicable regulatory requirements and laws and regulations, among other objectives.

2. The internal control system has inherent limitations. No matter how well designed, an effective internal control system can only provide reasonable assurance regarding the achievement of the aforementioned objectives. Moreover, due to changes in environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company’s internal control system includes a self-supervision mechanism. Once any deficiency is identified, the Company will take corrective actions.

III. Based on the Company’s “Internal Control System Handling Standards” (hereinafter referred to as the “Handling Standards”), this Company assesses the effectiveness of the internal control system, including judging whether the design and implementation of the internal control system are effective. The internal control system effectiveness assessment criteria adopted under the “Handling Standards” are based on the process of management control. The internal control system is divided into five components: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Monitoring Activities. Each component further includes several assessment criteria. For the specific assessment criteria, please refer to the provisions of the “Handling Standards.”

IV. This Company has adopted the effectiveness assessment criteria for the internal control system described above and has evaluated the effectiveness of the design and implementation of the internal control system.

V. Based on the above assessment results, this Company believes that, as of December 31, 2025 (ROC year 114) (including supervision and management over subsidiaries), the internal control system of this Company—including the design and implementation to ensure the achievement of operational effectiveness and efficiency objectives, the reliability of reporting, and the compliance with regulations and laws, as well as the transparency and adherence to the applicable regulatory requirements—was effective, and can reasonably ensure the achievement of the above objectives.

VI. This statement will constitute the primary content of this Company’s annual report and disclosure statement and will be made public. If the contents ofthe above disclosure to the public involve any illegal matters such as misrepresentation or concealment, legal liability under Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act will be implicated.

VII. This statement was approved by the Company’s 115th-year March 5th meeting of the former board of directors, with 7 directors in attendance, all expressing their consent to the contents ofthis statement; hereby.

2. The certified public accountant responsible for reviewing the internal control system as part of the accountant’s project review report shall disclose the accountant’s review report: not applicable.

(11) For the most recent fiscal year and up to the date of publication of the annual report, the company and its internal personnel have been penalized in accordance with the law; penalties for the company and its internal personnel for violations ofthe internal control system requirements; major deficiencies and their improvement status: None.

(12) For the most recent fiscal year and up to the date of publication of the annual report, the important resolutions of the shareholders' meeting and the board of directors annual shareholders' meeting

Meeting date	Key resolutions	Implementation Status
June 13, 2025	1. Approved the proposal to recognize the Company's 2024 (Republic of China) business report and financial statements. 2. Approved the proposal to recognize the Company's 2024 (Republic of China) loss appropriation and distribution statement. 3. Approved the proposal to amend certain articles of the Company's Articles of Incorporation. 4. Approved the proposal to amend the operating procedures for loans of funds to others. 5. Approved the proposal to invest in Zhaoxuan Construction Co., Ltd.	Resolved and Followed

Shareholders' Extraordinary Meeting

Meeting Date	Key Resolution Contents	Implementation status
March 28, 2025	1. Approved the proposed acquisition of real estate from a related party. 2. Approved the proposed joint construction transaction with a related party.	Complied with the resolution results
December 11, 2025	1. Approved: The Company plans to conduct a cash capital increase by issuing common shares through a private placement.	Complied with the resolution results
January 13, 2026	1. Approved: The Company plans to invest in the case of Yuen-Hsuan Development and Construction Co., Ltd. 2. Approved: The Company's proposal to amend the "Asset Acquisition or Disposal Procedures." 3. Approved: The proposal to amend certain provisions of the Company's articles of incorporation.	Complied with the resolution results

Board of Directors

Meeting date	Key Resolution Content
February 3, 2025	1. Resolved to approve the Company's proposal regarding the pricing matters for the Company's 113th private placement of common shares and the first private placement. 2. Resolved to approve the Company's proposal regarding the pricing matters for the Company's 113th private placement of common shares and the second private placement. 3. Resolved to approve amendments to certain provisions of the Company's "Compensation and Remuneration Policy for Directors and Managers." 4. Resolved to approve the Company's proposed relocation of its address. 5. Resolved to approve the Company's proposed lease of an office from a related party. 6. Resolved to approve the internal control system for the construction business unit's construction industry. 7. Resolved to approve the proposed acquisition of real estate from related parties. 8. Resolved to approve the relevant matters for convening the Company's first extraordinary shareholders' meeting in 2025.
February 21, 2025	1. Resolved to approve the internal control system for the construction business and sales agency business of the Real Estate Development Division. 2. Resolved to approve the proposed joint development transaction with related parties. 3. Resolved to approve the addition of the reporting matters and the convening rationale for the Company's first extraordinary shareholders' meeting in 2025.
March 14, 2025	1. Resolved to approve the financial statements for the Republic of China year 113. 2. Resolved to approve the loss allocation and appropriation statement for the Republic of China year 113. 3. Resolved to approve the business report for the Republic of China year 113. 4. Resolved to approve the auditors' fees for the Republic of China year 114. 5. Resolved to approve the assessment of the independence and suitability of the certified public accountant who signs the Company's financial reports. 6. Resolution approving the assessment of the effectiveness of the internal control system for the fiscal year 113 (Republic of China) and the Internal Control System Statement.

Meeting date	Important Resolutions Content
	7. The resolution was approved to amend certain articles of the Company's Articles of Incorporation. 8. The resolution was approved to amend certain provisions of the Company's internal control system (Payroll Cycle). 9. The resolution was approved to accept shareholders' proposal rights. 10. The resolution was approved to convene the Company's 114th annual general meeting of shareholders.
April 30, 2025	1. The resolution was approved to amend the procedures for the Company's loans of funds to other parties. 2. The resolution was approved for the Company's proposed provision of management services to related parties. 3. The resolution was approved for transactions between the Company and sales customers and suppliers. 4. The resolution was approved to amend certain provisions of the Company's internal control system (Payroll Cycle). 5. Resolution approved the internal audit implementation guidelines for the Construction, Real Estate Development & Construction, and Sales Agency businesses of the Real Estate Development Division. 6. The resolution approved amendments to certain articles of the company bylaws. 7. The resolution approved the Company's first-quarter financial statements for 114. 8. The resolution approved the cancellation of the land acquisition and co-development project related to land lot No. 179 in Lixing Section, Linkou District, New Taipei City. 9. The resolution approved the Company's proposed investment in Zhaoxuan Construction Co., Ltd. 10. The resolution approved the addition of the agenda items for the Company's 114th annual general meeting of shareholders.
July 18, 2025	1. The resolution approved the Company's loan of funds between related parties. 2. The resolution approved the Company's matters related to the private placement of common shares in 113 and the related third private placement pricing.
August 6, 2025	1. The resolution approved the Company's second-quarter financial statements for 114. 2. The resolution approved the Company's application for credit facilities from Hua Nan Commercial Bank as needed for operational development. 3. The resolution approved the Company's proposed acquisition of shares in Zhaoxuan Construction Co., Ltd.
October 23, 2025	1. Resolved to approve the Company's proposed investment in Yu Xuan Development and Construction Co., Ltd. 2. Resolved to approve the Company's plan to conduct a cash increase by issuing common shares through a private placement. 3. Resolved to convene the Company's second extraordinary shareholders' meeting in 2025 and approve related matters.
November 11, 2025	1. Resolved to approve the Company's financial statements for the third quarter of 2025. 2. Resolved to approve the general principles for establishing the Company's Pre-Approved Non-Assurance Services Policy. 3. Resolved to approve the Company's internal audit plan for fiscal year 2026. 4. Resolved to approve amendments to the Company's "Board Meeting Procedure Rules." 5. Resolved to approve amendments to the Company's "Position Authorization and Approval Authority Management Guidelines." 6. Resolved to approve the replacement of the Company's share registrar and transfer agent. 7. Resolved to approve the appointment/transfer of the Company's chief accounting officer.
November 25, 2025	1. Resolved to approve the company's accounting supervisor salary adjustment proposal. 2. Resolved to approve the amended "Asset Acquisition or Disposal Procedures" of the company. 3. Resolved to approve the company's proposed investment in Yuxuan Development and Construction Co., Ltd. 4. Resolved to approve the company's proposed authorization of the Chairman to establish a land development budget. 5. Resolved to approve the company's arrangements for convening the first extraordinary shareholders' meeting in 2026.
December 10, 2025	1. Resolved to approve amendments to certain provisions of the company's articles of incorporation. 2. Resolved to approve the company's addition of arrangements for convening the first extraordinary shareholders' meeting in 2026.
January 21, 2026	1. Resolved to approve the company's financial budget for fiscal year 2026. 2. Resolved to approve the company's end-of-year bonus for managers for fiscal year 2025. 3. Resolved to approve the adjustment to the General Manager's salary.
February 25, 2026	1. Resolved to approve matters related to reissuing shares for the change of the company name in accordance with the relevant procedures. 2. Resolved to approve matters related to the 114-year private placement of common shares and the first private placement pricing, to be handled by this company.

Meeting Date	Key Resolutions
	3. Resolved to approve the Company’s proposal to handle matters related to the private placement of ordinary shares in 2025 (114) and the pricing for the second private placement. 4. Resolved to approve the Company’s proposal to handle matters related to the private placement of ordinary shares in 2025 (114) and the pricing for the third private placement.
March 5, 2025	1. Resolved to approve the Company’s standalone financial statements, consolidated financial statements, and business report for fiscal year 2025 (114). 2. Resolved to approve the Company’s proposal regarding the allocation of losses for fiscal year 2025 (114) and the decision not to distribute shareholder dividends. 3. Resolved to approve the Company’s proposal for fiscal year 2025 (114) to not distribute employee remuneration and director remuneration. 4. Resolved to approve the Company’s evaluation of the suitability and independence of the certified public accountant who will audit the financial statements. 5. Resolved to approve the Company’s statement on internal control systems for fiscal year 2025 (114). 6. Resolved to approve the Company’s proposed investment in Zhaoxuan Construction Co., Ltd. 7. Resolved to approve the Company’s plan to issue unsecured domestic convertible corporate bonds via a private placement. 8. Resolved to approve amendments to the Company’s transaction with sales customers. 9. Resolved to approve the acceptance of shareholders’ proposal rights. 10. Resolved to approve the convening of the Company’s 115th annual general meeting of shareholders.

(Thirteen) In the most recent fiscal year and up to the date of publication of the annual report, if the directors or supervisors had dissenting opinions regarding significant resolutions passed by the board and such opinions are recorded or accompanied by written statements, the main content is: None.

Four. Information on the Fees ofthe Certifying Accountant

Name of accounting firm	Accountant Full Name	Audit-related Fees	Non-audit Fees	Auditor Review Period	Remarks
Ernst & Young Joint Accounting Firm	Huang Hsi-Ting Chi Shih-Chin	2,580,000	959,000	114.01.01~114.12.31	Non-audit fees include tax visa services, business registration, audit of compensation for non-managerial roles, and review of internal control systems, etc.

(1) If the audit-related fees paid for the year after replacing the accounting firm and the accounting firm are lower than those of the previous year, the amount and proportion of the reduction in audit-related fees before and after the change and the reasons shall be disclosed: No such situation.

(2) If the audit-related fees decrease by 15% or more compared with the previous year, the amount and proportion of the reduction in audit-related fees and the reasons shall be disclosed: No such situation.

5. Update of Accountant Information: None.

6. Information on the chairperson of the board, the general manager, and any managers responsible for financial or accounting matters of the company who, within the past year, were employed by the auditing/accounting firm of the certifying accountant or any of its related entities:

7. Summary of Changes in Equity Transfers and Equity Pledges of Directors, Supervisors, Managers, and Shareholders Whose Shareholding Percentage Exceeds 10%, from the Most Recent Years up to the Date of Publication of the Annual Report:

(1) For Fiscal Year 114 and up to the date of publication of the annual report, the changes in equity transfers and equity pledges of directors, supervisors, managers, and shareholders whose shareholding percentage exceeds 10% are as follows:

Title	Full Name	Remarks	114 Year		115 As of Year 115 Year 04 Month 04 Day	
			Number of Shares Held Increases (Decreases)	Number of pledged shares increased (decreased): Shares	Number of shares held increased (decreased): Shares	Number of pledged shares increased (decreased): Shares
Chairman of the Board	Yongxuan Development & Investment Co., Ltd.		16,700,000	7,800,000	16,000,000	14,380,000
	Legal Representative: Chen Ming-Hong		0	0	0	4,059,000
Director	Kechen Investment Co., Ltd.		1,750,000	0	1,500,000	0
	Legal Representative: Xie Sen-Gang		0	0	0	0
Director	Yangfa Investment Co., Ltd.		3,100,000	0	3,000,000	0
	Legal Representative: Li Rong-Fa		0	0	0	0
Director	Jingwen Zhang		3,150,000	0	4,500,000	0
Independent Director	Junkai Huang		0	0	0	0
Independent Director	Xinyi Qiu		0	0	0	0
Independent Director	Wenting Zhang		0	0	0	0
General Manager	Xuehua Li		0	0	0	0
Management Committee / Finance Controller	Chengxian Yu	Note 1	0	0	0	0
Accounting / Corporate Governance Manager	Xiaoling Chi		0	0	0	0

Note 1: The managing director/accounting manager Yu Cheng-Hsien resigned on 114/11/11.

(2) If the counterparty for equity transfer or equity pledge is a related party, the counterparty's name, relationship with the company, directors,
supervisors, and shareholders holding more than 10% of the shares, as well as the number of shares acquired or pledged: None.

VIII. Information on Shareholders in the Top Ten by Shareholding Ratio, and Whether Any of Them Are Related Parties as Defined in Statement No. 6 of the Financial Accounting Standards, or Are Spouses or Within the Second Degree of Kinship:

04/04/115

Name	I hold shares		Shares held by a spouse and minor children		Shares held in aggregate under another person's name		The top ten shareholders have interrelated relationships with Related Parties or Are Spouses, Within Two Degrees of Kinship For relatives within this relationship, their name(s) and relationship.		Remarks
	Shares	Shareholding ratio	Shares	Shareholding percentage	Number of shares	Shareholding percentage	Name or (Name)	Relationship	
Yongxuan Develop- ment Investment Co., Ltd.	39,680,000	41.47%	0	0.00%	0	0.00%	None	No	None
Chen Ming-Hong	4,059,000	4.24%	0	0.00%	39,680,000	41.47%	None	No	None
Zhang Jing-Wen	8,868,000	9.27%	0	0.00%	0	0.00%	Zhang Caifeng	Mother and daughter	None
Yangfa Investment Co., Ltd.	7,724,000	8.07%	0	0.00%	0	0.00%	None	No	None
Li Rong-Fa	0	0.00%	0	0.00%	7,724,000	8.07%	None	No	None
Kechen Investment Co., Ltd.	4,062,000	4.25%	0	0.00%	0	0.00%	None	No	None
Hsieh Sen-Kang	0	0.00%	0	0.00%	4,062,000	4.25%	None	No	None
Lu Tsai-Ni	2,942,350	3.07%	0	0.00%	0	0.00%	None	No	None
Chen, Wu-Hong	1,595,250	1.67%	0	0.00%	0	0.00%	None	None	None
Chang Cai-Feng	1,218,000	1.27%	0	0.00%	0	0.00%	Jingwen Zhang	Mother and daughter	None
Lin Chao-chin	1, 125,000	1. 17%	0	0.00%	0	0.00%	None	None	None
Huang Hui-qian	931,809	0.97%	0	0.00%	0	0.00%	None	None	None

9. The shareholding positions of the company, the company's directors, supervisors, managers, and any businesses directly or indirectly controlled by the company in the same invested entity, and the consolidated comprehensive ownership percentage:

As of March 31, 2026

Invested entity	Our Company's Investment		Investments by the directors, supervisors, managers, and those directly or indirectly controlling the Company		Total Investment	
	Shares	Shareholding Percentage %	Shares	Shareholding Percentage %	Shares	Shareholding Percentage %
DigicubeTechnology Co., Ltd. Company Notes (1)	2,871,055	99%	_	_	2,871,055	99%

Note 1: This refers to the company's long-term investments.

III. Fundraising Status

I. Capital and Shares

(1) Source of Share Capital

1. Process of forming the share capital

Unit: thousand shares; thousand dollars

Year and month	Offering price	Authorized share capital		Paid-in Capital		Remarks		
		Number of shares	Amount	Number of Shares	Amount	Source of Capital	Other than cash Property used to offset share subscription payments	Other
75.08	—	—	5,000	—	5,000	Establishment	—	—
84.08	—	—	10,000	—	10,000	Cash Increase in Capital of NT$5,000 thousand	—	Note 1
88.04	—	—	30,000	—	30,000	Cash Increase in Capital of NT$20,000 thousand	—	Note 2
89.06	10	6,000	60,000	6,000	60,000	Capitalization of Retained Earnings of NT$28,893 thousand and capitalization of Shareholders' Accounts of NT$1,107 thousand	—	Note 3
89.12	20	30,000	300,000	14,919	149,194	Cash Increase in Capital of NT$65,000 thousand and Capital Increase from Merger of NT$24,194 thousand	—	Note 4
90.07	10	30,000	300,000	21,236	212,356	Capitalization of Retained Earnings and Employee Bonuses of NT$63,162 thousand	—	Note 5
91.03	38	30,000	300,000	27,036	270,356	Cash capital increase of 58,000 thousand yuan	—	Note 6
91.09	10	60,000	600,000	35,690	356,900	Capital increase from retained earnings and employee bonuses of 86,544 thousand yuan	—	Note 7
91.11	30	60,000	600,000	40,000	400,000	Cash capital increase of 43,100 thousand yuan	—	Note 8
92.08	10	88,900	889,000	44,736	447,364	Capital increase from retained earnings and employee bonuses of 27,364 thousand yuan, and capital increase from capital surplus of 20,000 thousand yuan	—	Note 9
93.08	10	108,900	1,089,000	49,587	495,871	Capital increase from retained earnings and employee bonuses of 48,507 thousand yuan	—	Note 10
93.10	10	108,900	1,089,000	50,376	503,763	Conversion of corporate bonds into ordinary shares of 7,892 thousand yuan	—	Note 11
94.08	10	108,900	1,089,000	51,477	514,773	Capital increase from retained earnings of 10,075 thousand yuan and capital increase from employee bonuses of 935 thousand yuan	—	Note 12
96.10	10	108,900	1,089,000	61,671	616,713	Conversion of corporate bonds into ordinary shares of 101,940 thousand yuan	—	Note 13
98.08	10	108,900	1,089,000	29,127	291,279	Company reduction of capital by canceling ordinary shares of 325,440 thousand yuan	—	Note 14
98.11	5.67	108,900	1,089,000	34,447	344,472	Company private placement issuance of ordinary shares of 53,193 thousand yuan	—	Note 15
99.04	8.50	108,900	1,089,000	55,920	559,202	The company processes the private placement issuance of ordinary shares amounting to 214,730 thousand yuan	—	Note 16
100.03	6.82	108,900	1,089,000	56,005	560,052	The company processes the conversion of warrants into the issuance of ordinary shares amounting to 850 thousand yuan	—	Note 17
101.03	6.82	108,900	1,089,000	56,083	560,832	The company processes the conversion of warrants into the issuance of ordinary shares amounting to 779 thousand yuan	—	Note 18
101.11	6.82	108,900	1,089,000	56,099	560,989	The company processes the conversion of warrants into the issuance of ordinary shares amounting to 158 thousand yuan	—	Note 19
102.06	6.82	108,900	1,089,000	56,125	561,249	The company processes the conversion of warrants into the issuance of ordinary shares amounting to 260 thousand yuan	—	Note 20
103.06	6.82	108,900	1,089,000	56,135	561,347	The company processes the conversion of warrants into the issuance of ordinary shares amounting to 98 thousand yuan	—	Note 21
103.12	6.82	108,900	1,089,000	56,302	563,019	The company processes the conversion of warrants into the issuance of ordinary shares amounting to 1,672 thousand yuan	—	Note 22
104.05	11.85 10.30	108,900	1,089,000	57,546	575,459	The company processes the conversion of warrants into the issuance of ordinary shares amounting to 12,440 thousand yuan	—	Note 23
105.07	11.85	108,900	1,089,000	25	250	The company processes the conversion of warrants into the issuance of ordinary shares amounting to 250 thousand yuan	—	Note 24

Year and month	Issue price	Authorized share capital		Paid-in share capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Other than cash To be used to settle the share subscription payment by property	Other
105.10	10	108,900	1,089,000	28,785	287,854	Company reduces capital and cancels ordinary shares of 287,854 thousand yuan	_	Note 25
106.09	3.08	108,900	1,089,000	20,000	200,000	The company issues common shares in a private placement of NT$200,000 thousand.	_	Note 26
108.11	10	136,000	1,360,000	34,588	345,888	The company reduces capital by eliminating common shares of NT$141,966 thousand.	_	Note 27
109.07	10	136,000	1,360,000	40,588	405,888	Cash capital increase of NT$60,000 thousand.	_	Note 28
114.03	22.9	150,000	1,500,000	59,588	595,888	The company issues common shares in a private placement of NT$190,000 thousand.	_	Note 29
114.09	17.6	150,000	1,500,000	70,588	705,888	The company issues common shares in a private placement of NT$110,000 thousand.	_	Note 30
115.03	15.2	150,000	1,500,000	95,688	956,888	The company issues common shares in a private placement of NT$251,000 thousand.	_	Note 31

Note 1: August 15, 1995, Jian No. (Civil) 01006573
Note 2: July 22, 1999, No. 88311595
Note 3: August 1, 2000, Jing (089 Zhong) Zi No. 89471246
Note 4: On March 23, 2001 (Republic of China year 90), through Document (90) Shang Zi No. 09001096920
Note 5: On October 9, 2001 (Republic of China year 90), through Document (90) Shang Zi No. 09001399090
Note 6: On March 21, 2002 (Republic of China year 91), through Document (91) Shang Zi No. 09101094730
Note 7: On September 16, 2002 (Republic of China year 91), through Document (91) Shang Zi No. 09101376770
Note 8: On November 18, 2002 (Republic of China year 91), through Document (91) Shang Zi No. 09101469070
Note 9: On August 7, 2003 (Republic of China year 92), through Letter of Authorization by Ministry of Economic Affairs (授中字) No. 09232463360
Note 10: On August 16, 2004 (Republic of China year 93), through Letter of Authorization by Ministry of Economic Affairs (授中字) No. 09332576190
Note 11: On October 18, 2004 (Republic of China year 93), through Letter of Authorization by Ministry of Economic Affairs (授中字) No. 09301198890
Note 12: On August 23, 2005 (Republic of China year 94), through Document (94) Shang Zi No. 09401163670
Note 13: On November 6, 2007 (Republic of China year 96), through Document (96) Shang Zi No. 09601271230
Note 14: August 10, 2009, under Letter No. 09832828540 (Jing-Shou-Zi)
Note 15: November 4, 2009, under Letter No. 09833352810 (Jing-Shou-Zi)
Note 16: April 1, 2010, under Letter No. 09901063930 (Jing-Shang-Zi)
Note 17: March 30, 2011, under Letter No. 10001062530 (Jing-Shang-Zi)
Note 18: March 7, 2012, under Letter No. 10101037330 (Jing-Shang-Zi)
Note 19: November 21, 2012, under Letter No. 10101241680 (Jing-Shang-Zi)
Note 20: June 26, 2013, under Letter No. 10201120080 (Jing-Shang-Zi)
Note 21: June 19, 2014, under Letter No. 10301109740 (Jing-Shang-Zi)
Note 22: December 9, 2014, under Letter No. 10301242390 (Jing-Shang-Zi)
Note 23: May 21, 2015, under Letter No. 10401088660 (Jing-Shang-Zi)
Note 24: Republic of China (ROC) 105 July 05, Economic Ministry approval letter No. 10501157570
Note 25: Republic of China (ROC) 105 October 11, Economic Ministry approval letter No. 1055316091
Note 26: Republic of China (ROC) 106 September 30, Economic Affairs Department approval letter No. 1068063496 (New Taipei City Government)
Note 27: Republic of China (ROC) 108 November 28, Economic Affairs Department approval letter No. 1088081033 (New Taipei City Government)
Note 28: Republic of China (ROC) 109 August 07, Economic Affairs Department approval letter No. 1098056474 (New Taipei City Government)
Note 29: Republic of China (ROC) 114 March 14, Economic Ministry approval letter No. 11430029570
Note 30: Republic of China (ROC) 114 September 19, Economic Ministry approval letter No. 11430131900
Note 31: Republic of China (ROC) 115 March 31, Economic Ministry approval letter No. 11530039900

2. Types of Shares

115 April 04 — Unit: Shares

Class of shares	Authorized share capital					Notes
	Shares outstanding			Unissued shares	Total	
	Listed (OTC)	Unlisted (OTC)	Total			
Registered common shares	16,910,760	78,778,118	95,688,878	54,311,122	150,000,000	_

3. Those approved for issuing securities through a blanket registration system: None.

(2) List of Major Shareholders

04/04/115 Unit: Shares

Name of Major Shareholder	Number of shares held ( )	Ownership percentage (%)
Yongxuan Development & Investment Co., Ltd.	39,680,000	41.47%
Zhang Jingwen	8,868,000	9.27%
Yangfa Investment Co., Ltd.	7,724,000	8.07%
Kechen Investment Co., Ltd.	4,062,000	4.25%
Chen Minghong	4,059,000	4.24%
Lü Caini	2,942,350	3.07%
Chen Wuhong	1,595,250	1.67%
Chang Cai-Feng	1,218,000	1.27%
Lin Chao-chin	1,125,000	1.18%
Huang Hui-qian	931,809	0.97%

(3) Company dividend policy and implementation status

1. Dividend policy as set forth in the Articles of Incorporation:Article 26 of the Articles of Incorporation

If the Company has profits for the fiscal year (profits meaning the amount of profit before tax less the profit allocations to employees' remuneration and directors' remuneration), it shall appropriate no less than 1% as employees' remuneration. Among this, the portion allocated to basic-level employees shall not be less than 10% of the total employees' remuneration, and directors' remuneration shall be limited to no more than 3%. However, if the Company still has accumulated losses, the Company shall first reserve the amount required to cover such losses.

The employees' remuneration under the preceding paragraph(s) may be paid in shares or cash, and the recipients may include employees of controlling or subordinate companies that satisfy certain conditions. Directors' remuneration under the preceding paragraph may be paid only in cash.

The matters in the preceding two paragraphs shall be resolved by the board of directors and reported to the shareholders' meeting.

Article 27 of the Company Charter

After the Company closes its annual accounts, the net profits after tax payments made in accordance with law shall first be used to make up for losses of prior years. Next, ten percent of the remaining amount shall be set aside as legal reserve. This requirement shall not apply if the cumulative legal reserve has already reached the Company's paid-in capital. After setting aside or reversing any special reserve required by law, the remaining portion may be combined with the undistributed earnings of prior years to form accumulated distributable earnings. The Board of Directors shall prepare a proposal for the distribution of earnings and submit it to the shareholders' meeting for resolution on whether to distribute or retain such earnings. For the distributable earnings of the current year, after setting aside the legal reserve and the special reserve in accordance with law, the remaining amount shall be allocated to shareholders as dividends and bonuses, of which dividends paid in cash shall be no less than a percentage of

5; provided, however, that the directors may determine the distribution ratio of cash and stock dividends based on actual funding and financial conditions and submit it to the shareholders' meeting for resolution. The remainder shall be undistributed earnings.

2. Proposed dividend distribution for this shareholders' meeting (approved by the Board of Directors and not yet approved by the shareholders' meeting): For FY114, the Company's end-of-year loss to be offset is NT$170,523 thousand. The Board of Directors resolved on March 5, 115 that no dividends will be distributed for the current year, and the matter will be submitted for resolution at the shareholders' annual meeting on June 2, 115.

(4) The impact of the proposed free-of-charge share distribution for this shareholders' meeting on the company's operating performance and earnings per share: Since this shareholders' meeting proposes not to distribute any dividends, it does not apply.

(5) Employee, Director, and Supervisor Remuneration

Employee and Director remuneration percentages or ranges stated in the Articles of Incorporation:

If the Company has annual profits (i.e., profits meaning the amount of profit before tax less employee remuneration and director remuneration), it shall appropriate no less than 1% as employee remuneration. Of this, the remuneration allocated to employees in the grassroots level shall not be less than 10% of the total employee remuneration; and director remuneration shall be limited to no more than 3%. However, if the Company still has accumulated losses, it shall first reserve the amount required to cover such losses.

The foregoing employee remuneration may be paid in the form of stock or cash, and the recipients may include employees of controlling or affiliated companies that meet certain conditions. The foregoing director remuneration may be paid only in cash.

The foregoing shall be resolved by the Board of Directors and reported to the Shareholders' Meeting.

1. Accounting treatment in the event that the estimate basis for the amounts of employee and director remuneration for the current period, the calculation basis of the number of shares for employee remuneration to be allocated in stock, and the actual distribution amounts differ from the estimated figures: Since the Company is still in a position of accumulated losses this year, no employee remuneration and director remuneration amounts have been estimated.

2. Board of Directors' approval of the remuneration distribution: None.

3. Shareholders' Meeting report on the remuneration distribution and results: None.

4. Actual distribution of remuneration for employees, directors, and supervisors in the prior year: None.

(6) Share repurchase by the Company: None.

II. Corporate Bond Processing Status:

The company has not issued any corporate bonds.

III. Preferred Stock Processing Status:

The company has not issued any preferred stock.

IV. Processing Status of Overseas Depository Receipts:

The company has not participated in issuing any overseas depository receipts.

V. Status of Handling the Employee Stock Option Certificates:

Type of employee stock option certificate	113 First Batch Employee Stock Options Warrant
Reporting effective period	January 9, 114
Total number of units	4,000 units
Additional Shares (Handled) Previous period	Not yet issued
Number of units already added	0 units
Number of units still available to add	4,000 units
Additional shares subscribed—number of shares issued and total additional shares Number Ratio Rate	6.71%
Subscription period—continuation period	5 years
Performance party—poor	Additional issuance of new shares
Subscription lock-up period and rate (%)	After 2 years, you may exercise the subscription ratio of 30% After 3 years, you may exercise the subscription ratio of 60% After 4 years, you may exercise the subscription ratio of 100%
Executed—number of shares obtained	0
Executed Shares Amount	0
Not executed—number of shares to be subscribed	4,000,000
Subscription price per share not executed	Shall not be lower than the closing price of the Company ' s existing ordinary shares prior to the additional issuance
Not executed share quantity 7 Total number of issued shares percentage (%)	6.71%
Share Option Impacted	The holders of the Company ' s share subscription warrants may exercise the subscription rights only after the subscription warrants granted to them have been outstanding for two years, in accordance with the terms and proportions set forth in this procedure. This will dilute the rights associated with the original share subscription over time. Assuming all subscription warrants are exercised, the dilution ratio of shareholding in the original ordinary shares is approximately 6.71%. The dilution effect is still limited.

VI. Conditions for issuing restricted stock under the subscription rights: None.

VII. Conditions for issuing additional issuance of new shares through subscription or transfer of shares of another company: None.

VIII. Utilization and Deployment of Funds in Connection With Execution:

As of the end of the quarter immediately preceding the publication of the annual report, and for any past rounds of related-party transactions or privately placed securities that have not yet been completed or have been completed within the past three years but whose intended benefits have not yet been realized, the details are as follows:

1. Cash capital increase through private placement of common shares for fiscal year 113

(1) Plan details:

1. Contents of the shareholders' resolution: The extraordinary shareholders' meeting on September 19, 113 resolved to authorize the board of directors to, within an amount not exceeding thirty million shares, determine in accordance with market conditions and the company's actual needs for future business development, and complete the issuance in three installments within one year from the date of the shareholders' resolution.

2. Number of shares to be issued under this plan and total funds required:

（1）First private placement of common shares: 10,000,000 shares, issued at NT$22.90 per share, for a total amount of NT$229,000,000 raised.

（2）Second private placement of common shares: 9,000,000 shares, issued at NT$22.90 per share, for a total amount of NT$206,100,000 raised.

（3）Third private placement of common shares: 11,000,000 shares, issued at NT$17.60 per share, for a total amount of NT$193,600,000 raised.

3. Use of proceeds: to strengthen working capital, for investments, or for related matters such as acquiring real estate.

(2) Implementation status:

The proceeds are intended to strengthen working capital, for investments, or for related matters such as acquiring real estate. As of the end of the first quarter prior to the date of printing of the annual report, proceeds from the private placement for fiscal year 113 totaled NT$628,700,000, of which NT$511,312,364 has been used.

II. Cash increase in capital through private placement of common shares for fiscal year 114

(1) Plan details:

1. Shareholders' meeting resolution: The extraordinary general meeting of shareholders held on December 11, 114 adopted the resolution to authorize the board of directors to, within a limit of no more than 30,000,000 shares, determine the timing and conduct the issuance in three tranches within one year from the date of the shareholders' meeting resolution, taking into account market conditions and the actual circumstances of the company's future business development.

2. Number of shares to be issued and total funds required for this plan:

（1）First private placement of common shares: 10,000,000 shares, issued at NT$15.20 per share, for a total amount of NT$152,000,000 raised.

（2）Second private placement of common shares: 10,000,000 shares, issued at NT$15.20 per share, for a total amount of NT$152,000,000 raised.

（3）Third private placement of common shares: 5,100,000 shares, issued at NT$15.20 per share, for a total amount of NT$77,520,000 raised.

3. Use of proceeds: To strengthen working capital, for investment in other companies, or for related matters such as purchasing real estate.

(2) Implementation status:

The proceeds are intended to strengthen working capital, for investment in other companies, or for related matters such as purchasing real estate. As of March 11, 115, the private placement subscription funds received amounted to NT$381,520,000. As of before the date of printing the annual report and up to the end of the first quarter, the funds in the private placement subscription account have not yet been utilized.

IV. Operational Overview

I. Business Scope

(1) Business Coverage

1. Main Business Activities of the Company

I. F113020 Electrical Appliance Wholesale

II. F213010 Electrical Appliance Retail

III. F401010 International Trade

IV. F113010 Machinery Wholesale

V. F106010 Hardware Wholesale

VI. F211010 Building Materials Retail

VII. F205040 Retail Business of Furniture, Bedding, Kitchen Utensils, and Home Installations

VIII. F204110 Retail Business of Textiles, Clothing, Shoes, Hats, Umbrellas, and Accessories

IX. F109070 Wholesale Business of Educational, Musical, and Recreational Supplies

X. CC01040 Lighting Equipment Manufacturing

XI. F102030 Wholesale Business of Tobacco and Alcohol

XII. F102040 Wholesale Business of Beverages

XIII. F203020 Retail Business of Tobacco and Alcohol

XIV. F106020 Wholesale Business of Daily Necessities

XV. F119010 Wholesale Business of Electronic Materials

XVI. F219010 Retail Business of Electronic Materials

Seventeen, Bicycle and Its Parts Manufacturing Industry

Eighteen, Information Software Services Industry

Nineteen, Computer and Its Peripheral Equipment Manufacturing Industry

Twenty, Battery Manufacturing Industry

Twenty-one, Data Storage Media Manufacturing and Copying Industry

Twenty-two, Motorcycle and Its Parts Manufacturing Industry

Twenty-three, Wholesale of Bicycles and Their Parts Industry

Twenty-four, Wholesale of Batteries Industry

Twenty-five, Machinery Equipment Manufacturing Industry

Twenty-six, Retail of Bicycles and Their Parts Industry

Twenty-seven, F213110 Battery Retail

Twenty-eight, F108040 Cosmetics Wholesale

Twenty-nine, F208040 Cosmetics Retail

Thirty, F206020 Daily Necessities Retail

Thirty-one, F102170 Wholesale Business of Food and Grocery

Thirty-two, F203010 Retail Business of Food and Grocery and Beverages

Thirty-three, F118010 Wholesale Business of Information Software

Thirty-four, F218010 Retail Business of Information Software

Thirty-five, E605010 Computer Equipment Installation Business

Thirty-six, E701030 Telecommunications Radio Frequency Equipment Regulation and Installation Engineering Business

Thirty-seven, IG03010 Energy Technology Services

Thirty-eight, E601020 Electrical Appliance Installation Business

Thirty-nine, E603090 Lighting Equipment Installation Engineering Business

Forty, H701010 Residential and Building Development, Leasing and Sales Business

Forty-one, H703090 Real Estate Brokerage

Forty-two, H703100 Real Estate Leasing

Forty-three, E801010 Interior Furnishing and Decoration

Forty-four, F111090 Building Materials Wholesale

Forty-five, I401010 General Advertising Services

Forty-six, ZZ99999 Notwithstanding businesses permitted other than those requiring a license, the company may conduct businesses that are not prohibited or restricted by law

2. Business Mix:

Unit: NT$ thousand; %

Year Major Products	114 Year	
	Operating Revenue	Business Proportion (%)
Lighting Equipment	2,767	100.00%
Total	2,767	100.00%

3. Current Company Product/Service Categories:

Category	Item
Lighting Equipment	Fixtures: recessed spotlights, work lights, high-bay lights, outdoor lights, bracket lights, panel lights, pendant lights, ceiling-mounted lights, spotlights, floodlights, track lights, louvered lights, festive lights, under-cabinet lights, linear lights, bathroom vanity lights, wall lamps, headlamps, mirror lights. Light Sources: LED bulbs, PL lights, halogen lamps, neon lights, spiral lamps, tungsten filament lamps, LED tubes, PL energy-saving lamps, fluorescent lights.

4. Product development plan (service):

Refer to market demand for component sourcing and develop new products, making appropriate adjustments based on competitors' circumstances.

(II) Industry Overview

1. Current Status and Development of the Industry

LED lighting products are generally divided into two major categories: LED luminaires and LED light sources. LED luminaire products are mainly based on the high degree of controllability of LED light output, enabling precise configuration for different application scenarios. They are suitable for special lighting effects and high-quality illumination needs, or for use environments that require the luminaire to have various adjustment functions.

They are generally composed of an LED light source, a substrate, an optical lens, an electrical control circuit, a lamp housing, a heat-dissipation structure, a metal main body structure, and a directional adjustment mechanism. Luminaire manufacturers use optical lenses and lamp housings and apply secondary optical technology to achieve the required precise lighting effects. During product development, parameters such as light distribution, beam angle, and cutoff angle are set. In addition, with the assistance of the directional mechanism, the illumination angle can be adjusted, and by using a specially patented structural design embedded into the installation space, or by mounting it on a track for movement and use. Main product types include spotlights, track lights, cabinet lights, recessed lights, desk lamps, and garden lights—various LED luminaire products.

LED light sources are intended to replace traditional light sources, using optical lenses so that after the LED chip emits light, it produces

light distribution that closely resembles the light appearance of traditional light sources, and they also adopt traditional base and socket designs. Under the premise of not replacing the external structure of the lamp, they replace traditional light sources. Main product types include A-lamp (bulb-type), PAR lamps, MR-16, and FL (tube-type) and other types.

LED lighting products tend to be highly customized and characterized by rigorous technology. Although the cost of using LED as the light source for the lighting fixtures remains higher than that of other lighting light sources, the added value of its products is higher, which can reduce users' price sensitivity. In the future, market trends are expected to continue steady growth, and the timing when the market reaches scale is expected to occur earlier than for LED light source products. The main growth driver for LED light source products is the replacement of traditional light source products. Overall scale growth mainly depends on users' sensitivity to price and the relative price of LED products. As LED luminous efficiency improves and lighting costs drop rapidly, prices will continue to move closer to traditional lighting. In addition to users in the original industrial or commercial application fields, general consumers with higher price sensitivity are also beginning to adopt LED light source products to replace their existing traditional lighting, leading to a significant increase in market scale.

2. Interrelationships among upstream, midstream, and downstream sectors in the industry

The Company's primary business is the sale of LED lighting fixtures and finished light source products. We are therefore part of the downstream of the industry. The industry value-chain relationship diagram for the upstream, midstream, and downstream is shown as follows:

3. Product development trends

According to TrendForce ' s latest consulting report, <i>2026 Global LED Lighting Market Trends—Data Database and Vendor Strategies—1H26</i>, the global LED lighting market, after going through external macro-environment fluctuations and demand adjustments, will enter a critical transition period in 2026 that shifts from decline to stability. As end-customer inventory returns to healthy levels, the year-over-year decline in the market is expected to narrow significantly, and overall demand will gradually return to its baseline. More importantly,

Yes—the competitive focus in the lighting industry is undergoing a profound transformation, moving from price-driven product sparring to an upgrade in application-scene value and system-integration capabilities.

After a prolonged period of profit dilution, the LED packaging market is expected to break out of its downward momentum in 2026. With rising upstream material costs, in 2026 the prices of LED packaging are expected to stop the previous declining trend and instead stabilize, resulting in an overall industry outlook of slightly reduced volume with flat pricing. Driven by the implementation of sustainable development policies, carbon-reduction targets, and strengthened green building regulations, the industry structure is experiencing a qualitative shift, and it is expected that the LED lighting industry will

complete its phased base-building period and begin to recover in 2027. TrendForce remains cautiously optimistic about the future market, forecasting that the global LED lighting market size in 2030 will reach US$3.734 billion, with a CAGR of 2.5% from 2025 to 2030.

Overall, the lighting market exhibits the characteristics of a mature market with high fragmentation and intense competition, making economies of scale especially important. At the same time, niche lighting segments with relatively high barriers to entry—such as plant lighting, ocean lighting, and medical lighting—are key application areas for future corporate competition and penetration. For example, Acuity Brands, a leading lighting manufacturer in North America, is actively entering the gas station lighting market, which it has not previously served, with the aim of gaining more market share. It can be seen that resources will further concentrate on major players. In the future, the lighting market will likely evolve toward the strongest "winning big" scenario. In addition, digital transformation remains a development direction that companies continue to pursue. LED lighting combined with smart control systems will be widely deployed across the market, opening up opportunities for growth in demand for second-time replacement.

4. Product competition landscape

Our company is a downstream distributor in the LED industry. The upstream components of our main products include LED components, lamp glass, electronic control systems, metal components, plastic components, and more. After the middle-stream lamp manufacturers produce finished products using these components, the products are then sold by distributors. Because product R&D and manufacturing are primarily commissioned to lamp makers, we have a very close relationship with the middle-stream component industries and the lamp manufacturing industry. Therefore, we must work closely with manufacturers to ensure a stable supply source and lower our purchasing costs, and even participate in R&D and the innovation of new products to improve gross profit margins.

Our downstream customers are major brand distributors and retailers that sell LED lighting products. Our sales targets include domestic lighting manufacturers and wholesale distributors. Because there is a wide range of end-application products and products within the same category are already standardized in terms of specifications, the differences are relatively small. Therefore, we must provide customized services and continually introduce new products to meet the needs of our downstream customers. In addition, many competing manufacturers in China along the same industry chain are also accustomed to engaging in malicious price-cutting competition.

To handle customers' constantly changing needs for production end-use application products quickly, while effectively managing costs and maintaining quality, is also an important issue for sustaining profitability and competitiveness.

(3) Overview of Technology and Research & Development

1、R&D expenditures incurred in recent years

The Company engages in the trading of LED lighting products and small household appliances. It has not invested in R&D expenses or related research and development.

2、Technologies or products successfully developed

The Company sells LED lighting products. In the most recent period, it has not added any specific new R&D achievements. Considering that the LED lighting market consists of widely demanded consumer goods, with constant product updates and innovation, it aims to strengthen the richness and diversity of its merchandise and improve sales performance.

(4) Business Development Plans in the Long and Short Term

1、Short-term business development plan

（1）Expand the sales volume of existing niche products, adopt a high gross margin approach, and increase the Company's profitability.

（2）Continue to develop the market and seize the enormous business opportunities.

（3）Maintain existing supplier relationships and actively develop new suppliers to ensure stable inventory supply and product quality, while strengthening bargaining power to reduce costs.

2、Long-term business development plan

（1）Continue to maintain a good cooperative relationship with customers to create a win-win niche.

（2）Continuously develop new products with high added value to create a competitive advantage for both the company and its customers.

（3）In line with the company's operational needs, funding will be supported through operating capital and bank financing, and both short- and long-term funds will be raised in the capital market and the money market.

II. Market Overview and Production & Sales Performance

(1) Market Analysis

1、Sales (supply) regions of the main goods and services

The company mainly focuses on LED commercial lighting and general household lighting products. Starting in 2022, the primary customer base is domestic clients. The regional sales amounts for 2023 to 2025 are shown in the table below:

Unit: NT$1,000; %

Fiscal year / geographic area	Year 112		Year 113		Year 114	
	Amount	%	Amount	%	Amount	%
Domestic	2,445	100.00	2,778	100.00	2,767	100.00
Net operating revenue	2,445	100.00	2,778	100.00	2,767	100.00

2 、 Market Share

Our company mainly sells LED lighting equipment. For fiscal year 114, our LED lighting equipment revenue was NT$2,767 thousand. Our market share is not high, which shows that there is still considerable room for development for our company in the future. However, market share is not our primary development goal. Our current strategy is to solidify our existing customer base, continuously develop niche markets, and enhance our profitability.

3 、 Competitive Niche

（1）Professional Management Team and Deep Market Development Experience

Our company has a professional management team with strong capabilities and extensive experience, enabling it to accurately grasp and assess the market and future environment, and to formulate the correct, well-defined, and feasible development strategies.

（2）Complete LED Product Line Portfolio

The suppliers we cooperate with produce a wide variety of products such as different types of light sources and luminaires, meeting the diverse needs of the market. In addition, our business departments have accumulated many years of rich market experience. By working with upstream manufacturers on technical collaboration, we can address customers ’ special assembly requirements during use, improve and redesign existing products, and provide them for customers to use widely across different industries and fields. Lixin International will continue to strengthen its Diversified product lines, offering customers a one-stop purchasing service.

（3）Strong Working Relationships with Customers in the Domestic Market

We market in the domestic market. Since LED products have a wide range of applications, the needs of different industries and application scenarios vary. Therefore, the company actively collaborates with customers and provides professional services such as quality control and promptly addressing special requirements related to light output efficacy or appearance design. Our ability to deliver timely, comprehensive service is a competitive advantage.

4 、 Favorable and Unfavorable Factors in the Development Outlook and Corresponding Countermeasures

（1）Favorable Factors

Global LED Lighting Industry Sustained Growth

Light-emitting diode (LED) lighting is a highly efficient, energy-saving, and long-lasting lighting technology. It is a semiconductor device that emits light when an electric current passes through it. It is an economical, cost-effective lighting solution that produces lower carbon emissions and uses less energy than incandescent and fluorescent lamps. It is also resistant to shocks, vibration, and temperature fluctuations, offering higher durability. It generates directional light, enabling precise illumination without the need for additional reflectors or lenses. It helps extend service life while reducing maintenance and replacement costs.

Currently, LED lighting is being adopted increasingly because it provides improved color rendering, ensuring accurate color presentation and driving market growth. In addition, due to growing global demand for durable, long-lasting li

The demand for clear solutions is continuously increasing, and the use of LED lighting is steadily growing, which creates a positive

market outlook. In addition, consumers' growing preference for eco-friendly products provides investors in the industry with lucrative opportunities for growth. Consistent with this, advances in LED lighting technology improve lighting quality, efficiency, and versatility, thereby driving market growth. Moreover, due to the increasing number of renovation and construction activities worldwide, LED lighting employment continues to rise, further strengthening market growth.

（2）Unfavorable Factors and Countermeasures

There is little differentiation among basic lighting products, and competition in the international market is intense, with more participants entering the market. In addition, manufacturers in China have benefited from substantial government subsidies, leading to rapid expansion of production capacity in the past few years. Improvements in technology and economies of scale have increased LED product manufacturing efficiency, triggering price-cutting competition that reduces profit margins.

Countermeasures：

Our company will maintain our existing advantages while developing high-margin markets. On one hand, by strengthening business capabilities across the upstream and downstream supply chain integration and our professional teams, we will consolidate customer relationships and steadily expand the LED light source market. Light source products are mainly manufactured in China by our suppliers, which also helps enhance cost advantages and reduce the impact of price-cutting competition in the market.

On the other hand, by collaborating with LED channel partners, we can quickly understand the latest LED lighting market and development trends and accordingly design and develop LED light source and luminaire products to deliver lighting quality that meets customer needs. We will continuously refine product development for LED light sources and luminaires, actively develop product sales and services, enhance differentiation between our company and other manufacturers, and create a competitive advantage.

(2) Important Uses and Production Processes of the Main Products

1 、 Important Uses of the Main Products

Products	Uses
Lighting Equipment	Indoor lighting, outdoor lighting, building lighting, commercial lighting

2 、 Production Process

Our company currently mainly engages in the trading business of LED lighting products.

(3) Supplier Status of Major Incoming Goods

The main suppliers of our products are as follows:

Main Products	Primary Suppliers	Supply Status
Lighting Equipment	Sun Wing Hing Industrial, Rui Zhong Co., Ltd.	Good

(4) Major purchasing and sales customers list for the most recent two years

1 、 Vendors Unit：NT$ thousand; % that accounted for 10% or more of the total purchasing amount in any one of the most recent two years

Item	Fiscal Year 113				Year 114				For fiscal year 115, up to the previous quarter (2)			
	Name Note (1)	Amount	Percentage of the total annual net purchases [%]	Relationship with the issuer	Name Note (1)	Amount	Percentage of total annual net purchases[%]	Relationship with the issuer	Name note (1)	Amount	Share of the current year Ending as of Previous quarter Net purchases amount ratio[%]	Relationship with the issuer
1	Vendor A	614	50.00	None	Vendor A	636	44.04	None	Supplier B	147	64.47	None
2	Vendor B	363	29.56	None	Vendor B	522	36.15	None	Supplier A	81	35.53	None
3	Vendor C	176	14.33	None	Vendor D	236	16.34	None				
4	Other	75	6.11		Other	50	3.47					
	Purchases Net amount	1,228	100.00		Purchases Net amount	1,444	100.00		Purchases Net amount	228	100.00	

Reasons for changes in purchases: This year, due to an increase in customer orders, the purchase amount increased compared with the previous year.

Note 1: Specify the supplier names representing 10% or more of the total purchases over the most recent two years, along with their purchase amounts and percentages; however, as contract terms prohibit disclosure of supplier names or that the counterparties are individuals and not related parties, they may be given as codes.

Note 2: Prior to the publication date of the annual report, companies whose shares or stocks are traded at securities firms' business premises that have any most recent financial information reviewed or audited and certified by accountants shall also be disclosed.

2 、 Customers that accounted for 10% or more of the total sales in any one of the most recent two years

Unit：NT$ in thousands； %

Item	Fiscal Year 113				2025 Fiscal Year				For fiscal year 115, as of the end of the previous quarter (2)			
	Name Note (1)	Amount	Percentage of Full-Year Full-Year Net Sales Rate (%)	Relationship with the issuer	Name ref (1)	Amount	As a percentage of the full year Net sales for the year Ratio (%)	Relationship with the Issuer	Name note (1)	Amount	For the current year As of Previous quarter Net sales ratio (%)(%)	Relationship with the issuer
1	Customer A	1,766	63.57	None	Customer A	2,009	72.61	None	Customer A	357	40.85	None
2									Customer B	267	30.52	None
3									Customer C	245	28.03	None
4												
	Other	1,012	36.43		Other	758	27.39		Other	5	0.60	
	Sales Net Amount	2,778	100.00		Sales Net amount	2,767	100.00		Sales Net amount	874	100.00	

Reason for changes in sales volume: attributed to shifts in market trends and changes in customers' product demand.

Note 1: Specify the names of customers accounting for 10% of the total sales over the most recent two years, along with their sales amounts and proportions. However, if the contract stipulates that the supplier's name must not be disclosed, or the counterparty is an individual and not a related party, the information may be provided using codes.

Note 2: As of the date of publication of the annual report, if listed companies or companies whose shares are traded on a securities firm's premises have any more recent financial information that has been audited, attested, or reviewed by certified public accountants, such information shall also be disclosed.

Section 3. Employee Data for the Recent Two Fiscal Years and Up to the Date of Publication of the Annual Report

Number of employees for the most recent two fiscal years and up to the date of publication of the annual report:

March 31, 2026

Fiscal year		113th fiscal year	114th fiscal year	As of March 31, 2026
Number of employees	Indirect employees	0	0	0
	Direct employees	10	8	7
	Total	10	8	7
Average age		51.00	41.00	45.00
Average Service Years		12.44	8.19	9.30
Education level distribution (%)	Doctor	0.00%	0.00%	0.00%
	Master	10.00%	0.00%	0.00%
	Junior College	80.00%	100.00%	100.00%
	High School	10.00%	0.00%	0.00%
	High School or Below	0.00%	0.00%	0.00%

IV. Environmental Protection Expenditure Information

1. In accordance with legal requirements, if the business is required to apply for a permit for the establishment of pollution-control facilities or a permit for pollution discharge, or to pay pollution-prevention fees, or to appoint personnel dedicated to environmental protection, an explanation of the circumstances regarding the application, payment, or appointment

   (1) Application status for the permit for the establishment of pollution-control facilities or the pollution discharge permit: Not applicable.

   (2) Payment status for pollution-prevention fees: Not applicable.

   (3) Appointment status for personnel dedicated to environmental protection: Not applicable.

   The Company's business is the trading of LED lighting products. There are no issues related to environmental pollution. Therefore, there are no losses incurred due to environmental pollution, and no significant environmental protection capital expenditures are expected in the future. Accordingly, this information on environmental protection expenditures is not applicable for disclosure.

2. Investment in the major equipment for preventing environmental pollution, its intended use, and possible benefits: None.

3. For the most recent two fiscal years and up to the date of publication of the annual report, the Company's process for improving environmental pollution; if there were any pollution-related disputes, the process for handling them as well: None.

4. For the most recent two fiscal years and up to the date of publication of the annual report, the total amount of losses (including compensation) and dispositions incurred by the Company due to environmental pollution, and disclosure of future response measures (including improvement measures) and possible expenditures (including the estimated amounts of losses, dispositions, and compensation that may occur if response measures are not adopted; if the estimated amounts cannot be reasonably determined, the facts that the Company cannot reasonably estimate): None.

5. The current state of pollution and its impact on the company's earnings, competitive position, and capital expenditures, as well as the major environmental capital expenditures expected in the next two fiscal years: None.

5. Labor-Management Relations

1. Company policies and measures regarding employee benefits, further education, training, retirement systems, and their implementation status, as well as labor-management agreements and measures in place to protect employees' rights and interests:

(1) Employee Benefits Measures

A. Employee Birthday Celebration Events: Held monthly to celebrate employees' birthdays and present birthday cash gifts to those whose birthdays fall in the month.

B. Holiday Events: Host various holiday celebration activities and distribute employee gift vouchers and gifts.

C. Employee Travel: Each year, organize one-day and multi-day domestic and overseas employee trips to host company employees to visit and tour various scenic attractions.

D. Year-End Party Dinner: Each year, hold the year-end party dinner and raffle drawing activities to reward employees for their hard work throughout the year.

E. Handle labor insurance and national health insurance in accordance with the law so that employees can enjoy labor insurance benefits and health insurance outpatient medical services.

(2) Employee Further Education and Training Status

To cultivate talent across all levels, unleash employees' potential, and achieve work objectives. Training is carried out in accordance with the Company's "Education and Training" policy, with planned implementation of various training programs. The training framework is defined as in-house training and off-site training, ensuring that all employees have the appropriate capabilities to perform their jobs.

(3) Retirement System and Its Implementation Status:

Since July 1, 2005 (Republic of China calendar year 94), our company has complied with the implementation of the Labor Pension Act. On and from that date, pension benefits are deposited by our company on a monthly basis at a rate of no less than 6% of the employee's monthly salary, and stored in each employee's individual pension account.

(4) Status of Agreements Between Labor and Management and Measures to Protect Employees' Rights and Benefits

Our company maintains a harmonious labor-management relationship; therefore, there are currently no labor-management agreements. Each department of our company has established comprehensive operating procedures, and, in accordance with relevant laws and internal control requirements, ensures the realization of employees' rights and the fulfillment of their responsibilities. In addition, the company has a sound communication mechanism that values the exchange of opinions between employees and supervisors. Based on this, the company can make the most appropriate decisions to safeguard the rights and interests of both employees and the company.

2. Losses Suffered Due to Labor-Management Disputes in the Most Recent Fiscal Year and as ofthe Date of Publication of the Annual Report, and the Estimated Amounts and Contingency Measures That May Occur Currently and in the Future:

(1) Losses Suffered Due to Labor-Management Disputes in the Most Recent Two Fiscal Years up to the Date of Publication of the Annual Report: Our company places importance on employee welfare and has implemented the sharing of corporate profits with employees. Therefore, labor-management relations have remained harmonious over the years, and no material labor-management disputes have occurred.

(2) Estimated Amounts That May Occur Currently and in the Future: In light of the company's related management rules and systems, and to comply with government legal requirements, the likelihood of labor-management disputes is extremely low. Our company does not provide any estimate for this amount.

(3) Contingency Measures: Considering changes in the times and the promulgation of new regulations, the company will, as needed, revise related management rules and systems from time to time to ensure they are more timely and compliant, thereby preventing labor-management disputes from occurring.

6. Information Security Management

(1) Information Security Management

1. Information Security Risk Management Framework

(1) The Company's Administration Department is responsible for planning, implementing, and promoting information security management initiatives, and for fostering information security awareness.

(2) The Audit Office of the Company serves as the auditing unit for information security oversight. If any deficiencies are identified during an audit, the audited units are immediately required to submit related improvement plans and report them to the Board of Directors, and the Company will regularly track the effectiveness of the improvements to reduce internal cybersecurity risks.

2. Information Security Policy

(1) Maintain the sustainable operation of all information systems

(2) Prevent hackers, various viruses, from infiltration and destruction

(3) Prevent improper and unlawful human intent and use

(4) Prevent leakage of sensitive data

(5) Prevent accidents due to human error

(6) Maintain on-site physical environment safety

3. Specific information and communications technology (ICT) security management plan and resources allocated to ICT security management

(1) Our company's computer hosts, application servers, and other equipment are all installed in dedicated server rooms, where access and entry records are retained for review.

(2) The server room is equipped with independent air conditioning to keep computer equipment operating in suitable temperature conditions, and places chemical fire extinguishers that can be used for fires caused by general materials or electrical equipment.

(3) Continuous uninterruptible power supply (UPS) and voltage regulation equipment are installed for server room hosts to prevent system downtime caused by accidental brief power interruptions from the utility grid, or to ensure that temporary power outages do not interrupt the operation of computer application systems.

(4) Reminders and communications: Require colleagues to regularly change system passwords to secure accounts.

(5) Cybersecurity communications: Provide example documentation on information security for colleagues' reference.

(2) List the losses incurred, potential impacts, and response measures due to major ICT security incidents from the most recent fiscal year and up to the date the annual report is printed. If such matters cannot be reasonably estimated, the company shall state the facts that prevent a reasonable estimate; none.

VII. Important Contracts

Contract type	Parties	Contract term (start and end dates)	Principal terms	Terms and Conditi-ons
Credit agreement	Yuanta Commercial Bank	114. 08. 19−119. 08. 19	For long- and medium-term loans, the total credit limit is NT$80,000,000.	To be disbursed by 06/30/2025
Credit agreement	Yuanta Commercial Bank	114. 08. 19~117. 8. 19	For long- and medium-term loans, the total credit limit is NT$20,000,000.	To be disbursed by 12/31/2025

V. Review and Analysis of Financial Condition and Financial Performance, and Risk Matters

I. Financial Condition

Analysis criteria: Changes of 20% or more between the current and prior periods, and amounts of NT$10,000 thousand or more

Unit: NT$ thousand

Yearly Items	FY 2024	FY 2025	Difference	
			Amount	%
Current Assets	171,409	537,334	365,925	213.48
Property, Plant and Equipment	67,857	67,392	(465)	(0.69)
Other Assets	37,071	265,353	228,282	615.80
Total Assets	276,337	870,079	593,742	214.86
Current Liabilities	4,465	5,232	767	17.18
Non-current liabilities	0	2,042	2,042	0.00
Total liabilities	4,465	7,274	2,809	62.91
Share capital	405,889	705,889	300,000	73.91
Capital surplus	5,715	334,415	328,700	5,751.53
Retained earnings	(139,806)	(170,523)	(30,717)	21.97
Other equity	0	(7,020)	(7,020)	0.00
Equity attributable to owners of the parent company	271,798	862,761	590,963	217.43
Total equity	271,872	862,805	590,933	217.36

Explanation of the primary reasons for the changes, their impact, and future response plan:

1. Current assets:
   (1) It is due to this year's private placement issuance of ordinary shares, resulting in an increase in bank deposits.
   (2) It is due to this year's loans of funds to related parties, resulting in an increase in other receivables.
2. Other assets:
   (1) It is due to the acquisition of the private placement ordinary shares of Huaxuan Properties (formerly Tiancong International) Co., Ltd., resulting in an increase in financial assets measured at fair value through other comprehensive income—non-current.
   (2) It is due to investments in Zhaoxuan Construction Co., Ltd. and Yuexuan Development & Construction Co., Ltd., resulting in an increase in the amount of equity-method investments.
3. Share capital increased this year due to the private placement issuance of ordinary shares.
4. Additional paid-in capital represents the increase in additional paid-in capital resulting from the premium on the issuance of common shares from a private placement conducted during the current year.
5. Retained earnings increased in the current year due to an increase in personnel expenses, service fees, investment losses, and long-term equity recognition of net value difference.

II. Financial Performance

Analysis criteria: year-over-year changes of 20% or more, and amounts of 10,000 thousand TWD or more

Unit: TWD (thousands)

Item	Fiscal year 113 Amount	Fiscal Year 114 Amount	Increase/Decrease Amount	Change Percentage (%)
Net operating revenue	2, 778	2, 767	(11)	(0. 40)
Operating gross profit (loss)	(325)	454	779	(239. 69)
Operating income (loss)	(18, 300)	(23, 993)	(5, 693)	31. 11
Non-operating income and expenses	5, 212	(624)	(5, 836)	(111. 97)
Net profit (loss) before tax	(13, 088)	(24, 617)	(11, 529)	88. 09
Profit (loss) for the period from continuing operations	(16, 481)	(24, 644)	(8, 163)	49. 53
Net profit (loss) for the period	(16, 481)	(24, 644)	(8, 163)	49. 53
Other comprehensive income for the period (net of tax)	(25)	(7, 020)	(6, 995)	27, 980
Total comprehensive income for the period	(16, 506)	(31, 664)	(15, 158)	91. 83
Net profit attributable to owners of the parent	(16, 480)	(24, 614)	(8, 134)	49. 36
Net profit attributable to non-controlling interests	(1)	(30)	(29)	2, 900. 00
Total comprehensive income attributable to owners of the parent	(16, 505)	(31, 634)	(15, 129)	91. 66
Total comprehensive income attributable to non-controlling interests	(1)	(30)	(29)	2, 900. 00
Earnings per share	(0. 41)	(0. 40)	0. 01	2. 44

Increase/Decrease Ratio Change Analysis Explanation:

Net Loss Before Tax:

(1) Net loss before tax is due to an increase in labor costs and service fees, which resulted in an increase in operating loss.

(2) Net loss before tax is due to an increase in investment losses, which resulted in an increase in losses from other income and expenses.

Three, Cash Flow

1. Explanation of Cash Flow Changes in Recent Fiscal Years

Unit: NT$ thousands

Beginning cash balance	Net cash flow from operating activities for the full year	Total cash inflow (outflow) for the full year	Cash surplus (deficit) amount	Remedial measures for cash shortfall	
				Investment plan	Financial management plan
164, 593	(15, 294)	254, 263	403, 562	_	_

(1) Cash outflow from operating activities of approximately NT$15,294 thousand: mainly due to revenue decline and increased losses.

(2) Cash outflow from investing activities of approximately NT$373,657 thousand: mainly due to the acquisition of financial assets, acquisition of long-term investments, and loans of funds.

2. Liquidity Improvement Plan: No shortfalls of cash occur.

3. Cash Flow Liquidity Analysis for the Next Year (115):

Unit: NT$ thousands

Beginning cash balance	Estimated net cash flow from operating activities for the full year	Estimated total cash inflows for the full year	Estimated cash remaining (shortfall) amount	Remedial measures for cash shortfalls	
				Investment plan	Personal wealth management plan
403, 562	(1, 150, 000)	1, 020, 000	273, 562	_	_

(1) Business activities: Primarily, it is expected that the Company's operating conditions for the year 115 of the Republic of China will be assessed in line with estimated shipment volumes and operating plans, and
taking into account factors such as the accounts receivable turnover rate from previous years and the estimated safety stock level of inventory based on the sales plan, the net cash outflow from business activities is expected to be 1, 150,000 thousand yuan.

(2) Remedial measures for expected cash shortfalls and liquidity analysis: It is estimated that cash will be sufficient to support the Company's normal operations over the next year, and there will be no shortage.

IV. Impact of Major Capital Expenditures on Financial and Business Operations in the Most Recent Fiscal Year:

In the most recent fiscal year, the Company had no material capital expenditures with an impact on financial and business operations.

V. Investment Policy in the Most Recent Fiscal Year, the Main Reasons for Its Profit or Loss, Improvement Plan, and Investment Plan

Unit: NT$1,000

Description	Amount	Policy	Main Reasons for Profit or Loss	Improvement Plan	Future other Investment Plan
Digicube Technology Co., Ltd.	(2, 973)	Long-term investment	The company resolved to dissolve on May 22, 114, And on June 2, 114 After obtaining approval for dissolution from the New Taipei City government; the related liquidation procedures are still ongoing.	No changes to the plan at this time.	None

6. Risk Matters Analysis and Assessment

1. How changes in interest rates, exchange rates, and inflation over the most recent fiscal year affect the company’s profit or loss, and the measures to be taken going forward:

Item	Fiscal Year 113		Fiscal Year 114	
	Amount	Percentage of net operating revenue	Amount	Percentage of net operating revenue
Interest income	3, 221	115. 95%	5, 186	187. 42%
Interest expense	0	0. 00%	64	2. 31%
Foreign exchange gain (loss)	1, 799	64. 76%	(2)	(0. 08)%

(1) Interest Rate Income and Expense: To meet its operating funding needs, the Company regularly assesses market interest rates and financial information, and selects the most favorable funding deployment options and appropriate response measures based on the level of funding costs and the potential returns and risks. In the most recent fiscal year, the Company had interest income from demand deposits and loans to others, as well as interest expense related to lease liabilities; however, it incurred no bank borrowing interest expense. The impact on the Company’s profit or loss is limited.

(2) Foreign Exchange Gains and Losses: Due to the Company’s funding deployment plan, the Company currently only has a small amount of cash in foreign currencies. Therefore, fluctuations in the exchange rate between the New Taiwan Dollar and the U.S. dollar do not have a material impact on the Company’s profit or loss.

(3) Inflation: None.

2. Main reasons for the Company’s policy and profits or losses regarding high-risk, high-leverage investments, loans to others, endorsement/guarantee arrangements, and derivative transactions in the most recent fiscal years, and future response measures:

(1) The Company does not engage in high-risk, high-leverage investments, endorsement/guarantee arrangements, or derivative transactions.

(2) The Company’s loans to others are as follows in the table:

Unit: NT$ thousand

Number (Note 1)	Company providing the loaned funds	Loan to parties	Related items	Whether Is a related Person	Highest Outstanding Balance for This Period	End of Period Balance (Note 4)	Actual Drawdown Amount	Interest Rate Range	Funds Lending Type (Note 2)	Business transaction amount	Has short-term financing Capital is required Reasons for this	Reserve allocation Amount of loss offset	Guarantee product		To each individual Loan Amount for Investment Funds Upper Limit (Note 3)	Total Loaned Funds Upper Limit (Note 3)
													Name	Value		
0	Yihsuan Development and Construction (Shareholding) Company	Zhaoxuan Construction (Co.)	Other receivables Collection - Related party	Yes	130, 000	130, 000	130, 000	3. 5%	Short-Term Financing Funds	–	Working capital turnover	–	Guaranteed promissory note	130, 000	172, 552	345, 104

Note 1: The description in the Number field is as follows:

1. Our company fills in 0
2. For the invested company, write the company number consecutively starting from Arabic numeral 1 for each company.

Note 2: Nature of loans of funds

1. Those with an ongoing business relationship.
2. Those who need short-term financing and working capital.

Note 3: The company’s lending of funds shall be subject to the total lending limit and the single-entity lending limit, as set out below:

1. The total amount of the company’s loans to others (including loans related to business relationships and short-term financing), shall not exceed 40% of the company’s net value in the most recent financial statements.

2. Companies or businesses with which our company has business dealings, or any firm or entity

(1) Total amount of funds lent: The total amount of funds lent shall not exceed 40% of the net value in our company's most recent financial statements.

(2) Limit for each individual counterparty: The amount of funds lent to any individual counterparty shall not exceed the amount of business dealings between both parties.

3. Companies or businesses for which our company lends funds as necessary for short-term financing

(1) Total amount of funds lent: The total amount of funds lent shall not exceed 40% of the net value in our company's most recent financial statements.

(2) Limit for each individual counterparty: The amount of funds lent to any individual counterparty shall not exceed 20% of the net value in our company's most recent financial statements.

4. For companies in which our company directly or indirectly holds 100% of the voting rights, the individual limit for funds lent shall not exceed 40% of the net value in our company's most recent financial statements.

5. The above-mentioned net value shall be based on our company's most recent financial statements that have been audited and certified or reviewed by an accountant.

Note 4: The highest balance for the current period and the balance at period-end are the amounts approved by the board of directors.

3. R&D plans for the most recent year not yet completed; the current progress ofthe R&D plan; the R&D expenses that still need to be投入; the expected time to commence mass production upon completion; the key factors that will affect the success of the future R&D: None.

4. Impact of major domestic and international policy and legal changes in the recent fiscal year on the company’s financial and business operations, and corresponding response measures:

(1) Impact of major domestic and international policy and legal changes in the recent fiscal year on the company’s finances: None.

(2) Response measures: The company assigns dedicated personnel to monitor changes in laws and regulations and relevant government information at all times, and to provide such updates to management and all relevant personnel. The company also retains lawyers to provide professional consultation.

5. Impact of technological changes in the recent fiscal year on the company’s financial and business operations and corresponding response measures

(1) Impact of technological changes in the recent fiscal year on the company’s financial and business operations: None.

(2) Response measures: We make extensive use of journals and online information to keep track of business and technology news, regularly send staff to attend educational trainings and technology seminars, and ensure that management and relevant personnel are informed of current technological developments.

6. Impact of changes in the company’s corporate image in the recent fiscal year on enterprise crisis management, and corresponding response measures

(1) Impact of changes in the company’s corporate image in the recent fiscal year on enterprise crisis management: None.

(2) Response measures: The company has always adhered to the principles of professionalism and integrity in its operations, places emphasis on corporate image and risk control, and currently has no foreseeable crisis matters.

7. Expected benefits, potential risks, and response measures for planned mergers and acquisitions: As of the date of printing of the annual report, the company has no merger and acquisition plans.

8. Expected Benefits, Possible Risks, and Mitigation Measures for Expanding the Factory Premises: Not applicable.

9. Possible Risks and Mitigation Measures Arising from Concentrated Purchasing or Selling:

(1) The Company procures goods from different suppliers as much as possible to ensure a steady supply and to reduce the risk of centralized procurement. The Company continues to seek other suppliers to further reduce the risk of centralized procurement.

(2) The Company proactively maintains product quality to secure orders. In response to market changes, it also adjusts its product mix at any time to attract more customers, achieve the best profitability, and reduce the risk of customer concentration.

10. Impact, Risks, and Mitigation Measures Caused by Large-Scale Transfer or Replacement of Equity Held by Directors, Supervisors, or Major Shareholders with Shareholdings Exceeding 10%: No impact.

11. Impact, Risks, and Mitigation Measures from Changes in Operating Rights: No impact.

12. Any material lawsuits, non-litigation matters, or administrative disputes involving the Company’s directors, supervisors, general manager, de facto responsible person, shareholders holding more than the top 10% of shares, and subsidiaries that have been finalized by judgment or are still pending, where the outcome may have a material impact on shareholder rights or the securities price: (The relevant facts, the amount in dispute, the date the litigation began, the parties to the lawsuit, and the status of handling as of the date of printing of the annual report): None.

13. Other Material Risks and Mitigation Measures: None

VII. Other Important Matters:

None

II. Special Disclosures

I. Information Related to Related Parties: Please refer to the Related Parties Three-Statement Section of the Disclosure Information Observatory http://mops.twse.com.tw for related information.

II. Consolidated Financial Statements of Related Parties:

The companies that this Company is required to include in preparing the consolidated financial statements of related parties are the same as the companies that, pursuant to International Accounting Standard No. 10, are required to be included in preparing the consolidated financial statements of parent and subsidiaries. Therefore, no separate consolidated financial statements of related parties will be prepared.

III. Related Reports

Not applicable.

II. Processing of Privately Placed Securities:

Information on Privately Placed Securities

<table>
<tr><td>Item</td><td colspan="5">Private Placement Note (1) of 1999, 1st issuance. Issue Date: October 13, 1999</td><td colspan="5">98 First Private Placement (1) Issue Date: March 9, 199</td><td colspan="5">Private Placement No. 1 of Year 106 (1) Issue Date: September 30, Year 106</td></tr>
<tr><td>Privately placed securities
Type of securities (Note 2)</td><td colspan="5">Common Stock</td><td colspan="5">Common Stock</td><td colspan="5">Common Stock</td></tr>
<tr><td>Meeting of shareholders
Date of authorization and amount (Note 3)</td><td colspan="5">March 12, 1999: 64,328,694 shares</td><td colspan="5">March 12, 1998 64,328,694 shares</td><td colspan="5">June 13, Year 106: 20,000,000 shares</td></tr>
<tr><td>Basis for determining the price and its reasonableness</td><td colspan="5">Based on the simple arithmetic average of the common stock closing prices calculated over the three business days prior to the pricing date, after deducting the ex-rights adjustment from free-of-charge share allotments, and adding back the ex-capital-reduction adjustment, the resulting price is the reference price. Since the transfer of the privately placed securities is subject to restrictions on the time, transferees, and quantity, taking into account time risk and liquidity factors, the privately placement price is, in principle, not less than 80% of the reference price.</td><td colspan="5">Based on the simple arithmetic average of the closing prices of the company ' s common stock calculated for the business day prior to the pricing date, after deducting the ex-rights price for free share distribution, and adding back the ex-capital reduction price, the resulting price is the reference price. Since the transfer of privately placed securities is subject to restrictions on the transfer timing, counterparties, and quantity, and taking into account time risk and liquidity factors, the pricing for this private placement shall, as a principle, be no less than 80% of the reference price.</td><td colspan="5">The reference price is determined as the simple arithmetic average of the closing prices ofthe Company ' s common stock calculated for the business day immediately preceding the pricing date, after excluding the ex-rights effect of the free distribution of shares, and adding back the ex-capital reduction effect. Since the transfer, counterparties, and quantities of securities under private placement are subject to restrictions, and taking into account time risk and liquidity factors, the pricing of this private placement, as a principle, shall not be lower than 80% of the reference price.</td></tr>
<tr><td>Designated persons
Method for Selection
(Note 4)</td><td colspan="5">The subscribers for the common stock to be raised in this offering shall be handled in accordance with Article 43-6 of the Securities and Exchange Act.</td><td colspan="5">The persons for this offering of common stock shall be handled in accordance with Article 43-6 of the Securities and Exchange Act and related provisions.</td><td colspan="5">The subscribers for the common stock to be raised in this offering shall be handled in accordance with Article 43-6 of the Securities and Exchange Act and related regulations.</td></tr>
<tr><td>Necessary Reasons for Conducting a Private Placement</td><td colspan="5">The Company currently still needs to inject working capital. However, if funding is raised through a public offering of securities, it may be difficult to obtain funds smoothly. Therefore, it is proposed to raise funds from specific parties through a private placement in order to improve the timeliness and flexibility of capital raising.</td><td colspan="5">The Company currently still needs to inject working capital; however, if funds are raised through a public offering of securities, it may be difficult to obtain funds smoothly. Therefore, the Company plans to raise funds via a private placement to specific persons, in order to enhance the timeliness and flexibility of capital raising.</td><td colspan="5">The Company still needs to inject working capital into its operations. However, if funds are raised by means of a public offering of securities, it may be difficult to obtain them successfully. Therefore, the Company intends to raise the funds through a private placement to specific persons, in order to improve the timeliness and flexibility of capital raising.</td></tr>
<tr><td>Payment of the Subscription Amount
Completion Date</td><td colspan="5">October 13, 1999</td><td colspan="5">March 4, 199</td><td colspan="5">September 21, Year 106</td></tr>
<tr><td rowspan="2">Subscriber Information</td><td>Private Placement Recipients (Note 5)</td><td>Qualification Requirements (Note 6)</td><td>Subscription Quantity</td><td>Relationship with the Company</td><td>Participated in corporate operations
Business operating status</td><td>Private placement target (5)</td><td>Qualification requirements (6)</td><td>Subscription quantity</td><td>Relationship with the company</td><td>Involved in business operations
Company management status</td><td>Private placement investors (5)</td><td>Qualification requirements
Article (6)</td><td>Subscription quantity</td><td>Relationship with the company</td><td>Participation
Company Operations Overview</td></tr>
<tr><td>Taiwei Electronics Co., Ltd.</td><td>Article 43-6, Paragraph 1, Subparagraph 2</td><td>4,000,000</td><td>None</td><td>None</td><td>Yu-Wen Chao</td><td>Article 43-6, Paragraph 1, Subparagraph 2</td><td>1,100,000</td><td>The Company Independent Director, March 199 9th Day Resolution Appointment, at</td><td>None</td><td>United Dominion International Co., Ltd.</td><td>Article 43-6, Paragraph 1, Item 2</td><td>20,000,000</td><td>None</td><td>None</td></tr>
</table>

Item	Private Placement Notice (1), 1st time in 98: Issue date: October 13, 98					Republic of China Year 98, Second Private Placement Announcement (1) Issue Date: Republic of China Year 99, March 9					1st Private Placement Registration (Attachment 1) — Issue Date: September 30, 2017				
									May 26 Once again, selected Appointed Director						
	Liao Shu-Chun	Same as above	1,270,000	None	None	Hsiung Qu-Min	As above	1,992,000	None	None					
	Liao Shu-Lin	Same as above	50,000	None	None	Wang Shu-Hui	As above	109,000	None	None					
						Wu Yi-Da	As above	109,000	None	None					
						Lin Shu-Zhen	As above	161,000	None	None					
						Cai Chia-Zhang	As above	164,000	None	None					
						Yang Xiao-Zhong	As above	1,052,000	None	None					
						Cai Zong-Lin	As above	27,000	None	None					
						Que Zheng-Yu	As above	127,000	None	None					
						Hong Su-Shen	As above	109,000	None	None					
						Tang Ying-Hua	As above	109,000	None	None					
						Lin Fangling	Same as above	100,000	None	None					
						Chen Longxing	Same as above	1,000,000	None	None					
						Chen Chaohé	Same as above	1, 176,000	In 99 May 5 26th Appointed Supervisors	None					
						Zhang Yaowen	Same as above	40,000	None	None					
						Lu Qiuyue	Same as above	5,000	None	None					
						Zhang Beiyi	Same as above	117,000	None	None					
						Yideng Technology Company Limited	Same as above	1, 176,000	None	None					
						Xingsheng Earnings Investment Limited	Same as above	4,500,000	None	None					

項　　目	For the First Private Placement of 98 (1) Issue Date: October 13, 98					Issue date of the 2nd private placement in 98: March 9, 99					Private placement issuance (1) on September 30, 2017.				
						Damingwang Investment Co., Ltd.	Same as above	4,500,000	None	None					
						EFG Bank	Same as above	3,800,000	None	None					
Actual subscription or (conversion) price note (7)	5.67					8.5					3.08				
Actual subscription or (conversion) price and reference Price difference Note (7)	Reference price: 7.08 per share; the actual subscription price was not lower than 80% of the reference price.					Reference price: NT$9.28. The actual subscription price is not lower than 80% of the reference price.					Reference price: 3.85 yuan; the actual subscription price was not lower than 80% of the reference price.				
To process a private placement Impact on shareholders' equity (e.g., resulting in an increase in accumulated losses Add ...)	Accumulated losses increased by 23,036 thousand yuan					Accumulated losses increased by 32,209 thousand NT dollars					Cumulative losses increased by 130,114 thousand yuan.				
Private placement funds Use of proceeds Planned Execution Progress	Completed Use of Funds and Execution Progress for the Fourth Quarter of 98.					In the 2nd quarter of 1999, the use status and implementation progress have been completed.					In the 1st quarter of 2018, the use status and implementation speed have been completed.				
Benefits of Private Placement Current Status	Short-term borrowings decreased by 59,879 thousand yuan in Q4 98					In the 2nd quarter of 1999, liabilities decreased by 191,008 thousand yuan compared with the 4th quarter of 1998; the liabilities ratio also improved from 66.49% to 40.91%.					In the 4th quarter of 2017, long-term borrowings decreased by 45,247 thousand yuan.				

Note 1: The number of fields depends on the actual number of times processed. If private placement securities are processed in multiple tranches, they should be listed separately.

Note 2: Fill in the types of private placement securities such as common shares, preferred shares, convertible preferred shares, preferred shares with warrants, common corporate bonds, convertible corporate bonds, corporate bonds with warrants, overseas convertible corporate bonds, global depository receipts, and employee share warrants.

Note 3: For private placement corporate bonds that do not require shareholder approval, the dates approved by the board of directors and the amounts should be stated.

Note 4: For private placement cases in progress, if a subscriber has already been identified, the name of the subscriber or the person’s name, as well as their relationship with the company, shall be stated.

Note 5: The number of fields shall be adjusted according to the actual circumstances of the information disclosure.

Note 6: Fill in under Article 43-6, Paragraph 1, Item 1, Item 2, or Item 3 of the Securities and Exchange Act.

Note 7: The actual subscription or (conversion) price refers to the subscription or (conversion) price agreed upon when issuing the privately placed securities in the actual transaction.

Item	Year 113, 1st Private Placement Notation (1) Issue Date: February 14, Year 114					113th Private Placement (1) Issue date: February 14, 114				
Types of privately placed securities (Note 2)	Common Stock					Common stock				
Date and amount approved at the shareholders' meeting (Note 3)	September 19, Year 113: 30,000,000 shares					September 19, 113: 30,000,000 shares				
Basis and reasonableness for determining the price	For the pricing of this private placement, the issue price shall be set at 80% of the higher of (a) the simple arithmetic average of the closing prices of the common stock over any one of the 1, 3, or 5 business days before the pricing date, after deducting the value of free distribution stock rights and dividends, and then adding back the share price after adjustment for the capital reduction and related ex-rights, or (b) the simple arithmetic average of the closing prices of the common stock over the 30 business days before the pricing date, after deducting the value of free distribution stock rights and dividends, and then adding back the share price after adjustment for the capital reduction and related ex-rights, and in any case shall not be lower than the higher benchmark-based calculated price.					The pricing for this private placement shall be determined by taking either (1) the simple arithmetic average closing price of the common stock on any 1, 3, or 5 business days prior to the pricing date, minus the effect of bonus shares issued without consideration and cash dividends associated with ex-rights for the common stock, and then adding back the share price after ex-rights for capital reduction; or (2) the simple arithmetic average closing price of the common stock over the 30 business days prior to the pricing date, minus the effect of bonus shares issued without consideration and cash dividends associated with ex-rights for the common stock, and then adding back the share price after ex-rights for capital reduction. The final offering price shall be set at 80% of the higher amount calculated based on the two benchmarks.				
Method for selecting specific individuals (Note 4)	The counterparties for the common stock to be issued under this private placement shall be handled in accordance with Article 43-6 of the Securities and Exchange Act and related provisions.					The recipients of the common stock in this offering shall be handled in accordance with Article 43-6 of the Securities and Exchange Act and related provisions.				
Necessary reasons for conducting a private placement	The Company requires funds to strengthen its operating needs, for equity investments/strategic investments, for purchasing real estate, or other funding needs to support the Company's future development. As additional working capital is still needed, if funds were raised through the issuance of securities by way of a public offering, it may be difficult to obtain the required working capital smoothly within the short term. To avoid affecting normal business operations, and considering that private placements have the advantages of fast and convenient fundraising efficiency, the Company intends to raise funds through a private placement.					The Company requires funding to strengthen operations, make investments in subsidiaries or other investments, purchase real estate, or to meet other needs related to the Company's future development. If the Company were to raise funds by issuing securities through a public offering, it may be difficult to obtain the required operating funds smoothly in the short term. To avoid affecting normal operations and because private placement offers the timeliness, speed, and convenience of fundraising, the Company intends to raise funds through a private placement.				
Date of completion for payment of the subscription funds	February 14, Year 114					Feb 14, Year 114				
Subscriber information	Private placement counterparties Note (5)	Qualifications Note (6)	Subscription amount	Relationship with the Company	Participation in Company Operations	Private placement participants Note (5)	Qualifications Note (6)	Subscription quantity	Relationship with the company	Company participation and management status
	Yongxuan Development Co., Ltd. Capital Co., Ltd.	Article 43-6 1Paragraph 2	6,800,000	Corporate director of the Company	The Company's corporate director	Yongxuan Development Investment Co., Ltd.	Article 43-6 1Paragraph; Paragraph 2	2,200,000	Corporate director of the Company	Corporate director of the Company
	Yangfa Investment Co., Ltd.	Same as above	1,000,000	Corporate director of the Company	The Company's corporate director	Yangfa Investment Co., Ltd.	Same as above	1,000,000	Corporate director of the Company	Corporate director of the Company
	Kechen Investment Co., Ltd.	Same as above	500,000	Corporate director of the Company	The Company's corporate director	Ke Chen Investment Co., Ltd.	Same as above	700,000	Corporate director of the Company	Corporate director of the Company
	Zhang Jingwen	Same as above	1,500,000	Director of the Company	The Company's director	Lin Chao-Chin	Same as above	600,000	None	None
	Lin Zhaoqin	Same as above	200,000	None	None	Hu Qiao-Qin	Same as above	500,000	None	None
						Hu Yan-Ling	Same as above	500,000	None	None
						Hu Yu-Ting	Same as above	500,000	None	None
						Darongfa Investment Co., Ltd.	Same as above	500,000	None	None
						Wang Ru-Zhe	Same as above	500,000	None	None
						Chen Wei-Ren	Same as above	500,000	None	None

Item	Private placement, first time in 113 (1) Issue date: February 14, 114					Year 113, 2nd Private Placement Announcement (1) Issue date: Year 114, 02/14				
						Lin Huiling	Same as above	500,000	None	None
						Lin Meihui	Same as above	500,000	None	None
						Leida Enterprises Co., Ltd.	Same as above	500,000	None	None
Actual subscription or (conversion) price note (7)	22.90					22.90				
Difference between actual subscription or (conversion) price and reference price note (7)	Reference price is 28.60 yuan; the actual subscription price is not lower than 80% of the reference price.					Reference price: NT$28.60. The actual subscription price is not lower than 80% of the reference price.				
Impact of the private placement on shareholders' equity (e.g., resulting in increased accumulated losses ...)	Capital surplus—common stock premium increased by 129,000 thousand yuan					Additional paid-in capital—common stock premium increased by NT$116,100 thousand				
Use of private placement funds and planned execution progress	As of Q1 of FY115, funds used totaled 180,451 thousand yuan, with an execution progress of 78.80%.					Year 115, Q1 business has completed the utilization status and execution speed.				
When the benefits of the private placement become evident	As planned, for actual company operations, investments in other companies, or the purchase of real estate.					As planned, it will be used for equity investments or the purchase of real estate to support the company's business development.				

Note 1: The number of fields depends on the actual number of processing rounds. If private placements are conducted in separate tranches, they should be listed separately.

Note 2: Fill in the types of privately placed securities, including common shares, preferred shares, convertible preferred shares, preferred shares with warrants attached, corporate bonds (ordinary), convertible corporate bonds, corporate bonds with warrants attached, overseas convertible corporate bonds, overseas depository receipts, and employee share option certificates, among others.

Note 3: For privately placed corporate bonds that do not require approval by the shareholders' meeting, the dates of approval by the board of directors and the amounts should be stated.

Note 4: For ongoing private placement cases, if the subscription applicants have already been identified, the names or names of the applicants and their relationship with the company must be specified.

Note 5: The number of fields should be adjusted based on the actual figures.

Note 6: It is to be filled with Article 43-6, Paragraph 1, Subparagraph 1, Subparagraph 2, or Subparagraph 3 of the Securities and Exchange Act.

Note 7: The actual subscription or (conversion) price refers to the subscription or (conversion) price set when issuing privately placed securities in actual processing.

<table>
<tr><td>Item</td><td colspan="5">Private placement notice (1) for the 3rd time in 113
Issue date: July 31, 114</td><td colspan="5">Year 114, Private Placement No. 1 (1)
Issue Date: Year 115, March 11</td></tr>
<tr><td>Types of Privately Placed Securities (Note 2)</td><td colspan="5">Common shares</td><td colspan="5">Common Stock</td></tr>
<tr><td>Date and Amount Approved by the Shareholders ' Meeting (Note 3)</td><td colspan="5">September 19, 113: 30,000,000 shares</td><td colspan="5">December 11, Year 114: 30,000,000 shares</td></tr>
<tr><td>Basis and Reasonableness of Price Determination</td><td colspan="5">The price for this private placement shall be set at 80% of the higher of the two benchmark calculation prices: either (i) the simple arithmetic average of the closing prices ofthe common shares for 1, 3, or 5 business days prior to the pricing date, less the ex-rights and ex-dividend effect of free share allotment and dividends, with the share price adjusted back for capital reduction ex-rights; or (ii) the simple arithmetic average of the closing prices of the common shares for 30 business days prior to the pricing date, less the ex-rights and ex-dividend effect of free share allotment and dividends, with the share price adjusted back for capital reduction ex-rights, provided that it is not lower than the benchmark calculation price based on both methods.</td><td colspan="5">The private placement price shall be set at 80% of the higher of the following two benchmark calculation prices: (1) the simple arithmetic average of the closing price of the common stock over any one of the 1, 3, or 5 business days prior to the pricing date, minus the ex-rights and ex-dividends effect for free allotment, and then adjusted by adding back the price after adjustment for capital reduction ex-rights; or (2) the simple arithmetic average of the closing price of the common stock over the 30 business days prior to the pricing date, minus the ex-rights and ex-dividends effect for free allotment, and then adjusted by adding back the price after adjustment for capital reduction ex-rights.</td></tr>
<tr><td>Method for Selecting Specific Persons (Note 4)</td><td colspan="5">The subscribers for the common shares in this private placement shall be handled in accordance with the relevant provisions of Article 43-6 of the Securities and Exchange Act.</td><td colspan="5">The participants for this private placement of common stock shall be handled in accordance with the relevant provisions of Article 43-6 of the Securities and Exchange Act.</td></tr>
<tr><td>Necessary Reasons for Conducting a Private Placement</td><td colspan="5">The Company requires funding to support its operations, strategic investments, or the purchase of real estate, or other needs arising from the Company ' s future development. The Company still needs to inject working capital. If the Company raises funds by issuing securities through a public offering, it may be difficult to obtain the required working capital within the short term. To avoid affecting normal company operations, and because private placement offers the advantage of quickly and conveniently raising funds, it is therefore intended to raise funds through a private placement.</td><td colspan="5">To meet the Company ' s funding needs for strengthening operations, making investments, or purchasing real estate, or other needs to support the Company ' s future development, the Company still needs to inject working capital. If the Company were to raise funds by issuing securities through a public offering, it may be difficult to obtain the required working capital smoothly within the short term. Therefore, to avoid affecting the Company ' s normal operations, and because private placements have the advantages of fast and convenient timeliness for fundraising, the Company intends to raise funds through a private placement.</td></tr>
<tr><td>Date of Completion of Payment of Subscription Proceeds</td><td colspan="5">July 31, 114</td><td colspan="5">March 11, Year 115</td></tr>
<tr><td rowspan="5">Subscriber Information</td><td>Private placement targ- ets Note (5)</td><td>Eligibility requirements Note (6)</td><td>Subscription Quantity</td><td>Relationship with the Company</td><td>Participating com- pany Operating Conditions</td><td>Private placement target Note (5)</td><td>Eligibility criteria Note (6)</td><td>Subscription Quantity</td><td>Relationship with the Co- mpany</td><td>Participating Com- pany Business Operations Overview</td></tr>
<tr><td>Yongxuan Development Co., Ltd.</td><td>Article 43-6, Paragraph 1 1Item, Paragraph 2</td><td>7,700,000</td><td>Corporate Director of the Company</td><td>The Company's Corporate Directors</td><td>Yongxuan Development Co., Ltd.</td><td>Article 43-6 1Section, Paragraph 2</td><td>1,000,000</td><td>Corporate Director of the Company</td><td>Of the Company Corporate director</td></tr>
<tr><td>Yangfa Inves- tment Co., Ltd.</td><td>Same as above</td><td>1,100,000</td><td>Corporate Director of the Company</td><td>The Company's Corporate Directors</td><td>Yangfa Inves- tment Co., Ltd.</td><td>Same as above</td><td>3,000,000</td><td>Corporate Director of the Company</td><td>Of the Company Corporate director</td></tr>
<tr><td>Kechen Inves- tment Co., Ltd.</td><td>Same as above</td><td>550,000</td><td>Corporate Director of the Company</td><td>The Company's Corporate Directors</td><td>Kechen Inves- tment Co., Ltd.</td><td>Same as above</td><td>1,500,000</td><td>Corporate Director of the Company</td><td>Of the Company Corporate director</td></tr>
<tr><td>Zhang Jingwen</td><td>Same as above</td><td>1,650,000</td><td>Company directors</td><td>The Compa- ny's Director</td><td>Zhang Jingwen</td><td>Same as above</td><td>4,500,000</td><td>Director of the Company</td><td>Director of the Company</td></tr>
<tr><td>Actual Subscription or (Conversion) Price Note (7)</td><td colspan="5">17.60</td><td colspan="5">15.20</td></tr>
<tr><td>Difference Between Actual Subscription or (Conversion) Price and Reference Price Note (7)</td><td colspan="5">Reference price: 21.97 yuan; the actual subscription price will not be lower than 80% of the reference price.</td><td colspan="5">Reference price: 18.97 TWD; the actual subscription price shall not be lower than 80% of the reference price.</td></tr>
<tr><td>Processing private placement: Impact on shareholders ' equity (e.g.:</td><td colspan="5">Capital surplus—Increase in common stock premium: NT$83,600 thousand</td><td colspan="5">Capital surplus—common stock premium increased by 52,000 thousand TWD</td></tr>
</table>

Item	Private Placement Notice (1) for the 3rd Time in 113 Issue Date: July 31, 114	Private Placement Notice (1) for the 1st Time in 114 Issue Date: March 11, 115
Causing accumulated losses to increase …)		
Private Placement Capital Utilization and Implementation Progress	As of Q1 of year 115, a total of NT$109,038 thousand has been used, with an implementation progress of 56.32%.	In the first quarter of Year 115, no funds have been utilized.
How the Benefits of the Private Placement Have Materialized	According to the plan, for the company's operating and business development, the funds will be used for equity investments in other companies or the acquisition of real estate.	In the first quarter of Year 115, no funds have been utilized.

Note 1: The number of fields depends on the actual number of processing times. If private placements of securities are conducted in separate batches, they should be listed separately.

Note 2: Fill in the types of privately placed securities, such as common shares, preferred shares, convertible preferred shares, preferred shares with warrants attached, common company bonds, convertible company bonds, company bonds with warrants attached, offshore convertible company bonds, offshore depository receipts, and employee stock option certificates.

Note 3: For private placement company bonds that do not require shareholder approval, the dates and amounts approved by the board of directors should be provided.

Note 4: For private placement cases in progress, if the applicants have been identified, the names or personal names of the applicants and their relationship to the company must be stated.

Note 5: The number of fields should be adjusted according to the actual figures.

Note 6: Fill in Securities and Exchange Act Article 43-6, Paragraph 1, Subparagraph 1, Subparagraph 2, or Subparagraph 3.

Note 7: The actual subscription or (conversion) price refers to the subscription or (conversion) price set when issuing the privately placed securities.

Item	Private Placement No. 2 in 114 (1) Issue date: March 11, 115	Private Placement Note (1) for 2025, Part 3 Issue date: Mar 11, 2026
Types of privately placed securities (Note 2)	Common stock	Common shares
Date of approval by the shareholders' meeting and the amount (Note 3)	December 11, 114: 30,000,000 shares	Dec 11, 2025, 30,000,000 shares
The basis and reasonableness of the set price	The offering price for this private placement shall be set at not less than 80% of the higher of (i) the simple arithmetic average of the closing prices ofthe common shares calculated by selecting 1, 3, or 5 business days prior to the pricing date, after deducting the ex-rights and ex-dividend effects from a stock dividend and adding back the share price after the reverse of the capital reduction ex-rights, or (ii) the simple arithmetic average of the closing prices of the common shares for 30 business days prior to the pricing date, after deducting the ex-rights and ex-dividend effects from a stock dividend and adding back the share price after the reverse of the capital reduction ex-rights.	The offering price for this private placement shall be set at not less than 80% of the higher of (i) the simple arithmetic average of the closing prices ofthe common shares calculated by selecting 1, 3, or 5 business days prior to the pricing date, after deducting the ex-rights and ex-dividend effects from a stock dividend and adding back the share price after the reverse of the capital reduction ex-rights, or (ii) the simple arithmetic average of the closing prices of the common shares for 30 business days prior to the pricing date, after deducting the ex-rights and ex-dividend effects from a stock dividend and adding back the share price after the reverse of the capital reduction ex-rights.
Method for selecting the specific persons (Note 4)	The subscribers for the issuance of common shares in this offering shall be handled in accordance with the relevant provisions of Article 43-6 of the Securities and Exchange Act.	The subscribers for the issuance of common shares in this offering shall be handled in accordance with the relevant provisions of Article 43-6 of the Securities and Exchange Act.
Necessary reasons for conducting the private placement	To meet funding needs such as for strengthening company operations, investments in other companies, or the purchase of real estate, and other needs to support the company's future development, the Company still needs to inject working capital. If the Company raises funds by issuing securities through a public offering, it may be difficult to obtain the required working capital smoothly in the short term. In order not to affect normal operations, and considering that private placements have the advantage of being timely, efficient, and convenient for fundraising, the Company plans to raise funds through a private placement.	To support the Company's operational needs, such as funding requirements for reinvestment, investments, or the purchase of real estate, and other measures to accommodate the Company's future development, additional working capital is still required. If the Company were to raise funds by issuing securities through a public offering, it may be difficult to obtain the needed working capital within the short term. To avoid affecting the Company's normal operations, and given that private placements can provide faster and more convenient funding, it is proposed to raise funds through a private placement.
Date of completion of payment of the subscription proceeds	Mar 11, 2026	March 11, 2026

Item	2025 Private Placement No. 2, Note (1) Issuance Date: March 11, 2026					Private Placement No. 3 of Year 114 (1) Issue Date: March 11, Year 115				
Applicant Information	Private Placement Subscribers Note (5)	Eligibility Requirements Note (6)	Subscription Amount	Relationship with the Company	Participation in the Company's Management	Private placement participants Note (5)	Eligibility Requirements Note (6)	Number of Shares Subscribed	Relationship with the Company	Company Operations Participation
	Yongxuan Development and Investment Co., Ltd.	Article 43-6, Paragraph 1, Subparagraph 2	10,000,000	Corporate Directors ofthe Company	The Company's legal representative director	Yongxuan Development Co.Ltd.	Article 43-6 1Paragraph 2	5,000,000	Corporate Director of the Company	Our Company's Legal Representative Director
						Tao De Tian	Same as above	100,000	None	None
Actual Subscription or (Conversion) Price Note (7)	15.20					15.20				
Difference Between Actual Subscription or (Conversion) Price and Reference Price Note (7)	Reference price: 18.97 yuan. The actual subscription price is not lower than 80% of the reference price.					Reference Price: NT$18.97. The actual subscription price shall not be lower than 80% of the reference price.				
Impact of the Private Placement on Shareholders' Equity (e.g., increasing cumulative losses ...)	Capital surplus—common stock premium increased by 52,000 thousand yuan					Capital Surplus—Common Stock Premium Increase of 26,520 thousand NT dollars				
Use of Private Placement Funds and Planned Implementation Progress	In the first quarter of 115, funds have not yet been used.					In Q1 of Year 115, the funds have not yet been utilized.				
Private Placement Benefits as They Emerge	In the first quarter of 115, funds have not yet been used.					In Q1 of Year 115, the funds have not yet been utilized.				

Note 1: The number and fields to be filled in will be adjusted based on the actual number of processing times. If private placement of securities is conducted in multiple installments, they should be listed separately.

Note 2: Fill in the types of privately placed securities, such as common shares, preferred shares, convertible preferred shares, preferred shares with warrants, common corporate bonds, convertible corporate bonds, corporate bonds with warrants, offshore convertible corporate bonds, global depository receipts, and employee share option certificates, etc.

Note 3: For private placement corporate bonds that do not require approval by a shareholders' meeting, the date on which the board of directors approved the matter and the amount should be filled in.

Note 4: For private placement cases that are in progress, if the subscribers have already been identified, the names of the subscribers (or their personal names) and their relationship with the company should be stated.

Note 5: The number of fields to be provided should be adjusted according to the actual figures.

Note 6: Specify the applicable item under Article 43-6, Paragraph 1, Subparagraph 1, Subparagraph 2, or Subparagraph 3 of the Securities and Exchange Act.

Note 7: The actual subscription price or (conversion) price refers to the subscription or (conversion) price set when issuing the privately placed securities in the actual transaction.

III. Other Necessary Supplementary Statements: None.

IV.Explanation of Any Material Differences from the Regulations in My Country Regarding the Protection of Shareholders ' Rights and Interests: None

VII.In the Most Recent Fiscal Year and up to the Date the Annual Report Is Published/printed, There Were No Matters That Have a Material Impact on Shareholders ' Rights and Interests or the Securities Price as Set Forth in Article 36, Paragraph 3, ItemItem 2 of the Securities and Exchange Act: None

Declaration Letter

In accordance with Article 14, Paragraph 3 of the Securities and Exchange Act, I hereby declare that the separate financial statements and consolidated financial statements of Lih Hsuan Development and Construction Co., Ltd. for the Republic of China year 114 (from January 1, 114 to December 31, 114) have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” the International Financial Reporting Standards (IFRS) recognized by the Financial Supervisory Commission, International Accounting Standards, Interpretations, and interpretation announcements. They fairly present the financial position, operating results, and cash flows of Lih Hsuan Development and Construction Co., Ltd., and there has been no falsification or concealment of information.

This is to certify
Declarant
Li Hsuan Development and Construction Co., Ltd.
Chairman: Ming-Hong Chen
General Manager: Hsueh-Hua Li
Accounting Officer: Hsiao-Ling Chi

March 5, 2026

Li Hsuan Development and Construction Co., Ltd.
Chairman: Ming-Hong Chen