Stock Code: 5512

Rich Development Construction Co., Ltd.

2024 Year Annual Report

30 April 2025 publication

Annual report inquiry website: https://mops.twse.com.tw

Company Website: https://www.rhd.com.tw

I. The Company's spokesperson and proxy spokesperson:

Spokesman	Acting spokesman
Name: Ko, Sien-Jen	Name: Chung, Li-Yan
Title: Assistant Manager	Title: Assistant Manager
Tel No.: (02) 2100-2288 (Rep. No.)	Tel No.: (02) 2100-2288 (Rep. No.)
E-mail: k7008750@rhd.com.tw	Email: chung@rhd.com.tw

II. Headquarter, branch office, factory addresses and telephone numbers:

Headquarter address: 8F., No. 99, Jilin Road, Taipei
Tel No. (02) 2100-2288

III Stock Transfer Agent

Name: Taishin Securities Co., Ltd., Stock Agency Department
Address: B1, No. 96, Sec. 1, Jianguo N. Road, Taipei.
Tel No.: (02) 2504-8125
Website: www.tssco.com.tw

IV. Certified Public Accountant for the latest annual financial report:

Office Name: KPMG Taiwan
CPAs' Names: Chang, Shu-Ying, Pan, Chun-Ming
Address: 68F., No. 7, Sec. 5., Hsin Yi Road, Taipei
Tel No.: (02) 8101-6666 (Rep. No.)
Website: www.kpmg.com.tw

V. Name of the exchange where the overseas marketable securities are listed and how to check the information of the overseas marketable securities: None

VI Corporate Website: www.rhd.com.tw

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I. Letter to Shareholders

Dear Shareholders, Ladies and Gentlemen:

Looking back at 113, with the international war still ongoing, the prices of raw materials remain high and the labor market is facing shortages, resulting in construction costs remaining elevated, which limits the downward potential of housing prices. The central bank has implemented various housing policies, including credit controls in the housing market, tightening real estate loans, and the introduction of the housing hoarding tax 2.0, causing individuals with existing home purchase plans to pause and take a wait-and-see approach. As a result, the transaction volume in the housing market has sharply declined, and the housing market is showing a trend of stable prices and reduced volume in the second half of the year.

Consolidated net revenue for the year 2024 was NTD 5,951,685 thousand, a decrease of NTD 1,753,856 thousand from NTD 7,705,541 thousand in 2023. After-tax earnings attributable to the parent company were NTD 128,232 thousand, a decrease of NTD 112,367 thousand from NTD 240,599 thousand in 2023. The EPS was NTD 0.17 and the net value per share was NTD 18.

Looking ahead to 2025, the government's measures to control the housing market do not target the industry, resulting in a decrease in investment projects. The housing market should return to fundamentals, with prices tending towards rationalization. However, rigid demand will still enter the market, making the product aspect very important. Housing prices will remain at a certain level; however, the impact of policies on the housing market still needs to be continuously observed, with self-occupancy demand being the main support for the housing market. The Company evaluates relevant market trends, and the key projects for the 2025 fiscal year include the sale of completed homes "Rich Tien Mu", the pre-sale project "Rich Huan Shan", the build-and-sell project "Rich Feng Mu", and the project "Rich Songjiang Corporate Headquarters" expected to be completed this year. Additionally, the "Xizhi Urban Renewal Project" and the "Dayeh Urban Renewal Project" are both expected to obtain building permits this year, with the total project scale for the year reaching NTD 39.5 billion.

In addition, the Company is actively preparing all the land in its inventory and will decide on the timing of the launch depending on the market atmosphere. It will also evaluate the sales mode of new projects by "completed home sales", "build-and-sell" or "pre-sale" depending on the impact of government policies and the general global economic environment on the housing market.

In terms of production and marketing policies, we will continue to promote urban renewal projects, fully utilize our design and construction management capabilities, refine and humanize our product design planning, and strive to produce value-for-money products and create good living quality. We will also

place emphasis on follow-up sales and customer service management to enhance customer satisfaction and recognition, establish brand marketing, develop a network of contacts and direct marketing groups, participate in cultural and creative activities and develop high-quality customer sources, and grasp property and owner-occupied customer sources to ensure stable revenue and profitability.

The company's future business direction, in addition to adhering to the three major principles of "caring for land resources," "creating building taste," and "enhancing quality of life," is committed to the two main goals of "promoting urban renewal and building top-notch buildings." It will continue to implement exquisite residences, focusing on human-centered design, harmonious space planning, excellent quality, and safe products. Other related diversified investment layouts include: in the environmental engineering sector, continuously developing domestic and international environmental business markets and expanding water treatment services in line with national forward-looking project needs, covering six core business areas across reclaimed water, seawater desalination, biomass energy, waste treatment, urban and industrial sewage systems, and operational maintenance. The company will continue to develop in the circular economy field and promote net-zero carbon emission goals to ensure sustainable operations and create more profits. In the tourism sector, the hotels under its management will continue to transform and develop diverse accommodation brands while investing more in marketing budgets to increase brand exposure, thereby enhancing member loyalty and ensuring stable revenue growth.

All of us at Likely will do our best and continue to work hard to maximize profits for our shareholders, strive for stable growth of the Company, and continue to innovate and improve in the hope of repaying our shareholders with better results. Thank you for your continued support and love to the Company.

Chairman: Manager: Accounting Supervisor:

II. Corporate Governance Report

I. Information on Directors, Supervisors, General Managers, Vice General Managers, Assistant Managers and Heads of Various Departments and Branches

(1) Directors' and Supervisors' Information

22 April 2025

Title	Nationality or place of incorporation	Name	Gender Age (Note 1)	Date of election (appointment)	Appointment Tenure	Date of initial election	Shareholding at the time of election		Current shareholding		Shareholdings of the spouse and minor children		Shareholding in other people's names		Major experience (education)	Currently holding concurrent positions in the Company and other companies	Other officers, Directors or supervisors who are spouses or within two degrees of consanguinity			Remark
							Number of shares held	No. of shares	Number of shares held	No. of shares	Number of shares held	No. of shares	Number of shares held	No. of shares			Title	Name	Relations	
Chairman	ROC	GUO,JI-GANG	Male	2024.06.19	III Year	2009.06.19	459,257	0.06%	679,034	0.09%	2,072,360	0.27%	0	0.00%	Pomona University, California, USA Hotel Management Department	Yilan Lealea Development Co., Ltd. Chairman Director of Ho Ching Enterprises Co., Ltd. Director, LI PENG ENTERPRISE CO., LTD. Chairman of Ho Ching Enterprises Co., Ltd.	Director Director	GUO,YA-TING GUO,JI-AN	Sibling Brotherhood	None
Director	ROC	GUO,SHU-ZHEN	Female	2024.06.19	III Year	2001.06.01	1,306,243	0.18%	1,345,430	0.18%	0	0.00%	0	0.00%	Yale University, USA Master of Business Administration Master of Public Health	Chairman of the Board of Directors of Ho Ching Enterprises Co., Ltd. Director of LEALEA ENTERPRISE CO., LTD. Director, LI PENG ENTERPRISE CO., LTD.	None	None	None	None
Director	ROC	GUO,JI-AN	Male	2024.06.19	III Year	2012.06.18	4,198	0.00%	4,323	0.00%	0	0.00%	0	0.00%	Department of Business Administration, Fort Hays State University, USA	Forest Water Environmental Engineering Co., Ltd. Vice Chairman Chairman of the Board of Directors of Ho Ching Enterprises Co., Ltd. Director of LEALEA ENTERPRISE CO., LTD. Director of Ho Ching Enterprises Co., Ltd.	Director Chairman	GUO,YA-TING GUO,JI-GANG	Sibling Brotherhood	None

Title	Nationality or place of incorporation	Name	Gender Age (Note 1)	Date of election (appointment)	Appointment Tenure	Date of initial election	Shareholding at the time of election		Current shareholding		Shareholdings of the spouse and minor children		Shareholding in other people's names		Major experience (education)	Currently holding concurrent positions in the Company and other companies	Other officers, Directors or supervisors who are spouses or within two degrees of consanguinity			Remark
							Number of shares held	No. of shares	Number of shares held	No. of shares	Number of shares held	No. of shares	Number of shares held	No. of shares			Title	Name	Relations	
Director	ROC	Lici Enterprise Co., Ltd.	Female	2024.06.19	III Year	2024.06.19	2,840,456	0.38%	2,925,669	0.38%	0	0.00%	0	0.00%	None	None	None	None	None	None
		Representative: GUO,YA-TING					915	0.00%	942	0.00%	1,297,800	0.17%	0	0.00%	Department of Finance, California State University, Los Angeles, USA	Director of Lealea Hotel Co., Ltd. Yilan Lealea Development Co., Ltd. Director	Chairman Director	GUO,JI-GANG GUO,JI-AN	Sibling Sibling	Note 2
Director	ROC	Champion Xiang Investment Limited	Male	2024.06.19	III Year	2015.06.15	6,930,975	0.93%	7,138,904	0.93%	0	0.00%	0	0.00%	None	None	None	None	None	None
		Representative: HONG,QUAN-FU					1,472,720	0.20%	1,516,901	0.20%	224,234	0.03%	0	0.00%	Master of Business Administration in Marketing, Johns Hopkins University, USA	Chairman of the Board of Directors of Hong Yu International Co., Ltd.				
Director	ROC	Shun Yu Investment (Stock) Co., Ltd.	Male	2024.06.19	III Year	2015.06.15	13,015,859	1.75%	13,406,334	1.75%	0	0.00%	0	0.00%	None	Director, LI PENG ENTERPRISE CO., LTD. Director of LEALEA ENTERPRISE CO., LTD.	None	None	None	None
		Representative: GUO,KE-ZHONG					323,080	0.04%	332,772	0.04%	0	0.00%	0	0.00%	San Maring High School					
Independent Director	ROC	Lin, Chun-Liang	Male	2024.06.19	III Year	2021.07.14	0	0.00%	0	0.00%	9,074	0.00%	0	0.00%	Tamkang University, Department of Banking and Insurance	Audit Committee and Remuneration Committee Members of the Company Chairman of the Taiwan Hebron Social Responsibility Association	None	None	None	None

Title	Nationality or place of incorporation	Name	Gender Age (Note 1)	Date of election (appointment)	Appointment Tenure	Date of initial election	Shareholding at the time of election		Current shareholding		Shareholdings of the spouse and minor children		Shareholding in other people's names		Major experience (education)	Currently holding concurrent positions in the Company and other companies	Other officers, Directors or supervisors who are spouses or within two degrees of consanguinity			Remark
							Number of shares held	No. of shares	Number of shares held	No. of shares	Number of shares held	No. of shares	Number of shares held	No. of shares			Title	Name	Relations	
Independent Director	ROC	Ge, Shu-Ren	Male	2024.06.19	III Year	2021.07.14	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Swiss Business School, Master of Business Administration Ming Chuan University, Master of Communication	Audit Committee and Remuneration Committee Members of the Company Independent Director, China Engineering Part-time Professor, Shih Hsin University Executive Director of Chinese Television Network	None	None	None	None
Independent Director	ROC	Kang. Shie-Yi	Male	2024.06.19	III Year	2021.07.14	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Soochow University, Department of Business Administration	Audit Committee and Remuneration Committee Members of the Company	None	None	None	None

Note 1: For the age information of directors, please refer to the attached table "diversification implementation" on page 8 of the annual report.
Note 2: Date of initial election 19 June 2024

Table 1: Major Shareholders of Corporate Shareholders

31 March 2025

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding ratio
Shun Yu Investment Co., Ltd.	GUO,JUN-NAN	52.94%
	XU,BI-YUAN	32.94%
	GUO,KE-RONG	3.53%
	GUO,KE-ZHONG	3.53%
	GUO,KE-WEN	3.53%
	GUO,KE-PING	3.53%
Champion Xiang Investment Limited	HONG,QUAN-FU	38.41%
	HONG,ZONG-QI	38.41%
	HONG,NENG-ZU	11.10%
	HUANG,SU-YING	5.05%
	HUANG,MEI-YAO	5.05%
	HONG,XIE-WU	1.98%

Note 1: If the Director or supervisor is a representative of a corporate shareholder, the name of the corporate shareholder should be entered.

Note 2: Enter the names of the major shareholders (the top ten shareholders) and their shareholding percentages. If the major shareholder is a corporation, the following table 2 should be completed.

Note 3: If the corporate shareholder is not an organizer of the company, the names and shareholding percentages of the shareholders to be disclosed as mentioned above shall be the names of the investors or donors (refer to the announcements from the Judicial Yuan for inquiries) and their investment or donation ratios. If the donor has passed away, please annotate "deceased."

Disclosure of professional qualifications of directors and supervisors and independence of independent directors:

Criteria / Name	Professional Qualification and Work Experience	Independence	Number of concurrent independent directorships in other publicly listed companies
Chairman GUO,JI-GANG	Graduated from the Hotel Management Department of Pomona University, California, USA, and served as director in Li Peng, Lealea Hotels and other listed/OTC companies. He is with at least five years of work experience in business, legal affairs, finance, accounting, or work experience required by the Company's business. Since 2024, he has been appointed as the chairman of the Company by the board of directors, leading the Company to grow steadily and move towards sustainable operation.	There is no one of the circumstances specified in Article 30 of the Company Act.	0
Director GUO,SHU-ZHEN	Graduated from Yale University with a Master of Business Management and a Master of Public Health, served as director in several listed companies including Forest Water Environmental Engineering, Lealea, and Li Peng. He is with at least five years of experience in business, legal affairs, finance, accounting or work experience required by the Company's business, contributing to his talent in operation and management.		0

Criteria / Name	Professional Qualification and Work Experience	Independence	Number of concurrent independent directorships in other publicly listed companies
Director GUO,JI-AN	Graduated from the Department of business management of Fort Hays State University in the United States and served as director in Forest Water Environmental Lealea, Lealea Hotels and other listed/OTC companies. He is with at least five years of experience in business, legal affairs, finance, accounting or work experience required by the Company's business. Since 2019, he has served as the deputy chairman of the subsidiary Forest Water environmental and contributed to his talent of operation and management.		0
Director: Li Ci Enterprises Co., Ltd. Representative: GUO, YA-TING	Graduated from the Department of Finance at California State University, Los Angeles, and served as a director of the subsidiary Lealea Hotels and Yilan Lealea. He is with at least five years of experience in business, legal affairs, finance, accounting or work experience required by the Company's business, contributing to his talent in operation and management.		0

Criteria / Name	Professional Qualification and Work Experience	Independence	Number of concurrent independent directorships in other publicly listed companies
Director: Representative of Guan, Shi-Ang Investment Co., Ltd.: HONG,QUAN-FU	Graduated with a Master of Business Administration in Marketing from Johns Hopkins University, USA, and served as the chairman of Hong Yu International Company, with at least five years of experience in business, legal affairs, finance, accounting or work experience required by the Company's business. Possesses an international perspective, global professional market competition judgment, and innovative leadership.		0
Director: Guan, Shi-Ang Investment Co., Ltd. Representative: Hong, Chuan-Fu	Served as a director of listed companies such as Lealea and Li Peng, studied at Syracuse University in the United States, and has over five years of experience in business, legal affairs, finance, accounting or work experience required by the Company's business. He possesses an international perspective and has relevant experience in restaurant management.		0

Criteria / Name	Professional Qualification and Work Experience	Independence	Number of concurrent independent directorships in other publicly listed companies
0 Independent Director Lin, Chun-Liang	Graduated from Tamkang University, Department of Banking and Insurance, and has served as a director at Hua Nan Financial Holdings, Hua Nan Bank, Taiwan Property Insurance, Taiwan Life Insurance, Taiwan Bills Clearing House, and Taiwan Financial Asset Services; Deputy General Manager and Chief Auditor at Taiwan Bank; Deputy Secretary-General of the Bankers Association of the Republic of China, with at least five years of experience in business, legal affairs, finance, accounting or work experience required by the Company's business. Rich experience in finance provides the company with professional advice on financial markets.	In the two years before the election and during his tenure, he has met the following independent evaluation conditions: (1) Not an employee of the Company or its affiliated enterprises. (2) Directors who are not the Company or its affiliated enterprises supervisor. (3) Not himself or his spouse Minor children or natural person shareholders who hold more than 1% of the total issued shares of the Company in the name of others or the top 10 shareholders. (4) Not the spouse of the manager listed in (1) or the person listed in (2) (3) Relatives within the second degree of kinship or lineal blood relatives within the third degree of kinship.	0

Criteria / Name	Professional Qualification and Work Experience	Independence	Number of concurrent independent directorships in other publicly listed companies
0 Independent Director Ge, Shu-Ren	Graduated from Swiss Business School, Doctor of Management, and Ming Chuan University, Master of Communication. He has served as a director for Taiwan Land Development, Kaijie International, Taiwan Innovation, and as the deputy general manager of TVBS Television and Era Digital. Currently, he is an academic advisor and adjunct professor at Shih Hsin University, a municipal advisor for the Taipei City Government, an advisor for the Taitung County Council, and an independent director for China Engineering and Taiwan Power Generation. He has at least five years of experience in business, legal affairs, finance, accounting or work experience required by the Company's business. Rich experience in industry-academia collaboration provides professional advice on the company's management strategy.	(5) Not directly holding more than 5% of the total issued shares of the Company The director of the corporate shareholders who hold the top five shares or appoint a representative to act as the director or supervisor of the Company in accordance with paragraph 1 or 2 of Article 27 of the Company Act Supervisor or employee. (6) More than half of the directors or voting shares of non-company and other companies are controlled by the same person, and the directors of other companies Supervisor or employee. (7) Directors (supervisors) or employees of another company or institution who are not the chairman or general manager of the Company or hold equivalent positions, and are the same person or spouse. (8) Director of a specific company or institution that does not have financial or business dealings with the Company Supervisor (supervisor) Managers or	1

Criteria / Name	Professional Qualification and Work Experience	Independence	Number of concurrent independent directorships in other publicly listed companies
0 Independent Director Kang. Shie-Yi	Graduated from Soochow University, Department of Business Administration, and served as the first gold supervisor. Manager of the business department of Taiwan Bank, He is with more than five years of experience in business, legal, and finance. Rich experience in finance provides the company with professional advice on financial markets.	shareholders holding more than 5%. (9) Business that does not provide audit services for companies or affiliated enterprises or that has received remuneration more than NT $500,000 in the past two years Legal affairs Finance. Professionals in accounting and other related services Sole proprietorship form a partnership. The business owner of a company or institution partner. Director Supervisor (supervisor) Managers and their spouses. However, the salary and Remuneration Committee that performs its functions and powers in accordance with this law or relevant laws and regulations of the enterprise merger and Acquisition Law Members of the public takeover review committee or the Special Committee on mergers and acquisitions are not subject to this restriction. (10) There is no one of the circumstances specified in Article 30 of the Company Act.	0

II. Board of Directors' Diversification and Independence:

(1) Diversification of Board of Directors

1. Diversification Policy:

In accordance with the Company's "Corporate Governance Best Practice Principles ", the Company's Board of Directors shall direct the Company's strategies, supervise the management, and be responsible to the Company and its shareholders, and shall ensure that the Board of Directors shall exercise its authority in accordance with the provisions of the Act, the Articles of Association, or the resolutions of the shareholders' meeting regarding the various operations and arrangements of the corporate governance system.

The Company's Board of Directors shall be structured to determine the appropriate number of directors with five or more members, considering the scale of the Company's operations and development and the shareholdings of its major shareholders, and taking into account practical operational needs.

The composition of the Board of Directors shall take into consideration diversity, except that the number of directors who are also managers of the Company shall not exceed one-third of the number of directors, and shall formulate appropriate diversity guidelines with respect to its operation, business model and development needs, including but not limited to the following two major criteria:

(1) Basic qualifications and values: gender, age, nationality, and culture, etc.

(2) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Board members should generally possess the knowledge, skills and qualities necessary to perform their duties. In order to achieve the desired goals of corporate governance, the Board of Directors as a whole should possess the following competencies:

A. Operational judgment.
Accounting and financial analysis skills.
C. Operating Management skills.
D. Crisis management ability.
Industry knowledge.
G. International market view.
Leadership ability.
Decision-making ability.

(3) Diversification Implementation Status

Our company's 13th Board of Directors possesses abundant experience and expertise in financial affairs, tourism and catering, mass media, construction, environmental engineering, and other fields. Based on the list of current directors of the Company, the proportion of independent directors reaches 33%, and the proportion of female directors reaches 22%. For the professional qualifications and experience of directors, please refer to this annual report (page 6). The implementation of diversification is as follows:

Diversification Item / Name	Gender Category	Age			Industrial Experience				Professional ability			
		Below 40	41 to 60	61 or more	Financial affairs	Tourism and Catering	Mass media	Environmental Engineering in Construction	Leadership and Decision	Operation Management	Sales and Marketing	Financial accounting
GUO,SHU-ZHEN	Female			✓	✓	✓		✓	✓	✓		✓
GUO,JI-GANG	Male		✓			✓		✓	✓	✓	✓	
GUO,JI-AN	Male	✓						✓	✓	✓	✓	
GUO,YA-TING	Female		✓		✓					✓		✓
HONG,QUAN-FU	Male		✓					✓	✓	✓	✓	
GUO,KE-ZHONG	Male	✓				✓		✓			✓	
Lin, Chun-Liang	Male			✓	✓				✓	✓		✓
Ge, Shu-Ren	Male			✓			✓	✓	✓	✓	✓	
Kang. Shie-Yi	Male			✓	✓				✓	✓		

2. Specific management objectives and achievement of the diversification policy of the Board of Directors

The goal of having independent directors serve no more than three consecutive terms on the 14th Board of Directors has been achieved, and it is expected that an additional independent director will be added in 2025, bringing the total to four, to strengthen corporate governance.

(2) Independence of the Board of Directors

The 14th Board of Directors of the Company consists of 9 directors, including 3 independent directors, and the ratio of independent directors to the Board of Directors is 1/3. Three of the directors have relatives within the second degree of kinship. The independence of the Board of Directors is in accordance with Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. There should be more than half of the seats among the directors, and no spouse or relative within two degrees of consanguinity. Please refer to page 3 of this annual report for the circumstances under which a director has a spouse and a relative within two degrees of consanguinity; please refer to page 6 of this annual report for the circumstances under which a director is independent.

(2) Information of General Manager, Vice President, Assistant Manager, Head of Departments and Branches

22 April 2025; Unit: Share

Title	Nationality	Name	Gender Category	Date of election (appointment)	Shareholding		Spouse, minor children holding shares		Shareholding in other people's names		Major experience (education)	Currently holding concurrent positions in the Company and other companies	A manager who is related to a spouse or a second relative			Remark
					Number of shares held	Number of shares held Ratio	Number of shares held	Number of shares held Ratio	Number of shares held	No. of shares			Title	Name	Relations	
Chairman	ROC	GUO,JI-GANG	Male	2018.01.01	679,034	0.09%	2,072,360	0.27%	0	0.00%	Hotel Management Department, Pomona University, California, USA	Chairman of Yilan Lealea Development Co., Ltd. Director of Ho Ching Enterprises Co., Ltd. Director, LI PENG ENTERPRISE CO., LTD. Chairman of Ho Ching Enterprises Co., Ltd.	None	None	None	Note 1
Manager	ROC	WU,ZHENG-HUI	Male	2015.08.10	0	0.00%	0	0.00%	0	0.00%	Feng Chia University Department of Accounting	None	None	None	None	None
Manager	ROC	WANG, YAN-WEN	Male	2015.08.10	0	0.00%	0	0.00%	0	0.00%	Master of Architecture, Oregon University, USA	None	None	None	None	None
Manager	ROC	LIN,JIAN-CHENG	Male	2018.10.01	0	0.00%	0	0.00%	0	0.00%	Taipei Institute of Technology Department of Civil Engineering	None	None	None	None	None
Manager	ROC	WANG, YU-	Male	2019.08.01	0	0.00%	0	0.00%	0	0.00%	Guangwu Institute of	None	None	None	None	None

Title	Nationality	Name	Gender Category	Date of election (appointment)	Shareholding		Spouse, minor children holding shares		Shareholding in other people's names		Major experience (education)	Currently holding concurrent positions in the Company and other companies	A manager who is related to a spouse or a second relative			Remark
					Number of shares held	Number of shares held Ratio	Number of shares held	Number of shares held Ratio	Number of shares held	No. of shares			Title	Name	Relations	
		YUN									Technology Department of Mechanical Engineering					
Accounting Chief	ROC	KE,XIAN-REN	Male	2002.08.01	102,605	0.01%	1,069	0.00%	0	0.00%	Soochow University Department of Accounting	Director of Yilan Lealea Development Co., Ltd. Director of Rich Forest Leisure Development Co., Ltd.	None	None	None	None
Financial Chief	ROC	ZHONG,LI-YAN	Female	2003.04.11	1,788	0.00%	5,000	0.00%	0	0.00%	Deming College of Commerce Department of International Trade	None	None	None	None	None
Corporate governance director	ROC	LIN, MING-CHI	Male	2021.05.13	0	0.00%	0	0.00%	0	0.00%	Chinese Culture University Department of Business Administration	None	None	None	None	None

Note 1: Resigned on 19 June 2024

(3) If the chairman of the Board of Directors and the president or equivalent (top manager) is the same person, spouses or relatives of one another, the reasons, reasonableness, necessity and measures to address the situation should be stated: Not applicable.

II. Remuneration paid to Directors, supervisors, general manager and deputy general manager for the past year

(1) Remuneration of Directors (including independent Directors)

Unit: NTD one thousand/thousand shares

Title	Name	Directors' remuneration								A, B, C and D as a percentage of total net income after tax (%) (Note 10)		Remuneration received by employees holding concurrent positions.								Total of the seven items A, B, C, D, E, F and G as a percentage of net income after tax (Note 10)		Remuneration received from businesses other than subsidiaries or the parent company (Note 11)
		Remuneration (A) (Note 2)		Retirement Pension (B)		Director Compensation (C) (Note 3)		Business execution expenses (D) (Note 4)				Salaries, bonuses, and special expenses, etc. (E) (Note 5)		Retirement Pension (F)		Employee compensation (G) (Note 6)						
																The Company		All companies in the financial statements (Note 7)				
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All companies in the financial statements	
Director	Guo, Ji-Gang, Guo, Shu-Zhen, Guo, Ji-An, Yang, Qiong-Ru, Representative of Li-Ci Enterprises Co., Ltd.: Guo, Ya-Ting, Representative of Guan, Shi-Ang Investment Co., Ltd.: Hong, Chuan-Fu, Representative of Shun Yu Investment Co., Ltd.: Guo, Ke-Zhong	9933	12590	26100	26100	3868	4793	0	0	36033 28.10	43483 33.91	7155	11921	0	0	0	0	0	0	41790 32.59	53782 41.94	0

0 Independent Director	Lin, Chun-Liang. Ge, Shu-Ren. Kang, Shie-Yi.	720	720	0	0	675	675	0	0	1395 1.09	1395 1.09	0	0	0	0	0	0	0	0	1395 1.09	1395 1.09	0

1. Please describe the policy, system, criteria and structure of the remuneration of the independent directors, and the relevance of the amount of remuneration to the responsibilities, risks and time commitment of the directors: The remuneration of the independent directors is governed by the Company's Articles of Incorporation and is reviewed regularly by the Remuneration Committee based on the contributions of individual directors to the Board of Directors and the Company's operations.

2. In addition to the above, the remuneration received by the directors for services rendered in the most recent year (e.g., serving as consultants to all companies in the parent company/financial report/reinvestment busi that are not employees): None.

Remuneration scale

Levels of remuneration payable to each of the Company's Directors	Director Name			
	Total of the first 4 remuneration items (A+B+C+D)		Total of the first 7 remuneration items (A+B+C+D+E+F+G)	
	The Company (Note 9)	All companies in the financial statements (Note 10)	The Company (Note 9)	All companies in the financial statements (Note 10)
Less than NT$1,000,000	Guo, Ji-An. Yang, Qiong-Ru. Representative of Li Ci Industrial Co. Ltd.: Guo, Ya-Ting. Representative of Guan, Shi-Ang Investment Co. Ltd.: Hong, Chuan-Fu. Representative of Shun Yu Investment Co. Ltd.: Guo, Ke-Chong, Lin, Chun-Liang. Ge, Shu-Ren. Kang, Shie-Yi.	Yang, Qiong-Ru. Representative of Li Ci Enterprise Co., Ltd.: Guo, Ya-Ting. Representative of Guan, Shi-Ang Investment Co., Ltd.: Hong, Chuan-Fu. Representative of Shun Yu Investment Co., Ltd.: Guo, Ke-Chong, Lin, Chun-Liang. Ge, Shu-Ren. Kang. Shie-Yi.	GUO, JI-AN. Representative of Li Ci Industrial Co., Ltd.: GUO, YA-TING. Representative of Guan, Shi-Ang Investment Co., Ltd.: HONG, CHUAN-FU. Representative of Shun Yu Investment Co., Ltd.: GUO, KE-CHONG, LIN, CHUN-LIANG. GE, SHU-REN. KANG, SHIE-YI.	Representative of Li Ci Enterprise Co., Ltd.: GUO, YA-TING. Representative of Guan, Shi-Ang Investment Co., Ltd.: HONG, QUAN-FU. Representative of Shun Yu Investment Co., Ltd.: GUO, KE-ZHONG, LIN, CHUN-LIANG, GE, SHU-REN, KANG, SHIE-YI.
NT$1,000,000 (incl.) to NT$2,000,000 (excl.)	None	GUO,JI-AN	YANG,QIONG-RU	YANG,QIONG-RU
NT$2,000,000 (incl.) to NT$3,500,000 (excl.)	GUO,JI-GANG	None	None	None

NT$3,500,000 (incl.) to NT$5,000,000 (excl.)	None	GUO,JI-GANG	None	None
NT$5,000,000 (incl.) to NT$10,000,000 (excl.)	None	None	GUO,JI-GANG	GUO,JI-GANG, GUO,JI-AN
NT$10,000,000 (incl.) to NT$15,000,000 (excl.)	None	None	None	None
NT$ 15,000,000 (incl.) to NT$ 30,000,000 (excl.)	None	None	None	None
NT$ 30,000,000 (incl.) to NT$ 50,000,000 (excl.)	GUO,SHU-ZHEN	GUO,SHU-ZHEN	GUO,SHU-ZHEN	GUO,SHU-ZHEN
NT$ 50,000,000 (incl.) ~ NT$ 100,000,000 (excl.)	None	None	None	None
NT$100,000,000 or more	None	None	None	None
Total	10	10	10	10

Note 1: The names of Directors should be listed separately (for corporate shareholders, the names of corporate shareholders and their representatives should be listed separately), and the amount of each payment should be disclosed in aggregate. If a Director is also the president or vice president, he/she should fill in this table and the following table (3-1) or (3-2).

Note 2: The most recent annual remuneration of Directors (including Director's salary, salary increment, severance pay, bonuses and incentives, etc.).

Note 3: The amount of Directors' remuneration approved by the Board of Directors for the most recent year.

Note 4: It refers to the expenses related to the execution of the Directors' business (including car and horse expenses, special expenses, various allowances, dormitory, car and other in-kind provisions, etc.). In the case of expenses for the provision of housing, automobiles, other transportation or personal use, the nature and cost of the assets provided, actual or fair market value of rent, fuel and other payments should be disclosed. If there is a chauffeur, please note that the Company pays the chauffeur the relevant remuneration but does not include the remuneration.

Note 5: This refers to the most recent year in which the Directors and employees (including the president, vice presidents, other managers and employees) received salaries, salary increments, severance pay, bonuses, incentives, carriage, special payments, allowances, dormitories, vehicles, and other in-kind provisions. In the case of expenses for the provision of housing, automobiles, other transportation or personal use, the nature and cost of the assets provided, actual or fair market value of rent, fuel and other payments should be disclosed. If there is a chauffeur, please note that the Company pays the chauffeur the relevant remuneration but does not include the remuneration.

Note 6: This refers to the Directors and employees (including the General Manager, Vice President, other managers, and employees) who received employee compensation (including stock and cash) in the most recent year. The amount of employee compensation approved by the Board of Directors for the most recent year should be disclosed. If the amount cannot be estimated, the proposed distribution for this year should be calculated in proportion to the actual distribution last year, and Schedule 1-3 should also be filled out.

Note 7: The number of shares (excluding the executed portion) of employee stock options acquired by the Directors and employees (including the president, vice president, other managers and employees) as of the printing date of the annual report should be listed in Table 15 in addition to this table.

Note 8: The total amount of remuneration paid to the Company's Directors by all companies (including the Company) in the consolidated report should be disclosed.

Note 9: The total amount of remuneration paid by the Company to each Director should be disclosed in the name of the Director at the level to which the remuneration is attributed.

Note 10: The total amount of each remuneration paid by all companies (including the Company) to each Director of the Company in the consolidated report should be disclosed, and the names of the Directors should be disclosed in the vesting hierarchy.

Note 11: The net income after tax refers to the net income after tax of the most recent year; if IFRSs have been adopted, the net income after tax refers to the net income after tax of the most recent year for individual or separate financial reports.

Note 12: a. The amount of remuneration received by the Directors of the Company from the investment outside the subsidiaries should be clearly stated in this column.

b. If a Director of the Company receives remuneration from a business other than a subsidiary, the remuneration received by the Director of the Company from a business other than a subsidiary should be included in column J of the remuneration scale, and the name of the column should be changed to "All business other than a subsidiary".

c. Remuneration refers to the compensation, remuneration (including remuneration to employees, Directors and supervisors) and business execution expenses received by the Company's Directors in their capacity as Directors, supervisors or managers of the businesses outside the subsidiaries.

Note 13: The number of shares of new shares with restricted employee rights acquired by Directors and employees (including general manager, vice president, other managers and employees) as of the printing date of the annual report should be listed in Schedule 15 in addition to this table.

(2) Supervisors' remuneration: Not applicable.

(3) Remuneration for the President and Vice President

Unit: NT$1,000

Title	Name	Salary (A) (Note 2)		Retirement Pension (B)		Bonuses and Concessions, etc. (C) (Note 3)		Amount of employee compensation (D) (Note 4)				A, B, C and D as a percentage of total net income of net income after tax (%) (Note 8)		Whether remuneration is received from businesses other than subsidiaries or the parent company. Company Remuneration (Note 9)
		The Company The Company Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company The Company Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company The Company Company	All companies in the financial statements (Note 5)	
								Cash Amount Amount	Stock Amount	Cash Amount Amount	Stock Amount			
Chairman (Note)	GUO,JI-GANG	1680	1680	0	0	1593	1593	0	0	0	0	3273 2.55	3273 2.55	0

Note: Resigned on 19 June 2024

Remuneration scale

Remuneration level for each general manager and vice president of the Company	Name of General Manager and Vice President	
	The Company (Note 7)	All companies in the financial statements (Note 8)
Less than NT$1,000,000	None	None
NT$1,000,000 (incl.) to NT$2,000,000 (excl.)	None	None
NT$2,000,000 (incl.) to NT$3,500,000 (excl.)	GUO,JI-GANG	GUO,JI-GANG
NT$3,500,000 (incl.) to NT$5,000,000 (excl.)	None	None
NT$5,000,000 (incl.) to NT$10,000,000 (excl.)	None	None
NT$10,000,000 (incl.) to NT$15,000,000 (excl.)	None	None
NT$ 15,000,000 (incl.) to NT$ 30,000,000 (excl.)	None	None
NT$ 30,000,000 (incl.) to NT$ 50,000,000 (excl.)	None	None
NT$ 50,000,000 (incl.) ~ NT$ 100,000,000 (excl.)	None	None
NT$100,000,000 or more	None	None
Total	1	1

Note 1: The names of the General Manager and Vice President should be listed separately to disclose the amount of each payment in aggregate. If the Director is also the General Manager or Vice President, he/she should fill in this table and the above table (1-1) or (1-2).

Note 2: The most recent annual salary, salary increment, and severance pay of the President and Vice President are listed.

Note 3: The latest annual bonuses, incentives, car and horse expenses, special expenses, allowances, dormitories, vehicles, and other in-kind payments to the President and Vice President are included. In the case of expenses for the provision of housing, automobiles, other transportation or personal use, the nature and cost of the assets provided, actual or fair market value of rent, fuel and other payments should be disclosed. If there is a chauffeur, please note that the Company pays the chauffeur the relevant remuneration but does not include the remuneration.

Note 4: The amount of employee compensation (including stock and cash) approved by the Board of Directors for the most recent year for the General Manager and Deputy General Manager is included. If the amount cannot be estimated, the proposed distribution for this year is calculated in proportion to the actual distribution last year, and Table 1(3) should also be filled out. If IFRSs have been adopted, the net income after tax refers to the net income after tax of the most recent year for individual or separate financial reports.

Note 5: The number of shares subscribed by the president and vice president (excluding the executed portion) as of the date of the annual report should be listed in Table 15 in addition to this table.

Note 6: The total amount of remuneration paid to the general manager and vice president of the Company by all companies in the consolidated report (including the Company) should be disclosed.

Note 7: The total amount of remuneration paid by the Company to each general manager and deputy general manager should be disclosed in the name of the general manager and deputy general manager at the level to which they belong.

Note 8: The total amount of remuneration paid to each general manager and deputy general manager of the Company by all companies in the

consolidated report (including the Company) should be disclosed, and the names of the general manager and deputy general manager should be disclosed in the vesting hierarchy.

Note 9: The net income after tax refers to the net income after tax of the most recent year; if IFRSs have been adopted, the net income after tax refers to the net income after tax of the most recent year for individual or separate financial reports.

Note 10: a. The amount of remuneration received by the general manager and vice president of the Company from businesses other than the subsidiaries should be clearly stated in this column.

b. If the general manager and vice president of the Company receive remuneration from a business other than a subsidiary, the remuneration received by the general manager and vice president of the Company from a business other than a subsidiary should be included in column E of the remuneration scale, and the name of the column should be changed to "All business other than a subsidiary".

c. Remuneration refers to the compensation, remuneration (including employee, Director and supervisor remuneration), and business execution expenses received by the President and Vice President of the Company in their capacity as Directors, supervisors or managers of the businesses outside the subsidiaries.

Note 11: The number of shares of new shares with restricted employee rights received by the Director and employees (including the general manager, vice president, other managers and employees) as of the date of the annual report should be listed in Schedule 15-1 in addition to this table.

＊The remuneration disclosed in this table is different from the concept of income under the Income Tax Act, therefore, the purpose of this table is for information disclosure and not for tax purposes.

(4) The name of the manager who distributes the employee's remuneration and the

	Title	Name	Stock Amount ($1,000)	Cash Amount($1,000)	Total ($1,000)	Total as a percentage of net income after tax (%)
Manager	General Manager (Note)	GUO,JI-GANG	No employee remuneration assigned			
	Manager	WANG,YAN-WEN				
	Manager	WU,ZHENG-HUI				
	Manager	LIN,JIAN-CHENG				
	Manager	WANG,YU-YUN				
	Accounting Supervisor	KE,XIAN-REN				
	Finance Supervisor	ZHONG,LI-YAN				
	Corporate governance director	LIN, MING-CHI				

Note: Resigned on 19 June 2024

Note 1: Individual names and titles should be disclosed, but the distribution of profits should be summarized.

Note 2: The amount of employee compensation (including stock and cash) approved by the Board of Directors for the most recent year is included. If the amount cannot be estimated, the proposed distribution for this year is calculated in proportion to the actual distribution last year. If IFRSs have been adopted, the net income after tax refers to the net income after tax of the most recent year for individual or separate financial reports.

Note 3: The scope of application of the Manager, as stipulated in the Order No. 0920001301 dated 27 March 2003, is as follows:

(1) General manager and equivalent level

(2) Vice President and equivalent

(3) Associate manager and equivalent level

(4) Head of Finance Department

(5) Head of accounting department

(6) Any other person who has the right to manage and sign for the Company

Note 4: If the chairman, president and vice president receive employee compensation (including stock and cash), they should be listed in this table in addition to Table 1(2).

(5) An analysis of the total compensation paid to the Company's Directors supervisors, general manager and vice president as a percentage of net income after tax for the past two years and an explanation of the policy, criteria and composition of remuneration payments, the procedures for setting remuneration and the correlation with operating performance.

(1) Total remuneration paid to the Company's Directors, supervisors, president and vice president as a percentage of net income after tax for the past two years:

Title	FY 2023 Total remuneration as a percentage of net income after tax (%)		FY 2024 Total remuneration as a percentage of net income after tax (%)	
	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements
Director	7.70	14.25	33.68	43.03
Supervisor	Not applicable	Not applicable	Not applicable	Not applicable
General Manager and Vice President	2.08	2.08	2.55	2.55

(2) The relationship of the policy, criteria and composition of remuneration payment, the procedure of setting remuneration, and the correlation with operating performance and future risks:

A. Policy, Criteria and Composition of Remuneration

a. The remuneration of the Company's directors shall be divided into directors' compensation, business execution expenses (carriage and attendance fees) and directors' remuneration, depending on the extent of the directors' participation in the Company's operations and the value of their contributions. In accordance with the Company's Articles of Incorporation, the Board of Directors is authorized to determine the remuneration of the directors by reference to the usual standards in the industry.

b. The remuneration of the Manager is divided into salary and bonus. Salary is determined by taking into account the Company's internal salary balance and market conditions and is approved in accordance with the Employee Salary Act with respect to the Manager's academic experience, professional ability and responsibilities; bonus is determined in accordance with the annual bonus payment method, and is reviewed by the Salary and Compensation Committee and submitted to the Board of Directors for approval.

B. Procedures for Setting Compensation

Directors and managers are evaluated for performance and reasonableness of

compensation in accordance with the "Articles of Incorporation", "Employee Salary Regulations", "Annual Bonus Payment Regulations" and "Employee Evaluation Regulations". Taking into account the company's operational performance, individual evaluation results, and contributions to the company, reasonable remuneration is provided, which is reviewed by the Compensation Committee and approved by the Board of Directors.

C. Relationship to operating performance and future risks

a. In accordance with Article 27 of the Company's Articles of Incorporation, if the Company makes a profit in a year, it shall contribute not less than 0.5% to employees' remuneration and may contribute not more than 3% to directors' remuneration. However, if the Company has accumulated losses, it shall reserve the amount of compensation in advance and then provide the employees' and directors' remuneration in accordance with the aforementioned percentages.

b. The performance targets and important decisions of the Company's management are based on a balance of various risk factors; at the same time, the aforementioned remuneration is determined with reference to the future business risks and development trends of the industry and is linked to the remuneration of the management.

III. Corporate Governance Operations

(1) Operation of the Board of Directors

Information on the operation of the Board of Directors

The Board of Directors met 11 times during the most recent year as of the printing date of the annual report, and the attendance of the Directors was as follows:

Title	Name	Actual number of attendees	Attendance by proxy	Actual Rate of Attendance(%)	Remark
Chairman	GUO,JI-GANG	11	0	100.00%	
Director	GUO,SHU-ZHEN	8	0	72.73%	
Director	GUO,JI-AN	9	0	81.82%	
Director	YANG,QIONG-RU	4	0	80.00%	19 June 2024 dismissal
Director	Representative of Li Ci Industrial Co., Ltd.: GUO, YA-TING	2	0	28.57%	19 June 2024 takes office
Director	Representative of Guan, Shi-Ang Investment Limited: HONG,QUAN-FU	2	0	18.18%	
Director	Representative of Shun Yu Investment Co., Ltd.: GUO,KE-ZHONG	10	0	90.91%	
Independent	Lin, Chun-Liang	10	1	90.91%	
Independent	Ge, Shu-Ren	9	2	81.82%	
Independent	Kang. Shie-Yi	11	0	100.00%	

Other matters to be recorded.

1. The operation of the Board of Directors' meeting shall state the date and period of the board meeting, the content of the motion, the opinions of all independent Directors and the Company's handling of the opinions of the independent Directors if any of the following circumstances apply.
   (1) Matters listed in Article 14-3 of the Securities and Exchange Act

Board of Directors		Contents of the proposal	Independent Directors' opinion	Handling of Independent Directors' Opinions
(13th) 25th	2024.01.29	1. Proposal for the distribution of the 2023 performance bonuses for managers.	Agree	Not applicable

		2. Directors and managers, the proposed implementation of various compensation programs policy.		
26th	2024.03.15	1.2023 Employee Compensation and Director Compensation Distribution. 2. Lift the restrictions on the competitive conduct of the newly appointed directors and their representatives.	Agree	Not applicable
27th	2024.04.19	1. 2023 surplus distribution plan for capital increase through issuance of new shares.	Agree	Not applicable
(14th) 2nd	2024.08.13	1. For the new construction of the "RICH Huanshan Road Project A", it is proposed to contract the "Assumed and Foundation Works" to our related company, Rio Tinto Construction Co.	Agree	Not applicable
3rd	2024.09.10	1. The new construction project of "Rich Feng Mu" is proposed to be contracted to our related company, Rio Tinto Construction Co., for the "Demolition Works". 2. Purchase of land and buildings located at No. 213, Section 4, Bade Road, Songshan District, Taipei City from related parties.	Agree	Not applicable
4th	2024.10.09	1. Handle the cooperative construction projects for 38 pieces of land including Jingde Section, Gongzheng Section, and Jianguo Section in Xinzhuang District, New Taipei City. 2. Handle the cooperative construction projects for 80 pieces of land including Gongzheng Section, Qionglin Section, Gongguan Section, and Qiongtai Section in Xinzhuang District, New Taipei City.	Agree	Not applicable
5th	2024.11.13	1. The subsidiary, Gaoshanlin Waterworks Co., Ltd. (hereinafter referred to as Gaoshanlin Company), shall assume joint and several guarantor responsibilities for its syndicated loan case within the scope of NTD SIX HUNDRED AND FIFTY MILLION and issue a support letter. 2. Revision of the Company's "Internal Control System and Internal Audit Implementation Rules".	Agree	Not applicable
6th	2024.12.20	1. Reappointment of the Audit Director. 2. Sale of real estate to related parties.	Agree	Not applicable

(2) Other than the foregoing, other resolutions of the Board of Directors that were opposed or qualified by the independent Directors and for which records, or written statements are available: None.

2. In the case of recusal of a Director from the implementation of an interest motion, the name of the Director, the content of the motion, the reasons for recusal and the circumstances of participation in voting should be stated.

Date of Board Meeting	Attending Directors	Content of the proposal	Reasons for Benefit Avoidance	Participation in Voting
2024.01.29	GUO,SHU-ZHEN. GUO,JI-GANG. GUO,JI-AN. YANG,QIONG-RU. GUO,KE-CHONG. LIN,CHUN-LIANG. GE,SHU-REN. KANG,XIE-YI.	2023 Managerial Performance Bonus Distribution Plan.	Director GUO,JI-GANG is the general manager of the Company, and Directors GUO,JI-AN and YANG,QIONG-RU are second degree of consanguinity of Director GUO,JI-GANG and have applied for recusal in accordance with the	Other than the directors with a conflict of interest, the proposal was approved by the chairman after consulting the attending directors and no objection was submitted.

			law.	
		Directors and managers, the proposed implementation of various compensation programs policy.	The attending directors are the parties involved.	The directors considered the remuneration items other than their own. The proposal was approved by the chairman after consulting the directors attended and no objection was submitted.
2024.03.15	GUO,SHU-ZHEN. GUO,JI-GANG. GUO,JI-AN. YANG,QIONG-RU. GUO,KE-CHONG. LIN,CHUN-LIANG. GE,SHU-REN. KANG,XIE-YI.	2023 Employee Compensation and Director Compensation Distribution.	The attending directors are the parties involved.	The directors considered the remuneration items other than their own. The proposal was approved by the chairman after consulting the directors attended and no objection was submitted.
		Lift the restrictions on the competitive conduct of the newly appointed directors and their representatives.	Chairman GUO, SHU-ZHEN, Directors GUO, JI-GANG, GUO, JI-AN, YANG, QIONG-RU, Representative of Shun Yu Investment Co., Ltd.: GUO, KE-ZHONG, and Independent Director GE, SHU-REN apply for a conflict of interest.	Other than the directors with a conflict of interest, the proposal was approved by the acting chairman after consulting the attending directors and no objection was submitted.
2024.08.13	Guo, Ji-Gang. Guo, Ji-An. Guo, Ya-Ting. Guo, Ke-Chong. Hong, Chuan-Fu. Lin, Chun-Liang. Ge, Shu-Ren. Kang. Shie-Yi.	The new construction project "Rich Huanshan Road A Project" is proposed to be contracted to our related company, Rio Tinto Construction Co., Ltd. for the "Assumed and Foundation Works."	Director GUO,JI-GANG is a director of Rio Tinto Construction Co., Ltd.; Directors GUO,JI-AN and GUO,YA-TING are second degree of consanguinity of Director GUO,JI-GANG and have applied for avoidance in accordance with the law.	Other than the directors with a conflict of interest, the proposal was approved by the acting chairman after consulting the attending directors and no objection was submitted.
		Appointment of the Sixth Remuneration Committee Members of the Company.	Independent directors Lin, Chun-Liang, Ge, Shu-Ren, and Kang, Shie-Yi are parties to this case and shall adopt the principle of interest recusal.	Other than the directors with a conflict of interest, the proposal was approved by the chairman after consulting the attending directors and no objection was submitted.
2024.09.10	Guo, Ji-Gang. Guo, Ji-An. Guo, Ke-Chong. Lin, Chun-Liang. Ge, Shu-Ren. Kang. Shie-Yi.	The new construction project of "Rich Feng Mu" is planned to be contracted to our related company,	Director GUO,JI-GANG is a director of Leetau Construction Co., Ltd.; Director GUO,JI-AN is a second degree of	Other than the directors with a conflict of interest, the proposal was approved by the acting chairman after consulting the attending directors and no

		Rio Tinto Construction Co., for the "Demolition Works".	consanguinity of Director GUO,JI-GANG and has applied for recusal in accordance with the law.	objection was submitted.
2024.11.13	Guo, Ji-Gang. Guo, Shu-Zhen. Guo, Ke-Cong. Lin, Chun-Liang. Ge, Shu-Ren. Kang. Shie-Yi.	To act as a joint guarantor for the syndicated loan of the subsidiary, High Mountain Waterworks Co., Ltd. (hereinafter referred to as High Mountain Company), within the amount of NTD SIX HUNDRED AND FIFTY MILLION and to issue a support letter.	Director GUO,JI-AN is the chairman of High Mountain Forest Co; Chairman GUO,JI-GANG is a second degree of consanguinity of Director GUO,JI-AN and applies for a conflict of interest.	Other than the directors with a conflict of interest, the proposal was approved by the acting chairman after consulting the attending directors and no objection was submitted.

III. Listed companies shall disclose information regarding the evaluation cycle and period of the board's self (or peer) assessment, the scope of the assessment, methods, and content of the assessment, and complete Table 2 (2) on the implementation of the board evaluation: please refer to page 19.

IV. Assessment of the objectives for strengthening the functions of the Board of Directors in the current and recent years (such as establishing an Audit Committee, enhancing information transparency, etc.) and the implementation status: The Company conducts internal performance evaluations of the Board of Directors and functional committees (including the Audit Committee and Compensation Committee) regularly each year, and discloses the implementation status and evaluation results on the Company’ s website and in the annual report.

(II) Evaluation and implementation of the Board of Directors and functional committees

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Conduct once a year	1 January 2024 To 31 December 2024	Performance evaluation of the Board of Directors, individual Board members and functional committees (including Audit Committee and Remuneration Committee)	Self-Evaluation of Board Members	The performance of the Company's internal Board of Directors and functional committees is measured in five major areas: (1) participation in the Company's operations, (2) improvement of the quality of decisions made by the Board of Directors, (3) composition and structure of the Board of Directors, (4) selection and continuing education of directors, and (5) internal control; the self-evaluation of the performance of board members is measured in six major areas: (1) mastery of the Company's objectives and tasks, (2) awareness of the duties of directors, (3) participation in the Company's operations, (4) internal relationship management and communication, (5) professional and continuing education of directors, and (6) internal control. In 2024, the internal performance self-evaluation results of the Company's Board of Directors, Audit Committee, and Compensation Committee achieved completion rates of 95.17%, 100.0%, and 100%, respectively, while the completion rate of individual Board members' performance self-evaluation results was 95.65%. The overall operation of the Board of Directors is sound, demonstrating the effectiveness

				of the Company's efforts to enhance Board performance. The above content was submitted for record at the 7th meeting of the 14th Board of Directors on 15 January 2025. Currently, no external professional organization has been appointed for evaluation, and future assessments will be conducted based on actual needs.

(III) Continuing education status of directors, supervisors, and corporate governance directors for the year 2024:

Title	Name	Name Training Date		Organizer	Course Name	Further training Training Hours	Note 1
		Start	To				
Chairman	GUO,JI-GANG	2024.10.22	2024.10.22	Taiwan Corporate Governance Association	Analysis of the Renewable Energy Certificate System and Green Power Trading	3.0	Yes
		2024.12.11	2024.12.11	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	
Director	GUO,SHU-ZHEN	2024.10.22	2024.10.22	Taiwan Corporate Governance Association	Analysis of the Renewable Energy Certificate System and Green Power Trading	3.0	Yes
		2024.12.11	2024.12.11	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	

Title	Name	Name Training Date		Organizer	Course Name	Further training Training Hours	Note 1
		Start	To				
Director	GUO,JI-AN	2024.10.22	2024.10.22	Taiwan Corporate Governance Association	Analysis of the Renewable Energy Certificate System and Green Power Trading	3.0	Yes
		2024.12.11	2024.12.11	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	
Director	GUO,YA-TING	2024.10.22	2024.10.22	Taiwan Corporate Governance Association	Analysis of the Renewable Energy Certificate System and Green Power Trading	3.0	Yes
		2024.12.11	113.1211	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	
Director	HONG,QUAN-FU	2024.10.22	2024.10.22	Taiwan Corporate Governance Association	Analysis of the Renewable Energy Certificate System and Green Power Trading	3.0	Yes
		2024.12.11	2024.12.11	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	
Director	GUO,KE-ZHONG	2024.10.22	2024.10.22	Taiwan Corporate Governance Association	Analysis of the Renewable Energy Certificate	3.0	Yes

Title	Name	Name Training Date		Organizer	Course Name	Further training Training Hours	Note 1
		Start	To				
					System and Green Power Trading		
		2024.12.11	2024.12.11	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	
0 Independent Director	Lin, Chun-Liang	2024.10.22	2024.10.22	Taiwan Corporate Governance Association	Analysis of the Renewable Energy Certificate System and Green Power Trading	3.0	Yes
		2024.12.11	2024.12.11	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	
0 Independent Director	Ge, Shu-Ren	2024.08.23	2024.08.23	Taiwan Corporate Governance Association	Application and Trends of AI in Construction Projects	3.0	Yes
		2024.10.22	2024.10.22	Taiwan Corporate Governance Association	Analysis of the Renewable Energy Certificate System and Green Power Trading	3.0	
		2024.11.14	2024.11.14	Taiwan Corporate Governance Association	The Carbon Tide Approaches: An Overview of Carbon Rights Formation and Trading System	3.0	
0	Kang. Shie-Yi	2024.10.22	2024.10.22	Taiwan Corporate	Analysis of the	3.0	Yes

Title	Name	Name Training Date		Organizer	Course Name	Further training Training Hours	Note 1
		Start	To				
Independent Director				Governance Association	Renewable Energy Certificate System and Green Power Trading		
		2024.12.11	2024.12.11	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	
Corporate governance director	LIN, MING-CHI	2024.07.03	2024.07.03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6.0	Yes
		2024.09.12	2024.09.12	Securities Over-the-Counter Trading Center	Briefing on insider shareholding of listed and emerging companies	3.0	
		2024.12.11	2024.12.11	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Finance Opportunities	3.0	

Note1: The “Yes “refers to whether or not the hours of training, the scope of training, the system of training, the arrangements for training, and the disclosure of information are in compliance with the "Guidelines for the Implementation of Training for Directors and Supervisors of Listed Companies".

(2) The operation of the Audit Committee or the participation of supervisors in the operation of the Board of Directors

1. The Audit Committee operates as follows:

The Audit Committee met 9(A) times during the most recent year as of the publication date of the annual report, and the attendance of independent directors was as follows:

Title	Name	Actual number of attendees (B)	Attendance by proxy	Actual Rate of Attendance(%)	Remark
0	Lin,	8	1	89%	None
0	Ge, Shu-	8	1	89%	
0	Kang.	9	0	100%	

Other matters to be recorded.

1. In the event that the Audit Committee operates under one of the following circumstances, it shall state the date and period of the Board of Directors' meeting, the content of the motion, the results of the Audit Committee's resolution, and the Company's handling of the Audit Committee's opinion:

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

Audit Department		Contents of the proposal	Audit Committee Opinions	Handling of Audit Committee Opinions
(3rd) 24th	2024.01.29	1. Proposal for the distribution of the 2023 performance bonuses for managers. 2. Directors and managers, the proposed implementation of various compensation programs policy.	Agree	Not applicable
25th	2024.03.15	1.2023 Employee Compensation and Director Compensation Distribution. 2. Lift the restrictions on the competitive conduct of the newly appointed directors and their representatives. 3. 2023 Annual Report on Operations and Financial Statements. 4. Issued a statement of the Company's internal control system for fiscal year 2023.	Agree	Not applicable
26th	2024.04.19	1. 2023 surplus distribution plan for capital increase through issuance of new shares.	Agree	Not applicable
(4th) 1st	2024.08.13	1. For the new construction of the "RICH Huanshan Road Project A", it is proposed to contract the "Assumed and Foundation Works" to our related company, Rio Tinto Construction Co.	Agree	Not applicable
2nd	2024.09.10	1. The new construction project of "Rich Feng Mu" is proposed to be contracted to our related company, Rio Tinto Construction Co., for the "Demolition Works". 2. Purchase of land and buildings located at No. 213, Section 4, Bade Road, Songshan District, Taipei City from related parties.	Agree	Not applicable
3rd	2024.10.09	1. Handle the cooperative construction projects for 38 pieces of land including Jingde Section, Gongzheng Section, and Jianguo Section in Xinzhuang District, New Taipei City. 2. Handle the cooperative construction projects for 80 pieces of land including Gongzheng Section, Qionglin Section, Gongguan Section, and Qiongtai Section in Xinzhuang District, New Taipei City.	Agree	Not applicable
4th	2024.11.13	1. The subsidiary, Gaoshanlin Waterworks Co., Ltd. (hereinafter referred to as Gaoshanlin Company), shall assume joint and several guarantor responsibilities for its syndicated loan case within the scope of NTD SIX HUNDRED AND FIFTY MILLION and issue a support letter. 2. Revision of the Company's "Internal Control System and	Agree	Not applicable

		Internal Audit Implementation Rules".		
5th	2024.12.20	1. Reappointment of the Audit Director. 2. Sale of real estate to related parties.	Agree	Not applicable

(2) In addition to the foregoing, other resolutions not approved by the Audit Committee and approved by two-thirds or more of all directors: None.

2. The recusal of the independent directors from the implementation of the interested parties' motions, including the names of the independent directors, the content of the motions, the reasons for the recusal, and their participation in voting: None.

3. Communication between the independent directors and the internal auditors and accountants.

(1) The head of internal audit shall send the audit report and tracking report to the chairman of the Board of Directors by e-mail to each independent director on a monthly basis and shall communicate with each independent director individually and reply to their inquiries at least quarterly. The Audit Director attends the Audit Committee and the Board of Directors' meeting and presents audit reports, and each independent director is informed of the internal audit status of the Company in a timely manner. If significant irregularities are discovered or the Company is in danger of being materially damaged, a report shall be made immediately, and each independent director shall be notified.

(2) The head of internal audit attends the Audit Committee, and the accountant reports to the Audit Committee at least once a year on the financial condition of the Company, the financial and overall operations of its domestic and overseas subsidiaries, and any internal control audits, and fully communicates with the Company regarding any significant adjustments to the accounting records or amendments to laws and regulations that may affect the accounting. The accountant regularly communicates with the corporate governance unit and can contact the Audit Committee in person or by phone when necessary to achieve the purpose of full communication.

(III) The team of certified public accountants from KPMG held a communication meeting with the independent directors of the Company before the Board of Directors' meeting on 20 December 2024 to explain and discuss changes in regulations, the status of investment projects, and key auditing matters.

(IV) The head of internal audit reported and communicated individually with the independent directors on 15 March 2024, 29 April 2024, 13 August 2024, 13 November 2024, and 20 December 2024 at the Company's Audit Committee regarding the execution of the audit plan and project audit matters.

IV. Key work priorities and operations of the Audit Committee for the year 2025:

(1) Fair presentation of the Company's financial statements.
(2) Independence and performance evaluation of the certifying accountant.
(3) Effective implementation of the Company's internal control.
(4) Whether the Company complies with relevant laws and regulations and has established a good corporate governance system and culture.
(5) The control of the Company's existing or potential risks.

(3) Corporate Governance Practice sand its differences from the Code of Corporate Governance Practices of listed and OTC companies and the reasons for them.

Assessment Item	Operating Conditions			Differences from the Code of Practice on Corporate Governance of
	Yes	No	Summary Description	
1. Has the Company formulated and disclosed the Code of Corporate Governance Practices in accordance with the Code of Corporate Governance Practices for listed and listed companies?	✓		The Company has established a Code of Governance Practices, which is disclosed on the Market Observation Post System and the Company's website.	No significant differences
2. Shareholding structure and shareholders' rights (1)Does the Company have internal procedures to handle shareholders' suggestions, questions, disputes and litigation matters, and implement them in accordance with the procedures?	✓		(1) The Company has a spokesperson and a proxy spokesperson to serve as a channel for the Company to express its views to the public and to instruct the stock department to handle matters such as shareholders' proposals or disputes.	No significant differences
(2) Does the Company have a list of the major shareholders and ultimate controllers of the major shareholders who actually control the Company?	✓		(2) Handled by the stock department and appointed professional stock agents, who keep track of the list and report it as required by law.	No significant differences
(3) Has the Company established and implemented a risk control and firewall mechanism with its affiliates?	✓		(3) The internal control system of the Company has been established.	No significant differences
(4) Has the Company established internal	✓		(4) Insider trading regulations and ethical code of conduct have	No significant differences

Assessment Item	Operating Conditions			Differences from the Code of Practice on Corporate Governance of
	Yes	No	Summary Description	
regulations to prohibit insiders from trading marketable securities using undisclosed information in the market?			been established to regulate related contents. For the implementation status of internal regulations in 2024, please refer to the company website.	
3. Composition and duties of the Board of Directors (1) Has the Board of Directors formulated and implemented a diversity policy regarding the composition of its members?	✓		(1) The Company has established a policy on diversity of board members in the "Code of Corporate Governance Practices". Please refer to "Diversity and Independence of the Board of Directors" (page 11) in this annual report for the implementation details.	No significant differences
(2) Does the Company voluntarily set up various functional committees other than the remuneration committee and audit committee in accordance with the law?		✓	(2) None, future plans to set up depending on actual operational needs.	Not qualified. We will evaluate and study carefully according to our internal development needs in the future.
(3) Does the Company have a Board of Directors' performance evaluation system and its evaluation method, and conducts performance evaluation annually and regularly, and reports the results of performance evaluation to the Board of Directors for	✓		(3) The Board of Directors has established a performance evaluation system and conducts performance evaluation annually and regularly and submits the results of the performance evaluation to the Board of Directors and publishes them on the Company's website. For the	No significant differences

Assessment Item	Operating Conditions			Differences from the Code of Practice on Corporate Governance of
	Yes	No	Summary Description	
reference of individual director's salary remuneration and nomination for re-appointment?			results of the 2024 Board performance evaluation, please refer to page 19 of this Annual Report. The above self-evaluation status will be taken into consideration when assessing the salary remuneration of individual directors and will serve as a reference for the Board of Directors during the nomination of directors for the Company.	
(4) Does the Company periodically evaluate the independence of the certifying	✓		(4) The Company has referred to the "Code of Ethics for Certified Public Accountants" No. 10 and the "Audit Quality Indicators (AQIs)" to confirm that there are no direct or significant indirect financial interests between the accountants and the Company, no close business relationships or employment relationships, no familial relationships with directors, managers, or individuals who have significant influence over the audit work, and no financing or guarantee activities with the Company or its directors. For the content of the "Evaluation of CPA Independence", please refer to this annual report (page 46). The above assessment was reviewed and approved by the 5th Audit Committee of the 4th session and the 6th Board	No significant differences

Assessment Item	Operating Conditions			Differences from the Code of Practice on Corporate Governance of
	Yes	No	Summary Description	
			of Directors of the 14th session.	
4. Does the listed company have a suitable and appropriate number of corporate governance personnel and designate a corporate governance officer to be responsible for corporate governance related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors to comply with laws and regulations, conducting Board of Directors' and shareholders' meetings related matters in accordance with the law, and preparing minutes of directors' and supervisors' UGC and shareholders' meetings necessary to perform their business, etc.)?	✓		The Company has appointed a corporate governance officer by the Board of Directors, responsible for corporate governance related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors to comply with laws and regulations, conducting Board of Directors' and shareholders' meetings related matters in accordance with the law, and preparing minutes of directors' and supervisors' meetings and shareholders' meetings, etc.).	No significant differences
5. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and set up a stakeholder area on the Company's website, and appropriately respond to	✓		We set up a stakeholder area on our website and set up a person to communicate the issues of different stakeholders to the relevant departments and participate in the communication and respond to them appropriately.	No significant differences

Assessment Item	Operating Conditions			Differences from the Code of Practice on Corporate Governance of
	Yes	No	Summary Description	
important CSR issues of concern to stakeholders? ✓				
6. Does the Company appoint a professional stockbroker to conduct the shareholders' meeting?	✓		Appoint the stock affairs agency Department of Taishin securities to handle the affairs of the shareholders' meeting.	No significant differences
7. Information Disclosure (1) Does the Company have a website to disclose financial and governance information?	✓		(1) A website has been set up to disclose financial business and corporate governance information in real time.	No significant differences
(2) Has the Company adopted other means of information disclosure (such as setting up an English website, designating a person responsible for the collection and disclosure of company information, implementing a spokesperson system, placing the Company's website during the corporate presentation, etc.)?	✓		(2) Specialists are responsible for the collection and disclosure of information and the implementation of the spokesperson system.	No significant differences
(3) Does the Company announce and report the annual financial report within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial reports and the monthly operating conditions well in advance of the required deadline?		✓	(3) The Company announces and reports its financial statements and operations for each period and month in accordance with the law.	Due to staffing constraints, we are unable to announce and report our annual financial statements within two months after the end of the fiscal year.
8. Does the Company have	✓		In order to make the Company	No significant

Assessment Item	Operating Conditions			Differences from the Code of Practice on Corporate Governance of
	Yes	No	Summary Description	
other important information that can help you understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, director and supervisor training, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the Company's purchase of liability insurance for directors and supervisors)?			sustainable and create common benefits for customers, employees, and shareholders, we pay attention to employee welfare and growth, employee training and development, and workplace safety and hygiene, and provide commercial insurance for employees and their dependents, so that employees do not have to worry about their future. 2. The Director of the Company is in good condition to attend the Director's meeting, in compliance with the law, and if there is any interest, the Director is requested to recuse himself/herself. 3. We have purchased directors and supervisor’ s liability insurance. 4. We have legal staff to assist our business units in handling matters related to customer rights and complaints, and our auditing unit will follow the procedures to check and disclose the information.	differences
9. Please explain the improvement of the corporate governance evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the latest year, and propose the priorities and measures for improvement for those that have not yet been improved. (Not required for companies not included in the assessment)				

Assessment Item	Operating Conditions			Differences from the Code of Practice on Corporate Governance of
	Yes	No	Summary Description	
Improved situation. (1) Promoting corporate integrity management, implementing the formulation and supervision of integrity management policies and prevention programs. Priorities and measures for improvement are proposed for those that have not yet been improved. (I) Did the actual attendance rate of all Directors at the Board of Directors reach 85% or above, and was there at least two independent Directors present in person at each Board meeting?				

Note 1: The operation should be stated in the summary description column, regardless of whether "Yes" or "No" is checked.

Note 2: The Corporate Governance Self-Assessment Report refers to the report on the current operation and execution of each of the corporate governance self-assessment items as assessed by the Company itself.

(4) If a company has a remuneration committee, it should disclose its composition, responsibilities and operation

1. Remuneration Committee Members Information

(1) The Remuneration Committee of the Company consists of three members.

Term of this committee: from 13 August 2024 to 18 June 2027.

Identity	Name	Professional Qualification and Independence Situation	Number of concurrent independent directorships in other publicly listed companies
0 Independent Director	Lin, Chun-Liang	Please refer to this annual report (page 7)	0
0 Independent Director	Ge, Shu-Ren		1
0 Independent Director	Kang. Shie-Yi		0

2. Annual work priorities of the Remuneration Committee:

(1) To formulate and regularly review the policies, systems, standards and structures of the annual and long-term performance objectives and remuneration of the directors and managers of the Company.

(2) Regularly evaluate the achievement of the performance objectives of the directors and managers of the Company and determine the content and amount of their individual salaries and remuneration.

3. Salary and Remuneration Committee Operation Information

The Salary and Remuneration Committee met four times during the most recent year as of the printing date of the annual report, and the qualification and attendance of the Committee are as follows:

Title	Name	Actual number of attendees	Attendance by proxy	Actual Rate of Attendance(%)	Remark
Convener	Lin, Chun-Liang	2	0	100.00%	None
Committee Member	Ge, Shu-Ren	2	0	100.00%	
Committee Member	Kang. Shie-Yi	2	0	100.00%	

Other matters to be recorded.

一、1. If the Board of Directors does not adopt or amend the recommendations of the Compensation Committee, it shall state the date and period of the Board of Directors' meeting, the content of the motion, the results of the Board of Directors' resolution and the Company's handling of the Compensation Committee's opinions (if the compensation approved by the Board of Directors is superior to the recommendations of the Compensation Committee, it shall state the circumstances of the difference and the

reasons for the difference): None.

二、If the members of the Compensation and Benefits Committee have objections or reservations, and there are records or written statements, the date, period, content of the motion, opinions of all members and the handling of the opinions of the Compensation and Benefits Committee shall be stated: None. 3.

三、The discussion and resolution results of the Compensation Committee and the Company's handling of members' opinions:

Remuneration Committee			Contents of the proposal	Remuneration Committee Opinion	Handling of Remuneration Committee Opinions
The 6th session	5th	2024.01.11	1. The Company's managers' performance bonus distribution plan for the year 2023. 2. The Company's directors and managers plan to implement various salary and remuneration policies.	Agree	Not applicable
	6th	2024.03.14	1. 2023 Employee Compensation and Director Compensation Distribution.	Agree	Not applicable

4. Evaluation and implementation of salary and Remuneration Committee:

On 13 August 2019, the Board of Directors of the Company adopted the "measures for the performance evaluation of the Board of Directors" to conduct the performance evaluation of the internal Board of Directors at least once a year. The scope of the evaluation of the Board of Directors includes the performance evaluation of the overall Board of Directors, individual board members and functional committees. After the end of 2024, evaluate the internal performance of the overall Board of Directors, individual board members, and functional committees, and report the results to the Board of Directors on 15 January 2025.

For the implementation of the 2024 Salary and Remuneration Committee evaluation, please refer to page 19.

(5)Implementation status of promoting sustainable development and its differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them.

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them.
	Yes	No	Summary Description	
I. Does the Company establish a governance structure to promote sustainable development, set up dedicated (or part-time) units for promoting sustainable development, and authorize senior management to handle these matters under the supervision of the Board of Directors?	✓		1. The Company has established a Sustainable Development Committee, chaired by the General Manager, with three sub-groups: the "Corporate Governance Group," the "Social Responsibility Group," and the "Sustainable Environment and Product Services Group," to promote sustainability-related issues. 2.A total of NTD 624 thousand was donated to charitable causes over 113 years. 3. The Sustainability Committee reported its execution results to the Board of Directors on 13 August 2024. Regarding the formulation and review of sustainable development management policies, strategies, and objectives, due to considerations of the company's scale and personnel allocation planning, it is still pending internal formulation by the company, and future feasible operations will continue to be assessed in accordance with the law.	No significant differences
II. Does the Company conduct risk assessments related to environmental, social, and corporate governance issues in accordance with the principle of materiality, and establish relevant risk management policies or	✓		1. The "Risk Management Policy" was approved by the Board of Directors, with the risk assessment boundaries primarily focused on the Company. 2. The management unit's execution results were	No significant differences

<table>
<tr><th rowspan="2">Promotion Item</th><th colspan="3">Execution status</th><th rowspan="2">Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td>strategies?</td><td></td><td></td><td>reported to the Board of Directors on 20 December 2024.
3. Conduct risk assessments related to environmental, social, and corporate governance issues in accordance with the principle of materiality concerning the Company's operations, and establish the relevant risk management strategies based on the assessed risks as follows:
<table><tr><th>Major Issues</th><th>Risk Assessment</th><th>Risk Management Strategy</th></tr><tr><td>Environmental Sustainability</td><td>The greenhouse effect causes extreme weather.</td><td>• Prioritize green building for new construction.
• Use energy-efficient appliances in the office.</td></tr><tr><td rowspan="2">Social Responsibility</td><td>Product Services</td><td>• provides safe and comfortable housing.
• provides transparent and smooth communication between households.</td></tr><tr><td>Employee safety</td><td>• Regularly review office area fire protection equipment.
• Conduct regular employee health checks and disinfect the environment on a regular basis.</td></tr></table></td><td></td></tr>
</table>

Promotion Item	Execution status					Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description			
			Economic Issues	Customer Privacy and Company Information Security	• In order to protect against various external information security threats, the necessary information security systems are built to enhance the overall security of the information environment.	
				Corporate Image Management	• Provide positive company image promotion and exposure. • Regularly track customer feedback.	
III. Environmental Issues (1)Has the Company established an appropriate environmental management system based on its industry characteristics?	✓		(I) The company has a Public Works Division, responsible for overseeing, coordinating, and managing the construction and related activities of contractors, as well as promoting practical environmental protection activities such as energy conservation and carbon reduction.			No significant differences
(II) Does the Company commit to improving energy efficiency and using renewable materials with low environmental impact?	✓		(II) 1. Prioritize the introduction of green building in product planning. 2. Prioritize the procurement of environmentally friendly products with the characteristics of "low pollution, recyclable, renewable materials, and resource-saving".			No significant differences

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
(3)Does the Company assess the potential risks and opportunities of climate change on the business both now and in the future, and take relevant response measures?	✓		The Company's risk management has incorporated climate change factors to assess the opportunities and risks that climate change may bring to the Company. The Company has reviewed the financial impacts related to climate change in 2024 according to the TCDF mechanism, and will determine response measures based on the assessment results. Please refer to the sustainability report for the related information.	No significant differences
(IV)Has the Company accounted for the total greenhouse gas emissions, water usage, and total waste weight over the past two years, and established policies for reducing greenhouse gas emissions, decreasing water usage, or managing other waste?	✓		(IV)The Company has no direct greenhouse gas emissions, primarily relying on indirect emissions, and other emissions will include water in the inventory statistics, while employee commuting and travel are not included in the statistics. 1. Energy Management: The Company's main energy-consuming equipment includes air conditioning, lighting, elevators, and office equipment, with purchased electricity as the primary form of energy. Regarding the air conditioning hardware, the building's air conditioning system adopts a VRV variable frequency air conditioning system, which is regularly cleaned and maintained to improve energy efficiency. For the emissions of Scope 1 and Scope 2 in the year 2024, please refer to page 41 of this annual report.	No significant differences

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
			2. Water Resource Management: Our company fully adopts water-saving facilities to conserve water usage. Additionally, to prevent leaks caused by aging or damaged pipelines, we conduct regular maintenance and repairs. The water used for domestic purposes by office staff in the Lealea Commercial Building has shown no significant changes in the annual consumption of tap water, nor has there been any notable impact on the water source due to water extraction. Water consumption for the fiscal year 2024 was 902 tons, with a water resource intensity of 1.62. The aforementioned information and energy conservation, carbon reduction, and greenhouse gas reduction policies are reported in the sustainability report. The intensity of water usage and waste-related statistics have not been verified by a third party.	
IV. Social Issues (1)Does the Company establish relevant management policies and procedures in accordance with applicable laws and international human rights conventions?	✓		1. The Company clearly reveals its direction regarding the protection of human rights in accordance with the content of various international conventions, including: the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and	No significant differences

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
			Human Rights, the International Labor Organization Convention Declaration, and the Ten Principles of the United Nations Global Compact. In terms of implementation, the main specific measures include: during recruitment: eliminating unlawful discrimination (such as race, religion, political party, etc.), ensuring gender equality, and guaranteeing job opportunities. During employment: Prohibit forced labor and the use of child labor, provide a safe, friendly, and healthy workplace environment, assist in caring for the physical and mental health of colleagues and work-life balance, establish diverse communication channels and grievance mechanisms, and eliminate any acts that infringe upon or violate human rights. The Company also holds labor-management meetings in accordance with the law to maintain smooth communication between labor and management, and to educate new employees on work rules, integrity awareness, and human rights	

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
			protection policies. 2. All 113 employees of the company are full-time regular staff, with a total number of employees being 41, including 18 female employees and 23 male employees. We place special emphasis on gender equality. In the construction industry, where the average number of female employees is relatively low, our female employees account for approximately 40.0% of the total workforce. The proportion of female senior executives is 22.22%, while the proportion of female middle managers is 46.15%. We are committed to creating a workplace environment that practices gender equality.	
(2) Has the Company established and implemented reasonable employee benefit measures (including salary, vacation and other benefits, etc.) and appropriately reflected operational performance or results in employee remuneration?	✓		✓ (2) The Company has established the "Leave of Absence Act", "Marriage and Funeral Allowance Act", "Bonus Payments Act" and the "Articles of Incorporation" to appropriately reflect the results of operating performance to employees, please refer to page 18 for the implementation of operating performance or results to employees'	

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them.
	Yes	No	Summary Description	
			remuneration. Please refer to page 83 for employee benefit measures.	
(3) Does the Company provide a safe and healthy working environment for employees and implement regular safety and health education for employees?	✓		(III)The Company's headquarters is a commercial office building, and its public facilities maintenance and safety management is managed by the General Management Department to maintain the safety of the office working environment and prevent disasters from occurring. The implementation status for the year 2024 is as follows: I. Building access control management. 1. 24-hour security personnel are assigned at the entrance and exit of the first floor of the building to control the entry and exit of the staff and maintain the security of the building, employees are required to present their company identification cards to enter, and vendors and visitors are required to notify the interviewed employees before entering. 2. Each floor office is equipped with a card access control system. 3. 3. 24-hour video surveillance system is set up in the public areas of each floor to ensure the security of the building	No significant differences

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
			by the security personnel at all times. 4. The building environment is cleaned by a professional cleaning company on a daily basis to provide a comfortable and clean working environment for the employees. II. The building equipment maintenance and management. 1. The elevators in the building are regularly maintained by professional elevator manufacturers every month and we apply for safety inspection permits every six months. 2. Building emergency generators are regularly maintained by a professional generator manufacturer every month and ATS tests are conducted every six months to maintain normal operation in case of power failure. 3. Building public machinery and equipment regularly inspected to ensure normal operation 4. Building public passages, stairs, pantries and toilets are regularly inspected and repaired by management staff to ensure safety in use. 5. The building water tower	

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
			every six months to commission a professional manufacturer to regularly clean, drinking fountains regularly replace the filter and cleaning to ensure clean and sanitary drinking water. 6. The building disinfects the environment once every six months. 7. The office air-conditioning system is regularly cleaned and maintained by a professional air-conditioning vendor every year. III. Building public safety and fire reporting inspection. 1. According to the regulations of building safety inspection and declaration, qualified professional vendors are appointed every two years to carry out public safety inspection and declaration of the building. 2. In accordance with the fire safety regulations, we appoint a qualified professional firefighting company to conduct the annual fire safety inspection of the building to ensure the normal operation of the firefighting equipment in the event of a disaster. IV. Physical and mental health of employees.	

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
			1. Annual employee health checkups are held regularly, which were completed on 5 January 2024, to implement employee health management. 2. Annual employee travel activities are held, which were completed on 27 September 2024, to promote legitimate leisure activities for employees.	
(4) Has the Company established an effective career development program for employees? ✓	✓		(4) The training methods include new employee training, pre-employment training, internal training and external training. In addition to hiring external experts and scholars for professional teaching, the Company will also send personnel at all levels for training outside. The total training hours for employees in 2024 were 216.5 hours, with an average training time of approximately 5.28 hours per employee. The diverse training programs for employees can be categorized into four main types: cultural experiences, corporate management, global trends, and physical and mental health.	No significant differences

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
(5) Does the Company comply with relevant laws and regulations and international standards on customer health and safety, customer privacy, marketing and labeling of products and services, and has it established relevant consumer protection policies and complaint procedures?		✓	(5) The Company has not complied with relevant laws and regulations and international standards, nor has it established relevant consumer protection policies and complaint procedures. However, internal specifications for handling customer complaints have been established. The Company assists in the formation of the customer committee after delivery of the property, and has also established an after-sales service department. Customers can call to report product repair services to the Company's after-sales service department, providing a transparent and effective consumer complaint procedure.	Not qualified. In the future, the Company will carefully evaluate the situation based on its internal development needs.
(6) Does the Company have a supplier management policy that requires suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights, and the status of implementation?		✓	(6) The Company has not established a supplier management policy; however, all major suppliers have issued the "Supplier Corporate Social Responsibility Pledge," requiring suppliers to comply with relevant issues such as environmental protection, occupational safety and health, or labor human rights, and these commitments have	Not qualified. In the future, the Company will carefully evaluate the situation based on its internal development needs.

Promotion Item	Execution status			Differences from the Code of Practice on Sustainable Development for Listed and OTC Companies and the reasons for them
	Yes	No	Summary Description	
			been incorporated into the contracts signed by both parties.	
5. Does the Company make reference to international standards or guidelines for the preparation of reports, such as corporate social responsibility reports, that disclose non-financial information about the Company? Did the Company obtain a third-party verification or assurance opinion on the previously disclosed reports? Did the Company obtain a third-party verification or assurance opinion on the previously disclosed reports?		✓	The Company compiles CSR reports in accordance with internationally accepted standards or guidelines. However, we have not yet obtained confirmation or assurance from a third-party verification organization.	Not qualified. In the future, the Company will carefully evaluate the situation based on its internal development needs.
6. If the Company has its own CSR Code in accordance with the "Code of Practice on Corporate Social Responsibility for Listed Companies", please describe the differences between its operation and the Code: The Company has established a "CSR Code". We will continue to implement CSR in the areas of corporate governance, energy conservation and environmental protection, and stakeholder rights.				
7. Other important information to help understand the operation of corporate social responsibility:				

Climate-related Information of [redacted]

Climate-related information implementation status

Item	Execution status
1. Describe the supervision and governance of the Board of Directors and management regarding climate-related risks and opportunities.	1. The governance of climate risks and opportunities, along with annual sustainability risk management issues, is reported annually by the Chairman to the Board of Directors, with the Board overseeing the execution effectiveness. The effectiveness of risk execution for the year 2024 was reported to the Board of Directors in December 2024. 2. The General Manager serves as the Chairman, organizing members to implement risk identification, assessment, and handling.

Item	Execution status				
2. Describe how the identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	Climate Risk	Impact Areas	Short-term (1-3 years)	Medium-term (3-5 years)	Long-term (more than 5 years)
	Increase in greenhouse gas emission pricing	Business Impact	- Construction costs are rising - Competition in the low-carbon building materials supply chain is intensifying.	- Customer preference is shifting towards low-carbon residences. - Demand for traditional high-carbon emission projects is declining.	- May be excluded from government tender qualifications
		Impact of Strategy	- Accelerate the adoption of low-carbon construction methods. - Initiate Low-Carbon Supply Chain Cooperation	- Include the "Internal Carbon Pricing" assessment project - Eliminate high carbon emission old project types	- Transforming into a "Net Zero Low Carbon Integrated Service Provider"
		Financial Impact	- Profit margin compressed by 3-5% - Increase in carbon rights procurement expenditure	- Payback period for low-carbon technology investment is 5-7 years. - Cash Flow Pressure Rising	- Deriving new revenue from carbon asset management - Lowering of ESG financing costs
	Extreme rainfall patterns	Business Impact	- Flood control design changes delay the construction schedule. - The waterproofing cost for the basement increased by 12-15%.	- Acquiring land in areas with high flooding risk is difficult.	- The maintenance costs of existing buildings increased by 5-8%
		Impact of Strategy	- Implement AI flood simulation tools	- Promote public-private partnership programs	- Venturing into the field of "climate-resilient infrastructure"
		Financial Impact	Insurance expenses increased by 15-20% year-on-year.	- Increase in capital for flood retention facilities 15%	- Insurance costs stabilize - Improvement in asset depreciation rate
	Raw material costs have risen.	Business Impact	Due to fluctuations in steel prices, costs have exceeded by 18%.	- The instability of the green building materials supply chain affects the construction schedule.	- Risk of losing price competitiveness
		Impact of Strategy	- Sign a continuous supply contract for green building materials	- Establish the "Circular Economy Alliance"	- Investment in "low-carbon cement" production
		Financial Impact	- Increased Cash Flow Volatility - Increase in working capital by 10-15%	- Circular supply chain reduces costs by 8-12%	- Technology patent licensing to fill the gross profit gap
	Average	Business	- The summer construction site shutdown rate	- The impact of transferring air conditioning energy consumption costs on	- Risk of land asset depreciation in high-

Item	Execution status
3. Describe the impact of extreme weather events and transition actions on financials.	

Type of Impact	Time Frame	Financial Impact Item	Specific content of the impact
Extreme weather events	Short-term	● Insurance costs surge ● Construction cost overruns	● Due to the risk of heavy rain and flooding, the property insurance costs increased by 15-20% year-on-year. ● Changes in flood control design and adjustments in working hours have resulted in an increase in direct costs of 12-15%.
	Interim	● Asset Impairment Risk ● Maintenance costs are rising.	● The land valuation in areas with high flood risk has declined, affecting mortgage financing conditions. ● Extreme rainfall has led to an increase in the frequency of waterproofing renovations for existing buildings.
	Long-term	● Supply chain disruption losses	● Climate disasters affect the transportation of raw materials, increasing the risk of penalties for project delays.
Transformation Action	Short-term	● Low Carbon Technology Investment ● Carbon rights procurement costs	● Introduction of low-carbon construction methods and energy-saving equipment, resulting in increased initial capital expenditure. ● Purchase of international carbon credits to offset 20% of emissions
	Interim	● Circular Economy Benefits ● Green Building Premium Revenue	● The reuse rate of construction waste reaches 30%, reducing procurement costs. ● The selling price of carbon-neutral residential certification products has increased by 8-10%.
	Long-term	● Carbon Asset Management Revenue ● Green electricity sales revenue ● Technology licensing revenue	● Carbon rights trading and consulting services derive new sources of revenue. ● Roof solar power grid connection, stable cash flow ● Exporting low-carbon construction method patents to emerging markets.

Item	[redacted] Execution status
4. Please describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	In accordance with the implementation of the risk management policy, the following actions are to be taken: ●When assessing ESG risks, the members of the Sustainable Development Committee simultaneously conduct an evaluation of climate risks. ●The Sustainable Development Committee discussed and resolved significant ESG risks and climate risks, which were approved by the Chairman. ●Based on the approved ESG risks and climate risks, set the implementation strategy objectives. ●Every year, the Board of Directors reports on the implementation of ESG risks and climate risks, with the previous report being on 12 December 2024.

Item	Execution status
5. If scenario analysis is used to assess resilience against climate change risks, the scenarios, parameters, assumptions, analytical factors, and major financial impacts used should be explained.	The Company considers the financial impacts and response measures under the 1.5˚C and 2˚C scenarios.

Climate Risk	Scenario Analysis (1.5˚C and 2˚C)	Financial Impact	Countermeasures
Increase in greenhouse gas emission pricing	● 1.5˚C: Carbon tax annual growth rate 8% - 10%, reaching NTD 1,800 per ton by 2030. ● 2˚C: Annual increase rate of carbon tax 5% - 7%, but regulatory delays have increased transformation risks.	● Construction costs increased by 10% to 15%. ● Profit margin compression 3% - 5% ● Increased demand for low-carbon technology investment 20%	● Developing low-carbon construction methods ● Purchase of international carbon credits to offset 20% of emissions
Extreme rainfall patterns	● 1.5˚C: Rainstorm intensity increases by 30%, flood control design standards raised. ● 2˚C: The frequency of centennial floods has decreased to once every 20 years, doubling the risk of basement flooding.	● The cost of flood prevention projects has increased by 8% to 12%. ● Insurance costs increased by 15%. ● Increased risk of disaster loss claims	● Adoption of permeable pavement and ecological detention ponds ● Insuring climate derivative financial products ● Establishment of a real-time water condition monitoring system.
Raw material costs have risen.	● 1.5˚C: Volatility in steel/cement prices increased by 25%. ● 2˚C: The frequency of supply chain disruptions has increased, and the premium for green building materials has reached 30%.	● Construction cost overrun risk increases by 18% ● Increased uncertainty in project cash flow	● Sign a long-term green building materials procurement contract ● Establish a regional circular materials supply chain.
Average temperature rise	● 1.5˚C: Summer air conditioning energy consumption increases 20% ● 2˚C: Outdoor construction efficiency decreases by 15%, and concrete	● Electricity expenses increased by 5 million annually. ● Delay in construction	● Comprehensive replacement with energy-efficient air conditioning and insulated glass.

		curing costs increase by 10%.	period losses increased by 12%. ● Increase in capital expenditure for cooling system upgrade by 8%	● Adjust working hours to avoid high temperature periods. ● The coverage rate of rooftop solar panels reaches 40%.
6. If there are transformation plans to address climate-related risks, describe the content of those plans and the indicators and targets used to identify and manage physical risks and transition risks.	Planning			
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be explained.	Planning			

8. If climate-related targets are set, the activities covered, greenhouse gas emission scopes, planning timelines, and annual progress should be explained; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, the sources and quantities of the offset carbon reductions or the number of Renewable Energy Certificates (RECs) should be specified.	[redacted]
9. Greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans.	Details of 1-1 and 1-2 are explained.

Emission reduction targets	Strategic Actions and Timelines
Compared to the base year 2024. Reduction of greenhouse gas emissions Scope 1 + Scope 2 for the fiscal year 2030 by 20%. Reduction of greenhouse gas emissions Scope 1 + Scope 2 in FY 2040 by 30% 2050 Net Zero Emission	1. Through green procurement, purchase of environmentally labeled basic facilities and equipment (2025~2030) 2. The refrigeration and air-conditioning system will be fully replaced with energy efficiency level 1 from 2025 to 2030. 3. Purchase of Renewable Energy Certificates (2030-2040) 4. Green building ratio 100% (2030 to 2050)

1-1. Greenhouse Gas Inventory and Assurance Status of the Company for the Last Two Years

1-1-1 Greenhouse Gas Inventory Information

Description of greenhouse gas emissions in the last two years (metric tons CO2e), intensity (metric tons CO2e/one million), and data coverage.

The Company's greenhouse gas emissions inventory is conducted in accordance with the ISO 14064-1 greenhouse gas inventory standard published by the International Organization for Standardization (ISO). The greenhouse gas inventory data for the most recent two years is compiled based on the operational control approach, reflecting the greenhouse gas emissions of the parent company. The current situation is characterized by self-management and voluntary disclosure, which facilitates understanding of current trends and early response; it has not yet been confirmed by an external third-party verification organization.

Category	2023		2024	
Scope One	Total emissions (Metric Tons CO2e)	Density (tons CO2e/NTD one million)	Total emissions (Metric Tons CO2e)	Density (tons CO2e/NTD one million)
Parent Company	23.2400	0.0072	16.3340	0.0103
2. Scope	Total emissions (Metric Tons CO2e)	Density (tons CO2e/NTD one million)	Total emissions (Metric Tons CO2e)	Density (tons CO2e/NTD one million)
Parent Company	25.5000	0.0080	36.7946	0.0232
3	Total emissions (Metric Tons CO2e)	Density (tons CO2e/NTD one million)	Total emissions (Metric Tons CO2e)	Density (tons CO2e/NTD one million)
Parent Company	--	--	13.1160	0.0083

Note: The gasoline coefficient refers to the Environmental Protection Department's Greenhouse Gas Emission Coefficient Management Table version 6.0.4. The electricity emission coefficient for the year 2023 is 0.494 KgCO2 per unit, and for the year 2024, it is 0.474 KgCO2 per unit. Individual revenue for 2023 was 3,202 million, while individual revenue for 2024 is projected to be 1,586 million.

1-1-2 Greenhouse Gas Assurance Information

The greenhouse gas inventory information for the years 2023 and 2024 has not been verified by an external third party, and complete information will be disclosed in the sustainability report.

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

Describe the baseline year for greenhouse gas reduction and its data, reduction targets, strategies, specific action plans, and the achievement of the reduction targets.

Emission reduction targets	Strategic Action	Project Schedule
Compared to the base year 2024. Reduction of greenhouse gas emissions Scope 1 + Scope 2 for the fiscal year 2030 by 20%. Reduction of greenhouse gas emissions Scope 1 + Scope 2 in FY 2040 by 30% 2050 Net Zero Emission	1. Through green procurement, purchase of environmentally labeled basic facilities and equipment. 2. The refrigeration and air-conditioning system is fully replaced with energy efficiency grade 1. 3. Purchase of Renewable Energy Certificates (2030-2040) 4. Green building ratio 100% (2030 to 2050)	1. Fiscal year 2025 to 2030 2. Fiscal year 2025 to 2030 3. Fiscal year 2030 to 2040 4. Fiscal year 2024 to 2050
In 2024, the total energy consumption decreased by 9.86% compared to 2023, achieving the energy-saving target of 1%; additionally, the Company will use 2024 as the base year and plans to disclose the progress of emission reduction starting from 2025.		

(6) Performance of honest management and discrepancies with the Code of Honest Management of listed companies and reasons.

Assessment Item	Operating Conditions			Differences from the Code of Conduct for Honest Management of listed and OTC companies and the reasons for them.
	Yes	No	Summary Description	
1. Establishing policies and programs for honest management (1) Has the Company established an honest management policy approved by the Board of Directors, and has the policy and practices of honest management been clearly stated in the Articles of Incorporation and external documents, as well as the commitment of the Director and the senior management to actively implement the management policy?	✓		(1) The Board of Directors has approved the policy of honest management and requires all major suppliers to issue the "Supplier Corporate Social Responsibility Pledge".	No significant differences
(2) Has the Company established an evaluation mechanism for the risk of dishonest acts, regularly analyzed and evaluated the business activities within the scope of business that have a higher risk of dishonest acts, and formulated a plan to prevent dishonest acts based on this, which at least covers the preventive measures for the acts mentioned in paragraph 2	✓		(2) The Company has added an integrity clause to its external contracts, which regulates that the Company shall not engage in any of the acts described in paragraph 2 of Article 7 of the "Code of Conduct for Listed Companies with Integrity".	No significant differences

Assessment Item	Operating Conditions			Differences from the Code of Conduct for Honest Management of listed and OTC companies and the reasons for them
	Yes	No	Summary Description	
of Article 7 of the "Code of Conduct for Listed Companies with Integrity"?				
(III)Does the Company specify operational procedures, conduct guidelines, penalties for violations, and a complaint system within its plan to prevent dishonest acts, and implement them effectively, while also regularly reviewing and amending the aforementioned plan?	✓		(III) In accordance with the relevant provisions of the "Code of Integrity Management" and the "Corporate Governance Best Practice Principles" for listed companies, a "Reporting System" has been established to implement the prevention of dishonest acts.	No significant differences
2. Implementation of integrity management (1) Does the Company evaluate the integrity records of its counterparties and specify the integrity terms in the contracts it signs with them?	✓		(1) Review the trading status of customers and third parties from time to time and suspend their trading contents if abnormal trading behavior is found.	No significant differences
(2) Does the Company have a dedicated unit under the Board of Directors to promote corporate integrity, and report to the Board of Directors on a regular basis (at least once a year) on its integrity management policies and programs to prevent dishonest practices and monitor their implementation?		✓	(II) A dedicated unit under the Board of Directors has been established to promote corporate integrity, and on 20 December 2024, it reported to the Board of Directors on the formulation and supervision of the implementation of integrity management policies and prevention programs.	No significant differences

Assessment Item	Operating Conditions			Differences from the Code of Conduct for Honest Management of listed and OTC companies and the reasons for them
	Yes	No	Summary Description	
(3) Does the Company have a conflict-of-interest prevention policy, provide appropriate channels for presentation, and implement it?	✓		(3) In case of conflict of interest, the Board of Directors shall follow the principle of interest recusal. Employees may report violations and appeals directly to the relevant supervisor or the audit unit of the Board of Directors.	No significant differences
(4) Has the Company established an effective accounting system and internal control system for the implementation of honest management, and has the internal audit unit prepared an audit plan based on the assessment results of the risk of dishonest acts and checked the compliance of the dishonest act prevention plan, or appointed an accountant to perform the audit?	✓		(4) 1. The Company has a rigorous accounting system and a dedicated accounting unit, and the financial statements are audited or reviewed by a certified public accountant to ensure the fairness of the financial statements. 2. The Company has established an effective internal audit system, self-audit system, compliance system and risk management mechanism to maintain an effective and appropriate internal control system, and has appointed a certified public accountant to conduct internal control system audits annually.	No significant differences
(5) Does the Company regularly conduct internal and external education and training on integrity management?	✓		(5) The Company held a training session on integrity management: In 2024, an online internal training related to integrity	No significant differences

Assessment Item	Operating Conditions			Differences from the Code of Conduct for Honest Management of listed and OTC companies and the reasons for them.
	Yes	No	Summary Description	
			management was conducted, with 22 participants and a duration of 0.5 hours.	
3. Operation of the Company's whistle-blower system (1) Has the Company established a specific whistleblowing and reward system, established a convenient whistleblowing channel, and assigned appropriate staff to receive whistle-blowing reports?	✓		(I) The Company has established a whistleblower system that provides employees and outsiders with the opportunity to report any financial, legal, and integrity-related misconduct to the head of the receiving unit through an independent whistleblower mailbox. Whistleblower mailbox: audit@rhd.com.tw	No significant differences
(2) Has the Company established standard operating procedures for the investigation of whistle-blowing matters, follow-up measures to be taken after the completion of the investigation and the related confidentiality mechanism?	✓		(2) After the former supervisor accepts the employee's suggestion or complaint, he/she will immediately report it to the general manager and the general manager will designate a person to handle it. The staff member or the person in charge of handling any grievance case shall uphold the principle of confidentiality and handle the case as soon as possible.	No significant differences
(3) Does the Company take measures to protect whistle-blowers from improper treatment as a result of whistle-blowing?	✓		✓ (3) If a complaint case is investigated and found to be inappropriate or suspected of being illegal, the Company	No significant differences

Assessment Item	Operating Conditions			Differences from the Code of Conduct for Honest Management of listed and OTC companies and the reasons for them
	Yes	No	Summary Description	
			shall punish the personnel for dereliction of duty in accordance with the relevant rules and regulations, or pursue their legal responsibility in accordance with the relevant laws and regulations, and protect the privacy rights of the proposer or complainant.	
4. Enhance information disclosure (1) Does the Company disclose the contents and effectiveness of its Code of Conduct on Integrity on its website and public information observatory?	✓		(1) We have disclosed information about our corporate culture and management policy on our website, and have set up a dedicated department to collect and disclose information and implement a spokesperson system.	No significant differences
5. If the Company has its own code of conduct for honest management in accordance with the "Code of Conduct for Listed and OTC Companies", please describe the differences between its operation and the code: No significant differences.				
VI. Other important information to help understand the operation of honest management: None.				

(VII)Other important information that may be disclosed to enhance understanding of corporate governance operations:

(1) Accountants' independence evaluation.

A. Independence Element Review

Item	Evaluation Content
1	Neither the accountant himself/herself nor his/her spouse or minor children have any investment or financial interest sharing relationship with the Company.
2	The accountant, his spouse and minor children do not have any financial borrowings with the Company. However, if the principal is a financial institution and the transaction is normal, this does not apply.
3	The accounting firm did not issue an assurance report on the effective operation of the financial information system designed or assisted in its implementation.
4	Neither the accountant nor any member of the audit service team is currently, or has been for the past two years, a director or manager of the Company or has had a significant influence on the audit case.
5	There are no significant items of non-audit services provided to the Company that directly affect the audit cases.
6	Neither the accountants nor the members of the audit service team have promoted or brokered any shares or other securities issued by the Company.
7	The accountants or members of the audit service team do not represent the Company in defending legal cases or other disputes with third parties, other than those permitted by law.
8	Neither the accountant nor any member of the audit service team is related to the Director, manager or any person who has significant influence on the audit case by spouse, consanguinity, consanguinity by marriage or consanguinity within two degrees.
9	The co-practicing accountants who have retired within one year have not held any positions as directors, managers, or those with significant influence on the audit cases of the Company.
10	No member of the accounting or audit services team has received gifts or special favors of significant value from the Company or its directors, managers or substantial shareholders.
11	The accountants are not currently employed by the principals or investigators to perform regular work, receive a fixed salary or serve as directors or supervisors.
12	The accountants have not provided audit services to the Company for seven continuous years.

B. Independent Operational Review

Item	Evaluation Content
1	Whether the accountant has recused himself/herself from the matters assigned to him/her that affect his/her impartiality and independence because he/she has a direct or serious indirect stake in the matter.
2	In addition to maintaining substantive independence, the auditor also maintains formal independence when providing an audit, review, examination or opinion on the financial

	statements
3	Whether the members of the audit services team, other joint practice accountants or corporate accounting firm shareholders, accounting firms, firm affiliates, and alliance firms also maintain independence from the Company.
4	Whether the accountant maintains an impartial and objective position in performing professional services and has avoided influencing professional judgment due to bias, conflict of interest or stake.
5	There is no lack or loss of independence that would impair the integrity and impartiality of the accountants' position.

C. Competence Review

Item	Evaluation Content
1	The accountant has no record of disciplinary action by the Accountants Disciplinary Board in the last two years.
2	Whether the accounting firm has sufficient scale, resources and regional coverage to handle the Company's audit services.
3	Whether the accounting firm notifies the Board of Directors (Audit Committee) of any significant issues and developments in risk management, corporate governance, financial accounting and related risk controls in a timely manner.

(2) Corporate governance supervisor settings:

The Company has set up a corporate governance supervisor to protect shareholders' rights and interests and strengthen the functions of the Board of Directors.

A. Scope of joint authority: corporate governance supervisor is mainly responsible for handling matters related to the meetings of the Board of Directors and shareholders according to law, making minutes of the meetings of the Board of Directors and shareholders, assisting directors and supervisors in taking office and continuing education, providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors in complying with laws and regulations, etc.

B. Status of further education in the current year: please refer to page 21 of the annual report.

(VIII) Implementation status of internal control system

1. Internal Control Disclosure Statement: Please refer to the Market Observation Post System. The pathway for review is as follows:

Market Observation Post System > Single Company > Corporate Governance > Company Regulations / Internal Control > Announcement of Internal Control Disclosure Statement

2. If an accountant is appointed to review the internal control system, the accountant's review report should be disclosed: No.

(IX)Important resolutions of the most recent annual general meeting and board of directors.

(1) Shareholders' Meeting

Date	Meeting Types	Summary of the proposal	Execution status
2024.06.19	General Meeting of Shareholders	2023 Annual Report on Operations and Financial Statements.	Approved by the shareholders' meeting
		2023 surplus distribution plan	Approved by the shareholders' meeting and set 10 September 2024 as the base date for ex-rights and ex-dividends, with the distribution of dividends completed on 9 October 2024.
		Amended the Articles of Incorporation.	Approved by the shareholders' meeting and completed the registration of changes in accordance with regulations.
		2023 surplus distribution plan for capital increase through issuance of new shares.	Approved by the shareholders' meeting and set 10 September 2024 as the base date for ex-rights and ex-dividends, with the distribution of dividends completed on 9 October 2024.
		Proposal for the Election of Directors	The election has been completed by the shareholders' meeting, and the change of registration has been completed in accordance with the regulations.

(2) Board of Directors

Date	Meeting Types	Summary of the proposal
2024.01.29	Board of Directors	1. Establish the 2024 Operating Plan. 2. Proposed distribution of the 2023 performance bonuses for managers. 3. Directors and managers, the proposed implementation of various compensation programs policy.
2024.03.15	Board of Directors	1.2023 Employee Compensation and Director Compensation Distribution. 2. 2023 Annual Report on Operations and Financial Statements. 3. Issued a statement of the Company's internal control system for fiscal year 2023. 4. Handle the joint construction project for the triangular section of land in the Haishantou section of Xinzhuang District, New Taipei City, and the land in the Shigui section of Xinzhuang District. 5. To amend the "Articles of Incorporation". 6. Proposal for the election of directors. 7. Proposal for the nomination of directors (including independent directors). 8. Lift the restrictions on the competitive conduct of the newly appointed directors and their representatives. 9. Amend the general principles of the Company's pre-approved non-confirmation service policy. 10. Set the agenda for the General Meeting of Shareholders in 2024.
2024.04.19	Board of Directors	1. 2023 surplus distribution plan. 2. 2023 surplus distribution plan for capital increase through issuance of new shares.
2024.04.29	Board of Directors	1. Handling the cooperative construction project for the triangular section of land in Haishantou Section, Xinzhuang District, New Taipei City.
2024.05.14	Board of Directors	1. Consolidated financial statements for the first quarter of 2024. 2. Handle the joint construction project for 15 pieces of land including Lot 470, Sec. 2, Lihe Section, Xinyi District, Taipei City.
2024.06.19	Board of Directors	1. Elect a Chairman.
2024.08.13	Board of Directors	1. Consolidated financial statements for the second quarter of 2024. 2. For the new construction of the "RICH Huanshan Road A Project", it is proposed to contract the "Assumed and Foundation Works" to our related company, Rio Tinto Construction Co.
2024.09.10	Board of Directors	1. The new construction project of "Rich Feng Mu" is proposed to be contracted to our related company, Rio Tinto Construction Co., for the "Demolition Works". 2. Purchase of land and buildings located at No. 213, Section 4, Bade

Date	Meeting Types	Summary of the proposal
		Road, Songshan District, Taipei from related parties.
2024.10.09	Board of Directors	1. Handle the cooperative construction project for the land in Jingde Section, Gongzheng Section, and Jianguo Section, Xinzhuang District, New Taipei City. 2. Handle the cooperative construction project for land in the Gongzheng Section, Qionglin Section, Gongguan Section, and Qiongtai Section of Xinzhuang District, New Taipei City.
2024.11.13	Board of Directors	1. Consolidated financial statements for the third quarter of 2023. 2. To provide joint guarantee liability for the subsidiary, Gaoshanlin Waterworks Co., Ltd. (hereinafter referred to as Gaoshanlin Company) within the scope of the syndicated loan amount of NTD SIX HUNDRED AND FIFTY MILLION and issue a support letter.
2024.12.20	Board of Directors	1. To formulate the Company's "2024 Audit Plan". 2. Periodic evaluation of the independence of the certifying accountant. 3. Reappointment of the Audit Director. 4. Sale of real estate to related parties.

(X)Disagreement by directors or supervisors on important resolutions passed by the Board of Directors in the most recent year and as of the date of the annual report, with a record or written statement: None.

IV. CPA service fee information

(I) Certified Public Accountant service fee information

Amount Unit: NTD one thousand

Name of Accounting Office	Accountant's Name	Audit Period	Audit fees	Non-audit fees	Total	Remark
KPMG Taiwan	CHANG, SHU-YING	2024.01.01 To 2024.12.31	3,060	1,108	4,168	None
	Pan, Chun-Ming					

Non-audit fee service content: tax certification, payroll audits for employees not in managerial positions, direct deduction method audits, transfer pricing service fees, business registration, financial report audits for urban renewal project plans, capital increase from earnings, and printing travel expenses.

(2) If the accounting firm is changed and the audit fee paid in the year of change is lower than that in the year before the change: none.

(III) Audit fees decreased by more than 10% compared to the previous year: none.

V. Change of Accountants Information:

(I) Regarding the former accountant: Not applicable.

(2) Regarding the successor auditor: Not applicable.

(3) The former auditor's response regarding the matters specified in Article 10(6)(1) and (2) of these guidelines: Not applicable.

VI. If the chairman, president, or manager responsible for financial or accounting matters of the Company has worked for the firm of the certified public accountant or its affiliates within the last year, the name, title, and period of employment with the firm of the certified public accountant or its affiliates should be disclosed: None.

VII. Changes in the shareholding of directors, supervisors, managers and shareholders holding more than 10% of the shares and pledges of shares in the most recent year and as of the printing date of the annual report.

(I) Transfer of shareholding and pledge of shareholding of directors,

supervisors, managers and substantial shareholders: Please refer to the public information observation station. The pathway for review is as follows:

Share Transfer: Market Observation Post System > Single Company > Shareholding Changes / Securities Issuance > Share Transfer Data Inquiry > Post-Report on Changes in Insider Shareholding

Changes in Share Pledge Situation: Market Observation Post System > Single Company > Share Changes/Securities Issuance > Insider Pledge and Release > Insider Pledge and Release Announcement

(II) There are no related parties for the transfer of shareholding.

(III) There are no related parties for the pledge of shares.

VIII. Information on the top ten shareholders who are related to each other or are related to each other as spouses or second-degree relatives.

Shareholding of the top ten shareholders as a percentage of the mutual related party information

Name	I hold shares.		Spouse, minor children holding shares		Shareholding in other people's names		The top ten shareholders who have relationships as related parties under Financial Accounting Standards Bulletin No. 6 or are spouses or relatives within the second degree of kinship, along with their names or titles and relationships.		Remark
	Number of shares held	Number of shares held Ratio	Number of shares held	Number of shares held Ratio	Number of shares held	Number of shares held Ratio	Name	Relations	
Lealea Enterprise Co., Ltd.	53,395,090	6.97%	NA	NA	NA	NA	None	None	None
Representative: GUO,SHAO-YI	0	0	-	-	-	-	GUO,SHU-ZHEN	Sibling	None
Li Peng Enterprise Co., Ltd.	52,651,387	6.87%	NA	NA	NA	NA	None	None	None
Representative: GUO,SHAO-YI	0	0	-	-	-	-	GUO,SHU-ZHEN	Sibling	None
Ching Yi Development Co., Ltd.	34,713,611	4.53%	NA	NA	NA	NA	None	None	None
Representative: LIN,QIAN-QIAN	0	0	-	-	-	-	-	-	None
Hongxiang Investment Co., Ltd.	28,109,129	3.67%	NA	NA	NA	NA	None	None	None
Representative: GUO,JI-AN	4,323	0.00%	0	0	0	0	GUO,JI-GANG	Brotherhood	None
Tech Island Investment Limited	15,773,473	2.06%	NA	NA	NA	NA	None	None	None
Representative:	4,323	0.00	0	0	0	0	GUO,JI-	Brotherhoo	None

GUO,JI-AN							GANG	d	
Hong Yi Investment Co., Ltd.	15,487,681	2.02%	NA	NA	NA	NA	None	None	None
Representative: KE,PEI-JUN	-	-	-	-	-	-	-	-	None
Forest Textile Enterprises Co., Ltd.	15,098,762	1.97%	NA	NA	NA	NA	None	None	None
Representative: GUO,JI-Gang	679,034	0.09%	2,072,360	0.27%	0	0	GUO,JI-AN	Brotherhood	None
Shun Yu Investment Co., Ltd.	13,406,334	1.75%	NA	NA	NA	NA	None	None	None
Representative: TSAO,YUNG-TIEN	0	0	-	-	-	-	-	-	None
WISDOM LUCK INVESTMENT LIMITED	12,743,960	1.66%	NA	NA	NA	NA	None	None	None
Representative: TSAO,YUNG-TIEN	0	0	-	-	-	-	-	-	None
Li Wei International Development Co., Ltd.	11,266,636	1.47%	NA	NA	NA	NA	None	None	None
Representative: GUO,SHU-ZHEN	1,345,430	0.18%	-	-	-	-	GUO,SHAO-YI	Sibling	None

IX. The number of shares held by the Company, its directors, supervisors, managers and businesses directly or indirectly controlled by the Company in the same investee, and the consolidated percentage of shareholding is calculated.

Consolidated shareholding ratio

31 December 2024
Unit: Share;%

Equity investment Business	Investment by The Company		Directors, Supervisors, Managers and Investments in Direct or Indirectly Controlled Businesses		Consolidated Investment	
	Number of shares	Shareholding ratio	Number of shares	Number of shares held Ratio	Number of shares	Shareholding ratio
Yilan Lealea Development Ltd.	58,500,000	63.59%	33,500,000	36.41%	92,000,000	100%
Ho Ching Enterprises Co., Ltd.	45,447,854	100%	0	0%	45,447,854	100%
Green Forest Development Enterprise Co., Ltd	65,133,921	30.00%	151,979,149	70.00%	217,113,070	100%
Rich Forest Leisure Development Co., Ltd.	34,793,258	52.38%	2,641,193	3.98%	37,434,451	56.36%
The Westin Yilan Resort	35,053,747	42.23%	3,300,000	3.98%	38,353,747	46.21%
Orient Forest Development Enterprise Co., Ltd.	0	0%	223,013,980	100%	223,013,980	100%
Ho Ching Enterprises Co., Ltd.	68,511,940	68.44%	144,695	0.14%	68,656,635	68.58%
Forest Water Environmental Eng'g Co., Ltd.	1,831,081	1.01%	108,587,854	60.04%	110,418,935	61.05%

Equity investment Business	Investment by The Company		Directors, Supervisors, Managers and Investments in Direct or Indirectly Controlled Businesses		Consolidated Investment	
	Number of shares	Shareholding ratio	Number of shares	Number of shares held Ratio	Number of shares	Shareholding ratio
Ho Ching Enterprises	23,123,230	36.21%	0	0%	23,123,230	36.21%
Blossom Increase Ltd	0	0%	5,445,000	100%	5,445,000	100%
Lea Ching Enterprise Co., Ltd.	82,020,000	51.26%	68,000,000	42.49%	150,020,000	93.75%
Ani Development Corporation Co., Ltd.	6,200,000	32.46%	0	0%	6,200,000	32.46%
Li Bao Long Energy Co., Ltd.	183,600	30.00%	0	0%	183,600	30.00%
Yuan Shan Lin Development Corporation Co., Ltd.	0	0%	24,000,000	100%	24,000,000	100%
Easy Development Co., Ltd.	0	0%	11,000,000	100%	11,000,000	100%
Modern Rich Investment Limited	0	0%	8,568,730	100%	8,568,730	100%
Faith Honest International Investment Limited	0	0%	2,963,730	100%	2,963,730	100%
Li You Shi Environmental Co., Ltd.	2,957,240	43.49%	3,427,710	50.41%	6,384,950	93.9%
Eastern Forest Environmental Technology Co., Ltd.	0	0%	3,500,000	70%	3,500,000	70%
He Shan Lin Green Energy Co., Ltd.	13,650,000	30.00%	31,850,000	70%	45,500,000	100%

Equity investment Business	Investment by The Company		Directors, Supervisors, Managers and Investments in Direct or Indirectly Controlled Businesses		Consolidated Investment	
	Number of shares	Shareholding ratio	Number of shares	Number of shares held Ratio	Number of shares	Shareholding ratio
Lea Lea Environmental Co., Ltd.	0	0%	7,942,000	95%	7,942,000	95%
High Mountain Water Services Co., Ltd.	1,000,000	10%	7,000,000	70%	8,000,000	80%
Richone Holdings Limited	0	0%	487,600	30.10%	487,600	30.10%
Lealea Xing Environmental Co., Ltd. Co., Ltd.	0	0%	50,000	100%	50,000	100%
Eagle Travel Co., Ltd.	0	0%	660,000	100%	660,000	100%
Lealea Mingchih Co., Ltd.	0	0%	12,080,000	75.5%	12,080,000	75.5%
Kaisen Energy Co., Ltd.	0	0%	38,000,000	95.21%	38,000,000	95.21%
Kailan Power Co., Ltd.	0	0%	36,000,000	40%	36,000,000	40%

III. Capital Overview

1. Capital and Shares

(1) Source of Equity

Year Month	Issue Price (NT$)	Authorized share capital		Paid-in share capital		Remark		
		Number of shares (shares)	Amount(NT$)	Number of shares (shares)	Amount(NT$)	Source of Equity	The use of property other than cash to offset the payment of shares	Others
81.07	10	26,000,000	260,000,000	26,000,000	260,000,000	Establishment	None	None
86.05	10	150,000,000	1,500,000,000	64,000,000	640,000,000	Capital increase of NT$130 million from earnings and cash capital increase of NT$250 million (Note 1)	None	None
86.11	10	150,000,000	1,500,000,000	82,000,000	820,000,000	Cash capital increase of NT$180 million (Note 2)	None	None
87.03	10	150,000,000	1,500,000,000	123,000,000	1,230,000,000	Capital increase of NT$205 million from earnings and NT$205 million from capital surplus (Note 3)	None	None
88.06	10	240,000,000	2,400,000,000	240,000,000	2,400,000,000	Capital increase of NT$738 million from earnings and NT$432 million from cash(Note 4)	None	None
89.07	10	288,000,000	2,880,000,000	288,000,000	2,880,000,000	Capital surplus increased by NT$480 million (Note 5)	None	None
90.02	10	288,000,000	2,880,000,000	272,000,000	2,720,000,000	Capital reduction of treasury stock by NT$160 million (Note 6)	None	None
95.07	10	288,000,000	2,880,000,000	285,600,000	2,856,000,000	Capital increase of NT$136 million from capital surplus (Note 7)	None	None
95.11	10	285,600,000	2,856,000,000	285,600,000	2,856,000,000	Reduction of additional share capital by amendment to the shareholders' meeting (Note 8)	None	None
95.11	10	428,800,000	4,288,000,000	285,600,000	2,856,000,000	Increase in additional share capital by amendment to the shareholders' meeting (Note 9)	None	None
96.01	10	428,800,000	4,288,000,000	285,600,000	2,856,000,000	First domestic secured convertible bonds of NT$120 million (Note 10)	None	None
96.07	10	428,448,000	4,284,480,000	308,448,000	3,084,480,000	Capital surplus increased by NTD 228.48 million (Note 11)	None	None
96.08	10	700,000,000	7,000,000,000	308,448,000	3,084,480,000	Application for increase in total additional capital (Note 12)	None	None
96.10	10	700,000,000	7,000,000,000	312,979,023	3,129,790,230	Application for conversion of convertible bonds to common stock (Note 13)	None	None
97.04	10	700,000,000	7,000,000,000	370,406,003	3,704,060,030	Application for conversion	None	No

Year Month	Issue Price (NT$)	Authorized share capital		Paid-in share capital		Remark		
		Number of shares (shares)	Amount(NT$)	Number of shares (shares)	Amount(NT$)	Source of Equity	The use of property other than cash to offset the payment of shares	Others
						of convertible bonds to common stock (Note 14)		ne
97.07	10	700,000,000	7,000,000,000	377,661,623	3,776,616,230	Application for conversion of convertible bonds to common stock (Note 15)	None	None
98.01	10	700,000,000	7,000,000,000	403,867,820	4,038,678,200	Application for conversion of convertible bonds into common stock and capitalization of capital surplus (Note 16)	None	None
98.09	10	700,000,000	7,000,000,000	427,867,149	4,278,671,490	Application for conversion of convertible bonds into common stock and capitalization of capital surplus (Note 17)	None	None
99.02	10	700,000,000	7,000,000,000	487,825,933	4,878,259,330	Application for conversion of convertible bonds to common stock (Note 18)	None	None
99.06	10	700,000,000	7,000,000,000	492,042,908	4,920,429,080	Application for conversion of convertible bonds to common stock (Note 19)	None	None
99.08	10	700,000,000	7,000,000,000	492,204,879	4,922,048,790	Application for conversion of convertible bonds to common stock (Note 20)	None	None
99.09	10	700,000,000	7,000,000,000	541,409,169	5,414,091,690	Capital surplus to capital increase (Note 21)	None	None
99.10	10	700,000,000	7,000,000,000	546,813,912	5,468,139,120	Application for conversion of convertible bonds to common stock (Note 22)	None	None
100.01	10	700,000,000	7,000,000,000	557,931,666	5,579,316,660	Application for conversion of convertible bonds to common stock (Note 23)	None	None
100.04	10	700,000,000	7,000,000,000	550,174,517	5,501,745,170	Application for conversion of convertible bonds into common shares and cancelation of treasury shares (Note 24)	None	None
100.08	10	700,000,000	7,000,000,000	540,214,198	5,402,141,980	Application for conversion of convertible bonds into common shares and cancelation of treasury shares (Note 25)	None	None
100.09	10	700,000,000	7,000,000,000	589,729,904	5,897,299,040	Capital surplus to capital increase (Note 26)	None	None
100.10	10	700,000,000	7,000,000,000	593,337,170	5,933,371,700	Application for conversion of convertible bonds to common stock (Note 27)	None	None
101.01	10	700,000,000	7,000,000,000	585,510,686	5,855,106,860	Application for conversion of convertible bonds into common stock and cancelation of treasury	None	None

Year Month	Issue Price (NT$)	Authorized share capital		Paid-in share capital		Remark		
		Number of shares (shares)	Amount(NT$)	Number of shares (shares)	Amount(NT$)	Source of Equity	The use of property other than cash to offset the payment of shares	Others
						stock (Note 28)		
101.04	10	700,000,000	7,000,000,000	587,220,119	5,872,201,190	Application for conversion of convertible bonds to common stock (Note 29)	None	None
101.09	10	700,000,000	7,000,000,000	636,233,443	6,362,334,430	Transferred capital from earnings of NT$352,867,790, transferred capital from capital surplus of NT$117,622,600 and converted convertible bonds to common stock (Note 30)	None	None
101.10	10	700,000,000	7,000,000,000	633,080,458	6,330,804,580	Application for conversion of convertible bonds into common stock and cancelation of treasury stock (Note 31)	None	None
102.01	10	700,000,000	7,000,000,000	635,726,434	6,357,264,340	Application for conversion of convertible bonds to common stock (Note 32)	None	None
102.05	10	700,000,000	7,000,000,000	656,238,647	6,562,386,470	Application for conversion of convertible bonds to common stock (Note 33)	None	None
102.07	10	700,000,000	7,000,000,000	658,840,043	6,588,400,430	Application for conversion of convertible bonds to common stock (Note 34)	None	None
102.09	10	900,000,000	9,000,000,000	726,586,283	7,265,862,830	Transfer of capital from earnings of NT$656,238,650 and application for conversion of convertible bonds to common stock (Note 35)	None	None
102.10	10	900,000,000	9,000,000,000	761,970,982	7,619,709,820	Application for conversion of convertible bonds to common stock (Note 36)	None	None
103.02	10	900,000,000	9,000,000,000	763,047,064	7,630,470,640	Application for conversion of convertible bonds to common stock (Note 37)	None	None
103.04	10	900,000,000	9,000,000,000	758,047,064	7,580,470,640	Cancelation of treasury stock (Note 38)	None	None
103.05	10	900,000,000	9,000,000,000	758,992,712	7,589,927,120	Application for conversion of convertible bonds to common stock (Note 39)	None	None
103.09	10	900,000,000	9,000,000,000	753,992,712	7,539,927,120	Cancelation of treasury stock (Note 40)	None	None
105.05	10	900,000,000	9,000,000,000	743,992,712	7,439,927,120	Cancelation of treasury stock (Note 41)	None	None
109.07	10	1,010,000,000	10,010,000,000	743,992,712	7,439,927,120	Total registered capital increase (Note 42)	None	None
113.10	10	1,010,000,000	10,010,000,000	766,312,494	7,663,124,940	Transfer of capital from	None	No

Capital Overview

Year Month	Issue Price (NT$)	Authorized share capital		Paid-in share capital		Remark		
		Number of shares (shares)	Amount(NT$)	Number of shares (shares)	Amount(NT$)	Source of Equity	The use of property other than cash to offset the payment of shares	Others
						earnings of NTD 223,197,820 (Note 42)		ne

Note 1: Approved by the Ministry of Finance Securities and Futures Commission letter No. (86) Tai Tsai Cheng (1) No. 27551 dated 14 April 1997, effective for capital increase from earnings of NTD 130 million and cash capital increase of NTD 250 million.

Note 2: Approved by the Securities and Futures Bureau of the Ministry of Finance on 28 October 1997 (86) Tai-Cai-Zheng (1) No. 81188, effective cash capital increase of NTD 180 million.

Note 3: Approved by the Securities and Futures Commission of the Ministry of Finance on 2 March 1998, letter No. (87) Tai Tsai Zheng (1) No. 22590, for the capital increase from earnings of NTD 205 million and the capital surplus increase of NTD 205 million.

Note 4: Approved by the Ministry of Finance Securities and Futures Commission in letter No. (88) Tai Tsai Zheng (1) No. 29132 dated 1 April 1999, the capital increase from retained earnings of NTD 738 million and cash capital increase of NTD 432 million.

Note 5: This is the approval from the Securities and Futures Commission of the Ministry of Finance dated 24 April 2000 (89) Tai Tsai Zheng (1) No. 33441, which approves the capital surplus increase of NTD 480 million.

Note 6: Letters No. 85260, 93539, 101578, and 09001050360 from the Ministry of Finance's Securities and Futures Bureau dated 26 October 2000, 24 November 2000, 20 January 2001, and 19 February 2001, respectively, approving the capital reduction of treasury stock by NTD 160 million.

Note 7: The Financial Supervisory Commission of the Executive Yuan approved the effective capital surplus increase of NTD 136 million in its letter No. 0950128856 dated 6 July 2006.

Note 8: Letter No. 09501261600 from the Ministry of Economic Affairs on 22 November 2006, approving the registration of the amendment to the Articles of Incorporation to reduce the total amount of capital.

Note 9: Letter No. 09501261600 from the Ministry of Economic Affairs dated 22 November 2006 approving the registration of the amendment to the Articles of Incorporation to increase the total amount of capital and to retain the number of convertible shares of the Company's bonds.

Note 10: Approved by the Financial Supervisory Commission of the Executive Yuan on 5 February 2007, through Letter No. 0950160475, for the first domestic secured convertible bonds amounting to NTD 1.2 billion.

Note 11: Letter No. 0960034789 from the Financial Supervisory Commission of the Executive Yuan dated 6 July 2007, approving the effective capital surplus increase of NTD 228.48 million and Letter No. 09601167630 from the Ministry of Economic Affairs dated 18 July 2007, approving the registration of the amendment to reduce the total amount of capital.

Note 12: The amendment to the Articles of Incorporation was approved by the Ministry of Economic Affairs on 28 August 2007 through Letter No. 09601210280, which approved the registration of the amendment to increase the total additional capital.

Note 13: Approved by the Ministry of Economic Affairs on 9 October 2007, through Letter No. 09601245180, approving the registration of the application for issuance of new shares of convertible bonds to increase the total paid-in capital.

Note 14: Approved to register the application of convertible bonds to issue new shares to increase the total paid-in capital and to increase the number of shares to be retained for convertible bonds by letter No. 09701095130 from the Ministry of Economic Affairs on 18 April 2008.

Note 15: Approved by the Ministry of Economic Affairs on 24 July 2008, through Letter No. 09701185260, approving the registration of the application for convertible bonds to issue new shares to increase the total paid-in capital.

Note 16: Letter No. 0970059060 dated 7 November 2008 from the Financial Supervisory Commission of the Executive Yuan approving the effective capitalization of capital surplus to increase capital of NTD 259.28 million and the conversion of corporate bonds into common stock of NTD 2.77 million, and the letter No. 09701329110 from the Ministry of Economic Affairs dated 7 January 2009 approving the issuance of new shares to increase the total paid-in capital.

Note 17: Approved by the Financial Supervisory Commission of the Executive Yuan on 20 July 2009, through Letter No. 0980036297, for the effective issuance of new shares from the capitalization of capital surplus, and approved by the Ministry of Economic Affairs on 24 September 2009, through Letter No. 09801220900, for the registration of the capitalization of capital surplus and the application for issuance of new shares from convertible bonds to increase the total paid-in capital.

Note 18: Approved by the Ministry of Economic Affairs on 3 February 2010, through Letter No. 09901021040, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.

Note 19: Approved by the Ministry of Economic Affairs on 23 June 2010, through Letter No. 09901131240, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.

Note 20: Approved by the Ministry of Economic Affairs on 23 June 2010, through Letter No. 09901183630, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.

Note 21: Approved by the Financial Supervisory Commission of the Executive Yuan on 15 July 2010 through Letter No. 0990036729, approving the issuance of new shares for capital surplus to capital increase, and approved by the Ministry of Economic Affairs on 2 September 2010 through Letter No. 09901197340 to register the increase of total paid-in capital from capital surplus to capital increase.

Note 22: Approved by the Ministry of Economic Affairs on 18 October 2010, through Letter No. 09901234680, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.

Note 23: Approved by the Ministry of Economic Affairs on 26 January 2011, through Letter No. 10001018850, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.

Note 24: Approved by the Ministry of Economic Affairs on 22 April 2011, through Letter No. 10001075640, approving the registration of the application for convertible bonds to issue new shares and the cancelation of treasury shares to change the total paid-in capital.

Note 25: Approved by the Ministry of Economic Affairs on 3 August 2011, through Letter No. 10001175020, approving the registration of the application for convertible bonds to issue new shares and the cancelation of treasury shares to change the total paid-in capital.
Note 26: Approved by the Financial Supervisory Commission of the Executive Yuan on 27 July 2011 through Letter No. 1000034961, approving the issuance of new shares from capital surplus to capital increase, and approved by the Ministry of Economic Affairs on 8 September 2011 through Letter No. 10001209810 to register the increase of total paid-in capital from capital surplus to capital increase.
Note 27: Approved by the Ministry of Economic Affairs on 18 October 2011, through Letter No. 10001236080, approving the registration of the application for issuance of new shares of convertible bonds to increase the total paid-in capital.
Note 28: Approved by the Ministry of Economic Affairs on 17 January 2012, through Letter No. 10101010480, approving the registration of the application for convertible bonds to issue new shares and the cancelation of treasury shares to change the total paid-in capital.
Note 29: Approved by the Ministry of Economic Affairs on 20 April 2012, through Letter No. 10101071490, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.
Note 30: Approved by the Financial Supervisory Commission on 3 July 2012, through Letter No. 1010029173, for the effective issuance of new shares from the transfer of earnings and capital surplus, and approved by the Ministry of Economic Affairs on 7 September 2012, through Letter No. 10101182750, for the registration of the transfer of earnings and capital surplus and the application for the issuance of new shares from convertible bonds to increase the total paid-in capital.
Note 31: Approved by the Ministry of Economic Affairs on 16 October 2012, through Letter No. 10101211700, approving the registration of the application for convertible bonds to issue new shares and the cancelation of treasury shares to change the total paid-in capital.
Note 32: Approved by the Ministry of Economic Affairs on 22 January 2013, through Letter No. 10201016880, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.
Note 33: Approved by the Ministry of Economic Affairs on 8 May 2013, through Letter No. 10201084960, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.
Note 34: Approved by the Ministry of Economic Affairs on 19 July 2013, through Letter No. 10201143920, approving the registration of the application for convertible bonds to increase the total paid-in capital by issuing new shares.
Note 35: Approved by the Financial Supervisory Commission on 26 June 2013, through Letter No. 1020024853, the issuance of new shares from capital increase from retained earnings became effective, and approved by the Ministry of Economic Affairs on 16 September 2013, through Letter No. 10201183270, the registration of capital increase from retained earnings and the application for issuance of new shares from convertible bonds to increase the total paid-in capital.
Note 36: Approved by the Ministry of Economic Affairs on 23 October 2013, through Letter No. 10201143920, approving the registration of the application for issuance of new shares of convertible bonds to increase the total paid-in capital.
Note 37: Approved by the Ministry of Economic Affairs on 10 February 2014, through Letter No. 10301021640, approving the registration of the application for convertible bonds to issue new shares to increase the total paid-in capital.
Note 38: Approved to register the cancelation of treasury stock to change the total paid-in capital by letter No. 10301059070 from the Ministry of Economic Affairs on 10 April 2014.
Note 39: Approved by the Ministry of Economic Affairs on 14 May 2014, through Letter No. 10301084310, approving the registration of the application for convertible bonds to issue new shares to increase the total paid-in capital.
Note 40: Approved to register the cancelation of treasury stock to change the total paid-in capital by letter No. 10301179640 from the Ministry of Economic Affairs on 2 September 2014.
Note 41: Approved to register the cancelation of treasury stock to change the total paid-in capital by letter No. 10501112740 from the Ministry of Economic Affairs on 27 May 2016.
Note 42: Approved by the Ministry of Economic Affairs on 2 July 2020 through Letter No. 10901116830, which approved the registration of the increase in total capital.
Note 43: Approved by the Financial Supervisory Commission on 13 August 2024 through a press release, the effective capital increase from earnings for the issuance of new shares; and approved by the Ministry of Economic Affairs on 14 October 2024 through Letter No. 11330172350, for the registration of the capital increase from earnings.

Shares Type	Authorized share capital				Remark
	Outstanding shares	Treasury Shares	Unissued shares	Total	
Ordinary shares	766,312,494	0	243,687,506	1,010,000,000	The Company's shares are OTC Company Stock

Overall information on the disclosure system: None.

(4) List of major shareholders

21 April 2024

Shares / Name of Major Shareholders	No. of shares	Shareholding ratio
Lealea Enterprise Co., Ltd.	53,395,090	6.97%
Li Peng Enterprise Co., Ltd.	52,651,387	6.87%
Ching Yi Development Co., Ltd.	34,713,611	4.53%
Hongxiang Investment Co., Ltd.	28,109,129	3.67%
Tech Island Investment Limited	15,773,473	2.06%
Hong Yi Investment Co., Ltd.	15,487,681	2.02%
Forest Textile Enterprises Co., Ltd.	15,098,762	1.97%
Shun Yu Investment Co., Ltd.	13,406,334	1.75%
WISDOM LUCK INVESTMENT LIMITED	12,743,960	1.66%
Li Wei International Development Co., Ltd.	11,266,636	1.47%

(6) Dividend Policy and Implementation Status

1. Stock Dividend Policy

If there is any surplus in the annual financial statements, tax payments should be made first to offset past losses, 10% of the additional dividends should be set aside as legal reserve and the accumulated undistributed earnings should be added to the initial undistributed earnings. After adjusting the special reserve set aside or reversed by law and deducting the appropriate amount of retained earnings, the Company's current year's distributable earnings shall be resolved by the Board of Directors in a resolution submitted to the shareholders.

The Company is in a volatile industrial environment and its corporate life cycle is growing and diversifying, taking into consideration the Company's future capital needs, long-term financial planning and shareholders' demand for cash inflows. If the shareholders' meeting resolves to pay dividends to shareholders, the cash dividends shall not be less than 10% of the total dividends. However, if the cash dividends do not reach $0.1 per share, the dividends shall be paid in the form of stock dividends instead, but the Board of Directors may change the percentage depending on the economic environment and the Company's operating conditions.

In the past five years (years 109-113), the distribution of dividends to shareholders by the Company reached 147% of the average after-tax net profit over the last five years, indicating a high dividend payout ratio, primarily in the form of cash dividends. For details on historical dividend distributions, please refer to the information on dividend distribution available on the Market Observation Post System.

2. Proposed dividend distribution at the shareholders' meeting

The Company resolved on 10 April 2024 by the Board of Directors to approve the profit distribution plan for the year 2024, proposing to distribute a cash dividend of NTD 0.18 per share, to be submitted for approval and reporting at the 114th General Meeting of Shareholders.

3. No significant changes are expected to be made to the Company's

dividend policy in the future.

(VII) The effect of the proposed gratis allotment of shares at the shareholders' meeting on the Company's operating results and earnings per share:

Not applicable.

(8) Remuneration for employees, directors and supervisors

1. The percentage or range of remuneration for employees, directors and supervisors as set forth in the Articles of Incorporation.

   If the Company makes a profit in a year, it shall distribute not less than 0.5% of the profit to employees, which shall be paid in stock or cash as resolved by the Board of Directors, to employees of the Company's subsidiaries who meet certain criteria. The proposal for the distribution of employee compensation and director compensation shall be reported to the shareholders' meeting. However, if the Company has accumulated losses, it shall reserve the amount of compensation in advance and then provide the employees' and directors' remuneration in accordance with the aforementioned percentages.

2. The basis for estimating the amount of compensation for employees, directors and supervisors, the basis for calculating the number of shares for employee compensation distributed by stock, and the accounting treatment if the amount of distribution differs from the estimated amount.

   (1) The basis for estimating the amount of compensation to employees, directors and supervisors for the period was as follows:

   The estimated amounts of employee compensation and director's compensation for the current period are based on 0.5% of the net income before income tax for the year as employee compensation and 3% as director's compensation, respectively,

in accordance with the Company's Articles of Incorporation.

(2) The basis for calculating the number of shares for employee compensation by stock distribution:

The number of shares of stock dividends is determined by dividing the amount of dividends resolved by the fair value of the stock. The fair value of the stock is the closing price on the day before the date of the shareholders' meeting and is calculated by taking into account the effect of ex-rights and ex-dividends.

(3) Accounting for actual distributions that differ from estimated amounts:

Any difference between the actual allotment amount resolved at a subsequent shareholders' meeting and the estimated amount is accounted for as a change in accounting estimate and recorded as profit or loss in the year the shareholders' meeting resolves.

3. Distribution of remuneration approved by the Board of Directors

(1) Amount of employee compensation and director and supervisor compensation distributed in cash or stock:

For the year 2024, the Company proposes to allocate employee compensation of NTD 4,543,338 and director compensation of NTD 4,543,337, to be paid in cash, and authorize the chairman to decide the payment date.

(2) Employees' remuneration distributed in stock as a percentage of total individual or individual financial reporting net income after tax and total employees' remuneration for the period: No proposed distribution.

4. Actual distribution of compensation to employees, directors and supervisors in the previous year

The actual amount of compensation to employees and directors decreased by NTD 68,805 compared with the estimated amount of expenses recognized in the accounts of 2024. The difference was

treated as a change in accounting estimate and recorded as profit or loss in 2025.

(9) The Company bought back the Company's shares: None.

2. Corporate Debt Situation

(1) Corporate Debt Situation

1. Corporate Debt Situation

Type of corporate bonds		Details of the 1st Guaranteed Ordinary Issuance of corporate bonds	Details of the 2nd Guaranteed Ordinary Issuance of corporate bonds
Issue (Processing) Date		2020.10.23	2020.12.14
Denomination		NT$1,000,000	NT$1,000,000
Place of Issue and Trading		Domestic Issuance Over-the-Counter Trading Center Listing	Domestic Issuance Over-the-Counter Trading Center Listing
Issue Price		Each note with a face value of NTD ONE MILLION is issued at face value.	Each note with a face value of NTD ONE MILLION is issued at face value.
Total Amount		T$1 billion	T$1 billion
Interest Rate		0.62%	0.58%
Maturity		5-year term. Expiration date: 23 October 2025	5-year term. Expiration date: 14 December 2025
Guaranteed Institution		Mega International Commercial Bank Co., Ltd.	Yuanta Commercial Bank
Trustee		Trust Department, Taipei Fubon Commercial Bank Co., Ltd	Trust Department, Taipei Fubon Commercial Bank Co., Ltd
Underwriter		Mega Securities Co., Ltd	Yuan Fu Securities, Yuanta Securities Co., Ltd.
Signing Counsel		Lawyer, WEI,ZHONG-JIE	Lawyer, WEI,ZHONG-JIE
Certified Public Accountant		CPA, CHI,SHI-QIN. CHEN,ZONG-ZHE	CPA, CHI,SHI-QIN. CHEN,ZONG-ZHE
Repayment Method		Details of the 1st Guaranteed Ordinary Issuance and conversion of corporate bonds	Details of the 2nd Guaranteed Ordinary Issuance and conversion of corporate bonds
Outstanding principal amount		NT$1,000,000,000	NT$1,000,000,000
Redemption or early Terms of Settlement		Details of the 1st Guaranteed Ordinary Issuance and conversion of corporate bonds	Details of the 2nd Guaranteed Ordinary Issuance and conversion of corporate bonds
Restrictions		None	None
Credit Rating Agency Name, Rating, Date and result of corporate bond rating		None	None
Additional rights attached Others He	Amount of common stock, ODRs or other marketable securities converted (exchanged or warrants) as of 31 March 2022	None	None

Right Profit	Issuance and Conversion (exchange or stock option) method	Details of the 1st Guaranteed Ordinary Issuance and conversion of corporate bonds.	Details of the 2nd Guaranteed Ordinary Issuance and conversion of corporate bonds.
The method of issuance and conversion, exchange or stock options, the possible dilution of shareholdings by the terms of issuance and the effect on the interests of existing shareholders		None	None
Name of the custodian for the exchange of the subject		Not applicable	Not applicable

2. Corporate bonds under processing: None.

3. Preferred stock application: None.

IV. Overseas Depositary Receipts: None.

5. Employee stock warrants: None.

VI. Restrictions on employee rights regarding new shares: None.

7. Mergers and acquisitions (including mergers, acquisitions and demergers): None.

8. Capital utilization plan and implementation: None.

Operational Highlights V.

I.Business Scope

(1) Business Scope

1. The main contents of the business and its operating ratio:

The Company's business is mainly engaged in the construction of commercial buildings and residential buildings for lease and sale, supplemented by the development of other related businesses, and the domestic market accounts for 100%.

Consolidated Business Ratio

Unit: NT$1,000

Product Category	Fiscal year 2024	
	Turnover	Business ratio %
Rental income from investment real estate	50,012	0.84
Income from sales of premises	1,521,835	25.57
Engineering contract revenue	1,078,529	18.12
Income from operation and maintenance services	1,185,337	19.92
Interest income from service concessions	643,807	10.82
Waste disposal income	458,065	7.70
Hotel labor income	915,965	15.39
Income from sales and installation of energy storage	15,090	0.25
Energy storage project revenue	61,905	1.04
Others	21,140	0.35
Total	5,951,685	100.00

2. The Company's current products (services).

(1) Construction of commercial buildings and national residences for lease and sale.

(2) General investment business.

(3) Water treatment projects, piping projects, waste water treatment and pollution control equipment wholesale.

(4) Construction and operation of the Taipei Beitou Line aerial

ropeway and stations.

(5) General hotel operation and catering business.

(6) Environmental protection project construction business.

(7) Waste removal, etc.

(8) Renewable energy power generation business.

(9) Travel industry business.

(10) Energy Technology Services.

3. New products (services) planned to be developed.

In the future, the Company plans to launch the products of storefronts, offices and residential complexes in Taipei City's prime locations and New Taipei City's metropolitan areas based on its existing operating results and market base.

(2) Industry Overview

1. Current status and development of the industry

Since the construction investment industry requires a large amount of capital investment from land purchase, planning, projection, commissioning, to completion and delivery, and because of the long construction period of housing, the capital turnover rate is not as high as that of the general industry, so they often borrow from financial institutions to support, and consumers rely on financial institutions for loans when purchasing real estate products, in addition to a few self-provided funds. In order to implement the government's policy of "improving the housing market plan", in order to curb speculation, prevent excessive funds from flowing into real estate and implement housing justice, the central bank has successively put forward selective credit control measures for the housing market since 1 December 2020, including limiting the percentage of loans for corporate legal persons and natural persons to purchase housing, land purchase loans, surplus housing loans, mortgage loans for idle land in industrial areas, etc., and canceling the grace period of second home purchase loans in specific areas. The county and municipal governments are actively discussing the housing hoarding tax, which makes the bulls and bears in the housing market pull each other.

Looking back at the year 113, with the international war still ongoing, the prices of raw materials have been difficult to decline and the labor market is facing shortages. As a result, construction costs remain high, limiting the potential for a decrease in housing prices. The central bank has implemented various housing policies, including credit controls in the housing market, tightening real estate loans, and the introduction of the housing hoarding tax 2.0, causing individuals with existing home purchase plans to pause and take a wait-and-see approach. As a result, the transaction volume in the housing market has sharply declined, and the housing market is showing a trend of stable prices and reduced volume in the second half of the year.

The key to the recovery of the real estate market still lies in whether the government's housing policy can take into account both the general public and the disadvantaged groups, and change from a passive policy of stopping housing speculation to a positive one of promoting the development of the housing market while rehabilitating the disadvantaged.

2. Future Development Trend

The products launched by the real estate industry must be adjusted to the market at each stage of economic development, so the future development trends are as follows.

(1) Product diversification, refinement and humanization.

(2) Overall community planning and design.

(3) Development scale and sales price differentiation.

(4) Increased demand for residential safety.

(5) Implementation of building branding system.

3. Upstream, midstream and downstream industry linkages

The construction industry is associated with many industries, forming a large system, which can be summarized as follows:

(1) Landowner: Land is the key factor in the success of a construction project. Most construction companies acquire land through tender purchase or land brokerage. (2) Architects:

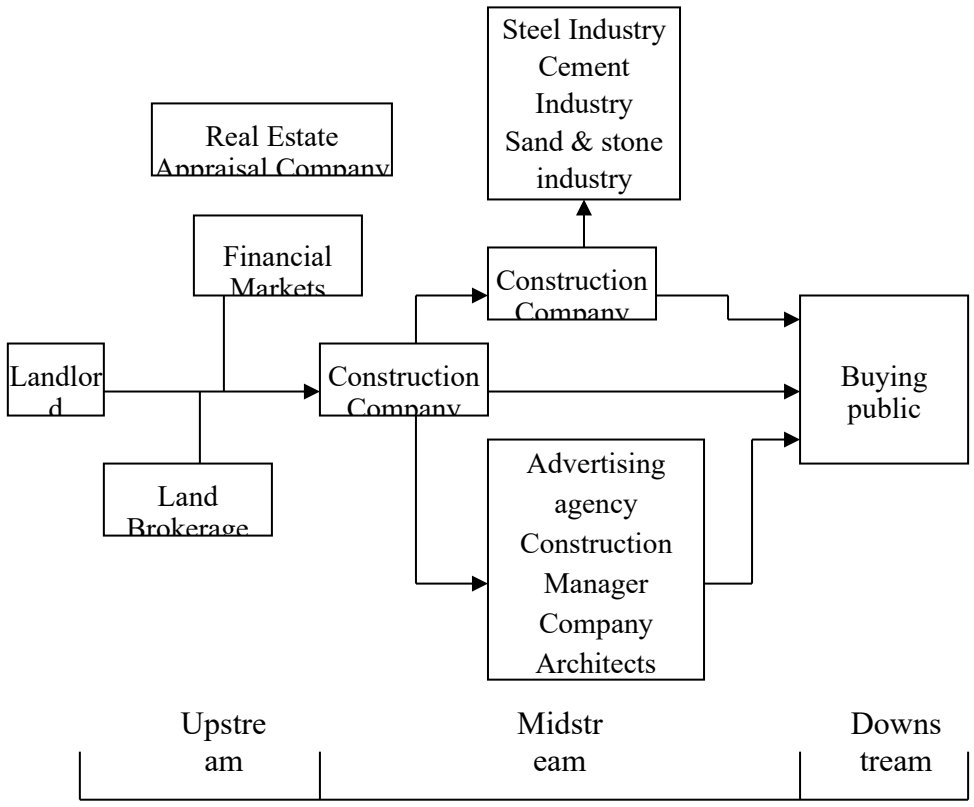
According to the construction law, the construction of a house must be designed and signed by an architect, so after the construction

company acquires the land, it will appoint an architect to plan and design.

(3) Advertising agency: Most construction companies rely on the professional marketing strategy planning of the agency, and they are responsible for sales.

(4) Construction industry: According to the construction law, the construction industry is the contractor of the building. The construction company is responsible for the engineering and works with the building materials industry, foundation engineering industry, structural engineering industry, electrical and mechanical engineering industry, engineering design industry and other related industries to build the house.

(5) Buying public: Individuals, private enterprises, and government agencies.



Within the entire system, construction companies indeed occupy a position of coordination, integration, and management, having a mutually complementary and interdependent relationship with various industries. Construction companies acquire land from landowners, then appoint architects for planning and construction companies for building, and finally sell to the buying public through advertising agencies.

4. Product development trends and competition

(1) Product Development Trend

A. Products tend to be diversified, refined and humanized

In addition to the main product of residential buildings, diversified products such as commercial buildings, factory buildings, leisure houses, silver-haired houses, green houses, and technological houses have emerged to meet the needs of customers from different classes. In addition, as the income of the general population gradually increases, homebuyers' demands for housing are no longer solely focused on practicality. Instead, they are shifting towards considerations of living environment, regional amenities, design esthetics, layout, and the quality of building materials and equipment. Therefore, future product planning will be oriented towards diversification, humanization, and refinement.

B. Community Master Planning and Design

In the future, new communities should emphasize the integrity of living functions, such as nurseries, sports grounds, libraries, leisure and entertainment facilities, etc., in order to fully meet the needs of modern people for a basic living environment.

C. Development scale and sales price differentiation

With the completion of the high-speed railroad, the continued construction and completion of expressways and expressways, and the MRT project, the suburbs will be more conveniently connected to the urban areas, allowing for large-scale development and the construction of lower-priced residential units to meet the housing needs of the general

public. On the other hand, due to the limited supply of land in the city and the high cost of acquisition, we will adopt high unit price and sophisticated development to plan for high quality and comfortable housing.

D. Increased demand for residential security

As a result of the Lincoln County collapse and the deterioration of social security, consumers are increasingly demanding safety and management security in the design of their homes. This also becomes a particular consideration for homebuyers as a guiding principle in their purchasing decisions.

E. Implementation of architectural branding system

As national income gradually increases, homebuyers' expectations for living quality, including exterior design, interior layout, building materials and equipment, as well as the planning of public facilities, have become increasingly refined. In order to meet the needs of consumers, the construction industry will tend to focus on human comfort, healthier living and network technology in product planning. Therefore, the establishment of a vertical service network from land development, product design, housing construction, product sales to after-sales service, and the establishment of brand awareness in the minds of consumers will be the guarantee for the sales of cases.

(2) Competition situation

Real estate properties cannot be completely substituted for one another. However, due to the wide geographical distribution of the real estate market and the differences in the location and location of the products, only cases in similar areas with the same positioning have higher product substitution and more obvious competition, while cases in different locations and locations have less obvious competition and individual companies have limited influence on the overall market.

A. Medium and large square footage residences in prime locations sell well

Due to the scarcity of quality land in Taipei and the fact that the majority of home buyers are targeting medium and large square footage for home exchange, homes in quality locations with convenient transportation are being sold out more quickly.

B. Diversification and Humanization of Design

Modern urbanites are concerned about privacy and simple neighbors, and considerate and humane products that can maintain a quiet home life without interference from outsiders and facilitate interaction with outside people and events will be the priority targets.

C. Development of leisure industry

With the implementation of a two-day weekend and the public's emphasis on leisure, the development of the leisure industry has generated demand in the related real estate market, which will be another direction for development.

(3) Technology and R&D Overview

In response to changes in the real estate consumer market, the Company will strengthen its overall organizational strength, improve construction quality and efficiency, and continue to strengthen its understanding of customer needs in order to build homes that meet customer requirements for quality of living. In addition to focusing on the construction business of the original product type, we will also collect the business models of other product types as a reference for future transformation.

1. Strengthening of organizational functions.

To further deepen the professional ability, cultivate a sense of responsibility, and strengthen the concept of internal control.

·Strengthen the Company's overall combat capability, enhance the training of employees' second expertise and improve the quality of human resources.

Implement the professional-managerial system.

2. Improve the quality and efficiency of construction

Strengthen the quality inspection of construction sites and monitor the progress of on-site construction.

Researching new construction methods and making reference to the industry's construction experience to build efficient and high-quality buildings.

3. Reaching out to the market and understanding customer needs

Conduct on-site market research to understand market trends and customer needs as a reference for project implementation.

Conduct planning operations with the concept of putting oneself in the customer's shoes, receive customers in the same way as family and friends, and listen to their needs and ideas with care.

Encourage our staff to absorb various professional knowledge and possess enthusiasm for service in order to provide satisfactory services to our customers.

(4) Long-term and short-term business development plans

1. Short-term Development Plan

A. Land Development Plan

The success of land acquisition and development has a significant impact on the operations of the construction company. The Company has always targeted the development of prime land in the Greater Taipei area, but quality land is becoming increasingly scarce and land consolidation is difficult. In order to ensure that land resources are not in short supply, the Company actively files land and keeps abreast of the exact information to prepare land development plans and seek land resources.

B. Business Development Plan

Through product differentiation and niche market strategies, we are strengthening our market research and understanding customer needs in order to grasp market information.

C. Engineering Construction Management Program

In conjunction with land development and product planning, we study new construction methods, new building materials and new project management concepts, and select excellent construction companies to improve project quality, construction

efficiency, shorten construction time and reduce costs. We also provide feedback on customer complaints to the pre-project design for completed projects, so that the quality of the project will continue to be excellent.

D. Strengthen risk management and improve operational performance

In order to improve the operating performance, in addition to the regular operation control, we also carry out target management and risk management to make the Company more sound.

2. Long-term Development Plan

A. Land Development Strategy

In addition to actively seeking out prime locations with development potential, we are also developing old urban buildings in line with urban regeneration for sustainable operation.

B. Business Development Strategy

a. In line with government policies, we plan to expand our business outside of the Greater Taipei area and provide products that meet local needs according to the characteristics of the area.

b. We will continue to develop our business in construction, decoration, landscaping, distribution, sewerage treatment BOT projects, hotels, and other related businesses.

C. In response to the gradually popularized concept of leisure and the demands of an aging society, develop the leisure industry and senior citizen enterprises.

C. Engineering Construction Management Strategy

We will strengthen research on various types of construction methods, establish complete construction specifications and guidelines, and actively develop zero-pollution construction methods to meet future policy directions.

2. Market and Production Overview

(1) Market Analysis

1. Sales regions of our main products

31 December 2024

Case Name	Purpose	Home Sales Area	Sales
Jinhua, Da'an	Residential, Shop	Hsin-Sheng South Road, Taipei, Taiwan	100%
Daizo Rhine	Residential	Ming Shui Road, Da Zhi, Taipei	100%
Yongkang Li Garden	Residential	Hsin-Sheng South Road, Taipei, Taiwan	100%
YONG KANG YU PIN	Residential	Hsin-Sheng South Road, Taipei, Taiwan	100%
Shilin Rich Garden	Residential offices,	Zhongzheng Road, Shilin, Taipei	100%
Lealea Commercial Building	Offices, financial organizations	Songjiang Road, Taipei	100%
National Taiwan University Gift	Residence, Shops	Heping East Road, Taipei	100%
Champs Elysees Jinhua	Residence, Shops	Jinhua Street, Taipei	100%
Lealea Commercial Building	Offices, financial organizations	Nanjing East Road, Taipei	100%
Rich Nanjing World	Office. Shop	Jianguo North Road, Taipei	100%
Rich Dunnan Financial Building	Offices, financial organizations	Tun Hwa South Road, Taipei	100%
Nanjing Jidi	Residential	Songjiang Road, Taipei	100%
Minquan Dunnan	Residential	Minquan East Road, Taipei	100%
Rich Zhongzheng Building	Office. Shop	Next to MRT Guting Station, Heping West Road, Taipei	85%
Rich Jilin Tian Building	Office. Shop	Jilin Road, Taipei	100%
Rich Nanjing Commercial Building	Offices, financial organizations	Nanjing East Road, Longjiang Intersection, Taipei	100%
Rich Twin Stars	Residential	Dapinglin Station, Xindian District, New Taipei City	100%
Young Royal	Residential	Next to Taipei Youth Park	100%
Ren Ai • Rich Development	Residential	Renai Road, Taipei	100%
Xia Yin	Residential	Liaoning Street, Taipei	100%

Case Name	Purpose	Home Sales Area	Sales
WANG,YANG Rich Garden	Residential	Jilin Road and Siping Street Exit, Taipei	100%
Happiness Garden	Residential	Copper Hill Street, Taipei	100%
Jing Wang	Residential	Songjiang Road, Changchun Intersection, Taipei City	100%
Qiyuan	Residential	Minquan East Road, Shuangcheng	100%
Rich Tienmu - Le Garden	Residential	Sec. 7, Zhongshan North Road, Taipei	100%
Rich Tianmu - Jiyuan	Residential	Sec. 7, Zhongshan North Road, Taipei	100%
Shan Lin Hai•	Residential	MRT Hongshulin Station, Tamsui District, New Taipei City	100%
Rich Gentleman	Residential	Songjiang Road, Taipei	100%
Rich Village - Jazz	Residential	Nangang Road Section 2, Taipei	100%
Rich Village - Blues	Residential	Nangang Road Section 2, Taipei	100%
Rich Village - Rock	Residential	Nangang Road Section 2, Taipei	100%
Rich Village - Freedom	Residential	Nangang Road Section 2, Taipei	100%
Rich Village - Youth	Residential	Nangang Road Section 2, Taipei	100%
Rich Beijing Hub	Residential	Near the intersection of Linsen North Road and Dehui Street, Taipei	100%
Rich Taihe	Residential	Mingde Road, Taipei	100%
Rich Chopin	Residential	Jilin Road, Taipei	100%
Rich Qi •	Residential	Beian Road, Taipei	100%
Rich Shouyu	Residential	Heping West Road, Taipei	100%
Rich Qi Yu	Residential	Guling Street, Taipei	100%
Rich Premium	Residential	Juguang Road, Wanhua, Taipei	100%
Rich Development	Residential	Guling Street, Taipei	100%
Rich Family Wealth	Residential	Xintai Road, Xinzhuang District, New Taipei City	98.5%
Rich Tien Mu	Residential	Beside Lane 120, Tianmu West Road, Beitou District, Taipei	93%

Note 1: By the end of 2024, a total of 43 projects will be completed.

Note 2:The sales rates for each case are calculated up to 31 March 2025.

2. Market share

The Company is mainly engaged in the construction of residential elevators and office buildings, mainly located in important metropolitan areas of Taipei City and New Taipei City. Its land development is based on the selection of locations with convenient transportation, complete living facilities and future development potential, and has a certain percentage of market share.

3. Future Market Supply and Demand and Growth

Since all of our cases are currently in the Taipei metropolitan area, we will analyze the market situation in the Taipei area in addition to the Taiwan area:

Statistics on Building Construction Licenses Issued in Taiwan and Fujian by Year

Unit: piece; thousand square meters

Fiscal year	Total number of items	Total floor area
2020	25,980	41,521
2021	26,089	43,425
2022	23,257	45,827
2023	18,542	37,443
2024	19,523	39,943

Source: Ministry of the Interior, Construction Department website

Statistics on Building Use Permits Issued in Taiwan and Fujian

Unit: piece; thousand square meters

Fiscal year	Total number of items	Total floor area
2020	22,370	28,247
2021	22,486	28,023
2022	21,146	28,714
2023	20,280	31,956
2024	19,251	33,891

Source: Lands Department, Ministry of the Interior website

(1) Supply aspects

In 2024, a total of 19,523 building construction licenses were

issued in Taiwan and Fujian, with a total floor area of about 39,943,000 square meters, representing an increase of 5.29% and 6.68% in both the number of pieces and the total floor area compared to 2023.

According to the analysis of uses, the proportion of the total floor area of building construction licenses issued in 2024 is 51.07% for the residential category with more than 20,397,000 square meters, followed by 17.41% for the industrial warehouse category with more than 6,954,000 square meters.

In 2024, a total of 19,251 building use licenses were issued in Taiwan and Fujian, with a total floor area of more than 33,891,000 square meters, a decrease of 5.07% and an increase of 6.06% in both the number of units and total floor area compared to 2023.

According to the analysis of uses, the proportion of the total floor area of building use licenses issued in 2024 was 56.61% for the residential category with 19.186 million square meters, followed by 18.49% for the industrial storage category with 6.266 million square meters.

(2) Demand aspects

Looking back at 113, with the international war still ongoing, the prices of raw materials remain high and the labor market is facing shortages, resulting in construction costs remaining elevated, which limits the downward potential of housing prices. The central bank has implemented various housing policies, including credit controls in the housing market, tightening real estate loans, and the introduction of the housing hoarding tax 2.0, causing individuals with existing home purchase plans to pause and take a wait-and-see approach. As a result, the transaction volume in the housing market has sharply declined, and the housing market is showing a trend of stable prices and reduced volume in the second half of the year.

(3) Growth

Looking ahead to 2025, the government's measures to control

the housing market do not target the industry, resulting in a decrease in investment projects. The housing market will return to fundamentals, and prices will tend to rationalize. However, rigid demand will still enter the market, making the product aspect very important. Housing prices will remain at a certain level; however, the impact of policies on the housing market still needs to be continuously observed, with self-occupancy demand being the main support for the housing market. 4. Competitive Niches and Development Prospects of Favorable and Unfavorable Factors and Countermeasures

A. Favorable factors

(1) Sound corporate structure

We are committed to our business with honesty and pragmatism. We are pragmatic and decent in our approach to the selection of land and construction quality. In order to focus on our business, we are conservative and stable in our income, expenditure, and investment, and our decision-making and transaction process are legal and reasonable, so that we can survive the recession.

(2) Professional management team

From the first case to the present, the planning and construction of each building is the result of careful research and detailed requirements for quality, because we are engaged in the building with the mentality of "living by ourselves", and the professionals fully utilize their strengths to discuss repeatedly before deciding on various humane plans. In the selection of manufacturers, professionalism and quality are the basic requirements, and that's how we achieve the perfect building of Rich Development Construction Co., Ltd.

B. Negative factors

(1) Land acquisition is not easy and the integration period is long

Land is limited in the Taipei area, and the consolidation of quality land is usually more labor-intensive, costly and time-consuming, making construction costs higher.

(2) The political situation has many variables

The political disputes after the election have affected the timing of the recovery of the domestic economy.

(3) Implementation of the integrated property tax system

Market wait-and-see atmosphere is strong, short-term investment customers will be less into the real estate trading,

so slow down the force of housing prices to push up, but the metropolitan area is the first to stabilize housing prices, non-metropolitan areas into housing prices consolidation.

C. Countermeasures

(1) We do not follow the project blindly, but carefully select the best land in Taipei City and New Taipei City, and uphold the concept of "promoting urban renewal and building top-notch buildings" and implement it, developing and planning for a good living environment that can integrate the local characteristics and meet the humane living conditions.

(2) Strengthen market research to understand buyers' needs and values, and construct residential or office buildings that meet consumers' needs and protect customers' rights and satisfaction.

(3) Choose a construction quality and progress control partner to ensure the quality and progress, and to grasp the project cost situation.

(4) Properly handle customer requests and problems reflected in the sales process, actively resolve and satisfy customer needs with honesty and pragmatism, and maintain the Company's established reputation for good service and brand advantages.

(5) Create the uniqueness and superiority of the building and increase the added value.

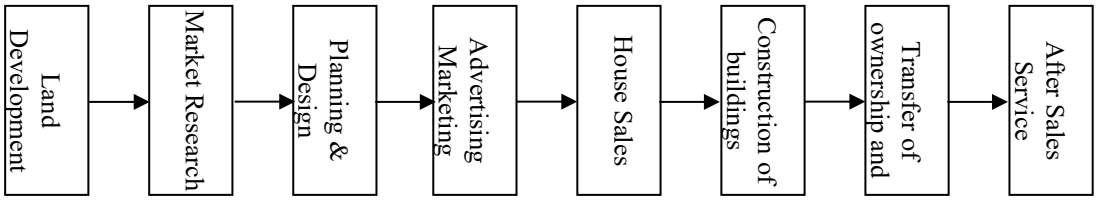
(6) To establish brand marketing, develop network and direct group marketing, participate in cultural and creative activities, and develop high quality customer base to capture property and owner-occupied customers.

(2) Important applications and production process of major products

1. Main product applications:

Main Products	Important Applications
Building	Residence, Office, Shop, Parking area
Apartments	Residential, Store Front, Parking Area
Others	Office Rental, Storefront Rental, Parking Area Rental

2. The production process of the main products.



(3) Supply of main raw materials

1. Land:

We focus on the development of prime land lots in the Greater Taipei area and land sales by the National Property Agency and banks, and carefully investigate the existing conditions and evaluate the future economic benefits before developing the land. We maintain good relationships with brokers and other land sources to ensure adequate resources and smooth pipelines.

2. Construction Projects:

In order to maintain good project quality, depending on the construction characteristics of each project, the construction company with excellent construction quality in the industry or the Grade A construction company that is sub-invested will be appointed to undertake the project. Before the contract is awarded, the construction quality, cooperation status, and financial status of the construction company are the primary criteria for selection, so

that the progress and quality of each project can be ensured. The quality of the work and the source of materials are very stable because the construction companies are not limited to a single company and are the best in the industry.

(4) The names of customers who have accounted for more than 10% of the total purchase (sales) in any of the past two years and the amount and proportion of their purchase (sales), together with the reasons for the increase or decrease

1. Information of main suppliers in the last two years

Unit: NT$1,000

Item	Fiscal year 2023				Fiscal year 2024			
	Name	Amount	As a percentage of net imports for the year (%)	Relationship with the Issuer	Name	Amount	As a percentage of net imports for the year (%)	Relationship with the Issuer
1	GUO,SHU-ZHEN	561,390	17.18%	The Company's Directors	GUO,SHU-ZHEN	0	0.00%	The Company's Directors
2	Rio Tinto Development	449,421	13.75%	The director is a director of the Company.	Rio Tinto Development	520,616	19.20%	The director is a director of the Company.
3	Others	2,257,431	69.07%	None	Others	2,190,360	80.80%	None
	Net purchase	3,268,242	100.00%		Net purchase	2,710,976	100.00%	

Variation Analysis:

The company's procurement items mainly include the purchase of land for the construction department, the contracting of construction projects such as commercial buildings and residential buildings, as well as the contracting of construction projects for sewage treatment plants, pipelines, and mechanical and instrumentation control equipment in the sewage department. The construction projects are contracted to domestic construction and electromechanical manufacturers, while the mechanical and instrumentation control equipment for sewage treatment will be imported from foreign manufacturers based on individual case requirements. The land acquisition and the ongoing construction project of the Shong Chiang Enterprise Headquarters required for the development integration of the Construction Division in 2023 resulted in significant variation in the increase and decrease over the two years.

2. Main customers for the last two years

Unit: NT$1,000

Item	Fiscal year 2023				Fiscal year 2024			
	Name	Amount	Percentage of net sales for the year (%)	Relationship with the Issuer	Name	Amount	Percentage of net sales for the year (%)	Relationship with the Issuer
1	Yilan County Government	552,208	7.17%	None	Yilan County Government	609,549	10.24%	None
2	Others	7,153,333	92.83%	None	Others	5,342,136	89.76%	None
	Net sales	7,705,541	100.00%		Net sales	5,951,685	100.00%	

Variation Analysis:

The Company's construction division experienced significant variations in the increase and decrease over the two years due to the lower sale of remaining houses in 2024, based on the characteristics of the construction industry. The water division's sales customers are mainly government entities, and its operating revenues are from the construction of wastewater plants and the operation and maintenance of wastewater plants, including the construction, operation, and transfer (BOT) of the Nanzhi District wastewater plant signed with the Kaohsiung City Government, the construction, operation, and transfer (BOT) of the Luodong wastewater plant signed with the Yilan County Government, and the "Agricultural Recycle Pig Farm Renovation Investment Project Phase I Turnkey Project" contracted by Taiwan Sugar Corporation. Revenues are recognized based on the proportion of completion method, and there has been no significant change in the water division's operating revenues over the past two years.

3. Employees

Fiscal year		Fiscal year 2023	Fiscal year 2024	Current year as of 31 March
Number of employees	Staff	1215	1260	1229
	Technician	0	0	0
	General Laborer	0	0	0
	Total	1215	1260	1229
Average age		40.49	40.27	40.38
Average length of service		4.15	4.49	4.65
Academic Distribution Ratio	Ph. D	0.16%	0.16%	0.16%
	Master's degree	10.95%	11.98%	12.12%
	College	61.98%	61.83%	62.17%
	High School	19.75%	19.76%	19.45%
	Below High School	7.16%	6.27%	6.10%

IV. Environmental Expenditure Information

(I) Losses due to environmental pollution in the latest year and up to the date of printing of the annual report: None.

(II)Future Measures and Possible Expenses

The Company is in the construction investment industry, which is not subject to the EU Restriction of Hazardous Substances Directive (RoHS), and the construction projects are contracted by major construction companies in Taiwan. Companies are required to comply with the relevant laws and regulations to ensure environmental protection.

5. Labor Relations

(I) The Company's various employee welfare measures, further training, training, retirement systems and their implementation, as well as agreements between employees and employers and measures to protect the rights and interests of employees:

1. Employee Welfare Measures

Harmony between labor and management is the driving force behind the company's growth. Our company adheres to the labor-management philosophy of "valuing senior employees and caring for new employees," and provides various welfare measures. In addition to labor insurance, universal health insurance, and employee health checkups, the Company established the Employee Welfare Committee in April 1997 to provide a number of benefits, which are listed below. The cumulative cost of employee-related benefits was NTD 704 thousand, with an average benefit cost of NTD 17 thousand per employee.

List of Welfare Measures

Welfare Items	Welfare for regular employees
Wedding and funeral subsidies	Wedding and funeral subsidies, housewarming subsidies
Gifts for festivals and birthdays	Bonus for the three festivals: NTD 1,000 Birthday: NT$1,200; Birthday leave
Childbirth or hospitalization subsidy	NT$2,000 per visit for a flat-rate ward subsidy
Subsidy for large scale fun events	The Welfare Committee organizes various cultural and recreational activities, such as fun competitions and parties, from time to time each year.
Travel subsidies	Travel subsidies Minimum subsidy of NT$2,000 per person for a single event

Social activities	Annual limit of NTD 20,000
Annual Dinner	Subsidy of NTD 1,000 per person
Small recreational activities	Subsidy of NTD 500 per person.
Group Insurance	To provide group accident insurance and daily hospital bed subsidies for all employees of the Company.

2. Further training, training

We train our employees in a variety of ways, including new employee training, pre-employment training, in-house training and external training.

3. Retirement System and Implementation

Starting from 1 July 2005, in accordance with the government's implementation of the Labor Pension Act, for employees under the old pension system, 4% of the monthly salary of each employee with seniority in the old pension system is deposited into a special account at the Bank of Taiwan on a monthly basis. For new employees, 6% of the total personal salary of each employee shall be allocated to the personal pension account every month according to the law.

In 2024, the total pension expenses of the new and old system provided by Rich Construction amounted to NTD 2,757 thousand. As of 31 December 2024, the balance of the old system pension reserve was approximately NTD 32,427 thousand, which had been allocated to the special account for the old system pension, with a balance of NTD 37,287 thousand.

4. Labor-Management Agreement

The Company holds regular labor-management meetings, and each department head communicates effectively with his or her subordinates through regular or irregular business meetings and

educational training, in order to bridge the communication between employers and workers. The Company also has a suggestion box for employees to reflect on labor-related issues.

5. Employee rights protection measures

The Employee Welfare Committee is established in accordance with the law to protect and enforce various employee benefits and rights.

(2)Measures to protect the personal safety of employees and ensure a safe working environment:

1.Maintenance and inspection of equipment:

(a) Conduct an annual public safety inspection in accordance with the regulations of the Building Public Safety Inspection and Declaration.

(b)(2) Conduct two fire drills per year (one in the first half and one in the second half) in compliance with the Fire Services Act, and undergo annual inspections by the competent authority.。

(c) Perform regular maintenance and upkeep of various equipment such as high and low voltage electrical appliances, elevators, air conditioning systems, water dispensers, firefighting equipment, and generators, in accordance with the company's Occupational Safety and Health Regulations. This includes daily, monthly, semi-annual, and annual maintenance checks.

2.Measures for disaster prevention and emergency response:

(a) The company has established procedures for handling fire, power outage, and water supply interruption, as well as standard operating procedures for accidents involving employee and customer injuries. The company has also set guidelines for disaster prevention, salvage procedures, and accident reporting in accordance with occupational safety and health regulations. These procedures clearly define the responsibilities and tasks that employees should undertake before and after major incidents or natural disasters.

(b) The company has formed a fire protection team and conducts fire drills twice a year. Additionally, the company hires the

competent fire authorities to conduct fire prevention and disaster preparedness training and evaluations.

(c) To ensure employee safety and environmental hygiene, the company has appointed one occupational safety and health management personnel.

3. Employee hygiene:

(1) Health check-ups; New employees undergo a physical health examination, and current employees receive regular health check-ups in accordance with the provisions of the Occupational Safety and Health Act and the Food Hygiene Management Regulations.

These check-ups are conducted annually. (b) Workplace environmental hygiene: Smoking is strictly prohibited in the workplace, and no-smoking signs are prominently displayed.

4. Insurance and medical care:

(a) The company complies with the law and provides labor insurance (including occupational accident insurance) and health insurance to its employees.

5. Access control security:

(a) The company has appointed security personnel to ensure the safety of employees and customers.

(b) The company maintains a close connection with the local law enforcement authorities to enhance security measures.

(III) For the most recent year and as of the date of publication of the annual report, losses incurred due to labor disputes (including violations of labor standards law as indicated by labor inspection results, specifying the date of penalty, penalty number, violated regulatory provisions, content of the violations, and details of the penalties), and disclose the estimated amounts that may occur currently and in the future along with countermeasures:

1. For the most recent year and as of the date of publication of the annual report, losses due to labor disputes: None.

2. Estimated amount of losses that may occur currently and in the

future: No losses are expected in this regard in the future. The Company will comply with relevant laws and regulations protecting labor and ensure that communication channels remain open at all times.

Information and communications security management

(1) Description of The Security Risk Management Framework of Information Security Policy. Specific management plans and resources for investment in financial security management, etc.:

1. Information Security Policy

The Company aims to secure information assets (hardware related to information processing. Software. data. Confidentiality of documents and personnel, etc. completeness. Usability and adaptability to avoid suffering within. Intentional or accidental external threats, and in consideration of the Company's business needs, we have established information security management specifications, and the relevant control measures cover:

(1) Personnel security management: including user system authorization. User Management. Management of user passwords.

(2) Data security management: including host data backup. System Data Recovery. Security management of computer media and data files.

(3) System security management.

(4) Security management of firewalls.

(5) Security management of network services.

(6) Handling of system and network intrusions.

(7) Equipment safety management.

(8) Surrounding environment and computer room safety management.

2. Information security risk management structure

The Company presently assigns the relevant work to external information providers and implements measures such as computer server data backup, security management of computer media and data files, security management of firewall, and security management of the

surrounding environment and computer room in accordance with the above-mentioned regulations.

3. Security management of information asset equipment

The Company regularly takes stock of various information assets to protect the confidentiality of information assets. Availability and integrity, and is committed to strengthening the physical security management of the information room, including personnel access control. Add surveillance video systems and uninterruptible power systems to protect the security of enterprise information system equipment.

4. Management of external service providers

In order to safeguard the Company's own rights and interests and the security of information, the Company signs a service contract with external manufacturers to contain confidentiality clauses to protect the Company's confidential information and avoid improper use or disclosure. In addition, the Audit Department conducts audits at least once a year on equipment safety management, safety environment management, computer system security management, network security management, firewall security management, and system access control to ensure the sustainable operation of the company's business.

5. Resources invested in information security management

In addition to the Company has set up a remote backup host. In addition to the computer room air conditioning and uninterruptible power system and other equipment, network information security maintenance and control are also carried out from time to time, and appropriate software and hardware equipment resources are continuously planned and designed and improved. In addition, since capital security insurance is still an emerging type of insurance, it involves the detection of capital security level. Claim identification and non-claim conditions and other related content, the Company is still assessing the needs.

(2) Possible impact of losses caused by major information security incidents and Countermeasures:

In 2024 and as of the date of publication of the annual report, the Company has not found any major cyber-attacks or events that have or may have a significant adverse impact on the Company's business and operation, nor has it been involved in any legal cases or regulatory investigations related thereto.

7. Important Contracts

Company Name	Contract Type	Case	Person(s) involved	Date of contract	Main Content	Restrictions
Rich Development Construction Co., Ltd.	Engineering Contract	Songjian HQ Building	Rio Tinto Development Enterprise Co., Ltd.	From the signing date of 28 April 2022 to the end of the warranty period	21 pieces of land including 73~81 in Changchun Section 3, Chungshan District, Taipei City (Assumptions, foundation, steel structure and curtain wall works)	None
				From the signing date of 20 June 2023 to the end of the warranty period	21 pieces of land including 73~81 in Changchun Section 3, Chungshan District, Taipei City (construction and electrical engineering)	None
		Rich Huanshan	Rio Tinto Development Enterprise Co., Ltd.	From the signing date of 20 August 2024 to the end of the warranty period.	Taipei City, Taiwan, 6 pieces of land including Lot 1036-7, four small sections of the Bihu section of Neihu District (Assumptions and Foundation Works)	None
	Joint Construction Contract	Famous Garden	LAI, MING-DE LAI, MING-RUI	August 2014 - After the completion of the joint construction delivery	Taipei City, Taiwan 170, 170-1, 170-2, 171, 172, a small section of Lanya section, Shihlin District	None
		Beitou Daye Road Project	De Cheng International Co., Ltd.	June 2021 - After the completion of the joint construction delivery.	Tianyan Section, Beitou District, Taipei City	None
		Wengzai Zhun Commercial Area A	Natural persons who are not related parties	February 2023 - After the completion of the joint construction delivery.	Haishantou Section, Xinzhuang District, New Taipei City	None
		Fuyang Street Project	Natural persons who are not related parties	May 2023 - After the completion of the joint construction delivery.	Sec. Lihe, Xinyi District, Taipei City	None

Company Name	Contract Type	Case	Person(s) involved	Date of contract	Main Content	Restrictions
		Wengzi Zhen Commercial Area B	Natural persons who are not related parties	June 2023 - After the completion of the joint construction delivery.	Haishantou Section, Xinzhuang District, New Taipei City	None
		C. Wengzai Channel Commercial Area	Natural persons who are not related parties	October 2024 - After the completion of the joint construction delivery.	Jingde Section, Gongzheng Section, Jianguo Section, Xinzhuang District, New Taipei City	None
		Wengzai Zhen Residential Area Phase One	Natural persons who are not related parties	April 2024 - After the completion of the joint construction delivery	Taishan Section, Taishan District, New Taipei City	None
		Phase II of the Wong Tsai Chuen Residential Area	Natural persons who are not related parties	October 2024 - After the completion of the joint construction delivery.	Qiongtai Section, Gongzheng Section, Gongguan Section, Jianguo Section, Qionglin Section, Xinzhuang District, New Taipei City	None
	Cooperative Investment and Construction Contract	Yonghe Yong'an Section Project	Juzhan Construction Development Co. Ltd.	From the signing date of 29 January 2015 to the end of the customer delivery and after-sales service period.	39 pieces of land including Yong'an Section, Yonghe District, New Taipei City	None
Orient Forest Development Enterprise Co., Ltd. Company	Construction, operation, and transfer contract		Yilan County Government	December 2005 to December 2040	Inviting private organizations to participate in the financing of the construction project of the "Luodong District Sewerage System Construction, Operation and Transfer Project in Yilan County"	None
	Joint Credit Agreement		Land Bank, etc. Credit Bank Group	From 10 July 2013 to 10 July 2028	Inviting private organizations to participate in the financing of the construction project of the "Luodong District Sewerage System Construction, Operation and Transfer Project in Yilan County	Note 1

Company Name	Contract Type	Case	Person(s) involved	Date of contract	Main Content	Restrictions
Green Forest Development Enterprise Corporation. Company	Construction, operation, and transfer contract		Kaohsiung City Government	From 13 April 2006 to 12 April 2041	Inviting private participation in the construction and operation of the Kaohsiung City Nanzhi Sewerage System Construction Project.	None
YilanLealea Development Co., Ltd. Company	Construction and Operation Contract of Yuanshan Park Hot Spring Hotel, Yilan County		Yilan County Government	Signed on 27 June 2012 for a term of 50 years from the date of delivery of the Site, unless otherwise specified in the Deed.	Construction, operation, and transfer of the Yuanshan Park Hot Spring Hall, parks, parking lots, and ancillary businesses	None
Yuan Mountain Forest Development Enterprise Co., Ltd.	Additions, alterations, construction operations and transfer contracts		Industrial Development Bureau, Ministry of Economic Affairs	1 August 2016 to 31 July 2031	Contract for the addition, alteration, construction, operation and transfer of sewerage system in Guanyin Industrial Area	None
He Shan Lin Green Energy Co., Ltd. Company	Additions, alterations, construction operations and transfer contracts		Environmental Protection Bureau of Taichung City Government	28 August 2017 to 28 August 2042	Taichung City Waipu Composting Plant (Green Energy Ecological Park) Construction and Operation Transfer Contract	None
Lealea Mingchi (shares) Company	Entrusted Management		Veterans Affairs Council of the National Armed Forces Veterans Forest Conservation Management Office	17 April 2015 to 16 April 2025	"Concession for the construction and operation of Chilan and Mingchi recreational facilities".	None

Company Name	Contract Type	Case	Person(s) involved	Date of contract	Main Content	Restrictions
High Mountain Water Services Co., Ltd.	Construction, operation, and transfer contract		Kaohsiung City Government	28 December 2023 to 28 December 2044	Kaohsiung City Nanzhi Water Reclamation Plant Construction Transfer Operation Project	None
	Joint Credit Agreement		Mega Bank, etc. Credit Bank Group	Starting from the date of allocation, a term of 11 years.	Financing of the construction project for the construction, transfer, and operation of the Kaohsiung City Nanzhi Water Reclamation Plant.	Note 2
Forest Water Environmental Eng'g Co., Ltd.	Engineering Contract		Department of Land Management, Ministry of the Interior	19 January 2019 ~ Acceptance completed	The Tainan City Yongkang Water Resource Recovery Center and Reclaimed Water Plant New Construction Turnkey Project	None
			Taiwan Sugar Corporation	6 April 2020~ Acceptance completed	Agricultural Recycle Pig Farm Renovation Investment Project Phase I Turnkey Project	None
			Hsinchu Science Park Administration of the National Science and Technology Council	1 September 2022 ~ Acceptance completed	Hsinchu Science Park (Baoshan Land) Phase II Expansion - Sewage Treatment Plant Project	None
	Operation and maintenance services contract		Central Science Park Administration, National Science and Technology Council	1 January 2025 to 3 December 2029	Operation and maintenance work of the sewerage system in the Taichung area of the Central Taiwan Science Park.	None
			Yilan County Government	1 December 2023 to 30 November 2026	Operation and maintenance management work of the Yilan area water resource recovery center	None
			Tainan City Government Southern Science Park Administration, National Science and Technology Council	16 December 2022 to 31 December 2036	The Tainan City Yongkang Water Resource Recovery Center and Reclaimed Water Plant new construction project is entrusted for operation and maintenance. The new construction project of the advanced treatment facility for reclaimed water,	None

Company Name	Contract Type	Case	Person(s) involved	Date of contract	Main Content	Restrictions
					distribution reservoir, and distribution pipeline network in Yongkang City, Tainan, has been entrusted for operation and maintenance.	
			Taiwan Water Corporation	14 October 2023 to 13 October 2038	Construction and operation contract for the addition of a 6,000-ton seawater desalination plant in Magong.	None
			Taiwan Water Corporation	12 February 2025 to 11 February 2030	Operation and maintenance of the Chengqing Lake Water Purification Plant by outsourcing.	None

Note 1: A certain level of financial ratios should be maintained at the end of each year:

(1) Debt to equity ratio (total liabilities / total equity): less than or equal to 200%;

(2) The subsidiary shall maintain an interest coverage ratio at the end of each year [(net income after tax + depreciation + interest expenses) / (current portion of long-term debt principal + interest expenses)]: greater than or equal to 1;

(3) From the date of notification by the managing bank until the day before the date of improvement, interest will be calculated on each credit balance at an annual interest rate of 0.25%. If the aforementioned improvements are not completed within the period, the total outstanding balance that remains unpaid as of the expiration date of the improvement period (i.e., 31 December) shall be paid to the managing bank at a rate of 0.1%.

Note 2: A certain level of financial ratios should be maintained at the end of each year.

(1) Debt ratio (total liabilities ÷ net worth): shall not exceed 250% from the fiscal year 2024 to the fiscal year 2030; from the fiscal year 2031 onwards, it shall not exceed 180%.

(2) Interest coverage ratio [(Net income before tax + Interest expense + Depreciation + Amortization + Construction revenue + Contribution difference) ÷ (Principal of long-term debt due in the current year + Interest expense)]: It must not be less than 1.05 times starting from the year 2029.

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

1. Financial Status

Unit: NT$1,000

Item \ Fiscal year	Fiscal year 2023	Fiscal year 2024	Difference	
			Amount	%
Current Assets	22,013,049	23,925,184	1,912,135	8.69%
Non-current financial assets	939,082	1,387,236	448,154	47.72%
Real estate, property and equipment	6,606,041	6,395,688	-210,353	-3.18%
Intangible assets	2,250,248	2,082,961	-167,287	-7.43%
Other Assets	8,471,931	7,542,099	-929,832	-10.98%
Total Assets	40,280,351	41,333,168	1,052,817	2.61%
Current liabilities	14,899,884	15,066,140	166,256	1.12%
Long-term loans	5,089,852	6,819,921	1,730,069	33.99%
Other liabilities	2,922,669	1,004,286	-1,918,383	-65.64%
Total liabilities	22,912,405	22,890,347	-22,058	-0.10%
Share capital	7,439,927	7,663,125	223,198	3.00%
Capital surplus	683,303	742,136	58,833	8.61%
Retained earnings	5,688,770	5,407,037	-281,733	-4.95%
Other equity items	(74,388)	(28,380)	46,008	-61.85%
Treasury stock	(98,195)	(98,195)	0	0.00%
Non-controlling interests	3,728,529	4,757,098	1,028,569	27.59%
Total equity	17,367,946	18,442,821	1,074,875	6.19%

Analysis of significant items of change

1. Non-current financial assets: The increase in non-current financial assets this year was due to the acquisition of financial assets measured at fair value through profit or loss.

2. Long-term loans: This is due to the increased borrowing needs of the Sewerage Division's operations.

3. Other liabilities: This year, corporate bonds maturing within one year have been reclassified as current liabilities, resulting in a decrease in other liabilities.

(4) Other equity items: The increase in unrealized gains on financial assets measured at fair value through other comprehensive income was due to the increase compared to the same period last year.

2. Financial Performance

Unit: NT$1,000

Item \ Fiscal year	Fiscal year 2023	Fiscal year 2024	Amount (+/-)	Variable Ratio %
Net Operating Income	7,705,541	5,951,685	-1,753,856	-22.76%
Operating Costs	6,524,864	4,915,334	-1,609,530	-24.67%
Gross Profit	1,180,677	1,036,351	-144,326	-12.22%
Operating Expenses	571,390	586,497	15,107	2.64%
Operating Income	609,287	449,854	-159,433	-26.17%
Non-operating income and expenses	-277,558	-239,027	38,531	-13.88%
Net income (loss) before income taxes from continuing operations	331,729	210,827	-120,902	-36.45%
Income tax (expense) benefit	172,689	142,648	-30,041	-17.40%
Net (loss) income from continuing operations after tax	159,040	68,179	-90,861	-57.13%

1. Analysis of the percentage changes in the last two years reaching 20%:
   (1) Operating income, operating profit, and net (loss) income before (after) taxes of continuing operations: The decrease in sales volume in the construction division this year compared to last year resulted in a significant decrease in profit compared to last year.
   (2) Operating costs: The decrease in sales volume in the construction division this year compared to last year resulted in a significant decrease in operating costs compared to last year.
2. The expected sales volume and its basis, the possible impact on the Company's future financial operations and the response plan:
   The Company's recent annual sales are estimated to reach NTD 39.5 billion. This year, it will continue the sale of completed homes such as "Rich Tien Mu", "Rich Family Wealth", and the pre-sale project "Rich Huanshan", as well as the build-and-sell project "Rich Fengmu" and the project expected to be completed this year, "Rich Songjiang Corporate Headquarters", along with other completed homes and commercial office projects. The Company is actively preparing all the land in its inventory and will decide on the timing of the project depending on the market atmosphere. It will also evaluate the sales mode of new projects by adopting "sale of completed homes", "build-and-sell" or "pre-sale" depending on the impact of government policies and the general global economic environment on the housing market. This year's revenue comes from the "Rich Tien Mu", "Rich Family Wealth", water resources, and hotel business sectors, which are expected to provide stable contributions to this year's revenue.

3. Cash Flow

(1) Analysis of recent annual cash flow changes

Unit: NT$1,000

Balance of Cash at beginning of period (1)	Net cash inflow from operating activities for the year (2)	Annual Cash Inflow(3)	Cash surplus (Shortfall) Amount(1)+(2)+(3)	Remedies for cash shortage	
				Investment Plan	Financial Plan
2,617,536	901,596	197,771	3,716,903	None	None

Analysis of changes in cash flow in FY 2024:

1. Net cash inflow from operating activities: This was mainly due to the increase in collections from the construction contract assets of the Sewerage Division in the current period.
2. Net cash outflow from investing activities: Mainly due to the acquisition of financial assets measured at fair value through profit or loss.
3. Net cash inflow from financing activities: Mainly due to the increase in bank loans.

(2) Improvement plan for lack of mobility: Not applicable.

(3) Cash flow analysis for the coming year

Unit: NT$1,000

Balance of Cash at beginning of	Estimated full-year net cash flows from operating	Estimated Full Year Cash Flow	Estimated surpl7us (shortfall) of	Remedies for cash shortage	
				Investment Plan	Financing Plan
3,716,903	905,847	(615,368)	4,007,382	None	None

1. Cash Flow Analysis for the Coming Year
   (1) Operating activities: The increase in receivables from the construction contract assets in the company's sewerage division.
   (2) Investing activities: Mainly due to the acquisition of property, plant and equipment assets.
   (3) Financing activities: Mainly due to repayment of loans.
2. Estimated cash shortage remediation measures and liquidity analysis: Not applicable.

4. Effect of recent significant capital expenditures on financial operations: None.

5. The most recent annual transfer policy, the main reasons for profit or loss, improvement plans and investment plans for the coming year

(I) Re-investment Policy

The Company has established the "Procedures for the Acquisition or Disposal of Assets" in accordance with the "Guidelines Governing the Acquisition or Disposal of Assets by Public Companies" set forth by the competent authority, serving as the basis for the Company to engage in investment activities and to grasp the relevant business and financial conditions. Additionally, to enhance supervision and management of investment activities, relevant regulations regarding the financial and operational aspects of subsidiaries have been formulated within the internal control system to achieve the investment benefits of the Company's investments.

(II) The main reasons for the profit or loss of the most recent annual transfer policy and the improvement plan.

The following table shows the respective gains and losses recognized on the Group's long-term equity investments accounted for under the equity method as of 31 December 2024:

Unit: NT$1,000

Date		31 December 2024	
Investment Company Name	Investee Company Name	(Loss) income of investees for the	The Company recognizes (loss)
The Company	Ho Ching Enterprises	(3,140)	(4,720)
The Company	Green Forest	281,679	84,503
The Company	Rich Forest	(16,822)	(8,811)
The Company	Lealea Hotel	(83,840)	(35,409)
The Company	Yilan Lealea Development	(55,922)	(35,559)
The Company	Ho Ching Enterprises	110,365	75,538
The Company	Ho Ching Enterprises	(76,177)	(40,198)
The Company	Forest Water Environmental	167,187	1,853
The Company	Lea Ching Enterprise	(180,063)	(93,616)
The Company	He Shan Lin	(7,518)	(2,255)
The Company	Li You Shi	150,830	56,822

Date		31 December 2024	
Investment Company Name	Investee Company Name	(Loss) income of investees for the	The Company recognizes (loss)
The Company	Ani	4,018	1,305
The Company	Li Bao Long Energy	(2,139)	(642)
The Company	High Mountain Forest	(4,943)	(495)
Ho Ching Enterprises	Blossom Increase Ltd.	(60)	(60)
Ho Ching Enterprises	Rich Forest	(16,822)	(669)
Ho Ching	Lealea Hotel	(83,840)	(3,333)
Ho Ching Enterprises	Ho Ching Enterprises	110,365	159
Ho Ching Enterprises	Forest Water Environmental	167,187	109,901
Ho Ching Enterprises	Richone Holdings Ltd.	8,217	2,473
Lealea Hotel	Yilan Lealea Development	(55,922)	(20,363)
Lealea Hotel	Lea Ching Enterprise	(180,063)	(66,200)
Forest Water Environmental	Orient Forest	184,261	184,261
Forest Water Environmental	Green Forest	281,679	197,175
Forest Water Environmental	Yuan Mountain Forest	(37,908)	(37,908)
Forest Water Environmental	Easy Development	(2,334)	(2,334)
Forest Water Environmental	He Shan Lin	(7,518)	(5,263)
Forest Water Environmental	Orient Forest	(2,791)	(1,954)
Forest Water Environmental	Li You Shi	150,830	65,863
Forest Water Environmental	Lealea Xing Environmental Co., Ltd.	(75)	(75)
Forest Water Environmental	Lea Lea Environmental	(24,067)	(27,906)
Forest Water Environmental	High Mountain Forest	(4,943)	(3,460)
Forest Water Environmental	Modern Rich Investment Limited	6,712	6,712
Ho Ching Enterprises	Lealea Mingchih	(81,093)	(42,354)
Ho Ching Enterprises	Eagle Travel	520	520
Ho Ching	Lea Ching Enterprise	(180,063)	(8,834)

Date		31 December 2024	
Investment Company Name	Investee Company Name	(Loss) income of investees for the	The Company recognizes (loss)
Enterprises			
Ho Ching Enterprises	Kaisen Energy	21,278	22,212
Ho Ching Enterprises	Kailan Power	(1,717)	(320)

1. Ho Ching Enterprises

   The company primarily engages in investments in various production and financial businesses. The loss of NTD 3,140 thousand in fiscal 2024 was mainly due to the fluctuation of the investment environment, which affected the investment income.

2. Green Forest

   The main business is a BOT project with the Kaohsiung City Government for the "Kaohsiung Nanzhi District Sewerage System", which has a 35-year license period. The company officially commenced its operations in early 2010 and began collecting construction and operation maintenance income as per the contractual agreements. The profit for fiscal 2024 was NTD 281,679 thousand, and it will continue to make stable profits in the long term.

3. Richforest Hotel

   The main business is a reinvestment company established under the government BOT project. Due to the suspension of work caused by environmental impact assessment factors, the Company requested whether to terminate the contract with the Taipei City Government in accordance with the contract. After multiple discussions with the coordination committee, on 8 March 2022, the coordination committee suggested that both parties terminate the contract. The confirmation of the contract termination with the Taipei City Government was sent on 2 April 2022, and the commercial arbitration judgment was received on 15 May 2023, with the compensation payment completed on 2 February 2024.

4. Orient Forest

   The main business is a BOT contract with the Yilan County

Government for the "Luodong Sewerage System in Yilan County", with a 35-year license period, which began operations in the second half of 2009. The profit for fiscal 2024 was NTD 184,261 thousand, and the Company will continue to make stable profits in the long term.

5. Lealea Hotel

   The Company is mainly engaged in the operation of hotels, with a loss of NTD 83,840 thousand in fiscal 2024. The hotel operations are profitable, and the loss is mainly due to the recognition of investment losses from Yilan Lealea Development and Lijing Enterprises. The Company will continue to expand its revenue and profitability levels.

6. Yilan Lealea Development

   The Company is primarily a subsidiary established under the government BOT project. The loss for the fiscal year 2024 was NTD 55,922 thousand, mainly due to the stabilization of the pandemic and the reopening of borders, which increased domestic demand for international travel, thereby impacting the domestic tourism market. The Company will continue to expand its revenue and profitability levels.

7. Forest Water Environmental Engineering Co., Ltd.

   The Company is mainly engaged in the environmental protection engineering and construction business, with a profit of NTD 167,187 thousand in 2024. In the future, it will continue to make stable profits in the long term.

8. Ho Ching Enterprises

   The business mainly consists of waste cleaning, waste disposal, environmental testing services, and sewage treatment, which is in the preparatory stage and the operation has not yet started; the profit in fiscal 2024 is investment income.

9. Ho Ching Enterprises

   The Company is mainly engaged in the operation of hotels. The loss of NTD 76,177 thousand in 2024 was primarily due to changes in travel habits of the local population in the post-pandemic era,

leading to an increased demand for overseas travel, which impacted the domestic tourism market. It is expected to launch various promotions to attract consumers and continue to expand revenue and profitability levels.

10. Blossom Increase Ltd.

    As an overseas investment holding company, the main business items of the Company are the research and development and production of wind turbine blades, efficiency improvement and blade operation and maintenance.

11.\tLea Ching Enterprise

    The Company is mainly engaged in the operation of hotels and will officially start operations in June 2024. The changes in travel habits of the public in the post-pandemic era have increased the demand for outbound travel, which has impacted the domestic tourism market. As a result, a loss is expected in fiscal 2024. The Company will hold events to attract consumers and continue to expand its revenue and profitability levels.

12. Yuan Shan Lin

    It is mainly a reinvestment business established under the "ROT Case for Addition, Reconstruction, Construction, Operation and Transfer of Sewerage System in Guan Yin Industrial Area, Industrial Development Bureau, Ministry of Economic Affairs" signed with the Industrial Development Bureau, Ministry of Economic Affairs in July 2016 with a 15-year concession period. In fiscal 2024, it reported a loss of NTD 37,908 thousand. Measures have been taken to strengthen inspections and guidance on water quality discharge for local manufacturers, while simultaneously improving the MBR system and reducing sludge operation and drying to increase profitability.

13. High Mountain Forest

    The Company holds a subsidiary with 70% equity, which is mainly a reinvestment business established under the "BTO Project for the Construction, Transfer, and Operation of the Kaohsiung Nanzhi Water Reclamation Plant" contract signed with the Kaohsiung City Government in December 2023, with a concession period of

twenty-one years. It is still in the design phase, and construction is expected to commence in 2025.

14. Easy Development Co., Ltd.

    The Company is mainly engaged in waste cleaning business; it is a Class R waste treatment and reuse organization and has not yet commenced operations.

15. He Shan Lin

    It is mainly a reinvestment business established under the ROT project of "Taichung City Waipu Composting Plant (Green Energy Ecological Park) Refurbishment and Operation Transfer Project" signed with the Environmental Protection Bureau of Taichung City Government in August 2017, with a 25-year concession period, and has entered into operation in the second half of 2019. The loss for fiscal 2024 was NTD 7,518 thousand, with stable input processing of kitchen waste and anaerobic system power generation; obtaining the self-financed approval letter from the authority, and subsequent administrative procedures are underway to increase operational capacity.

16. Orient Forest:

    In October 2017, we established "Eastern Forest Environmental Technology Co., Ltd." as a joint venture with Sinotech Environmental Technology Ltd. The Company specializes in the field of soil and water related business. Additionally, the 100% equity stake in Lixing Investment Limited, an overseas investment company, and the 100% equity stake in Forest Water Investment Limited, have been used to invest in a 70% equity stake in Beijing Forest Water Environmental Technology Co., Ltd., and all have completed the cancelation registration.

17. Lealea Xing:

    Re-use Environmental, a company specializing in the treatment and reuse of incinerator slag, made a profit of NTD 150,830 thousand in fiscal 2024 and will continue to make stable profits in the long term.

18. Lealea Xing Environmental Co., Ltd.:

    It is mainly in the business of waste removal and treatment, and the

liquidation has been completed.

19. Lea Lea Environmental:

Lea Lea Environmental is a company engaged in waste removal and treatment, currently in the process of applying for a permit change, and will commence operations upon approval.

20. Modern Rich Investment Limited

The subsidiary purchased Loyal Sheen International Limited through a 100% investment in an overseas company, Modern Rich Investment Limited, and then a 100% investment in Faith Honest International Investment Limited, to indirectly acquire 40% of the shares of Anning North Control Haoyuan Water Co., Ltd. in mainland China. The subsidiary recognized a profit of NTD 6,712 thousand in fiscal 2024.

21. LEALEA MINGCHIH RESORT CO., LTD.

The Company is mainly engaged in the operation of hotels. The loss of NTD 81,093 thousand in 2024 was due to the impact of the Hualien earthquake and the typhoon season from July to October, which caused road restrictions and inconveniences, along with changes in travel habits among the public after the pandemic, affecting people's willingness to travel. The Company will continue to hold events to attract customers back and will persist in expanding its revenue and profitability levels.

22. Eagle Travel Co., Ltd.

The Company primarily operates a travel agency business, including accommodation planning for Lealea Hotels, corporate travel, and other comprehensive booking services. In 2024, it achieved a profit of NTD 520 thousand, with a rebound in the tourism industry due to post-pandemic revenge travel.

23. Kaisen Energy Co., Ltd.

The main income comes from the sales and installation of energy storage equipment and engineering, with a profit of NTD 21,278 thousand in 2024.

24. Kalan Electric Power Co., Ltd.

The Company mainly provides energy technology services, with a

loss of NTD 1,717 thousand in 2024.

(2) Investment plan for the coming year: None.

6. The Risk Events

(1) The impact of interest rate, exchange rate changes (including information security risk) and inflation on the Company's profit and loss and future measures:

1. The effect of changes in interest rates, exchange rates and inflation on the Company's profit or loss for the most recent year.

(1) The Company's interest rate risk mainly arises from bank borrowings. The Company's current strategy is to closely liaise with banks at all times and use financial instruments in a conservative and prudent manner to reduce the risk of interest rate changes.

(2) The Company's operations involve relatively small amounts of foreign currency receipts and payments, so the risk of exchange rate fluctuations has limited impact on the Company's operations.

(3) Although the Company's operating costs increased in the last two years due to domestic inflation caused by the increase in international raw material prices, the Company's profit and loss in the last two years were not adversely affected by inflation due to the anti-inflation characteristics of real estate products.

2. The Company's measures to address future interest rate, exchange rate changes and inflation scenarios.

We collect information on interest rates, exchange rates and domestic price fluctuations on a daily basis, and keep abreast of the development of financial instruments in the market so that we can take appropriate measures in a timely manner to respond to the possible impact on the Company.

(2) The policies, main reasons for profit or loss, and future measures for engaging in high-risk, highly leveraged investments, lending of funds to others, endorsement of guarantees, and derivative transactions.

The Company does not engage in high-risk, highly leveraged

investments. The lending of funds to others, endorsement of guarantees, and derivative transactions are all conducted in accordance with the policies and measures set forth in the Company's Procedures for the Acquisition and Disposal of Assets, Procedures for the Lending of Funds to Others, Procedures for the Endorsement of Guarantees, and Procedures for the Handling of Derivative Transactions.

(3) Future research and development plans and estimated investment in research and development: None.

(4) Impact of significant domestic and foreign policy and legal changes on the Company's financial operations and measures to address them: None.

(5) The impact of technological changes (including information security risks) and industrial changes on the Company's financial business and corresponding measures:

From the technology side

The Company has established a complete network and computer security protection system to control or maintain the Company's operation, accounting and other important enterprise operation functions, but there is no guarantee that its computer system can completely avoid network attacks from any third-party paralyzed system; The Company reviews and evaluates the Company's asset security system and rules every year to ensure their applicability and effectiveness. However, these cyber-attacks illegally invade the Company's internal network system and carry out activities such as damaging the Company's operation and goodwill; In case of serious network attack, the Company's system may lose important data of the Company. Cyber-attacks may also attempt to steal the Company's business secrets, other intellectual property and confidential information, such as the proprietary information of customers or other stakeholders and the personal information of employees; It may also cause the Company to bear major legal liabilities due to its involvement in relevant legal cases or regulatory investigations caused by the leakage of information from customers or third parties to which the Company has confidentiality obligations. In addition, the

Company has established a remote backup and data backup mechanism to move the backup media to remote storage, so as to prevent the Company from quickly resuming operation in case of asset security events.

From the industry side

The main raw materials in the upstream of the real estate market are land and building materials. In addition, some of the major construction materials such as sand, gravel and steel are limited in resources and the rising trend of raw material prices driven by the growth of global emerging market demand in recent years has increased the construction cost.

Countermeasures:

1. Future land development can be carried out in various directions, such as land right setting, land trust, commissioned construction, joint development, participation in urban renewal projects, national residential construction incentive programs, and The land development can be planned in various ways, such as setting up land rights, land trust, commissioning, joint development, participating in urban renewal program, national housing bonus construction program, and acquiring the required reserve land in accordance with the agricultural land release policy.
2. Introduce integrated construction management systems, including project budgeting system, project contracting system, business system, and financial accounting system, to control labor, raw materials, and capital deployment.

(6) Impact of corporate image change on corporate crisis management and response measures:

The Company upholds a corporate governance culture that places the utmost importance on the principle of honest and trustworthy transactions in order to maintain an excellent image of the Company and to carry out the Company's philosophy of sustainable management.

(7) Expected benefits, possible risks and countermeasures for the merger and acquisition: Not applicable.

(8) Expected benefits, possible risks and countermeasures of plant expansion: Not applicable.

(9) Risks associated with the concentration of incoming or outgoing shipments and measures to address them: None.

(10) The impact, risk and response measures on the Company due to the significant transfer or replacement of shareholding of directors, supervisors or major shareholders holding more than 10% of the shares: None.

(11) Effect of the change in operating right on the Company, risks and countermeasures: Not applicable.

(12) For litigation or non-litigation events, the Company and its directors, supervisors, general manager, materially responsible persons, substantial shareholders holding more than 10% of the shares, and affiliated companies should list the major litigation, non-litigation or administrative disputes that have been determined or are still pending, the outcome of which may have a significant impact on shareholders' equity or securities prices, and should disclose the facts of the dispute, the amount of the subject matter, the commencement date of the litigation, the main parties involved in the litigation, and the disposition of the case as of the printing date of the annual report.

1. The subsidiary Rich Forest Leisure Development Co., Ltd. (hereinafter referred to as Rich Forest) had the BOT project for the Beitou Line aerial ropeway conditionally approved by the Environmental Impact Assessment Committee at its 123rd meeting on 21 December 2012, and the conclusion of the conditional approval of the environmental impact assessment was subsequently revoked by the Taipei High Administrative Court in its judgment No. 14 of 2015. The Taipei City Government did not appeal the decision, which resulted in the revocation of the EIA conclusion. According to the provisions of the contract, the merged company was not required to conduct an EIA, so the cost of the EIA that was conducted should be requested to be paid by the Taipei City Government. After the Consolidated Company’ s request was rejected under the

contract, it subsequently requested the Taipei City Government to reimburse the cost of NTD 10,358 thousand on 20 July 2018. Although the Taipei City Government appealed to the Supreme Court on 30 July 2020, according to the "Minutes of the Second Coordination Meeting of the Fourth Session of the Beitou Line Aerial Ropeway BOT Project" submitted with letter No. 1113020583 from the Taipei City Government on 21 March 2022, the Consolidated Company is required to withdraw the lawsuit, and the litigation has now been terminated.

Additionally, Rich Forest Company submitted a request to the Taipei City Government regarding the termination of the contract. The Taipei City Government responded by referring the case of the consolidated company to the 4th Coordination Committee for the Beitou Line aerial ropeway BOT project. After multiple discussions with the Coordination Committee, on 8 March 2022, the committee concluded that both parties should terminate the contract. The Taipei City Government confirmed the termination of the contract on 20 April 2022, which was effective from 2 April 2022. Currently, the consolidated company has submitted a request for compensation amounting to NTD 250,327 thousand for the termination of the contract to commercial arbitration on 24 June 2022. The consolidated company received the commercial arbitration judgment on 15 May 2023. According to the judgment, the Taipei City Government is required to pay the consolidated company compensation of NTD 224,074 thousand, interest of NTD 9,638 thousand, and arbitration costs amounting to NTD 1,303 thousand (recorded as other income). Furthermore, in the fiscal year 2023, a loss of NTD 25,926 thousand (recorded as other gains and losses) was recognized for the arbitration difference in contract termination compensation, along with interest income of NTD 9,638 thousand. After offsetting the arbitration costs for this period, a remaining balance of NTD 1,274 thousand was reclassified as other income. The aforementioned amounts were received by 2 February 2024.

2. The subsidiary, Green Forest Development Enterprise Co., Ltd,

in accordance with the construction and operation contract signed with the Kaohsiung City Government, has been applying to the Kaohsiung City Government for payment of the commissioned treatment fee. However, since 2012, the Kaohsiung City Government claimed that the subsidiary should deduct NTD 1.28 per cubic meter of construction cost for each cubic meter of sewerage treatment. The subsidiary then filed a lawsuit, and the above dispute was settled on 19 November 2021. The Kaohsiung Municipal Government agreed to repay the construction cost principal by installments of NTD 371,136 thousand (including tax) and the delayed interest of NTD 100,505 thousand (including tax) up to July 2021. According to the settlement, the payment schedule is as follows:

Payment Year	Settlement amount
31 December 2023	NT$117,910.000
31 December 2024	NT$117,910.000
31 December 2025	NT$117,910.000
31 December 2026	NTD 117,911 thousand

3. The Changhua District Prosecutor's Office has listed Lealea Environmental Enterprise Co., Ltd. (hereinafter referred to as Lealea Environmental) as a co-defendant due to the previous responsible person and former plant manager's alleged violation of the Waste Disposal Act. On 16 December 2021, the prosecutor of the Changhua District Prosecutor's Office granted a two-year deferred prosecution. During the deferral period, the merged company must implement the environmental and equipment improvement plan approved by the Changhua County Environmental Protection Bureau at the original factory site. On 7 April 2023, the Changhua District Prosecutor's Office revoked

the deferred prosecution due to the merged company's failure to obtain agency approval within the deadline. The merged company then claimed that it had completed all improvement tasks mandated by the deferred prosecution order and that it was unable to obtain agency approval within the deadline due to factors not attributable to the merged company. On 15 December 2023, the prosecutor of the Changhua District Prosecutor's Office granted a one-year deferred prosecution, requiring the merged company to pay NTD 100 thousand to the public treasury within three months from the date of confirmation of the deferred prosecution. The conditions for improvement and obtaining permits originally required by the deferred prosecution do not affect the validity of this deferred prosecution. The merged company also needs to complete the cleanup of illegal waste according to the waste disposal plan approved by the Environmental Protection Bureau of Yunlin County before 31 December 2022, and has obtained approval for completion from the Yunlin County Environmental Protection Bureau on 16 January 2023.

(13) Other important risks and response measures:

Information Security Risks

The Company has established a complete network and computer security protection system to control or maintain the Company's operation, accounting and other important enterprise operation functions, but there is no guarantee that its computer system can completely avoid network attacks from any third-party paralyzed system; the Company reviews and evaluates the Company's asset security system and rules every year to ensure their applicability and effectiveness, but these cyber-attacks illegally invade the Company's internal network system and carry out activities such as damaging the Company's operation and goodwill. In case of serious network attack, the Company's system may lose important

data of the Company. Cyber-attacks may also attempt to steal the Company's business secrets, other intellectual property and confidential information, such as the proprietary information of customers or other stakeholders and the personal information of employees; It may also cause the Company to bear major legal liabilities due to its involvement in relevant legal cases or regulatory investigations caused by the leakage of information from customers or third parties to which the Company has confidentiality obligations. For fiscal 2022 and as of the date of the annual report, the Company is not aware of any material cyber-attacks or incidents that have had or could have a material adverse effect on the Company's business and operations, and has not been involved in any legal cases or regulatory investigations in connection therewith.

In addition, the Company has established a remote backup and data backup mechanism to move the backup media to remote storage, so as to prevent the Company from quickly resuming operation in case of asset security events.

7. Other important matters: None.

VII. Special Disclosure

1. Information about the Company′ s Affiliates: please refer to the Market Observation Post System.

The pathway for review is as follows: Market Observation Post System > Single Company > Electronic Document Download > Related Party Three Letters Form Section

2. For the most recent year and as of the publishing date of the annual report, private placement of marketable securities: None. 3.

III. Other necessary supplementary notes: None.

IV. Matters materially affecting shareholders' equity or the price of securities under Article 36(3)(2) of the Securities and Exchange Act: The Company's general manager resigned in June 2024. To comply with corporate governance, a board meeting will be convened to appoint a new general manager.

Rich Development
Construction Co., Ltd.

Chairman GUO,JI-GANG