

Stock code :4402



J.D Development Co., LTD

(original : FU TA MATERIAL TECHNOLOGY CO., LTD.)

2024 Annual Report

1. Market Observation Post System: <http://mops.twse.com.tw>
2. Company Website: <http://j-d.com.tw>

Printed Date: March 31, 2025

1. Name, title, phone number and email of spokesperson and acting spokesperson:

| | |
|--------------------------|--------------------------|
| Spokesperson | B. Acting spokesperson |
| Name: Tang, Cheng | Name: Tseng, Chi-Feng |
| Title: Chairman | Title: Director |
| Tel: 886-7-3011153 | Tel: 886-7-3011153 |
| E-mail: jd.cs@j-d.com.tw | E-mail: jd.cs@j-d.com.tw |

2. Location and phone number of Headquarter:

Address: 9F.-1, No. 151, Jhongjheng 4th Rd., Cianjin Dist., Kaohsiung City, 801301, Taiwan (R.O.C.)
Tel: 886-7-2167569

3. Name, location, website and phone of share-transferring institution:

Name: Transfer Agency Department of SinoPac Securities Corporation
Address: 3F., No. 17, Bo'ai Rd., Zhongzheng Dist., Taipei City, 100, Taiwan (R.O.C.)
Title: 886-2-23816288
Website: <https://www.sinotrade.com.tw/newweb/>

4. Name of the certified public accountant who duly audited the annual financial report for the most recent fiscal year, and the name, location, website and telephone number of said person's accounting firm:

Name of the accountant: Li, Ching-Lin; Tsai, Shu-Man
Name of the accounting firm: Crowe (TW) CPAs
Address: 27F., No. 6, Siwei 3rd Rd., Lingya Dist., Kaohsiung City, 802, Taiwan (R.O.C.)
Tel.: 886-7-3312133
Website: <https://www.crowe.com/tw>

5. Name of overseas stock exchange and method for accessing information on overseas negotiable securities: None.

6. Company website: <http://j-d.com.tw>

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1. LETTER TO SHAREHOLDERS

Following is an explanation of the Company's operating results for the year 2024, an outline of the 2025 business plan, future development strategies, and the impacts from external competition, regulatory environment, and the overall economic environment.

1. Review of the Market and Business Results for 2024

(1) Implementation Results of Business Plan

| Item | Year | | Amount of increase (decrease); % |
|------------------------|----------|----------|----------------------------------|
| | 2024 | 2023 | |
| Net Revenue | 18,414 | 76,959 | (76.07%) |
| Gross profit(loss) | 2,669 | (1,784) | 249.61% |
| Operating profit(loss) | (23,500) | (40,562) | 42.06% |
| Net income(loss) | (6,214) | (19,893) | 68.76% |

(2) Financial Profitability Analysis

| Item | Year | |
|---|----------|----------|
| | 2024 | 2023 |
| Return on assets % | (1.07%) | (3.16%) |
| Return on equity% | (1.15%) | (5.31%) |
| Ratio of profit before tax to paid-in capital % | (0.90%) | (2.72%) |
| Profit margin % | (33.75%) | (25.85%) |
| Earnings per share (NT\$) | (0.09) | (0.43) |

The Company continues to maintain its textile and electricity sales businesses. Although affected by environmental price fluctuations, it is still actively exploring the textile business market. Although the number of orders received decreased in 2014, resulting in a decrease in revenue, the associated reduction in sales costs and operating expenses has led to an increase in operating gross profit (loss), operating income (loss), and net profit (loss) for the current period compared to the previous year.

2. Business Plan Overview for 2025

Textile Division

(1) Management Strategy

- a. Seek high-quality and competitive suppliers to provide customers with premium products, tightly arrange procurement and delivery schedules to reduce inventory pressure, and improve turnover rates.
- b. As consumers increasingly focus on environmental protection and product quality, end brands emphasize high quality, durability, and responsible production methods. This trend will continue to grow. The Company will keep sourcing high-quality suppliers to meet end-customer demands.
- c. In textile technology, innovative multifunctional fiber materials will be a future highlight, such as fabrics with UV resistance, ventilation, cooling effect, waterproofing, stain resistance, and

antibacterial properties, which will be applied in leisurewear, sportswear, and home furnishings. The Company will continue to develop a variety of textile suppliers to meet different customer needs and expand its market.

(2) Sales Policy

- a. Integrate existing sales channels, revisit former suppliers and customers to understand their needs, and actively develop suppliers for various fabrics to diversify products and respond to different customer orders.
- b. In 2024, the Company achieved \$10,854 thousand in textile sales. Actively developing new customers, the Company expects a significant increase in textile orders in 2025.

Power Sales Division

(1) Management Strategy

- a. The Company currently operates six solar power stations across Taiwan, located in Taichung, Changhua, Tainan, and Pingtung, with a total installed capacity of 1,236.54 kW. The Company will evaluate adding new stations to expand its revenue base.
- b. Engage in the integration of solar modules and other related materials businesses.

(2) Sales Policy

- a. Search for suitable locations to build solar power systems and enhance installed capacity.
- b. Develop green electricity customer channels, increase electricity sales revenue, and expand the power sales market.
- c. In 2024, the Company achieved \$7,560 thousand in electricity sales revenue. It expects the electricity generation volume in 2025 to remain stable compared to previous years.

3. Future Company Development Strategy

The Company's main business is the trading of textiles. With the rise of environmental awareness among end consumers and the growing emphasis on ESG issues in the capital markets in recent years, "Innovation and Sustainability" will be the core of future development in Taiwan's textile industry. Sustainable environmental practices, functional applications, and smart manufacturing will be key focus areas for the future of the textile sector. The Company is actively seeking high-quality silk and greige fabric suppliers to provide stable raw material products to sales customers. In addition, the Company is vigorously expanding its supplier base for a variety of multifunctional and functional fabrics to meet the diverse demands of markets such as apparel, sportswear, and home furnishings, thereby broadening its customer base and increasing market share.

Solar power sales is another of the Company's main businesses. With the growing emphasis on sustainable development and the increasing attention to renewable energy, the Company will continue to maintain a stable green electricity customer base to increase power sales revenue.

Beyond the textile and solar power sales businesses, the Company plans to pursue diversified operations in the future to mitigate the risks associated with reliance on a single industry and ensure long-term stable growth. At present, there are preliminary plans to expand into the sales of energy-efficient home appliances.

4. Expected sales volume and data

Although the global economic environment is still full of uncertainties, we will continue to actively develop new customers and new markets, and strengthen the value enhancement and customer relationship maintenance of core customers, building on the foundation of previous years and starting again.

5. Impact of External Competitive Environment, Regulatory Environment, and Macroeconomic Conditions

The textile market, particularly in the fast fashion segment, is characterized by intense price competition. It is difficult to maintain a price advantage against countries with low production costs. However, as consumers' environmental awareness rises, the slow fashion sector, which focuses on quality and durability, is gradually gaining market share.

The Company focuses on developing high-quality, multifunctional fabrics and working with customized cooperative suppliers to meet the specific needs of sales customers.

The Company actively responds to and adapts to the ever-changing regulatory environment, ensuring compliance with relevant laws while assessing their impact on operations. By strengthening internal management and employee training, the Company addresses regulatory requirements in areas such as accounting, taxation, environmental protection, labor, and trade, thereby fulfilling corporate social responsibility and ensuring long-term stable development.

Overall, the textile industry is heavily affected by global economic conditions, consumer trends, and price fluctuations, with changing regulations indirectly increasing operational costs and challenges. To address these issues, the Company leverages its existing channels and industry advantages to actively develop a diverse range of fabric suppliers to meet the needs of a broad customer base.

Additionally, to mitigate the risks associated with a single industry, the Company also operates in the solar power sales sector and has preliminary plans to expand into home appliance sales, moving toward a diversified business model to achieve more stable and sustainable growth.

2. CORPORATE GOVERNANCE

(1) DIRECTORS AND MANAGEMENT TEAM

A. Directors' Information

| Job title | Nationality or place of registration | Name | Gender Age | Date of being elected (taking office) | Term | Date first elected | Shareholding when elected | | Current shareholding | | Shareholding of spouse and underage children | | Shares held by proxy | | Experience education | and Concurrent duties in the Company and other companies | Other managers, directors or supervisors being the spouse or relative within the second degree of kinship | | | Note |
|-----------|--------------------------------------|---|-------------------------|---------------------------------------|---------|--------------------|---------------------------|--------------------|----------------------|--------------------|--|--------------------|----------------------|--------------------|--|--|---|---------------------------|------------------------|------|
| | | | | | | | Shares | Shareholding ratio | Shares | Shareholding ratio | Shares | Shareholding ratio | Shares | Shareholding ratio | | | Position | Name | Relation | |
| Chairman | Taiwan (R.O.C.) | Zhaotian International Investment Co., Ltd. | - | 2024.02.29 | 3 years | 2024.02.29 | 16,900,000 | 24.86 | 16,900,000 | 24.86 | 0 | 0 | 0 | 0 | - | - | - | - | - | |
| Chairman | Taiwan (R.O.C.) | Representative: Tang, Cheng | Male, 31–40 years old | 2024.02.29 | 3 years | 2024.02.29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Cheng Shiu University, Department of Business Administration; Chairman and CEO, Judo Group ; Chairman, Zhaotian International Investment Co., Ltd. ; Chairman, Doushanlin Development Co., Ltd. ; Chairman, Judo Construction Co., Ltd. ; Chairman, Junhe Construction Co., Ltd. ; Municipal Advisor, Kaohsiung City; Director, The Real Estate Development Association of Kaohsiung; Director, New Culture Foundation; Chairman, Tiande Charity Concern Association | Chairman of Judo Group and CEO | Derector, Chairman | Tang, Rong-Hua Tang, Ming | Father-Son Brothers | |
| Director | Taiwan (R.O.C.) | Huitianxia Investment Co., Ltd. | - | 2024.02.29 | 3 years | 2024.02.29 | 9,699,522 | 14.27 | 9,699,522 | 14.27 | 0 | 0 | 0 | 0 | - | - | - | - | - | |
| Director | Taiwan (R.O.C.) | Representative: Tang, Rong-Hua | Male, 61–70 years old | 2024.02.29 | 3 years | 2024.02.29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Lide Business and Technical School President, Judo Group; Chairman, Judo Construction Co., Ltd.; Chairman, Xiangtian Construction Co., Ltd.; Chairman, Yanyang Construction Co., Ltd.; Chairman, Junhe Construction Co., Ltd.; Chairman, Huitianxia Investment Co., Ltd. | President, Judo Group | Chairman General Manager | Tang, Cheng Tang, Ming | Father-Son Father -Son | |
| Director | Taiwan (R.O.C.) | Zhaotian International Investment Co., Ltd. | - | 2024.02.29 | 3 years | 2024.02.29 | 16,900,000 | 24.86 | 16,900,000 | 24.86 | 0 | 0 | 0 | 0 | - | - | - | - | - | |
| Director | Taiwan (R.O.C.) | Representative: Lin, Su-Hsing | Female, 51–60 years old | 2024.02.29 | 3 years | 2024.02.29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Feng Chia University Department of Public Finance; Judo Construction Co., Ltd. / Chief Financial Officer; JiaTianSia | Chief Financial Officer of Judo Group | None | None | None | |

| | | | | | | | | | | | | | | | | | | | | |
|----------|--------------------|------------------------------------|--------------------------------|------------|---------|------------|-----------|-------|-----------|-------|-------|---|---|---|---|---|--|------|------|------|
| | | | | | | | | | | | | | | | Construction Co., Ltd. / Supervisor. | | | | | |
| Director | Taiwan (R.O.C.) | Representative: Tseng, Chi-Feng | Male, 31–40 years old | 2024.02.29 | 3 years | 2024.02.29 | 9,699,522 | 14.27 | 9,699,522 | 14.27 | 0 | 0 | 0 | 0 | - | Doctoral Program in Financial Management, National Sun Yat-sen University; Lecturer at National Sun Yat-sen University; Lecturer at Cheng Shiu University; Lecturer at National Kaohsiung University of Science and Technology. | Vice President of Judo Group | None | None | None |
| | | | | | | | | | | | | | | | | | | | | |
| Director | Taiwan (R.O.C.) | Representative: Han, Yu-Sheng | Male, 51–60 years old | 2024.02.29 | 3 years | 2024.02.29 | 5,100,000 | 7.50 | 5,100,000 | 7.50 | 1,000 | 0 | 0 | 0 | - | Master's Degree, Department of Cultural and Creative Industries, Tung Fang Design University ; Director of Oriental Wenyuan International Cultural and Creative Co., Ltd.; Deputy Chairman of NATIONAL ASSOCIATION OF INTERIOR DESIGN R.O.C.; Deputy Chairman of Chartered Association of Interior Designers, Taiwan; Honorary Chairman of Kaohsiung Interior Design and Decoration Association; Design Director of Oriental Wenyuan International Cultural and Creative Co., Ltd.; Design Director of Dongfangxu Space Design Co., Ltd.; Host of Lion Interior Decoration Engineering Co., Ltd.; Lecturer at Department of Interior Design, Shu-Te University; Lecturer at Department of Industrial Design, National Kaohsiung Normal University. | Director of Oriental Wenyuan International Cultural and Creative Co., Ltd. | None | None | None |
| | | | | | | | | | | | | | | | | | | | | |
| Director | Taiwan (R.O.C.) | Representative: Shih, Yu-Lun | Male, 31–40 years old | 2024.02.29 | 3 years | 2024.02.29 | 5,100,000 | 7.50 | 5,100,000 | 7.50 | 0 | 0 | 0 | 0 | - | Department of Business Administration, National Central University; Deputy General Manager of Yongshunhang Building Materials Co., Ltd.; Deputy General Manager of Shunmao Building Materials Co., Ltd.; Public Relations Group Leader of New Generation Committee, The Kaohsiung | Deputy General Manager of Yongshunhang Building Materials Co., Ltd. | None | None | None |
| | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | |
|----------------------|-----------------|----------------|-----------------------|------------|---------|------------|---|---|---|---|---|---|---|---|--|---|------|------|------|
| | | | | | | | | | | | | | | | Association of Real Estate and Construction Developers. | | | | |
| Independent director | Taiwan (R.O.C.) | Lin, Yao-Wen | Male, 41-50 years old | 2024.02.29 | 3 years | 2024.02.29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Master of Public Policy, College of Social Sciences, National Sun Yat-sen University; Researcher in Public Policy and Management at Harvard Kennedy School; Chairman of New Culture Foundation; Political Consultant to the Executive Yuan; Director of Taiwan Long Workers' Union Office; Independent Director of Taiwan Cogeneration Corporation; Director of Kaohsiung World Games Sports Foundation; Chairman of Xintianhe Investment Co., Ltd.; Convenor of the interim Board Meeting to Chung Chia Power CO., Ltd. | Chairman of New Culture Foundation | None | None | None |
| Independent director | Taiwan (R.O.C.) | Lee, Meng-Hsiu | Male, 61-70 years old | 2024.02.29 | 3 years | 2024.02.29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Bachelor's Degree in Accounting, National Taiwan University; Master's Degree in Accounting, National Chengchi University; CPA at Deloitte Taiwan; CPA at First Elite CPAs & Co.; Adjunct Professional Technician at National Taipei University of Business. | CPA at First Elite CPAs & Co. | None | None | None |
| Independent director | Taiwan (R.O.C.) | Chen, Chia-Wei | Male, 31-40 years old | 2024.02.29 | 3 years | 2024.02.29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Graduate Institute of Law, National Cheng Kung University; Managing Attorney at Chisheng United Law Firm; Legal Advisor of Kaohsiung Employment Services Trade Association; Legal Advisor of Kaohsiung Environmental Protection Bureau Enterprise Union; Legal Advisor of Youth Bureau, Kaohsiung City Government; Legal Aid Foundation Lawyer and Review Committee Member in Taichung, Tainan, Kaohsiung, Qiaotou, and Pingtung Branches; Consultant Lawyer for Legislative Offices of Hsu Chih-Chieh, Lin Tai-Hua, Lee Po-Yi, and Lee Kun-Tse; Consultant Lawyer for Councilor Offices of Lin Zhi- | Managing Attorney at Chisheng United Law Firm | None | None | None |

Hong, Lin Zhi-Cheng, and Hung Zong-Qi; Hired Lawyer for Kaohsiung Rubber Union; Hired Lawyer for Kaohsiung Tire Dealers Business Association.

a. Major Shareholders of Corporate Shareholders

March 31, 2025

| Name of Corporate Shareholders | Major Shareholders of Corporate Shareholders |
|---|---|
| Zhaotian International Investment Co., Ltd. | Director Tang, Rong-Hua (Holding 3,010,000 shares, 50% ownership) Shareholder Zhan, Shan-Yin (Holding 2,990,000 shares, 50% ownership) |
| Huitianxia Investment Co., Ltd. | Director Tang, Cheng (Holding 7,199,000 shares, 99.99% ownership) Supervisor Tang, Rong-Hua (Holding 1,000 shares, 0.01% ownership) |
| Xuanfeng International Investment Co., Ltd. | Director Tang, Ming (Holding 3,499,000 shares, 99.97% ownership) Supervisor Zhan, Shanyin (Holding 1,000 shares, 0.03% ownership) |

b. Disclosure of professional qualifications of directors and supervisors and independence of independent directors;

| Criteria | Professional qualifications and experience | Independence status | Number of independent director positions of other public companies |
|----------------------------|--|-------------------------|--|
| Title /Name | | | |
| Director Tang, Cheng | <ol style="list-style-type: none"> 1. Expertise: Business Management, Leadership and Decision-Making, Business and Economics 2. Experience: Chairman and CEO of Judo Group | | 0 |
| Director Tang, Rong-Hua | <ol style="list-style-type: none"> 1. Expertise: Business Management, Leadership and Decision-Making, Industry Knowledge 2. Experience: President of Judo Group | Not Applicable (Note 2) | 0 |

| | | | | |
|----------------------|-----------------|---|--|---|
| Direct or | Lin, Su-Hsing | 1. Expertise: Business Management, Financial Accounting, Business and Economics 2. Experience: Chief Financial Officer of Judo Construction Co., Ltd. | | 0 |
| Direct or | Tseng, Chi-Feng | 1. Expertise: Business Management, Leadership and Decision-Making, Business and Economics 2. Experience: Adjunct Lecturer at National Sun Yat-sen University | | 0 |
| Direct or | Han, Yu-Sheng | 1. Expertise: Business Management, Leadership and Decision-Making, Industry Knowledge 2. Experience: Director of Oriental Wenyuan International Cultural & Creative Co., Ltd. | | 0 |
| Direct or | Shih, Yu-Lun | 1. Expertise: Business Management, Leadership and Decision-Making, Industry Knowledge 2. Experience: Deputy General Manager of Yongshunhang Building Materials Co., Ltd. | | 0 |
| Independent director | Lin, Yao-Wen | 1. Expertise: Business Management, Leadership and Decision-Making, Business and Economics 2. Experience: Chairman of the New Culture Foundation | All Independent Directors of the Company meet the following conditions: 1. Comply with Article 14-2 of the Securities and Exchange Act and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission. | 1 |
| Independent director | Lee, Meng-Hsiu | 1. Expertise: Business Management, Financial Accounting, Business and Economics 2. Certified Public Accountant with passing national examinations 3. Experience: CPA at First Elite CPAs & Co.; Independent director or TOPCO TECHNOLOGIES CORP.; Independent director of MECHEMA CHEMICALS INTERNATIONAL CORP.; Independent director of PELL Bio-Med Technology Co. Ltd. | 2. Neither the individual, their spouse, nor relatives within the second degree of kinship serve as a Director, Supervisor, or employee of the | 3 |

| | | | | |
|----------------------|----------------|---|---|---|
| Independent director | Chen, Chia-Wei | <ul style="list-style-type: none"> 1. Expertise: Business Management, Legal Practice, Industry Knowledge 2. Licensed Lawyer with national certification 3. Experience: Managing Attorney at Chisheng United Law Firm | <ul style="list-style-type: none"> 3. Company or its affiliated enterprises. 4. Neither the individual (including through a third party), their spouse, nor their minor children hold any shares of the Company. 4. Within the past two years, the individual has not provided commercial, legal, financial, accounting, or other services to the Company or its affiliated enterprises. | 0 |
|----------------------|----------------|---|---|---|

Note 1: None of the Directors are subject to any circumstances listed under Article 30 of the Company Act.

Note 2: It is not required for general Directors to indicate whether they meet the criteria for independence.

c. Diversity and independence of the board of directors

i. Diversity of the board of directors:

According to Article 20 of the Company's "Corporate Governance Best Practice Principles," in order to achieve the ideal objectives of corporate governance, the Board of Directors as a whole should possess the following capabilities: 1. Business judgment ability; 2. Accounting and financial analysis ability; 3. Business management ability; 4. Crisis management ability; 5. Industry knowledge; 6. International market perspective; 7. Leadership ability; 8. Decision-making ability.

The Company currently has nine Directors, all of whom are nationals of the Republic of China (Taiwan), including three Independent Directors. They each possess extensive expertise in accounting, finance, business, law, marketing, and industrial technology. Among them, there is one female Director. In terms of age distribution, there are 2 Directors aged 61–70, 2 Directors aged 51–60, 1 Director aged 41–50, and 4 Directors aged 31–40.

Explanation and Measures for Not Meeting the One-Third Gender Representation Requirement on the Board of Directors:

The current Board of Directors was elected at the shareholders' meeting held on February 29, 2024. Among the nine board members, one is female. While this composition complied with the applicable legal requirements at the time of election, it does not meet the current guideline stipulating that at least one-third of the board seats be held by either gender. Prior to the re-election at the completion of the current Board of Directors' term, the Company will carefully consider candidates' professional backgrounds, experience, and their potential involvement and contribution to the Company's future development. The Company aims to increase the number of female directors and will continue to pursue the enhancement of Board diversity as a long-term goal.

Appointed on February 29, 2024

| Name | Diversification Item | Nationality | Gender | Age | | | | Business Management | Leadership and Decision-Making | Industry Knowledge | Finance and Accounting | Law | Marketing | International Market Perspective |
|-------------------------------------|----------------------|-------------|--------|----------|----------|----------|----------|---------------------|--------------------------------|--------------------|------------------------|-----|-----------|----------------------------------|
| | | | | 31 to 40 | 41 to 50 | 51 to 60 | 61 to 70 | | | | | | | |
| Director Tang, Cheng | Taiwan (R.O.C.) | Male | V | | | | | V | V | V | | | V | V |
| Director Tang, Rong-Hua | | | | | | | V | V | V | V | | | V | V |
| Director Lin, Su-Hsing | | | | | V | | | V | V | V | V | | V | V |
| Director Tseng, Chi-Feng | | | V | | | | | V | V | V | V | | V | V |
| Director Han, Yu-Sheng | | | | | V | | | V | V | V | | | V | V |
| Director Shih, Yu-Lun | | | V | | | | | V | V | V | | | V | V |
| Independent director Lin, Yao-Wen | | | | V | | | | V | V | V | | | V | V |
| Independent director Lee, Meng-Hsiu | | | | | | V | | V | V | V | V | | V | V |
| Independent director Chen, Chia-Wei | | | V | | | | | V | V | V | | V | V | V |

ii. Independence of the board of directors:

The current Board of Directors of the Company consists of 9 directors, including 3 independent directors (accounting for 33.33% of all board members). Their independence complies with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

There are no spousal or second-degree kinship relationships between independent directors, nor between independent directors and other directors. Among all directors, more than half (7 directors) have no spousal or second-degree kinship relationships with one another, thus complying with Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. There are 2 directors who have spousal or second-degree kinship relationships. Please refer to pages 4-6 for details.

B. Information of the General Manager, Vice General Managers, senior managers, and heads of departments and branches

| Title | Nation- | Name | Gender | Election / Appointment Date | Current shareholding | | Shareholding of spouse and underage children | | Shares held by proxy | | Major experience and education | Concurrent positions in other companies | Spouse or relatives of the second degree or closer acting as managers | | | Notes |
|-------------------------|-----------------|-----------------|--------|-----------------------------|----------------------|--------------------|--|--------------------|----------------------|--------------------|---|---|---|----------------------------|---------------------|-------|
| | | | | | Shares | Shareholding ratio | Shares | Shareholding ratio | Shares | Shareholding ratio | | | Title | Name | Relation | |
| General Manager | Taiwan (R.O.C.) | Tang, Ming | Male | 2024.02.29 | 0 | 0 | 0 | 0 | 0 | 0 | Department of Business Studies, National Open University; Chairman, Syuanfeng International Investment Co., Ltd.; Chairman, Xiangtian Construction Co., Ltd | None | Derector, Chairman | Tang, Rong-Hua Tang, Cheng | Father-Son Brothers | |
| Deputy General Manager, | Taiwan (R.O.C.) | Tseng, Chi-Feng | Male | 2024.04.19 | 0 | 0 | 0 | 0 | 0 | 0 | Ph.D. in Financial Management, National Sun Yat-sen University | Derector | None | None | None | |

| | | | | | | | | | | | | | | | |
|------------------------------|-----------------|---------------|--------|-----------------------|---|---|---|---|---|---|------|------|------|------|--|
| Corporate Governance Officer | Taiwan (R.O.C.) | Wang, Ya-Hui | Female | 2024.04.25 | 0 | 0 | 0 | 0 | 0 | Department of Accounting Information, Tainan University of Technology | None | None | None | None | |
| Chief Accounting Officer | Taiwan (R.O.C.) | Wang, Ya-Hui | Female | 2024.04.25/2025.03.06 | 0 | 0 | 0 | 0 | 0 | Department of Accounting Information, Tainan University of Technology | None | None | None | None | |
| | | Huang, Lu-Hsi | Female | 2025.03.06 | 0 | 0 | 0 | 0 | 0 | Department of Accounting, Tamkang University | None | None | None | None | |

(2) REMUNERATION PAID TO DIRECTORS (INDEPENDENT DIRECTOR), THE GENERAL MANAGER, AND DEPUTY GENERAL MANAGERS

A. Remuneration paid to directors

Unit: NT\$ thousands

| Title | Name | Remuneration to Directors | | | | The sum of A, B, C and D in proportion to Earnings After Tax | Remuneration in the capacity as employees | | | The sum of A, B, C, D, E, F and G to Earnings after Tax (%) | The Company | All companies included in the financial statement | |
|----------|---|---------------------------|-------------|-----------------------|----------------|--|---|-------------|-----------------------|---|-------------|---|---|---|---|------|
| | | Remuneration(A) | Pension(B) | Bonus to Directors(C) | Allowances (D) | | Salaries, bonus and special subsidies(E) | Pension(F) | Repay for employee(G) | | | | | | | |
| | | The Company | The Company | The Company | The Company | | All companies included in the financial statement | The Company | The Company | | | | | | | |
| Director | Zhaotian International Investment Co., Ltd. Representative: Tang, Cheng | 0 | 0 | 0 | 0 | 100 | 100 (1.61)% | 100 (1.61)% | 0 | 0 | 0 | 0 | 0 | 100 (1.61)% | 100 (1.61)% | None |

| | | | | | | | | | | | | | | | | | | | | | | |
|----------|--|---|---|---|---|---|---|-----|-----|----------------|----------------|-----|-----|----|----|---|---|---|---|-----------------|-----------------|------|
| Director | Huitianxia Investment Co., Ltd. Representative: Tang, Rong-Hua | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 100 | 100 (1.61)% | 100 (1.61)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 (1.61)% | 100 (1.61)% | None |
| Director | Zhaotian International Investment Co., Ltd. Representative: Lin, Su-Hsing | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 100 | 100 (1.61)% | 100 (1.61)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 (1.61)% | 100 (1.61)% | None |
| Director | Huitianxia Investment Co., Ltd. Representative: Tseng, Chi-Feng | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 100 | 100 (1.61)% | 100 (1.61)% | 700 | 700 | 44 | 44 | 0 | 0 | 0 | 0 | 844 (13.58)% | 844 (13.58)% | None |
| Director | Xuanfeng International Investment Co., Ltd. Representative: Han, Yu-Sheng | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 100 | 100 (1.61)% | 100 (1.61)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 (1.61)% | 100 (1.61)% | None |
| Director | Xuanfeng International Investment Co., Ltd. Representative: Shih, Yu-Lun | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 100 | 100 (1.61)% | 100 (1.61)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 (1.61)% | 100 (1.61)% | None |
| Director | Yang, Kuo-Hua (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 60 | 60 | 60 (0.97)% | 60 (0.97)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60 (0.97%) | 60 (0.97%) | None |
| Director | Yang, Teng-Hsiung (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 60 | 60 | 60 (0.97)% | 60 (0.97)% | 202 | 202 | 0 | 0 | 0 | 0 | 0 | 0 | 262 (4.22%) | 262 (4.22%) | None |
| Director | Chiang, Kuo-Jui (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 60 | 60 | 60 (0.97)% | 60 (0.97)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60 (0.97%) | 60 (0.97%) | None |

| | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|---|---|---|---|---|---|---|-----|-----|----------------|----------------|---|---|---|---|---|---|---|---|----------------|----------------|------|
| Director | Huang, Ching-Chia (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 60 | 60 | 60 (0.97)% | 60 (0.97)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60 (0.97)% | 60 (0.97)% | None |
| Director | Fude Investment Co., Ltd. Representative: Yu, Wen-Wen (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 60 | 60 | 60 (0.97)% | 60 (0.97)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60 (0.97)% | 60 (0.97)% | None |
| Director | YAW-TONE TRADING COMPANY. Representative: Liu, Chiao-Ling (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 60 | 60 | 60 (0.97)% | 60 (0.97)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60 (0.97)% | 60 (0.97)% | None |
| Independent Director | Lin, Yao-Wen | 0 | 0 | 0 | 0 | 0 | 0 | 600 | 600 | 600 (9.66)% | 600 (9.66)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 600 (9.66)% | 600 (9.66)% | None |
| Independent Director | Lee, Meng-Hsiu | 0 | 0 | 0 | 0 | 0 | 0 | 600 | 600 | 600 (9.66)% | 600 (9.66)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 600 (9.66)% | 600 (9.66)% | None |
| Independent Director | Chen, Chia-Wei | 0 | 0 | 0 | 0 | 0 | 0 | 600 | 600 | 600 (9.66)% | 600 (9.66)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 600 (9.66)% | 600 (9.66)% | None |
| Independent Director | Huang, Lien-Sheng (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 90 | 90 | 90 (1.45)% | 90 (1.45)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 90 (1.45)% | 90 (1.45)% | None |
| Independent Director | Li, Li-Tse (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 90 | 90 | 90 (1.45)% | 90 (1.45)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 90 (1.45)% | 90 (1.45)% | None |

| | | | | | | | | | | | | | | | | | | | | | | |
|--|-----------------------|---|---|---|---|---|---|----|----|---------------|---------------|---|---|---|---|---|---|---|---|---------------|---------------|------|
| Independent Director | Chuang, Pi-Hua (Note) | 0 | 0 | 0 | 0 | 0 | 0 | 90 | 90 | 90 (1.45)% | 90 (1.45)% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 90 (1.45)% | 90 (1.45)% | None |
| 1. The policy, system, standard, and structure of remuneration for independent directors should be stated, and the amount of remuneration should be justified with an illustration of the person's duty, risk, and devoted time: 2. Other than the content revealed in the table above, any remuneration received by the chairperson of the company for offering service (e.g. serving as an external consultant) to any company mentioned in the financial statement: None. | | | | | | | | | | | | | | | | | | | | | | |
| Note: Dismissed following the full re-election at the Extraordinary Shareholders' Meeting on February 29, 2024. | | | | | | | | | | | | | | | | | | | | | | |

Remuneration Range Table for Directors (Including Independent Directors)

| Range of Remuneration | Name of Directors | | | |
|--|---|---|---|---|
| | Total of A, B, C and D | | Total of A, B, C, D, E, F and G | |
| | The Company | All companies included into the financial statement | The Company | All companies included into the financial statement |
| Less than NT\$1,000,000 | Zhaotian International Investment Co., Ltd. Representative: Tang, Cheng; Huitianxia Investment Co., Ltd. Representative: Tang, Rong-Hua; Zhaotian International Investment Co., Ltd. Representative: Lin, Su-Hsing; Huitianxia Investment Co., Ltd. Representative: Tseng, Chi-Feng; Xuanfeng International Investment Co., Ltd. Representative: Han, Yu-Sheng; Xuanfeng International Investment Co., Ltd. Representative: Shih, Yu-Lun; Yang, Kuo-Hua; Yang, Teng-Hsiung; Chiang, Kuo-Jui; Huang, Ching-Chia; Fude Investment Co., Ltd. Representative: Yu, Wen-Wen; YAW-TONE TRADING COMPANY. Representative: Liu, Chiao-Ling; Lin, Yao-Wen; Lee, Meng-Hsiu; Chen, Chia-Wei; Huang, Lien-Sheng; Li, Li-Tse; Chuang, Pi-Hua | | Zhaotian International Investment Co., Ltd. Representative: Tang, Cheng; Huitianxia Investment Co., Ltd. Representative: Tang, Rong-Hua; Zhaotian International Investment Co., Ltd. Representative: Lin, Su-Hsing; Huitianxia Investment Co., Ltd. Representative: Tseng, Chi-Feng; Xuanfeng International Investment Co., Ltd. Representative: Han, Yu-Sheng; Xuanfeng International Investment Co., Ltd. Representative: Shih, Yu-Lun; Yang, Kuo-Hua; Yang, Teng-Hsiung; Chiang, Kuo-Jui; Huang, Ching-Chia; Fude Investment Co., Ltd. Representative: Yu, Wen-Wen; YAW-TONE TRADING COMPANY. Representative: Liu, Chiao-Ling; Lin, Yao-Wen; Lee, Meng-Hsiu; Chen, Chia-Wei; Huang, Lien-Sheng; Li, Li-Tse; Chuang, Pi-Hua | |
| NT\$1,000,000 thousand (include) ~ NT\$2,000,000 (exclude) | | | | |
| NT\$2,000,000 (include) ~ NT\$3,500,000 (exclude) | | | | |
| NT\$3,500,000 (include) ~ NT\$5,000,000 (exclude) | | | | |
| NT\$5,000,000 (include) ~ NT\$10,000,000 (exclude) | | | | |
| NT\$10,000,000 (include) ~ NT\$15,000,000 (exclude) | | | | |
| NT\$15,000,000 (include) ~ NT\$30,000,000 (exclude) | | | | |
| NT\$30,000,000 (include) ~ NT\$50,000,000 (exclude) | | | | |
| NT\$50,000,000 (include) ~ NT\$100,000,000 (exclude) | | | | |
| NT\$100,000,000 or more | | | | |
| Total | 18 | | 18 | |

B. Remuneration paid to general manager and deputy general manager

Unit: NT\$ thousands

| Title | Name | Salaries(A) | | Pension (B) | | Cash incentives and special discretionary allowance etc.(C) | The amount of employee repay(D) | | | | The sum of A, B, C and D in proportion to Earnings After Tax (%) | Remuner ation received from invested companies other thansubsidiaries or the parent company | | |
|------------------------|-----------------|-------------|---|-------------|---|---|---------------------------------|---|---------------|----------------|--|---|----------------|------|
| | | The Company | All companies included into the financial statement | The Company | All companies included into the financial statement | | The Company | All companies included into the financial statement | Cash dividend | Stock dividend | Cash dividend | Stock dividend | | |
| General Manager | Tang, Ming | 1,251 | 1,251 | 69 | 69 | 0 | 0 | 0 | 0 | 0 | 0 | 1,310 (21.08)% | 1,310 (21.08)% | None |
| Deputy General Manager | Tseng, Chi-Feng | 700 | 700 | 44 | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 744 (11.97)% | 744 (11.97)% | None |

Note 1: This refers to the legally required provision for retirement and pension funds, with no actual payment of retirement or pension benefits.

Remuneration Range Table for general manager and deputy general manager

| Range of Remuneration | Name of Directors | |
|--|-------------------|---|
| | The Company | All companies included into the financial statement |
| Less than NT\$1,000,000 | Tseng, Chi-Feng | |
| NT\$1,000,000 thousand (include) ~ NT\$2,000,000 (exclude) | Tang, Ming | |
| NT\$2,000,000 (include) ~ NT\$3,500,000 (exclude) | | |
| NT\$3,500,000 (include) ~ NT\$5,000,000 (exclude) | | |
| NT\$5,000,000 (include) ~ NT\$10,000,000 (exclude) | | |
| NT\$10,000,000 (include) ~ NT\$15,000,000 (exclude) | | |

| | |
|--|---|
| NT\$15,000,000 (include) ~ NT\$30,000,000 (exclude) | |
| NT\$30,000,000 (include) ~ NT\$50,000,000 (exclude) | |
| NT\$50,000,000 (include) ~ NT\$100,000,000 (exclude) | |
| NT\$100,000,000 or more | |
| Total | 2 |

C. Remuneration of the Top Five Highest-Paid Executive Officers of Listed/OTC Companies

| Title | Name | Salaries(A) (Note 2) | | Pension (B) (Note 3) | | Cash incentives and special discretionary allowance etc.(C) (Note 4) | | The amount of employee repay(D) (Note 5) | | | | The sum of A, B, C and D in proportion to Earnings After Tax (%)(Note 7) | | Remun eration receive d from investe d compan ies other thansub sidiarie s or the parent compan y (Note 8) | |
|------------------------------|--------------------|-------------------------|--|-------------------------|--|--|--|---|-----------------------|--|-----------------------|---|--|---|--|
| | | The Compan y | All compani es included into the financial staterne t | The Compan y | All compani es included into the financial staterne t | The Compan y | All compani es included into the financial staterne t | The Company | | All companies included into the financial statement | | The Company | All compani es included into the financial statement | | |
| | | | | | | | | Cash dividen d | Stock dividen d | Cash dividen d | Stock dividen d | | | | |
| General Manager | Tang, Ming | 1,251 | 1,251 | 69 | 69 | 0 | 0 | 0 | 0 | 0 | 0 | 1,310 (21.08)% | 1,310 (21.08)% | None | |
| Deputy General Manager | Tseng, Chi-Feng | 700 | 700 | 44 | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 744 (11.97)% | 744 (11.97)% | None | |

(Note 1) The term "Top Five Highest-Paid Executive Officers" refers to the company's managerial officers. The definition of "managerial officer" follows the scope provided in the former Securities and Futures Commission of the Ministry of Finance Letter No. 0920001301 dated March 27, 2003. The determination of the "Top Five Highest-Paid" is based on the total amount (A+B+C+D) of salaries, retirement pensions, bonuses, special expense allowances, and employee compensation received by managerial officers from all companies included in the consolidated financial statements. After sorting the total amounts, the top five are listed. If a director concurrently serves as a managerial officer, the information must be disclosed in both this table and the table mentioned above.

(Note 2) This refers to the salaries, position allowances, and retirement payments of the top five highest-paid executive officers for the most recent fiscal year.

(Note 3) Actual retirement payments for the most recent fiscal year (2024): For directors, supervisors, general managers, and deputy general managers who actually retired during the year, the actual retirement payment was NT\$0 thousand.

Retirement pension provisions expensed for the most recent fiscal year (2024):

A. New Labor Pension System: Contributions at 6% of monthly salary to the Bureau of Labor Insurance amounted to NT\$113 thousand.

B. Old Labor Standards Act System: Contributions at about 2% of the total monthly salary deposited into a supervisory committee account at Taiwan Bank: NT\$0.

C. Additionally, if there are any other pension or retirement payments for appointed managers not covered by either system, they must be disclosed: NT\$0.

(Note 4) This refers to the various bonuses, awards, transportation fees, special expense allowances, subsidies, dormitories, cars, and other benefits provided to the top five highest-paid executive officers in the most recent fiscal year. It includes the nature and cost of assets provided (such as houses, cars, and other personal-use assets), the fair rental value, fuel costs, and other reimbursements. If a driver is assigned, the related salary should be disclosed separately but not included in remuneration. Salary expenses recognized under IFRS 2 "Share-based Payment," including stock options, restricted employee shares, and employee participation in cash capital increases, must also be included.

(Note 5) This refers to the employee compensation (in cash or stock) allocated to the top five highest-paid executive officers in the most recent fiscal year as approved by the Board of Directors. If not estimable, the distribution should be calculated based on the previous year's actual allocation ratio. Appendix 1-3 should also be completed.

(Note 6) The total amount of remuneration received from all companies included in the consolidated financial statements (including the parent company) by the top five highest-paid executive officers must be disclosed.

(Note 7) After-tax net income refers to the net income after tax stated in the entity's or individual's financial report for the most recent fiscal year.

(Note 8) a. The company must disclose any remuneration received by its top five highest-paid executive officers from investment businesses (other than subsidiaries) or parent companies (if none, state "None"). b. Remuneration refers to the payments received from serving as directors, supervisors, or managerial officers at investment businesses or parent companies, including remuneration, employee compensation, director/supervisor compensation, and operating expenses.

*Note: The remuneration disclosed in this table differs from the concept of income under the Income Tax Act. This table is solely for information disclosure purposes and not for taxation purposes.

D. Name of managers distributing remunerations to employees and the distribution of remunerations

Unit: NT\$ thousands
December 31, 2024

| | Title | Name | Stock dividend | Cash dividend (Note 1) | Total | Proportion to Earnings After Tax (%) |
|----------|---|-----------------|----------------|---------------------------|-------|--|
| Managers | General Manager | Tang, Ming | None | None | None | None |
| | Deputy General Manager | Tseng, Chi-Feng | | | | |
| | Chief financial officer /Operation Management Manager | Wang, Ya-Hui | | | | |

Note 1: The Company's employee compensation distribution plan was approved by the Board of Directors on March 6, 2025, with no earnings distribution or allocation.

E. The following section illustrates the ratios of remuneration paid to directors, supervisors, general managers and Deputy General Managers of the Company and the companies in the consolidated financial statements in the last two years, to net income. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance and the risk in future are also illustrated in this section.

1. Analysis on the ratios of remuneration paid to directors, general managers and Deputy General Managers of the Company and the companies in the consolidated financial statements to net income in the financial statements in the last two years:

| Item | Year | 2024 | | 2023 | |
|--|------|-------------|---|-------------|---|
| | | The Company | All companies included into the financial statement | The Company | All companies included into the financial statement |
| Director | | | (48.76)% | | |
| General Manager and Deputy General Manager | | | (31.40)% | (8.244) % | (8.244%) |

The remuneration for directors and supervisors is issued in accordance with legal regulations and the Company's dividend policy. After the end of each fiscal year, the Board of Directors considers the Company's profitability and future business needs, formulates a distribution proposal, and submits it to the shareholders' meeting for approval before implementation. Additionally, the salaries of the General Manager and Deputy General Manager are determined based on the Company's salary standards and relevant internal control procedures and regulations. This portion is not directly linked to business performance.

2. The policies, standards, combinations, procedure of decision-making of remunerations and their relation to business performance and future risk.

- (1) The remuneration of directors of the company includes business execution fees and managers' remuneration. Business execution fees are paid in accordance with industry standards and the actual situation of attendance at the board of directors. The remuneration of directors shall be distributed in accordance with the article 29-1 of Incorporation, based on the profit status of the year and not exceed more than 5%. And there is no other remuneration.
- (2) The general manager's and vice general manager's remunerations are divided into salary, awards, and employee compensation; which are based on the company's relevant regulations and the salary level of the position in the same industry market, the scope of the position's responsibility within the company and its contribution to the company's operating goals. In addition, to refer to the company's overall operating performance, industry's future business risks and development trends, and also the individual's performance achievement rate and contribution to the company's. Employee compensation is based on the percentage of the current year's profitability, 1-10% is distributed by the resolution of the board of directors, and the relevant performance evaluation and the rationality of remuneration are reviewed by the remuneration committee and the board of directors.
- (3) The amount of remuneration is positively related to the performance of the operation and based on the assessment of future environmental changes and operational risks.

(3) IMPLEMENTATION OF CORPORATE GOVERNANCE

I. Board of Directors

During the most recent period from January 1, 2024 to March 31, 2025, the Board of Directors convened 11 meetings. The attendance of directors is as follows:

| Title | Name | Actual attendance | By proxy | Actual attendance rate (%) | Remarks |
|----------------------|--|-------------------|----------|----------------------------|-------------------------------------|
| Director | Zhaotian International Investment Co., Ltd. Representative: Tang, Cheng | 8 | 0 | 100% | Assumed office on February 29, 2024 |
| Director | Huitianxia Investment Co., Ltd. Representative: Tang, Rong-Hua | 8 | 0 | 100% | Assumed office on February 29, 2024 |
| Director | Zhaotian International Investment Co., Ltd. Representative: Lin, Su-Hsing | 8 | 0 | 100% | Assumed office on February 29, 2024 |
| Director | Huitianxia Investment Co., Ltd. Representative: Tseng, Chi-Feng | 8 | 0 | 100% | Assumed office on February 29, 2024 |
| Director | Xuanfeng International Investment Co., Ltd. Representative: Han, Yu-Sheng | 8 | 0 | 100% | Assumed office on February 29, 2024 |
| Director | Xuanfeng International Investment Co., Ltd. Representative: Shih, Yu-Lun | 7 | 0 | 88% | Assumed office on February 29, 2024 |
| Independent Director | Lin, Yao-Wen | 8 | 0 | 100% | Assumed office on February 29, 2024 |
| Independent Director | Lee, Meng-Hsiu | 8 | 0 | 100% | Assumed office on February 29, 2024 |
| Independent Director | Chen, Chia-Wei | 8 | 0 | 100% | Assumed office on February 29, 2024 |
| Director | Yang, Teng-Hsiung | 3 | 0 | 100% | Dismissed on February 29, 2024 |
| Director | Yang, Kuo-Hua | 3 | 0 | 100% | Dismissed on February 29, 2024 |
| Director | Chiang, Kuo-Jui | 3 | 0 | 100% | Dismissed on February 29, 2024 |
| Director | Huang, Ching-Chia | 2 | 0 | 67% | Dismissed on February 29, 2024 |

| | | | | | |
|----------------------|---|---|---|------|--------------------------------|
| Director | Director Fude Investment Co., Ltd. Representative: Yu, Wen-Wen | 1 | 0 | 33% | Dismissed on February 29, 2024 |
| Director | Director YAW-TONE TRADING COMPANY. Representative: Liu, Chiao-Ling | 2 | 0 | 67% | Dismissed on February 29, 2024 |
| Independent Director | Chuang, Pi-Hua | 2 | 0 | 67% | Dismissed on February 29, 2024 |
| Independent Director | Li, Li-Tse | 2 | 0 | 67% | Dismissed on February 29, 2024 |
| Independent Director | Huang, Lien-Sheng | 3 | 0 | 100% | Dismissed on February 29, 2024 |

Other mentionable items:

1. If there are circumstances as follows, the date on which the meetings, sessions, contents of motion, all independent director's opinions and the company's responses should be specified:
 - (1) Matters specified in Article 14-3 of the Securities and Exchange Act: Refer to the table.
 - (2) Except for the above-mentioned matters, other directors' meeting resolutions opposed or reserved by independent directors with records or written statements: None.

| Term and Date | Important Resolutions of the Board | Matters Listed in Article 14-3 of the Securities and Exchange Act | Independent Directors' Dissenting or Reserved Opinions | Company's Handling of Independent Directors' Opinions | Resolution |
|---|---|---|--|---|-----------------------------------|
| 2024/01/09 8th Term, 15th Meeting | 1. Complete re-election of the Company's directors (including independent directors). | V | None | Not applicable | Approved by all directors present |
| | 2. Set the period and location for accepting shareholder nominations. | | None | Not applicable | |
| | 3. Matters related to convening the 1st extraordinary shareholders' meeting in 2024. | | None | Not applicable | |
| 2024/02/02 8th Term, 16th Meeting | 1. Discuss the list of director (including independent director) candidates. | V | None | Not applicable | Approved by all directors present |
| | 2. Proposal to lift the non-competition restrictions for directors. | V | None | Not applicable | |
| | 3. Establish general principles for the Company's non-assurance services policy. | V | None | Not applicable | |
| | 4. Determine 2023 year-end | V | None | Not applicable | |

| | | | | | |
|---|---|---|------|----------------|-----------------------------------|
| | bonus payments for Chairman/General Manager and consultants. | | | | |
| 2024/02/02 8th Term, 17th Meeting | 1. Follow-up plan for handling the land owned by the National Property Administration. | | None | Not applicable | Approved by all directors present |
| | 2. Follow-up operational policy for the Company. | V | None | Not applicable | |
| 2024/2/26 9th Term, 1st Meeting | 1. Chairman re-election. | V | None | Not applicable | Approved by all directors present |
| | 2. Appointment of Chairman as General Manager. | V | None | Not applicable | |
| | 3. Election of Audit Committee members. | V | None | Not applicable | |
| | 4. Election of Compensation Committee members. | V | None | Not applicable | |
| | 5. Change of the Company's spokesperson. | V | None | Not applicable | |
| 2024/3/14 9th Term, 2nd Meeting | 1. Approval of the 2023 Business Report and Financial Statements. | V | None | Not applicable | Approved by all directors present |
| | 2. 2023 earnings distribution proposal. | V | None | Not applicable | |
| | 3. 2023 "Internal Control Effectiveness Assessment" and "Internal Control System Declaration". | V | None | Not applicable | |
| | 4. The Company has already placed 22,000 thousand common shares, with a balance of 23,000 thousand shares. The Company will no longer proceed with the private placement. | V | None | Not applicable | |
| | 5. Matters related to convening the 2024 Annual Shareholders' Meeting. | | None | Not applicable | |
| | 6. Set the period and location for accepting shareholder nominations. | | None | Not applicable | |
| | 7. Evaluation of the independence and suitability of the signing CPA based on Audit Quality Indicators (AQIs). | V | None | Not applicable | |
| | 8. Amendment of the "Articles of Incorporation". | V | None | Not applicable | |
| | 9. Proposal to change the stock affairs agent. | V | None | Not applicable | |
| | 10. Appointment of the CPA for 2024. | V | None | Not applicable | |
| | 11. Report on significant subsidiary losses reaching half of paid-in capital. | V | None | Not applicable | |
| | 12. Appointment of directors for subsidiary Fu Tai Textile | V | None | Not applicable | |

| | | | | | |
|---------------------------------------|--|---|------|----------------|--|
| | Co., Ltd. | | | | |
| 2024/4/25 9th Term, 3rd Meeting | 1. Change of the Company's Chief Accounting Officer. | V | None | Not applicable | Approved by all directors present |
| | 2. Change of the Company's Corporate Governance Officer. | V | None | Not applicable | |
| | 3. Change of the Company's Chief Internal Auditor. | V | None | Not applicable | |
| | 4. Change of the Company's business address. | V | None | Not applicable | |
| | 5. Change of the Company's name. | V | None | Not applicable | |
| | 6. Amendment to the "Procedures for Acquisition or Disposal of Assets". | V | None | Not applicable | |
| | 7. Amendment to the "Procedures for Lending Funds to Others". | V | None | Not applicable | |
| | 8. Amendment to the "Procedures for Endorsements and Guarantees". | V | None | Not applicable | |
| | 9. Amendments to the "Rules of Procedure for Board of Directors Meetings" and "Rules of Procedure for Shareholders' Meetings". | V | None | Not applicable | |
| | 10. Amendments to the "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct". | V | None | Not applicable | |
| | 11. Establishment of the "Integrity Management Guidelines". | V | None | Not applicable | |
| | 12. Establishment of the "Sustainable Development Best Practice Principles". | V | None | Not applicable | |
| | 13. Amendment of the "Authority Approval Table". | V | None | Not applicable | |
| | 14. Update of matters related to the 2024 Annual Shareholders' Meeting. | | None | Not applicable | |
| 2024/5/7 9th Term, 4th Meeting | 1. Approval of the Company's 2024 Q1 Consolidated Financial Statements. | V | None | Not applicable | Approved by all directors present |
| | 2. Proposal to change the CPA firm and evaluate the independence and suitability of the new CPA. | V | None | Not applicable | |
| 2024/8/9 9th Term, 5th Meeting | 1. Proposal to apply for a loan facility with Sunny Bank. | | None | Not applicable | Approved by all directors present |
| | 2. Matters regarding the reissuance of shares following the Company's name change. | V | None | Not applicable | |
| | 3. Change of the Company's | V | None | Not applicable | |

| | | | | | |
|-------------------------------------|--|---|------|----------------|-----------------------------------|
| | Chief Accounting Officer. | | | | |
| | 4. Approval of the Company's 2024 Q2 Consolidated Financial Statements. | V | None | Not applicable | |
| 2024/11/7 9th Term, 6th Meeting | 1. Approval of the Company's 2024 Q3 Consolidated Financial Statements. | V | None | Not applicable | Approved by all directors present |
| | 2. Establishment of "Sustainability Information Management", "Sustainability Information Management Procedures", and "Sustainability Report Compilation and Assurance Procedures". | V | None | Not applicable | |
| | 3. Establishment of the Sustainability Development Committee and adoption of the "Sustainability Development Committee Organizational Rules". | V | None | Not applicable | |
| | 4. Selection of the first-term members of the Sustainability Development Committee. | V | None | Not applicable | |
| | 5. Planned to sign a joint construction project with its related party, Junhe Construction Co., Ltd., for "Plot Nos. 1, 1-1, 1-2, 1-3, 1-4, 1-5, 1-6, 1-7, 1-60, 1-61, etc., Cuiping 2nd sector., Nanzi Dist., Kaohsiung City ." | | None | Not applicable | |
| 2024/12/25 9th Term, 7th Meeting | 1. Approval of the Company's 2025 Internal Audit Annual Plan. | V | None | Not applicable | Approved by all directors present |
| | 2. Amendment to the "Articles of Incorporation". | V | None | Not applicable | |
| | 3. Planning progress report for the 2024 Sustainability Report. | | None | Not applicable | |
| 2025/3/6 9th Term, 8th Meeting | 1. Approval of the Company's 2024 Business Report and Financial Statements. | V | None | Not applicable | Approved by all directors present |
| | 2. Approval of the 2024 Earnings Distribution Proposal. | V | None | Not applicable | |
| | 3. 2024 "Internal Control Effectiveness Assessment" and "Internal Control System Declaration". | V | None | Not applicable | |
| | 4. Report on the use of private placement funds. | V | None | Not applicable | |
| | 5. Set the date, venue, agenda, and related matters for the 2025 Annual Shareholders' Meeting. | | None | Not applicable | |

| | | | | | |
|--|--|---|------|----------------|--|
| | 6. Set the period and location for accepting shareholder proposals and nominations under Article 172-1 of the Company Act. | | None | Not applicable | |
| | 7. Evaluation of the independence and suitability of the signing CPA based on Audit Quality Indicators (AQIs). | V | None | Not applicable | |
| | 8. Report on significant subsidiary losses reaching half of paid-in capital. | V | None | Not applicable | |
| | 9. Change of the Company's Chief Internal Auditor. | V | None | Not applicable | |
| | 10. Change of the Company's Chief Accounting Officer. | V | None | Not applicable | |

II. Implementation Status of Directors' Recusal on Conflict of Interest Matters

The directors' names, the content of the proposals, and their voting participation shall be disclosed:

| Board Meeting Date | Term | Director Name, Proposal Content, and Voting Participation |
|--------------------|------------------------------|---|
| 2024/2/2 | 8th Term, 16th Meeting | <p>1. Director Name: Yang, Teng-Hsiung (Dismissed on 2024/02/29)</p> <p>2. Proposal Content: Distribution amount of 2023 year-end bonus for the Chairman, General Manager, and Consultants.</p> <p>3. Recusal on Conflict of Interest Matters : Served as the Company's Chairman in 2023.</p> <p>4. Voting Participation : Recused according to the law and did not participate in the discussion or voting regarding his own year-end bonus.</p> |

III. The board of directors' evaluation :

| Evaluation cycle | Period of Evaluation | Evaluation Range | Evaluation Method | Content of evaluation |
|------------------|--|---|-------------------------------|---|
| Annually | 2024/2/29 - 2024/12/31 (Note) | Board of Directors Individual members of the board Functional committee | Self-assessment questionnaire | The Self-assessment questionnaire covers five major aspects: participation in the company's operations, improvement of the quality of board decisions, board composition and structure, board selection and continuing education, and internal control, with a total of 45 evaluation indicators. |

| | | | | |
|--|--|--|-------------------------------|--|
| | | | Self-assessment questionnaire | The Self-assessment questionnaire covers six major aspects: understanding of company goals and missions, awareness of directors' duties, participation in company operations, internal relationship management and communication, directors' professionalism and continuing education, and internal control, with a total of 23 evaluation indicators. |
| | | | Self-assessment questionnaire | The Self-assessment questionnaire covers five major aspects: participation in company operations, improvement of the quality of committee decisions, awareness of committee duties, committee composition and member selection, and internal control, with a total of 26 evaluation indicators. |

Note: Directors were re-elected on February 29, 2024.

IV. Assessment of the goals and execution status of enhancing the functions of the Board of Directors in the current and recent years (such as establishing an audit committee, improving information transparency, etc.):

To enhance the comprehensiveness of the Board of Directors and corporate governance operations, the Company established the Compensation Committee on December 21, 2011, and the Audit Committee on August 6, 2020. On February 29, 2024, the Company re-elected all directors. To fulfill corporate social responsibility and promote economic, environmental, and social progress for sustainable development, the Company established the Sustainability Development Committee on November 7, 2024. In addition, the Board of Directors approved the "Rules for Performance Evaluation of the Board of Directors" on August 6, 2020. Evaluations are conducted according to the regulations and reported to the Board of Directors for review and improvement. The evaluation report for 2024 has been filed within the first quarter of 2025.

II. Operation of the Audit Committee

The Audit Committee convened 8 meetings from January 1, 2024 to March 31, 2025. The attendance of independent directors is as follows:

| Position | Name | Number of attendance in person | Number of proxy attendance | Actual attendance rate (%) | Notes |
|----------|------|--------------------------------|----------------------------|----------------------------|-------|
| | | | | | |

| | | | | | |
|----------------------|-------------------|---|---|------|-------------------------------------|
| Independent director | Lin, Yao-Wen | 7 | 0 | 100% | Assumed office on February 29, 2024 |
| Independent director | Lee, Meng-Hsiu | 7 | 0 | 100% | Assumed office on February 29, 2024 |
| Independent director | Chen, Chia-Wei | 7 | 0 | 100% | Assumed office on February 29, 2024 |
| Independent director | Chuang, Pi-Hua | 1 | 0 | 100% | Dismissed on February 29, 2024 |
| Independent director | Li, Li-Tse | 1 | 0 | 100% | Dismissed on February 29, 2024 |
| Independent director | Huang, Lien-Sheng | 1 | 0 | 100% | Dismissed on February 29, 2024 |

Other mandatory disclosures:

1. If the Audit Committee's operation has any of the following circumstances, state the date of the meeting, the session number, the contents of the motion, independent directors' objections or reservations or the contents of their major suggestions, the Audit Committee's resolution and the Company's response to the Audit Committee's opinion.
 - (I) Circumstances listed in Article 14-5 of the Securities and Exchange Act: As the table
 - (II) Other than the aforementioned matters, matters not approved by the Audit Committee but approved by two-thirds or more of all the directors: None

| Term and Date | Important Resolutions of the Board | Matters Listed in Article 14-5 of the Securities and Exchange Act | Independent Directors' Dissenting or Reserved Opinions | Company's Handling of Audit Committee Members' Opinions | Resolution |
|------------------------------------|--|---|--|--|---|
| 2024/2/2 1st Term, 13th Meeting | 1. Establish general principles for the Company's non-assurance services policy. | V | None | Submit to the Board of Directors for Review and Resolution | Approved by All Attending Committee Members |
| 2024/3/14 | 1. Approval of the 2023 Business | V | None | Submit to | Approved |

| | | | | | |
|------------------------------------|--|---|------|--|---|
| 2nd Term, 1st Meeting | Report and Financial Statements. | | | the Board of Directors for Review and Resolution | by All Attending Committee Members |
| | 2. 2023 earnings distribution proposal. | V | None | | |
| | 3. 2023 "Internal Control Effectiveness Assessment" and "Internal Control System Declaration". | V | None | | |
| | 4. Proposal to Pre-Approve the Company's 2024 Non-Assurance Services and Conduct an Independence Assessment. | V | None | | |
| | 5. Evaluation of the independence and suitability of the signing CPA based on Audit Quality Indicators (AQIs). | V | None | | |
| | 6. Amendment of the "Articles of Incorporation". | V | None | | |
| | 7. Appointment of the CPA for 2024. | V | None | | |
| | 8. Report on significant subsidiary losses reaching half of paid-in capital. | V | None | | |
| 2024/4/25 2nd Term, 2nd Meeting | 1. Change of the Company's Chief Accounting Officer. | V | None | Submit to the Board of Directors for Review and Resolution | Approved by All Attending Committee Members |
| | 2. Change of the Company's Corporate Governance Officer. | V | None | | |
| | 3. Change of the Company's Chief Internal Auditor. | V | None | | |
| | 4. Change of the Company's business address. | V | None | | |
| | 5. Change of the Company's name. | V | None | | |
| | 6. Amendment to the "Procedures for Acquisition or Disposal of Assets". | V | None | | |
| | 7. Amendment to the "Procedures for Lending Funds to Others". | V | None | | |
| | 8. Amendment to the "Procedures for Endorsements and Guarantees". | V | None | | |
| | 9. Amendments to the "Rules of Procedure for Board of Directors Meetings" and "Rules of Procedure for Shareholders' Meetings". | V | None | | |
| | 10. Amendments to the "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct". | V | None | | |
| | 11. Amendment of the "Authority Approval Table". | V | None | | |
| 2024/5/7 2nd Term, 3rd Meeting | 1. Approval of the Company's 2024 Q1 Consolidated Financial Statements. | V | None | Submit to the Board of Directors for Review and Resolution | Approved by All Attending Committee Members |
| | 2. Proposal to change the CPA firm and evaluate the independence and suitability of the new CPA. | V | None | | |
| 2024/8/9 2nd Term, 4th Meeting | 1. Proposal to apply for a loan facility with Sunny Bank. | | None | Submit to the Board of Directors | Approved by All Attending Committee |
| | 2. Matters regarding the reissuance of shares following the Company's | V | None | | |

| | name change. 3. Change of the Company's Chief Accounting Officer. 4. Approval of the Company's 2024 Q2 Consolidated Financial Statements. | | | for Review and Resolution | Members |
|------------------------------------|---|---------------------------------|--|--|---|
| 2024/11/7 2nd Term, 5th Meeting | 1. Approval of the Company's 2024 Q3 Consolidated Financial Statements. 2. Establishment of "Sustainability Information Management", "Sustainability Information Management Procedures", and "Sustainability Report Compilation and Assurance Procedures". 3. Establishment of the Sustainability Development Committee and adoption of the "Sustainability Development Committee Organizational Rules". 4. Selection of the first-term members of the Sustainability Development Committee. 5. Planned to sign a joint construction project with its related party, Junhe Construction Co., Ltd., for "Plot Nos. 1, 1-1, 1-2, 1-3, 1-4, 1-5, 1-6, 1-7, 1-60, 1-61, etc., Cuiping 2nd sector., Nanzi Dist., Kaohsiung City ." | V V V V V | None None None None None | | |
| | 1. Approval of the Company's 2025 Internal Audit Annual Plan. 2. Amendment to the "Articles of Incorporation". 3. Planning progress report for the 2024 Sustainability Report. | V V V | None None None | Submit to the Board of Directors for Review and Resolution | Approved by All Attending Committee Members |
| | 1. Approval of the Company's 2024 Business Report and Financial Statements. 2. Approval of the 2024 Earnings Distribution Proposal. 3. 2024 "Internal Control Effectiveness Assessment" and "Internal Control System Declaration". 4. Report on the use of private placement funds. 5. Set the date, venue, agenda, and related matters for the 2025 Annual Shareholders' Meeting. 6. Set the period and location for accepting shareholder proposals and nominations under Article 172-1 of the Company Act. 7. Evaluation of the independence and suitability of the signing CPA | V V V V V V V | None None None None None None None | | |
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|-----|---|---|------|--|--|
| | based on Audit Quality Indicators (AQIs). | | | | |
| 8. | Report on significant subsidiary losses reaching half of paid-in capital. | V | None | | |
| 9. | Change of the Company's Chief Internal Auditor. | V | None | | |
| 10. | Change of the Company's Chief Accounting Officer. | V | None | | |

2. Implementation of Recusal by Independent Directors on Conflict of Interest Proposals: None.
3. Communication between Independent Directors and Internal Audit Officer and CPA:
 - a. Communication with Internal Audit Officer

The Internal Audit Officer submits audit reports to the Independent Directors on a monthly basis for review, explaining the execution of internal audits. The Independent Directors may request additional information and require further explanations as needed.
 - b. Communication with CPA
 - i. Communication channels between the Independent Directors and the CPA are smooth. They regularly exchange opinions regarding the Company's financial and business conditions, maintain good interaction, and fully discuss the impact of regulatory amendments on the financial statements
 - ii. Communication details between the Independent Directors and the CPA are as follows:

| Meeting Date | Proposal Content | Independent Directors' Opinion | Handling of Independent Directors' Opinion |
|-------------------------------|--|--------------------------------|--|
| 2024.03.14 Audit Committee | 2023 Consolidated Financial Statements and Individual Financial Statements | None | Not Applicable |
| 2024.05.07 Audit Committee | 2024 Q1 Consolidated Financial Statements | None | Not Applicable |
| 2024.08.09 Audit Committee | 2024 Q2 Consolidated Financial Statements | None | Not Applicable |
| 2024.11.07 Audit Committee | 2024 Q3 Consolidated Financial Statements | None | Not Applicable |
| 2025.03.06 Audit Committee | 2024 Consolidated Financial Statements and Individual Financial Statements | None | Not Applicable |

III. The operation status of corporate governance, differences from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons.

| Assess criteria | Implementation Status | | | Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies |
|---|-----------------------|----|---|---|
| | Ye s | No | Summary | |
| 1. Does the Company follow the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" to establish and disclose its corporate governance practices? | V | | The Company approved the establishment of the "Corporate Governance Best Practice Principles" at the Board of Directors meeting on March 25, 2014, and the proposal was subsequently approved at the shareholders' meeting on June 26, 2014. Implementation began thereafter, with disclosure made on the MOPS and the Company's website. | No significant difference |
| 2. Shareholding structure and shareholders' equity | | | | |
| (1) Does the Company have internal operating procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, has these procedures been implemented accordingly? | V | | (1) In addition to entrusting a professional stock affairs agency to handle stock-related matters, the Company has also appointed spokespersons, deputy spokespersons, and stock affairs personnel to effectively handle shareholder suggestions or disputes. Legal advisors are consulted when necessary. | No significant difference |
| (2) Does the Company have a list of the major shareholders who actually control the Company and those who ultimately have control over the major shareholders? | V | | (2) The Company has designated stock affairs personnel and is assisted by the stock affairs agency "Transfer Agency Department of SinoPac Securities Corporation" to effectively manage the list of major shareholders. | No significant difference |
| (3) Has the Company built and executed a risk management system and "firewall" between the Company and its affiliates? | V | | (3) The Company's transactions with related parties are conducted in accordance with relevant laws and regulations as well as the Company's internal control system. | No significant difference |
| (4) Has the Company formulated internal regulations to prevent insiders from trading securities using undisclosed information on the market? | V | | (4) The Company has established the "Insider Trading Prevention Management Rules" and the "Procedures for Handling Internal Material Information," | No significant difference |

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| | | | which prohibit relevant personnel and insiders from trading securities using non-public information, and actively promote these rules. | |
| 3. Composition and responsibilities of the Board of Directors | V | (1) The Company's Articles of Incorporation specify the composition of the Board of Directors (7 to 9 directors, with independent directors accounting for no less than one-third of the board seats), and adopts a candidate nomination system by name. The "Rules for Election of Directors" are also established to ensure the diversity and independence of board members. The Company has set up 9 board seats according to its operational scale and development needs, with 3 seats reserved for independent directors, accounting for 33.33%. None of the independent directors have served more than three terms. To promote gender equality in the board composition, the current proportion of female directors is 11.11%. Starting from 2025, listed companies must have at least one-third of board seats occupied by either gender, and the Company plans to increase the proportion of female directors to 33.33% upon the expiration of the current term. | No significant difference | |
| (1) Has the Board of Directors formulated diversification policies and specific management objectives and implemented them? | V | (2) In addition to the Remuneration Committee and Audit Committee, the Company established the Sustainability Development Committee in 2024. | No significant difference | |
| (2) Other than the Compensation Committee and the Audit Committee which are required by law, does the Company set up other functional committees? | V | (3) The Board of Directors approved the "Board Performance Evaluation Procedures" on August 6, 2020, | No significant | |
| (3) Does the Company establish a methodology for evaluating the | | | | |

| | | | |
|---|---|---|--|
| <p>performance of its board of directors, implemented it on an annual basis, and submit the evaluation result to the Board of Directors and use it as a reference for individual director's remuneration and nomination for reappointment?</p> <p>(4) Does the Company regularly evaluate the CPAs' independence?</p> | | <p>which stipulate that the Board, individual directors, and functional committees must conduct at least one performance evaluation annually. The evaluations are conducted through self-assessment questionnaires, and the results are compiled and reported to the Board of Directors. The overall evaluation results serve as a reference for the selection or nomination of directors (including independent directors) and may also be considered for determining individual directors' remuneration in the future.</p> <p>(4) The Company regularly reviews the independence of the certifying CPA each year. Except for audit engagements, there are no other business dealings or relationships that violate independence. The evaluation results are reported to the Board of Directors.(Note 1)</p> | <p>difference</p> <p>No significant difference</p> |
| <p>4. Has the TWSE/TPEX listed company allocated an adequate number of competent corporate governance staff and appointed a corporate governance officer to oversee corporate governance affairs (including but not limited to providing directors/supervisors with the information needed to perform their duties, assisting directors/supervisors with compliance issues, the convention of Board of Directors and shareholder meetings, and preparation of board/shareholder meeting minutes)?</p> | V | <p>In 2024, the Company appointed the Manager of the Finance and Accounting Department , and the Stock Affairs Office of the Management Department ,and as the Corporate Governance Officer, with the Finance and Accounting Department responsible for handling matters related to corporate governance.</p> | <p>No significant difference</p> |
| <p>5. Does the Company establish a means of communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders' concerns on corporate social responsibilities?</p> | V | <p>The Company has designated a spokesperson, a deputy spokesperson, and stock affairs personnel. Their contact phone numbers and dedicated email addresses have been disclosed on the Company's website, along with a stakeholder section. Stakeholders can access the "Corporate Governance" section of the Company's website and the MOPS to obtain relevant information about the Company. In addition, dedicated departments are responsible for communication and</p> | <p>No significant difference</p> |

| | | | | |
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| | | | coordination with banks, customers, suppliers, and employees. | |
| 6. Does the Company engage a share transfer agency to handle shareholder meeting affairs? | V | | The Company has appointed the "Transfer Agency Department of SinoPac Securities Corporation" to assist in handling shareholder meeting affairs. | No significant difference |
| 7. Information disclosure (1) Has the Company set up a website to disclose finance and business matters and corporate governance information? | V | | (1) The Company has established an official website to disclose relevant information and, in accordance with the regulations of the competent authority, uploads financial, business, and internal control information to the Market Observation Post System (MOPS). (Website: https://j-d.com.tw/) | No significant difference |
| (2) Does the Company use other information disclosure channels (e.g. setting up an English-language website, designating staff to handle information collection and disclosure, implementing the spokesman system, webcasting briefings to corporate investors, etc.)? | V | | (2) The Company has assigned dedicated personnel responsible for information collection and disclosure, established a Chinese-language and a English-language website, and implemented a spokesperson system as required, also providing information regarding investor conferences. | No significant difference |
| (3) (Does the Company publish and make the official filing of the annual financial report within two months after the end of each accounting period, and announce and file Q1, Q2 and, Q3 financial reports along with monthly business performance before the designated due dates? | V | | (3) In compliance with the Securities and Exchange Act, the Company has publicly announced and reported the following to the competent authority: i. Within 75 days after the end of each fiscal year, the Company announces and reports its annual financial statements, which are signed or sealed by the chairman, managers, and accounting officer, audited by certified public accountants, approved by the Audit Committee, and submitted to the Board of Directors. ii. Within 45 days after the end of the first, second, and third quarters of each fiscal year, the Company announces and reports its quarterly financial | The Company has duly complied with relevant laws and regulations, submitting reports within the deadlines prescribed by the Taiwan Stock Exchange. Currently, the Company has no plans to announce and report its first, second, and third quarter financial |

| | | | | | |
|---|---|--|--|--|---|
| | | | | statements, signed or sealed by the chairman, managers, and accounting officer, reviewed by certified public accountants, approved by the Audit Committee, and submitted to the Board of Directors. | reports, as well as monthly operating results, ahead of the required deadlines. |
| 8. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements, implementation of customer policy, and liability insurance for directors and supervisors)? | V | | | <p>iii. By the 10th of each month, the Company announces and reports the operating status for the previous month.</p> <p>1. Employee Rights: The Company has always treated employees with integrity and safeguarded their legal rights in accordance with the Labor Standards Act.</p> <p>2. Employee Care: The Company establishes a trusting and supportive relationship and an Employee Welfare Committee responsible for managing various employee benefits with employees through a stable welfare system and comprehensive training programs, such as holiday bonuses, year-end bonuses, company dinners, and travel activities.</p> <p>3. Investor Relations: The Company has designated personnel to handle shareholder suggestions and inquiries.</p> <p>4. Supplier Relations: The Company values sustainability issues and has established a supplier management policy, maintaining good relationships with suppliers.</p> <p>5. Rights of Stakeholders: Stakeholders may communicate with the Company and provide suggestions to protect their legitimate rights and interests.</p> <p>6. Director Training: In 2024, all nine directors participated in continuing education programs. The participated in continuing education programs have uploads to the Market Observation Post System (MOPS). (Website: https://j-d.com.tw/)</p> <p>7. Implementation of Risk</p> | No significant difference |

| | | | | |
|----|--|--|---|--|
| | | | <p>Management Policies and Risk Measurement Standards: The Company has established various internal regulations in accordance with the law to conduct risk management and assessments.</p> <p>8. Implementation of Customer Policies: The Company maintains stable and positive relationships with customers to enhance profitability.</p> <p>9. Directors' Liability Insurance: The Company renewed its directors' liability insurance in June 2024.</p> | |
| 9. | | | <p>Please explain what has been improved on the results of the corporate governance evaluation issued by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year, and the proposals of priority enhancements and measures for those that have not yet improved.</p> <p>Based on the results of the 11th Corporate Governance Review in fiscal 2024, the following priority areas and measures are proposed for companies that have not yet improved:</p> | |

| Question number | Indicators items | Specific improvement measures |
|-----------------|---|--|
| 2.17 | Does the company's board of directors regularly (at least once a year) assess the independence and suitability of the certified public accountants with reference to the Audit Quality Indicators (AQIs), and disclose the assessment procedures in detail in the annual report? | The Company has disclosed the assessment procedures for the independence and competence of the certifying accountants in its 2024 annual report. |
| 4.1 | Does the company have a dedicated (or part-time) unit to promote sustainable development? Does it conduct risk assessments on environmental, social or corporate governance issues related to the company's operations based on the principle of materiality? Does it formulate relevant risk management policies or strategies? Does the company have a board of directors to oversee the promotion of sustainable development and disclose it on the company's website and annual report? | The Company established a Sustainability Committee in 2024 and formulated risk management policies for company-related risk issues. |

Note 1:

J.D Development Co., LTD

2025 Year of the Republic of China Certified Public Accountant Independence and Competence Assessment Form

The Company has established the following independence and competency assessment for certified public accountants in accordance with Article 47 of the CPA Act and the Republic of China CPA Professional Ethics Bulletin No. 10 "Integrity, Fairness, Objectivity and Independence":

| | |
|--|--|
| Assessment Unit | Board of Directors (Audit Committee) |
| Assessment Year | 2025 Year |
| Assessment Date | 2025.02.24 |
| Rated appointed accounting firms and accountants | Crowe (TW) CPAs Li, Ching-Lin CPA , Tsai, Shu-Man CPA |

| Assessment items | Assessment results |
|--|---|
| 1. The CPA and his/her family members have no direct or significant indirect financial interest relationship with the Company. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 2. There is no significant or close business relationship between the certifying accountant and our company. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 3. There is no potential employment relationship between the certifying accountant and the company when auditing the company. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 4. The Certified Public Accountant and his/her family members have not had any monetary loan relationship with the Company. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 5. The certifying accountant has not accepted any gifts or gifts of significant value (the value of which exceeds the general social etiquette standards) from the company and its directors and managers. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 6. The Certified Public Accountant has not provided audit services to the Company for seven consecutive years. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 7. The certifying accountant does not hold any shares in the Company. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| The certifying accountant, his/her spouse or dependent relatives, and his/her audit team have not served as directors, managers, or positions with significant impact on the audit cases of the Company during the audit period or in the past two years, and are determined not to serve in the aforementioned related positions during future audit periods. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |

| | |
|--|---|
| 9. Whether the certifying accountant has complied with the independence requirements of the Bulletin of the Code of Professional Ethics for Accountants No. 10 and obtained the "Declaration of Independence" issued by the certifying accountant. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
|--|---|

Assessment results:

This year's financial statements were certified by CPAs Li, Ching-Lin and Tsai, Shu-Man from Crowe (TW) CPAs. After evaluation, it was found that the independence and suitability of the two accountants were in compliance with relevant regulations.

IV. Composition, responsibilities and operation of the Remuneration Committee

1. Information of Compensation Committee Members

| Identity | Name | Criteria | Professional qualifications and experience | Independence status | Number of positions as Compensation Committee member in other public companies |
|----------------------|----------------|----------|---|---|--|
| | | | | | |
| Independent director | Lin, Yao-Wen | | | | 1 |
| Independent director | Lee, Meng-Hsiu | | Please refer to page 6 for the relevant content | Please refer to page 8 for the relevant content | 3 |
| Independent director | Chen, Chia-Wei | | | | 0 |

2. Information on the operation status of the Compensation Committee

- (I) There are 3 members on the Compensation Committee of the Company.
- (II) Term of office of the current members: From February 29, 2024 to February 28, 2027. In the most recent year, January 1, 2024 to March 31, 2025, the Compensation Committee held 3 meetings (A) and the qualifications and attendance status of the members are as follows:

| Position | Name | Number of attendance in person | Number of proxy attendance | Actual attendance rate | Notes |
|----------|----------------|--------------------------------|----------------------------|------------------------|-------|
| Convener | Lin, Yao-Wen | 3 | 0 | 100 | |
| Member | Lee, Meng-Hsiu | 3 | 0 | 100 | |

| | | | | | |
|--|----------------|---|---|-----|--|
| Member | Chen, Chia-Wei | 3 | 0 | 100 | |
| Other Disclosures: | | | | | |
| <ol style="list-style-type: none"> If the Board of Directors does not adopt or revises the recommendations of the Compensation Committee, it shall specify the date and session of the Board meeting, the content of the proposal, the resolution result, and how the Company handled the Compensation Committee's opinion (if the remuneration approved by the Board is better than that recommended by the Compensation Committee, the differences and reasons shall be specified): None. If any member of the Compensation Committee expresses a dissenting or qualified opinion that is recorded or issued in writing regarding the resolutions of the Compensation Committee, the Company shall specify the date and session of the Compensation Committee meeting, the content of the proposal, all members' opinions, and how the Company handled the opinions: None. | | | | | |

(III) Meeting Details of the Committee in the Most Recent Year, Including Meeting Date, Agenda Items, Resolution Results, and the Company's Handling of the Committee's Opinions:

| Date | Proposal content and subsequent handling | The Company's handling of the opinions of the Compensation Committee | Results of Resolutions |
|--|--|--|--|
| 2024.03.14 1st meeting of the 6th Session | 1. Proposal to review the remuneration of the Company's directors and managerial officers. | Not Applicable | All Attending Members Unanimously Approved |
| | 2. Proposal to review the recommended total amount of directors' remuneration and employees' bonus for fiscal year 2023. | | |
| 2024.08.09 2nd meeting of the 6th Session | 1. Proposal to review the remuneration of the Company's directors and managerial officers. | Not Applicable | All Attending Members Unanimously Approved |
| 2025.03.06 3rd meeting of the 6th Session | 1. Proposal to review the remuneration of the Company's directors and managerial officers. | Not Applicable | All Attending Members Unanimously Approved |
| | 2. Proposal to review the recommended total amount of directors' remuneration and employees' bonus for fiscal year 2024. | Amended by the Responsible Department | All Attending Members Unanimously Approved After Amendment |

V. Information on the Members and Operation of the Sustainability Development Committee
The Company, in order to fulfill its corporate social responsibility and to promote progress in the economy, environment, and society to achieve the goal of sustainable development, established the Sustainability Development Committee on November 7, 2024, in accordance with the Company's Sustainability Development Committee Charter.

1. Information on the Members of the Sustainability Development Committee

| Identity | Criteria | Professional qualifications and experience | Independence status | Number of Other Public Companies in Which Members Concurrently Serve on the Sustainability Committee |
|----------------------|-----------------|--|---|--|
| | Name | | | |
| Independent director | Chen, Chia-Wei | Please refer to page 6 for the relevant content | Please refer to page 8 for the relevant content | 0 |
| Director | Tseng, Chi-Feng | | | 0 |
| General Manager | Tang, Ming | Please refer to page 10 for the relevant content | Not Applicable | 0 |

2. Information on the operation status of the Sustainability Development Committee

(I) There are 3 members on the Compensation Committee of the Company.

(II) Term of office of the current members : From November 7, 2024, to November 6, 2027. During the most recent period from January 1, 2024, to March 31, 2025, the Sustainability Committee held 1 meeting. The qualifications of the members and their attendance status are as follows: :

| Position | Name | Number of attendance in person | Number of proxy attendance | Actual attendance rate | Notes |
|----------|-----------------|--------------------------------|----------------------------|------------------------|-------|
| Convener | Chen, Chia-Wei | 1 | 0 | 100 | |
| Member | Tseng, Chi-Feng | 1 | 0 | 100 | |
| Member | Tang, Ming | 1 | 0 | 100 | |

(III) Meeting Details of the Committee in the Most Recent Year, Including Meeting Date, Agenda Items, Resolution Results, and the Company's Handling of the Committee's Opinions:

| Date | Proposal content and subsequent handling | The Company's handling of the opinions of the Sustainability Development Committee | Results of Resolutions |
|--|--|--|--|
| 2024.12.25 1st meeting of the 1st Session | Agenda Item: Planning for the Preparation of the Company's 2024 Sustainability Report. | Not Applicable | All Attending Members Unanimously Approved |

VI. Implementation of sustainable development, differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons

| Promotion items | Status of implementation | Deviation |
|-----------------|--------------------------|-----------|
|-----------------|--------------------------|-----------|

| | Yes | No | Summary | and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies |
|--|-----|----|---|--|
| 1. Has the Company established a governance structure to promote sustainable development and set up a dedicated (or one holding concurrent positions) unit to promote sustainable development, with the Board of Directors authorizing the senior management to manage the organization which is supervised by the Board of Directors? | V | | <p>The Company resolved to establish the Sustainability Development Committee through a board resolution on November 7, 2024. The committee members are appointed by the Board of Directors. Members must possess professional knowledge and expertise in corporate sustainability, and at least one director must participate in the supervision. The composition of the Committee can be found on page 39 of this annual report. The Stock Affairs Office of the Management Department serves as the Sustainability Report Preparation Team, and professional consulting institutions may be engaged as needed to assist the Company in confirming the scope of application of the latest regulations and relevant indicators.</p> <p>The responsibilities of the Committee include: formulating and revising the Company's sustainability-related policies and systems; tracking the implementation and effectiveness of sustainability initiatives; supervising the disclosure of sustainability information and reviewing the Sustainability Report; overseeing the operations related to the Sustainability Development Code and other sustainability-related tasks as resolved by the Board of Directors; and regularly reporting to the Board of Directors.</p> <p>The Board supervises the establishment and implementation of sustainability-related goals, regularly receives reports, and provides relevant advice and guidance based on the report</p> | No significant difference |

| | | | | |
|---|---|--|--|---------------------------|
| | | | contents. | |
| 2. Has the Company conducted a risk assessment on environmental, social, and corporate governance issues that are relevant to its operations and implemented risk management policies or strategies based on principles of materiality? | V | | <p>The Company is committed to sustainable development and strives to implement management measures in environmental protection (E – Environment), social responsibility (S – Social), and corporate governance (G – Governance). We aim to fulfill our corporate social responsibilities and create maximum value and the best service for customers, employees, shareholders, and the public.</p> <p>Each year, the Company shall refer to the Universal Standards, Sector Standards, and Topic Standards published by the Global Reporting Initiative (GRI), as well as the Sustainability Accounting Standards Board (SASB) standards for industry-specific disclosures. The Sustainability Report Preparation Team will evaluate the material ESG issues based on the principles of materiality, communication with internal and external stakeholders, and operational data provided by various departments. The team will assess the risks associated with each material issue and adopt concrete action plans to mitigate the impact of related risks.</p> | No significant difference |
| 3. Environmental issues (I) Has the Company set up an appropriate environmental management system based on the characteristics of its industry? | V | | <p>(I) The Company's energy usage mainly consists of office electricity consumption, with air conditioning and lighting being the primary sources. The Company continues to promote energy-saving initiatives and manage daily electricity use to prevent energy waste. The following measures have been implemented to promote energy conservation:</p> <p>i During new employee orientation training, staff are reminded to turn off lights and electrical appliances when not in use. Responsible units conduct irregular inspections to ensure</p> | No significant difference |

| | | | | |
|--|---|--|--|--|
| | | | <p>unnecessary power sources in the office are turned off.</p> <p>ii Curtains are drawn in sunlit areas to lower indoor temperatures and reduce the operating frequency of air conditioning compressors.</p> | |
| (II) Is the Company committed to achieving efficient use of resources and does it use recycled materials with less impact on the environment? | V | | <p>(II) Currently, the Company no longer has production units and primarily engages in trading activities. The Company places importance on sustainability issues and has established a supplier management policy to oversee the quality of raw materials.</p> | No significant difference |
| (III) Does the Company evaluate its potential risks and opportunities due to climate change now and in the future, and take corresponding measures to respond to climate related issues? | V | | <p>(III) & (IV) The Company has established a Sustainability Development Committee, supervised by the Board of Directors, to implement sustainable development initiatives and achieve the goal of sustainable operations. Future actions will be carried out based on practical needs or legal requirements.</p> | Future actions will be carried out based on practical needs or legal requirements. |
| (IV) Did the Company prepare statistics on its greenhouse gas emissions, water consumption and the total weight of waste for the past two years, and formulate policies for energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction or other waste management? | V | | | |
| 4. Social issues (I) Has the Company formulated relevant management policies and procedures according to relevant laws and regulations and the international covenants of human rights? | V | | <p>(I) The Company complies with relevant labor laws to safeguard employees' legal rights and has established related management policies. Employees are encouraged to express their opinions through multiple open communication channels, including labor-management meetings, Employee Complaints channel, Personnel announcement, HR announcements, and Welfare Committee meetings, striving to create an open and two-way communication</p> | No significant difference |

| | | | |
|---|---|---|---------------------------|
| <p>(II) Has the Company established and implemented reasonable employee benefit measures (including remuneration, leaves and other benefits) and adequately reflected the operating performance or result to the employee remuneration?</p> | V | <p>environment between labor and management.</p> <p>(II) In accordance with the "Employee Welfare Fund Act," the Company has established an Employee Welfare Committee. Through a comprehensive welfare system, the Company cares for employees' well-being, promotes physical and mental health, and maintains harmonious labor relations. Welfare includes holiday bonuses, year-end bonuses, subsidies for group meals and travel, irregular employee trips, year-end banquets, and other activities. The Company also fully complies with government-mandated benefits such as labor and health insurance, retirement systems, and various types of leave (personal leave, sick leave, maternity leave, prenatal checkup leave, paternity leave, menstrual leave, family care leave, marriage leave, bereavement leave, work injury leave, annual leave, and parental leave without pay), which are available to all employees.</p> | No significant difference |
| <p>(III) Has the Company provided a safe and healthy working environment for employees, and regularly implemented safety and health training for employees?</p> | V | <p>(III) The Company is committed to promoting occupational safety, health, and wellness. To reduce workplace accidents, it follows occupational health and safety management systems and international social responsibility standards, continually improving workplace safety, preventing occupational injuries and illnesses, and minimizing workplace hazards.</p> | No significant difference |
| <p>(IV) Has the Company established effective career development training plans for employees?</p> | V | <p>(IV) The Company provides diverse and professional training programs and</p> | No significant difference |

| | | | |
|---|---|---|--|
| | | <p>development plans, actively strengthening on-the-job training. It organizes various professional courses, workshops, seminars, and discussion forums, and encourages employees to pursue self-learning to continuously develop their skills and unleash their potential, thereby enhancing the Company's competitiveness.</p> | |
| <p>(V) Regarding product and service issues such as customer health and safety, customer privacy, and marketing and labelling, does the Company follow relevant regulations and international standards, and has it formulated relevant consumer or customer rights protection policies and grievance procedures?</p> | V | <p>(V) The Company listens carefully to customer needs, assists in sourcing fabrics, and strictly controls product quality to maintain long-term trust-based relationships. It has established a customer complaint handling process to quickly address any complaints, proposals, or dissatisfaction related to products.</p> | No significant difference |
| <p>(VI) Has the Company formulated a vendor management policy that requires vendors to comply with relevant regulations on environmental protection, occupational safety and health or labor human rights issues? What is the implementation status?</p> | V | <p>(VI) Before establishing business relationships, the Company rigorously evaluates suppliers according to internal regulations and promotes the concept of corporate social responsibility among them. If a supplier commits a major violation, the Company will terminate the business relationship.</p> | No significant difference |
| <p>5. Does the Company prepare a sustainability report or any other report for disclosure of non-financial information based on international reporting standards or guidelines? Are the abovementioned reports supported by the assurance or opinion of a third-party certifier?</p> | V | <p>The Company plans to begin preparing a sustainability report starting in 2025 in accordance with the required deadlines. The report aims to disclose performance information and future plans in the three major areas of Environment, Social, and Governance (ESG), allowing stakeholders to better understand the Company's commitment to and achievements in promoting sustainable development. Sustainability report for the year is expected to be filed within the legally mandated timeframe.</p> | Future actions will be carried out based on practical needs or legal requirements. |
| 6. If the Company has formulated in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe the differences of the | | | |

operations between them: None.

7. Other important information helpful to understand the promotion of sustainable development: The Company organized a community blood donation event, encouraging participation from both employees and local residents. In addition, in May 2024, the Company invested NT\$60 million in a Green/Sustainability Time Deposit with Bank of Kaohsiung. The proceeds from this deposit will be used to support green/sustainable financing projects, including renewable energy financing and assistance for families without their own housing to purchase homes, thereby amplifying the Company's positive social impact.

VII. Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of Climate-Related Information

| Item | Implementation status |
|--|--|
| <ol style="list-style-type: none"> 1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities. 2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term). 3. Describe the financial impact of extreme weather events and transformative actions. 4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. 5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described. 6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks. 7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated. 8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified. 9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below): | The Company has established a Sustainability Development Committee, supervised by the Board of Directors, to oversee the implementation of sustainability initiatives and achieve the goal of sustainable operations. In the future, execution will be adjusted based on practical needs or regulatory requirements. |

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

1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

1. Not applicable to the Company in accordance with the schedule set out in Article 10, Paragraph 2 of the Regulations Governing Information to be Published in Annual Reports of Public Companies.
2. The Company is a company with paid-in capital of less than NT\$5 billion. The parent company shall conduct the greenhouse gas inventory at stage 3, and a consolidated subsidiaries shall conduct the greenhouse gas inventory at stage 4.

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

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed. Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

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

1-1-2 Greenhouse Gas Assurance Information

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

Not applicable to the Company in accordance with the schedule set out in Article 10, Paragraph 2 of the Regulations Governing Information to be Published in Annual Reports of Public Companies.

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

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

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

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

Not applicable to the Company in accordance with the schedule set out in Article 10, Paragraph 2 of the Regulations Governing Information to be Published in Annual Reports of Public Companies.

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

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.

VIII. Enforcement of ethical corporate management, and the differences from the Ethical Corporate Management

| Assess criteria | Implementation Status | | | Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies |
|--|-----------------------|--------|---|---|
| | Y es | N o | Summary | |
| 1. Establishment of integrity policies and solutions (I) Has the Company formulated ethical corporate management policies approved by the Board of Directors, and specified the policies and measures in the regulations and documents to the outside? What is the commitment of the Board of Directors and senior management on actively implementing the policies? (II) Whether the Company has established a mechanism for evaluating the risk of unethical conduct, regularly analyzes and evaluates the activities in the scope of business with a higher risk of unethical conduct, and on the basis of this, has formulated a plan to prevent unethical conduct, which covers at least the preventive measures for the conduct set out in Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"? (III) Has the Company formulated operating procedures, conduct guidelines, and disciplinary and complaint systems for violations in the plan to prevent unethical conduct and implemented the plan as well as regularly reviewed and amended it? | V | | (I) The Company has established the "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct," clearly outlining the matters that all employees, including directors and managerial officers, should observe in business execution. | No significant difference |
| | | | (II) & (III) In preventing unethical conduct, the Company has formulated the "Procedures for Ethical Management and Guidelines for Conduct," covering preventive measures corresponding to the various acts specified in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies." Additionally, the Company has formulated the "Code of Ethical Conduct" to explicitly define ethical standards for integrity management. The Company periodically reviews the related procedures, guidelines, disciplinary measures for violations, and complaint systems to meet practical needs. | |
| | | | | |

| | | | |
|---|---|---|---|
| <p>2. Enforcement of business integrity</p> <p>(I) Does the Company evaluate the integrity record of its trading partners, and specify the terms of integrity behavior in the contract signed with the trading partners?</p> | V | <p>(I) The Company has formulated the “Ethical Corporate Management Best Practice Principles,” adhering to the principle of integrity and conducting business activities fairly and transparently. Before engaging in business dealings, the Company evaluates the legality and ethical behavior of suppliers, customers, and other trading counterparts to avoid transactions with parties who have records of unethical conduct. Contracts signed with others include clauses reflecting the Company’s integrity policy and allow termination of contracts if unethical conduct is involved.</p> | <p>No significant difference</p> <p>No significant difference</p> |
| <p>(II) Has the Company set up a special unit under the Board of Directors to promote the integrity of the enterprise, and regularly (at least once a year) reported to the Board of Directors on its ethical corporate management policy and prevention of unethical behavior program? What is the status of supervision and implementation?</p> | V | <p>(II) Through its internal control system with clear lines of responsibility and oversight, the Company ensures the promotion and supervision of ethical practices. The Audit Office, under the Board of Directors, and the Management Department are responsible for monitoring execution and regularly reporting to the Board.</p> | <p>No significant difference</p> |
| <p>(III) Does the Company have the policy to prevent conflict of interest, provide appropriate channels for an explanation, and implement it?</p> | V | <p>(III) According to the Company’s “Ethical Corporate Management Best Practice Principles,” directors must exercise strict self-discipline. When the agenda items discussed by the Board involve the directors themselves or their represented entities and there is a risk of harming the Company’s interests, they must state their opinions, abstain from discussion and voting, and may not act as a proxy for other directors. Directors must also self-regulate and avoid improper mutual support. Furthermore, directors and managerial officers must not use their positions to seek undue benefits for themselves, their spouses, parents, children, or others.</p> <p>According to the Company’s “Code of Ethical Conduct,” to prevent conflicts of interest, the following measures must be</p> | <p>No significant difference</p> |

| | | | |
|--|---|--|---------------------------|
| | | <p>observed: :</p> <ol style="list-style-type: none"> When personal interests intervene or may intervene with the Company's interests, the conflict must be avoided — for instance, when a director or managerial officer cannot objectively and efficiently handle company affairs due to specific transactions. . If a director, independent director, or managerial officer's position allows them, their spouse, or close relatives to obtain undue benefits, they must avoid such situations. Transactions between affiliated enterprises of related personnel and the Company, such as loans, guarantees, significant asset transactions, or procurement/sales activities, must be handled in accordance with internal control systems. Where necessary, involved directors or managerial officers should proactively submit a written explanation on potential conflicts of interest | |
| (IV) Does the Company implement ethical corporate management by establishing an effective accounting system and internal control system, and have an internal audit unit to plan and conduct periodic audits on the compliance status of the programs that prevent the unethical conduct according to the unethical conduct risk assessment result, or appoint a CPA to perform the audit? | V | (IV) The Company has established effective accounting and internal control systems. Internal auditors execute audits based on the annual audit plan and submit reports in accordance with regulations. | No significant difference |
| (V) Does the Company regularly organize internal and external education and training on ethical corporate management? | V | (V) The Company regularly organizes education and training sessions to promote ethical business practices. | No significant difference |

| | | | |
|---|---|---|---------------------------|
| <p>3. Whistleblowing system</p> <p>(I) Has the Company set up a specific whistleblower reporting and reward system and a convenient reporting channel, and designated appropriate personnel to deal with the reported matters?</p> <p>(II) Has the Company established standard operating procedures for investigating the complaints received, follow-up measures to be taken after the investigation, and the relevant confidentiality mechanism?</p> <p>(III) Has the Company taken measures to protect whistleblowers from being improperly treated due to whistleblowing?</p> | V | <p>(I) Employees who discover suspected violations of professional ethics may report to their supervisors (verbally, in writing, or by email). If necessary, they may escalate the report. Suppliers or contractors may also report through the “Stakeholders Area” on the Company’s website. The identity of whistleblowers is kept confidential.</p> <p>(II) Investigations into whistleblowing cases are conducted with confidentiality and rigor. If a case is verified, disciplinary action is taken in accordance with internal management regulations.</p> <p>(III) According to the Company’s “Ethical Corporate Management Best Practice Principles,” the identity of the whistleblower and the content of the report must be kept confidential to protect whistleblowers from improper treatment. All reported matters are independently verified to protect the informant.</p> | No significant difference |
| <p>4. Enhanced information disclosure</p> <p>Does the Company disclose the information concerning the contents and achievements of its Ethical Corporate Management Best Practice Principles on its website as well as on the Market Observation Post System?</p> | V | <p>The Company has disclosed related information on the Market Observation Post System (MOPS) and in the annual report as required.</p> | No significant difference |
| <p>5. If the Company has established its Ethical Corporate Management Best Practice Principles in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies,” please describe the difference in the operation: The Company has established the Ethical Corporate Management Best Practice Principles, and its operations are fully consistent with the established principles without any discrepancies.</p> <p>6. Any other important information that helps to understand the operation status of the Company’s ethical corporate management (such as the Company’s review and amendment to its Ethical Corporate Management Best Practice Principles): None.</p> | | | |

IX. If the Company has established the Code of Practice for Corporate Governance or other relevant regulations, disclose the inquiry method:

Please refer to the Company's corporate governance-related regulations on the Company's website (<https://j-d.com.tw/>), by navigating to the Investor Relations section / Corporate Governance.

X. Other important information sufficient to enhance the understanding of the operations of corporate governance may be disclosed at the same time:

In order to strengthen corporate governance, the Company has additionally established the "Code of Ethical Conduct" and the "Procedures for Handling Material Internal Information," and continues to implement relevant corporate governance regulations to protect the rights and interests of stakeholders.

XI. Disclosures relating to the execution of internal control system

1. Internal Control System Declaration

J.D Development Co., LTD

Internal Control System Declaration

Date: March 6, 2025

The Company hereby declares the following on its 2024 internal control system based on the results of the self-assessment performed:

- (1) The Company understands that the establishment, implementation and maintenance of the internal control system are the responsibility of the Board of Directors and managers, and such a system has already been established by the Company. With the purpose to provide reasonable assurance of achievement of objectives such as the effect and efficiency of operations (including profitability, performance and asset security protection), reporting reliability, timeliness, transparency, and compliance with relevant norms and relevant laws and regulations.
- (2) The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide reasonable assurance for the achievement of the three objectives above; besides, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the internal control system of the Company features a self-monitoring mechanism that enables the Company to immediately rectify any deficiencies upon discovery.
- (3) The Company judges the effectiveness of the design and implementation of the internal control system based on the provisions of the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The judgment items adopted in the "Regulations" on the internal control system are based on the management and control process, and the internal control system is divided into five components: 1. control environment, 2. risk assessment, 3. control operations, 4. information and communication, and 5. supervision operations. Each component in turn includes several items. Please refer to "The Governing Principles" for details.
- (4) The Company has adopted the internal control system judgment items above to evaluate the effectiveness of the design and implementation of the internal control system.
- (5) Based on the evaluation results in the preceding paragraph, the Company believes that its internal control system as of December 31, 2024 (including the supervision

and management of subsidiaries), including understanding the effect of operations and the degree to which efficiency goals are achieved, the report is reliable, timely and transparent and complies with relevant norms and relevant laws and regulations; the design and implementation of the internal control system are effective, which can reasonably ensure the achievement of the objectives above.

(6) This declaration constitutes part of the Company's annual report and prospectus and shall be disclosed to the public. If the disclosed contents above are false or contain concealment or other illegal activities, it will involve legal liabilities under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.

(7) This declaration was approved by the Board of Directors of the Company on March 6, 2025. None of the 9 directors present disagreed and all agreed with the contents of this declaration.

J.D Development Co., LTD

Chairman Tang, Cheng
General Manager Tang, Ming

2. If an external CPA reviewed the internal control system, the result of such review must be disclosed: Not applicable.

XII. Major resolutions passed in shareholder meetings and Board of Directors held in 2024 and up to the publication date of the annual report:

1. Implementation of the resolutions of the 2024 general shareholders' meeting

| Date | Results of Resolutions |
|------------|---|
| 2024.06.06 | <ol style="list-style-type: none"> 1. Approval of the Company's 2023 Business Report and Financial Statements. 2. Approval of the Company's 2023 Earnings Distribution Proposal. 3. Approval of the Amendment to Certain Provisions of the "Articles of Incorporation." 4. Approval of the Amendment to Certain Provisions of the "Procedures for Acquisition or Disposal of Assets." 5. Approval of the Amendment to Certain Provisions of the "Procedures for Lending Funds to Others." 6. Approval of the Amendment to Certain Provisions of the "Procedures for Endorsements and Guarantees." 7. Approval of the Amendment to Certain Provisions of the "Rules of Procedure for Shareholders' Meetings." |

2. Important Resolutions of the Board of Directors: Please refer to pages 22 to 26 for Board of Directors' Operations.

XIII. If the directors or supervisors have different opinions on the important resolutions adopted by the Board of Directors in the most recent year and up to the publication date of the annual report, and there are records or written statements in place, state the main contents: None.

(4) INFORMATION ON CPA PROFESSIONAL FEES

(I) Certified Public Accountant (CPA) Professional Fee

Unit: NT\$ thousand

| Name of accounting firm | Name of CPA | Period of audit service | Audit fees | Non-audit fees | Total | Notes |
|---------------------------------|----------------|----------------------------------|------------|----------------|-------|---|
| Weyong International CPAs & Co. | Ko, Chun-chen | From January 2024 to March 2024 | 282 | - | 282 | |
| | Wang, Tzu-yang | | | | | |
| Crowe (TW) CPAs | Li, Ching-Lin | From April 2024 to December 2024 | 1,279 | 236 | 1,515 | The non-audit fee is for tax certification. |
| | Tsai, Shu-Man | | | | | |

(II) If the Company changed the accounting firm and the audit fees paid for the year when such the change took place are lower than those of the previous year, the amounts of the audit fees before and after the change and the reason(s) shall be disclosed: None.

(III) For any reduction in audit fee by more than 10% compared to that of the previous year, state the amount, percentage, and reason of such variation: None.

(5) INFORMATION ON REPLACEMENT OF CPA

(I) About the Former CPA

| | | | |
|---|---|--|-----------|
| Change Date | Approved by the Board of Directors on May 7, 2024 | | |
| Reason and Explanation for the Change | Overall consideration of the company's operations and management. | | |
| Whether the Termination Was Initiated by the Appointing Party or the CPA | Party Condition | CPA | Appointor |
| | Proactively terminated the engagement | | |
| Whether a Non-Unqualified Audit Opinion Was Issued in the Last Two Years and Reasons: | | Declined to accept (continue) the engagement | |
| | | | V |
| Any Disagreement with the Issuer: | | Explanation: | |
| Other Disclosure Matters (Items 4 to 7 under Article 10, Paragraph 6 of the Regulations shall be disclosed if applicable) | | Accounting principles or practices | |
| | | Financial report disclosures | |
| | | Scope or procedure of audit | |
| | | Others | |
| | | No | V |
| | | Explanation: | |
| | | No such situation. | |

(II) Regarding the Successor CPA

| | |
|--|--|
| Name of Firm | Crowe (TW) CPAs |
| Name of CPA | Li, Ching-Lin Tsai, Shu-Man |
| Date of Appointment | May 7, 2024 (approved by the Board of Directors) |
| Matters Consulted Prior to Appointment Regarding Accounting Treatments for Specific Transactions or Applicable Accounting Principles and the Possible Audit Opinions on Financial Reports, and the Results | No such situation. |
| Written Opinion of the Successor CPA on Matters of Disagreement with the Former CPA | No such situation. |

(III) Response Letter from Former CPA Regarding "Standards for Information Disclosure in Public Issuers' Annual Reports" Article 10, Paragraph 6, Subparagraphs 1 and 2, Item 3: No such situation.

(6) THE COMPANY'S CHAIRMAN, GENERAL MANAGER, OR ANY MANAGERIAL OFFICER IN CHARGE OF FINANCE OR ACCOUNTING MATTERS WHO HAS IN THE MOST RECENT YEAR HELD A POSITION AT THE FIRM OF ITS CPA OR AT AN AFFILIATE ENTERPRISE OF SUCH FIRM: No such situation.

(7) THE TRANSFER OF EQUITY INTERESTS AND PLEDGE OF OR CHANGE IN EQUITY INTERESTS DURING THE MOST RECENT FISCAL YEAR OR DURING THE CURRENT FISCAL YEAR UP TO THE DATE OF PUBLICATION OF THE ANNUAL REPORT BY A DIRECTOR, SUPERVISOR, MANAGERIAL OFFICER, OR SHAREHOLDER WITH A STAKE OF MORE THAN 10 PERCENT DURING THE MOST RECENT FISCAL YEAR OR DURING THE CURRENT FISCAL YEAR UP TO THE DATE OF PUBLICATION OF THE ANNUAL REPORT

(I) Details of shares transferred or pledged by directors, supervisors, managers, and shareholders with more than 10% ownership interest

| Title | Name | 2024 | | As of March 31, 2025 | |
|----------|---|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| | | Increase (decrease) in shares held | Increase (decrease) in shares pledged | Increase (decrease) in shares held | Increase (decrease) in shares pledged |
| Chairman | Zhaotian International Investment Co., Ltd. | — | 8,500,000 | — | — |
| | Representative: Tang, Cheng | — | — | — | — |
| Director | Huitianxia Investment Co., Ltd. | 5,937,435 | — | — | — |
| | Representative: Tang, Rong-Hua | — | — | — | — |
| Director | Zhaotian International Investment Co., Ltd. | — | 8,500,000 | — | — |
| | Representative: Lin, Su-Hsing | — | — | — | — |

| | | | | | |
|--------------------------|---|-----------|---|---|---|
| Director | Xuanfeng International Investment Co., Ltd. | — | — | — | — |
| | Representative: Han, Yu-Sheng | — | — | — | — |
| Director | Xuanfeng International Investment Co., Ltd. | — | — | — | — |
| | Representative: Shih, Yu-Lun | — | — | — | — |
| Director | Huitianxia Investment Co., Ltd. | 5,937,435 | — | — | — |
| | Representative: Tseng, Chi-Feng | — | — | — | — |
| Independent director | Lee, Meng-Hsiu | — | — | — | — |
| Independent director | Lin, Yao-Wen | — | — | — | — |
| Independent director | Chen, Chia-Wei | — | — | — | — |
| General Manager | Tang, Ming | — | — | — | — |
| Chief Accounting Officer | Wang, Ya-Hui | — | — | — | — |

(II) If the counterparty of the equity transfer is a related party: None.

(III) If the counterparty of the equity pledge is a related party: None.

(8) TOP 10 SHAREHOLDERS RELATION

March 28,2025

| Name | Self-owned Shares | | Shareholding of spouse and underage children | | Shareholding under the title of a third party | | Title, name and relationship of the top ten shareholders who have mutual relationship as spouse or blood relatives within the second degree of kinship relationships | | Notes |
|---|-------------------|--------------|--|--------------|---|--------------|--|----------|-----------------------------------|
| | Shares | Shareholding | Shares | Share-Holdin | Shares | Shareholding | Name | Relation | |
| Zhaotian International Investment Co., Ltd. | 16,900,000 | 24.86 | 0 | 0 | 0 | 0 | None | None | Corporate Director of the Company |
| Huitianxia Investment Co., Ltd. | 9,699,522 | 14.27 | 0 | 0 | 0 | 0 | None | None | Corporate Director of the Company |
| Xuanfeng International Investment Co., Ltd. | 5,100,000 | 7.50 | 0 | 0 | 0 | 0 | None | None | Corporate Director of the Company |
| Fan Chuang, Yu-Chao | 1,485,000 | 2.18 | 0 | 0 | 0 | 0 | None | None | |
| Yang, Teng-Lin | 1,471,283 | 2.16 | 0 | 0 | 0 | 0 | None | None | |

| | | | | | | | | | |
|--|-----------|------|---|---|---|---|------|------|--|
| Feng Qing Industrial Co., Ltd. | 1,381,000 | 2.03 | 0 | 0 | 0 | 0 | None | None | |
| Qunyi Jinding Securities Custody for Changxiong Securities' investment account | 1,332,000 | 1.96 | 0 | 0 | 0 | 0 | None | None | |
| Huang, Qing-Jia | 1,224,000 | 1.80 | 0 | 0 | 0 | 0 | None | None | |
| Tsai, De-Ying | 737,000 | 1.08 | 0 | 0 | 0 | 0 | None | None | |
| Wu, Mu-Sen | 532,000 | 0.78 | 0 | 0 | 0 | 0 | None | None | |

(9) THE TOTAL NUMBER OF SHARES AND TOTAL EQUITY STAKE HELD IN ANY SINGLE ENTERPRISE BY THE COMPANY, ITS DIRECTORS AND SUPERVISORS, MANAGERIAL OFFICERS, AND ANY COMPANIES CONTROLLED EITHER DIRECTLY OR INDIRECTLY BY THE COMPANY

| Reinvestment enterprises | Held by the Company | | Held by directors, supervisors, managers, and directly or indirectly controlled enterprises | | Aggregate ownership | |
|-------------------------------------|---------------------|-------------------------|---|-------------------------|---------------------|-------------------------|
| | Shares | Shareholding percentage | Shares | Shareholding percentage | Shares | Shareholding percentage |
| FORMOSA SPINNING CO., LTD. (Note 1) | 3,629,000 | 17.13% | 0 | 0 | 3,629,000 | 17.13% |
| FU TAI TEXTILE CO., LTD. (Note 2) | 7,000,000 | 100.00% | 0 | 0 | 7,000,000 | 100.00% |

Note 1: Refers to the Company's long-term investment.

Note 2: Refers to the Company's subsidiary.

3. CAPITAL OVERVIEW

(1) ISSUANCE OF COMPANY CAPITAL AND SHARES

(I) Source of equity

i Equity formation process:

Unit: Share/ NT\$ Thousand

| Year/ Month | Issued price | Authorized capital | | Paid-up capital | | Notes | | |
|----------------|-----------------|--------------------|---------|-----------------|---------|--|---|--------|
| | | Shares | Amount | Shares | Amount | Sources of share capital | Payment in properties other than cash | Others |
| 1970.03 | 1,000 | 4 | 4,000 | 4 | 4,000 | Initial Capital | None | — |
| 1971.06 | 1,000 | 30 | 30,000 | 30 | 30,000 | Capital Increase by Cash: 16,000 | None | — |
| 1972.08 | 1,000 | 30 | 30,000 | 30 | 30,000 | Capital Increase by Cash: 10,000 | None | — |
| 1973.03 | 50 | 45 | 45,000 | 45 | 45,000 | Capital Increase by Earnings: 15,000 | None | — |
| 1973.09 | 50 | 1,125 | 56,250 | 1,125 | 56,250 | Capital Increase by Cash: 11,250 | None | — |
| 1974.09 | 50 | 1,980 | 99,000 | 1,980 | 99,000 | Capital Increase by Shareholder Transactions: 32,625 Capital Increase by Earnings: 10,125 | None | — |
| 1975.12 | 50 | 2,970 | 148,500 | 2,970 | 148,500 | Capital Increase by Capital Surplus: 29,700 Capital Increase by Shareholder Transactions: 19,800 | None | — |
| 1982.08 | 10 | 8,850 | 88,500 | 8,850 | 88,500 | Capital Reduction: 60,000 | None | — |
| 1982.10 | 10 | 14,850 | 148,500 | 14,850 | 148,500 | Capital Increase by Capital Surplus: 60,000 | None | — |
| 1987.05 | 10 | 16,335 | 163,350 | 16,335 | 163,350 | Capital Increase by Cash: 14,850 | None | — |
| 1987.09 | 10 | 19,602 | 196,020 | 19,602 | 196,020 | Capital Increase by Earnings: 32,670 | None | — |

| | | | | | | | | |
|---------|----|-----------|-----------|-------------|--------------|---|------|-------|
| 1990.05 | 10 | 25,000 | 250,000 | 25,000 | 250,000 | Capital Increase by Cash: 17,000 Capital Increase by Capital Surplus: 12,680 Capital Increase by Earnings: 24,300 | None | — |
| 1990.06 | 10 | 47,660 | 476,600 | 47,660 | 476,600 | Capital Increase by Cash: 120,000 Capital Increase by Capital Surplus: 11,350 Merger with Yang Fang – Added Capital: 86,400 | None | — |
| 1995.06 | 10 | 57,192 | 571,920 | 57,192 | 571,920 | Capital Increase by Capital Surplus: 47,660 Capital Increase by Earnings: 47,660 | None | — |
| 1997.04 | 10 | 68,344.44 | 683,444.4 | 68,344.44 | 683,444.4 | Capital Increase by Earnings: 111,524.4 | None | — |
| 1998.04 | 10 | 168,000 | 1,680,000 | 96,761.662 | 967,616.62 | Capital Increase by Earnings: 34,172.22 Capital Increase by Cash: 3,250,000 | None | — |
| 1999.11 | 10 | 168,000 | 1,680,000 | 102,567.362 | 1,025,673.62 | Capital Increase by Capital Surplus: 58,057 | None | — |
| 2000.07 | 10 | 168,000 | 1,680,000 | 108,721.403 | 1,087,214.03 | Capital Increase by Capital Surplus: 61,540.41 | None | — |
| 2004.02 | 10 | 168,000 | 1,680,000 | 103,747.403 | 1,037,474.03 | Capital Reduction by Retirement of Treasury Shares: 49,740 | None | — |
| 2009.10 | 10 | 168,000 | 1,680,000 | 53,747.403 | 537,474.03 | Capital Reduction: 500,000 | None | — |
| 2011.12 | 10 | 168,000 | 1,680,000 | 68,747.403 | 687,474.403 | Capital Increase by Cash: 150,000 | None | Note1 |

| | | | | | | | | |
|---------|----|---------|-----------|------------|-----------|---|------|-------|
| 2013.03 | 10 | 168,000 | 1,680,000 | 94,991.830 | 949,918.3 | Conversion of FU TAI Convertible Bonds to Common Shares: 262,444.27 | None | Note2 |
| 2014.09 | 10 | 168,000 | 1,680,000 | 45,991.83 | 459,918.3 | Capital Reduction: 490,000 | None | Note3 |
| 2023.12 | 10 | 168,000 | 1,680,000 | 67,991.83 | 679,918.3 | Private Placement: 220,000 | None | — |

Note 1: Approved by Financial-Supervisory-Securities-Corporate No. 1000038055 dated

2011.09.02.

Note 2: Approved by Ministry of Economic Affairs No. 10301016920 dated 2014.02.

Note 3: Approved by Financial-Supervisory-Securities-Corporate No. 1030028798 dated 2014.08.11.

ii Types of share capital

| Share category | Authorized capital | | | Notes |
|----------------|--------------------|-----------------|-------------|--------------------|
| | Outstanding shares | Unissued shares | Total | |
| Common shares | 67,991,830 | 100,008,170 | 168,000,000 | TPEx listed shares |

(II) List of Major Shareholders

List of Major Shareholders Holding More Than 5% or Ranking Among the Top 10 by Shareholding Percentage

March 28,2025 Unit: Shares

| Shares | No. of shares held | Shareholding ratio |
|--|--------------------|--------------------|
| Name of major shareholder | | |
| Zhaotian International Investment Co., Ltd. | 16,900,000 | 24.86% |
| Huitianxia Investment Co., Ltd. | 9,699,522 | 14.27% |
| Xuanfeng International Investment Co., Ltd. | 5,100,000 | 7.50% |
| Fan Chuang, Yu-Chao | 1,485,000 | 2.18% |
| Yang, Teng-Lin | 1,471,283 | 2.16% |
| Feng Qing Industrial Co., Ltd. | 1,381,000 | 2.03% |
| Qunyi Jinding Securities Custody for Changxiong Securities' investment account | 1,332,000 | 1.96% |
| Huang, Qing-Jia | 1,224,000 | 1.80% |
| Tsai, De-Ying | 737,000 | 1.08% |
| Wu, Mu-Sen | 532,000 | 0.78% |

(III) Dividend Policy and Execution Status

The Company distributes dividends based on the profitability of the year, adhering to the principle of maintaining dividend stability. To strengthen the Company's financial structure and meet shareholders' need for cash flow, cash dividends are prioritized. However, in consideration of the Company's development and funding needs, stock dividends may also be distributed as appropriate.

- i. The ratio of annual after-tax earnings allocated for dividends, aside from what is stipulated in the Company's Articles of Incorporation, shall be determined based on factors such as the current year's profitability, future profitability, the Company's financial condition, future development, funding requirements, and the need to maintain a stable dividend level.
- ii. After the Company's annual final accounts, the net income shall first be used to pay income tax and offset prior years' losses. Thereafter, 10% of the remaining amount shall be appropriated as the statutory surplus reserve, and a special surplus reserve shall be appropriated according to legal requirements. The remainder shall be allocated by the Board of Directors based on the following conditions and submitted to the shareholders' meeting for resolution:
 - A. If the distributable amount reaches 30% or more of the paid-in capital, at least 5% shall be distributed as cash dividends.
 - B. However, distribution may be withheld or earnings may be used for capital increase via stock dividends under the following circumstances:
 - a. When the debt-to-equity ratio exceeds 100%.
 - b. When there are significant investment plans for the following year or existing investment plans are still ongoing.
 - c. Execution Status: There was no distribution of stock dividends or cash dividends for the year 2024.

(IV) Impact of the Proposed Stock Dividend for the Current Year on The Company's Business Performance and Earnings per Share: No distribution of shares was conducted for the year.

(V) Remuneration of Employees, Directors:

- i. Provisions on Employee, Director, and Supervisor Remuneration as Stipulated in the Articles of Incorporation

According to Article 25 of the Company's Articles of Incorporation:

After paying income taxes and covering prior years' losses, 10% of the remaining profits shall be appropriated as legal reserve, and a special reserve shall be set aside in accordance with laws and regulations. The balance shall then be allocated based on the following:

- A. If the distributable amount reaches 30% or more of the paid-in capital, at least 5% shall be distributed as cash dividends.
- B. However, if any of the following conditions exist, distribution may be withheld or earnings may be capitalized to issue stock dividends:
 - a. The debt-to-equity ratio exceeds 100%.

- b. Major investment plans for the next year or ongoing investment plans are in place.
- ii. Basis for Estimation of Employee, Director, and Supervisor Remuneration for the Current Period, Calculation Basis for Stock-Based Employee Remuneration, and Accounting Treatment of Differences between Estimated and Actual Amounts:
As the Company loss in 2024, no provision was made for employee, director, or supervisor remuneration.
- iii. Board Approval Status for Remuneration Allocation
 - A. As the Company loss in 2024, no provision was made for employee, director, or supervisor remuneration.
 - B. Proposed allocation of stock-based employee remuneration and its proportion to the sum of current net profit after tax and employee remuneration: Not applicable
- iv. Actual Distribution of Employee and Director Remuneration for the Previous Year (Including Allocated Shares, Amounts, and Share Prices), Differences from Recognized Amounts, and Explanation and Handling of Differences:
No employee, director, or supervisor remuneration was distributed for 2023.

(VI) The Company's repurchase of its own shares: None.

- (2) STATUS OF CORPORATE BOND ISSUANCE: None.
- (3) STATUS OF PREFERRED SHARES ISSUANCE: None.
- (4) STATUS OF GLOBAL DEPOSITORY RECEIPTS ISSUANCE: None.
- (5) ISSUANCE OF EMPLOYEE STOCK WARRANTS: None.
- (6) EMPLOYEE RESTRICTED STOCK AWARDS: None.
- (7) STATUS OF NEW SHARES ISSUANCE IN CONNECTION WITH MERGERS AND ACQUISITIONS: None.
- (8) FINANCING PLANS AND IMPLEMENTATION:
 - (I) Plan content
 - A. Up to the end of the latest quarter before the printing date of the annual report, for all previous securities issuances or private placements that have not yet been completed or were completed within the past three years but whose benefits have not yet been realized, the project content is as follows:
 - a. Total amount of funds required for this project: NT\$220,000 thousand.
 - b. Source of funds: Cash capital increase through the issuance of 22,000 thousand new shares, with a price set at NT\$10 per share.
 - c. Items and utilization progress:

Unit: NT\$ Thousand

| Project Item | Completion Date | Total Amount of Funds Required | Progress of Fund Utilization |
|--------------------------|-----------------|--------------------------------|------------------------------|
| Enrich Operating Capital | Q4 of 2023 | 220,000 | 0 |

(II) Implementation status

Unit: NT\$ Thousand; %

| Project Item | Completion Date | | | Progress Ahead or Behind Schedule, Reasons, and Improvement Plans |
|--------------------------|--|---------|--------|---|
| Enrich Operating Capital | Amount Used | Planned | Actual | |
| | Execution Progress | Planned | Actual | 0% |
| | The funds are expected to be used for future procurement in response to incoming orders. | | | |

4. COMPANY OVERVIEW

(1) BUSINESS ACTIVITIES

I. Business Scope

| | |
|---|---|
| 1. C301010 Spinning of Yarn | 19. F106040 Wholesale of Plumbing Materials |
| 2. C302010 Knit Fabric Mills | 20. F206040 Retail Sale of Water Containers |
| 3. C305010 Printing, Dyeing, and Finishing | 21. F107050 Wholesale of Fertilizers |
| 4. C801990 Other Chemical Material Manufacturing | 22. F207050 Retail Sale of Fertilizers |
| 5. C801120 Man-made Fiber Manufacturing | 23. F112040 Wholesale of Petrochemical Fuel Products |
| 6. C802990 Other Chemical Materials Manufacturing | 24. F114060 Wholesale of Ship and Component Parts |
| 7. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories | 25. F114070 Wholesale of Aircraft and Component Parts Thereof |
| 8. H701010 Housing and Building Development and Rental | 26. F212050 Retail Sale of Petrochemical Fuel Products |
| 9. H703100 Real Estate Rental and Leasing | 27. F214070 Retail Sale of Aircraft and Component Parts Thereof |
| 10. G801010 Warehousing and Storage | 28. CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery |
| 11. F108301 Wholesale of Medical Devices | 29. D101040 Non-Public Electric Power Generation |
| 12. F208031 Retail Sale of Medical Apparatus | 30. D101060 Self-usage Power Generation Equipment Utilizing Renewable Energy Industry |
| 13. F119010 Wholesale of Electronic Materials | 31. E601010 Electric Appliance Construction |
| 14. F219010 Retail of Electronic Materials | 32. E601020 Electric Appliance Installation |
| 15. IZ12010 Manpower Dispatched | 33. E603090 Lighting Equipments Construction |
| 16. F201010 Retail of Agricultural Products | 34. EZ05010 Instrument and Meters Installation Engineering |
| 17. F101100 Wholesale of Flowers | 35. IG03010 Energy Technology Services |
| 18. F201070 Retail sale of Flowers | 36. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval |

II. Industry Overview

A. Current Status and Development of the Industry

As the market emerges from the shadow of the pandemic, global textile trade is expected to gradually recover. The European Union's Sustainable and Circular Strategy is redefining fashion and enhancing competitiveness. Japan is promoting the "Asia Zero Emissions Community" initiative to fulfill its commitment to achieving carbon neutrality by 2050. In recent years, to drive the textile industry toward digitalization and green energy, the South Korean government announced the "Korean New Deal 2.0," which includes increasing or upgrading digital and green initiatives.

Facing the trend toward net-zero emissions by 2050, major international textile brands have set their own net-zero targets. In the textile industry, carbon reduction technologies are being introduced to simplify manufacturing processes and reduce resource consumption. In the apparel sector, optimized designs are incorporating low-carbon, eco-friendly materials, waste reduction strategies, and shortened production processes to enhance sustainable design technologies that promote recycling and reuse.

In the future, whether from the supply market, labor market, or policy aspects, Taiwanese textile companies are facing urgent transformation demands. Many companies are seeking vitality for survival through industrial structure transformation, optimization of production processes, or even expanding into new businesses. However, a closer look at Taiwan's global positioning reveals potential for breakthroughs: over 70% of the world's functional sports fabrics are supplied by Taiwan. Building on rich mass production experience, strong relationships with international brands, and the introduction of high-tech talent and technology to transform product structures, Taiwan's textile industry is poised to shed its outdated "sunset industry" image and weave a new chapter with functional textiles.

In response to the above trends and demands, the Company is actively developing functional and performance fabrics. In addition to deepening our presence in industrial and home textile markets, expanding into apparel fabrics, and strengthening our Taiwanese sports textile business—such as recycled nylon fishing net materials, bags, apparel, and multifunctional knits—we are also aggressively exploring new products and application markets. The Company is collaborating with suppliers to launch textile products made from recycled fishing nets and protective market needs such as graphene yarn textile materials, which are marketed through Company's existing sales channels.

In the solar energy sector, in line with government green energy policies, actively investing in solar power station development, with the goal of building solar stations and energy storage systems to move toward net-zero emissions and increase the contribution of our solar energy business.

B. Correlation among Upstream, Midstream, and Downstream of the Industry:

(1) Textile Industry:

CPL (Caprolactam) → Nylon Pellets → Nylon Filaments → Processed Yarns → Greige Fabrics → Dyeing and Finishing → Garments

(2) Solar Energy Industry:

Materials → Silicon Wafers/Chips → Solar Cells → Solar Modules → Solar Power Equipment/Systems and Engineering → Solar Power Plants

C. Development Trends and Competitive Landscape of Various Products:

Currently, factories that continue production in Taiwan are highly competitive, achieving world-class standards in both product quality and operational management. The Company's subsidiary, Futai Textile, upholds its experience in green energy and eco-friendly fabrics, maintains vertical integration across upstream and downstream operations, and conscientiously commits to environmental protection by complying with environmental regulations. Brands not only create business opportunities but also drive innovation and quality enhancement of yarns and fabrics in Taiwan. They promote industrial integration of the supply and sales chains—from raw materials to brand development and distribution—thus maintaining competitive advantages. Globally, the textile consumer market is shifting towards functional, performance-enhanced, and eco-friendly products. In order to facilitate industrial transformation and upgrading in Taiwan, innovative elements such as technology, aesthetics, new materials, and new business

models can be leveraged to add value to the textile industry. Additionally, by mastering branding and distribution channels, Taiwan's industry can adjust towards the high-value ends of the "smile curve." The Company has also entered the solar power plant installation business, achieving long-term stable cash inflows and profits. With the global supply chain facing challenges from climate change and the critical transition towards renewable energy in the post-pandemic era, the development of green, low-carbon energy plays a vital role. Taiwan's current renewable energy initiatives prioritize mature technologies; however, with the rising demand for green energy, Taiwan should draw on international legal frameworks and practices to plan its long-term promotion of marine energy, laying the foundation for future industry development. Furthermore, in addition to expanding renewable energy development, to avoid grid instability caused by the intermittent nature of renewables, Taiwan should also follow international practices by gradually introducing energy storage solutions in solar photovoltaic advancements and expanding into other energy categories. When renewable energy deployment and grid connection are scaled up in the future, energy storage systems will help stabilize power supply, improve grid stability, and enhance operational efficiency, thereby helping Taiwan achieve its 2050 net-zero transition goals.

III. Overview of Technology and R&D

In recent years, competition in the domestic and international nylon yarn markets has intensified. Rising energy costs and increases in minimum wages have further squeezed industry profit margins. Based on product profitability and industry trends, the Company has shifted toward a trading model. We have been actively developing the European, American, and domestic markets. Functional yarns, composite yarns, and fine-denier cotton-like yarns have emerged in recent years. In line with the concept of lightweight, versatile, and colorful garment fabrics, the Company has been actively engaged in research and development as well as process improvements.

IV. Short- and Long-Term Business Development Plans:

Textile Industry

Short-Term:

1. Continue developing functional and performance fabric channels and obtaining brand certifications.
2. Integrate with downstream fabric manufacturers to develop new types of fabrics to enhance quality and gross margin.
3. Consolidate existing customers and actively expand into new markets.

Long-Term:

1. Establish a complete industrial supply chain to enhance product value and competitiveness.
2. Continue promoting energy-saving industries to reduce production costs and increase product profits.
3. Continue staff training and participation in major trade shows to increase exposure and serve broader and more competitive markets.

Solar Energy Industry

Short-Term:

Medium- and small-scale solar projects have the advantages of shorter development cycles and higher feed-in tariffs compared to large-scale projects. Therefore, they will serve as a source of stable revenue for short-term development.

Long-Term:

In line with the government's "aquaculture-solar coexistence" policy, solar energy will be integrated with aquaculture.

1. Maintain development across large, medium, and small-scale projects using stable revenue from medium- and small-scale fields.
2. Expand into the energy storage market through power plant development,

focusing on grid-connection and storage business, targeting areas such as project development, plant installation, and plant operation and maintenance.

3. Align with the government's New Southbound Policy and expand into the energy storage market, making Southeast Asia the next major focus for business development.

(2) MARKET, PRODUCTION, AND SALES

I. Market Analysis

The textile and apparel industry remains deeply influenced by political and economic policies between the U.S. and China. The 2024 Paris Olympics has helped stimulate the textile sector, and the return of new brand orders has boosted export performance. However, Taiwan's man-made fiber yarns face pressure from China's aggressive low-cost pricing. Additionally, weak economic conditions in Western countries have stalled large-scale procurement, and the uncertainty surrounding new U.S. tariff policies under Trump's administration has led the textile industry to adopt a conservative outlook for 2025.

In 2024, Taiwan's textile import-export trade totaled USD 6.154 billion, a 1% growth. Imports totaled USD 3.298 billion, down 1%, resulting in a trade surplus of USD 2.856 billion—an increase of USD 93 million (3%) compared to 2023. In terms of exports, fabrics remain the top category (71% of exports, down 27%), followed by yarns (14%, down 27%), fibers (5%, down 12%), garments and apparel accessories (5%, down 26%), and miscellaneous textile products (5%, down 30%). On the import side, garments and apparel accessories accounted for the majority (61%, up 4%), followed by miscellaneous textile products (14%), fabrics (11%), yarns (9%), and fibers (5%, down 9%).

However, the global economy continues to stagnate due to inflation, interest rate hikes, shrinking demand, tightened monetary policies, and ongoing geopolitical conflicts, which have led to a significant decline in exports of traditional industrial products. The escalating tech rivalry between the U.S. and China further fuels uncertainty, contributing to a cautious outlook on the international economy and persistent weakness in global consumer demand. Going forward, Taiwan's textile enterprises face an urgent need for transformation. Many firms are exploring options such as restructuring industry operations, optimizing production processes, or diversifying into new business ventures to ensure long-term survival. Yet, Taiwan's textile sector holds untapped potential on the global stage. Over 70% of global sports functional fabrics are supplied by Taiwan. Leveraging decades of mass production experience, strong partnerships with international brands, and the integration of high-tech talent and innovation, Taiwan's textile industry is poised to break free from its outdated "sunset industry" label and reweave its future with high-performance functional textiles.

| Main Products | | | | |
|---------------------|-------------|---------------------|------|-----|
| Product Name | Main Market | Sales Channel | | |
| Yarn, Greige Fabric | Asia Region | Domestic / Overseas | 31% | 69% |
| Solar Power Plant | Asia Region | Domestic / Overseas | 100% | 0% |

II. Primary Products: Uses and Manufacturing Process

1. Major Product Uses

The Company mainly manufactures synthetic fiber products, including polyester fibers, polyester textured yarns, water-soluble paper, mesh fabrics, and nylon pellets, which are widely used in textile, sports, industrial, and engineering fields:

Polyester Fiber: Used in underwear, sportswear, linings, athletic gear, and shoe materials, offering high breathability and comfort.

Polyester Textured Yarn: Used for knitted and woven apparel fabrics and industrial fabrics, suitable for various applications.

Water-Soluble Paper: Applied in embroidery, industry, medical, and packaging fields; dissolves in water and is environmentally degradable.

Mesh Fabric: Used in sportswear, shoe materials, and industrial fabrics; known for breathability, lightweight, and durability.

Nylon Pellets: Widely used in engineering plastic products such as parts for cars, motorcycles, bicycles, and sports equipment; known for high strength and durability.

2. Production Process: Not Applicable.

III. Major Raw Material Supply Status

The company sources polyester fibers, polyester textured yarns, water-soluble paper, and mesh fabrics primarily from domestic suppliers to ensure quality and supply chain efficiency. Nylon pellets are sourced from foreign suppliers to meet high standards required for engineering applications.

IV. Customers/Suppliers Accounting for Over 10% of Purchase/Sales in the Past Two Years

i List of Major Suppliers

Unit: NT\$ thousand

| Item | 2023 | | | | 2024 | | | | Relationship with the issuer |
|------|-----------|--------|--|------------------------------|-----------|--------|--|------------------------------|------------------------------|
| | Name | Amount | Percentage of the net purchase of the year (%) | Relationship with the issuer | Name | Amount | Percentage of the net purchase of the year (%) | Relationship with the issuer | |
| 1 | A Company | 0 | 0.00 | None | A Company | 22,989 | 63.11 | None | |
| 2 | C | 12,294 | 43.43 | None | B | 4,002 | 10.99 | None | |

| | | | | | | | | |
|---|--------------|--------|--------|------|--------------|--------|--------|------|
| | Company | | | | Company | | | |
| 3 | B Company | 4,824 | 17.04 | None | C Company | 738 | 2.02 | None |
| 4 | Others | 7,388 | 39.53 | None | Others | 8,698 | 23.88 | None |
| 5 | Net purchase | 24,506 | 100.00 | None | Net purchase | 36,427 | 100.00 | None |

Reason for Increase/Decrease:

The changes in the Company's suppliers result from regular operating activities and do not involve any unusual or exceptional circumstances.

Note 1: The names of customers accounting for more than 10% of total sales over the past two fiscal years, along with their respective sales amounts and ratios, are disclosed. However, if the disclosure of customer names is restricted by contract, or if the transaction counterparties are individuals and not related parties, codes may be used instead.

ii List of Major Customers

Unit: NT\$ thousand

| Item | 2023 | | | 2024 | | | |
|------|--------------|--------|--|------------------------------|--------------|--------|--|
| | Name | Amount | Percentage of the net sale of the year (%) | Relationship with the issuer | Name | Amount | Percentage of the net sale of the year (%) |
| 1 | b Company | 16,132 | 20.95 | None | a Company | 6,038 | 35.74 |
| 2 | d Company | 15,598 | 20.27 | None | c Company | 4,461 | 26.41 |
| 3 | a Company | 5,782 | 7.51 | None | d Company | 2,863 | 16.95 |
| 4 | c Company | 1,196 | 1.55 | None | d Company | 0 | 0.00 |
| 5 | Others | 29,970 | 49.72 | None | Others | 3,530 | 20.90 |
| 6 | Net purchase | 68,678 | 100.00 | | Net purchase | 16,892 | 100.00 |

Reason for Increase/Decrease:

The fluctuation in the Company's customers arises from normal operating activities and does not involve any unusual changes in nature.

Note 1: The names of suppliers accounting for more than 10% of total purchases in the past two fiscal years, along with their respective purchase amounts and percentages, are listed. However, if disclosure is restricted by contract or if the counterparty is an individual and not a related party, a code may be used instead.

(3) EMPLOYEE INFORMATION FOR THE PAST TWO YEARS

Employee Information for the Most Recent Two Fiscal Years and up to the Date of Annual Report Publication

| Year | | 2023 | 2024 |
|--------------------------|-----------------|-------|-------|
| Employee count | Clerk | 11 | 11 |
| | Operator | 0 | 0 |
| | Total | 11 | 11 |
| Average age | | 52.42 | 41.91 |
| Average years of service | | 10.75 | 4.7 |
| Academic | Doctoral Degree | 0 | 9.09% |

| | | | |
|----------------|--------------------------------|--------|--------|
| background (%) | Master's degree | 0 | 9.09% |
| | University/professional school | 72.72% | 72.73% |
| | Senior high school | 18.18% | 9.09% |
| | Below senior high school | 9.1% | 0 |

(4) INFORMATION ON ENVIRONMENTAL EXPENDITURES

Losses incurred due to environmental pollution (including compensation, results of environmental inspections, and penalties) in the most recent fiscal year and up to the date of publication of the annual report, as well as disclosure of any currently known or potential future estimated amounts and responsive measures; if such amounts cannot be reasonably estimated, the reasons for the inability to make a reasonable estimate should be stated: None.

(5) LABOR RELATIONS

- I. Description of employee benefits, training, retirement system, and labor-management agreements, as well as measures taken to protect employee rights:
 - i. Welfare measures: The Company has established an Employee Welfare Committee responsible for managing various employee benefits such as marriage and bereavement subsidies, as well as organizing regular activities including employee trips and birthday celebrations.
 - ii. Training and development: The Company encourages employees to attend external training programs. In 2024, employees completed a total of 84 hours of external training.
 - iii. Retirement system: In accordance with the "Labor Pension Act," the Company contributes 6% of employees' monthly wages to their individual pension accounts.
 - iv. Labor-management agreements: All Company operations adhere to the Labor Standards Act. As of the date of publication of this annual report, no labor disputes have occurred. °
- II. Losses due to labor disputes in the most recent fiscal year and up to the date of publication of the annual report, including estimated current and potential future amounts and response measures. If not reasonably estimable, a statement of such should be provided: None.

(6) INFORMATION SECURITY MANAGEMENT

- I. Description of Information Security Risk Management Structure, Policies, Specific Management Measures, and Resources Dedicated to Information Security:
 - i. Information Security Risk Management Structure:

The Company has established an Information Security Department and designated one dedicated information security officer.
 - ii. Information Security Policies:

Conduct regular cybersecurity awareness campaigns to enhance employees' security consciousness.

Review and strengthen network security control mechanisms.
 - iii. Specific Management Measures:

Personnel Management

 - a. Assign dedicated personnel to handle the protection of personal data.
 - b. Periodically educate employees in various departments on the importance of

privacy and data protection.

- c. Ensure proper handover and documentation of storage media when personnel responsible for personal data change roles.

Information Security Management

- a. Assign dedicated personnel to manage the storage of personal data files, IT equipment, and to maintain daily information security, as well as handle errors and anomalies.
- b. Back up personal data files on computers monthly.
- c. Install firewalls and antivirus software to ensure data storage security.

- iv. Resources Dedicated to Information Security Management:
 - Data Backup and Monitoring
 - a. Establish a data backup system and monitor backup logs daily.
 - b. Perform irregular inspections of network equipment, servers, and terminals.
 - c. Conduct regular restoration tests to ensure data integrity.
 - Antivirus and Firewall Configuration
 - a. Install antivirus software and firewalls to prevent malware intrusion.
 - b. Configure virus filtering mechanisms on the email server.

- II. Losses arising from major information security incidents in the last year up to the publication date of the annual report, possible impact and countermeasures; state the reasons if the losses cannot be reasonably estimated: None.

- (7) IMPORTANT CONTRACTS: None.

5. FINANCIAL STATUS, FINANCIAL PERFORMANCE REVIEW AND RISK MATTERS

(1) FINANCIAL STATUS

Comparative analysis of financial status

| Item | Year | 2023 | 2024 | Difference | |
|----------------------------|------|-----------|-----------|-------------------------------|----------------|
| | | | | Amount of increase (decrease) | Change ratio % |
| Current assets | | 284,133 | 277,495 | (6,638) | (2.34) |
| Fixed assets | | 181,671 | 62,761 | (118,910) | (65.45) |
| Other assets | | 41,641 | 280,274 | 238,633 | 573.07 |
| Total assets | | 507,445 | 620,530 | 113,085 | 22.29 |
| Current liabilities | | 13,510 | 9,027 | (4,483) | (33.18) |
| Long-term liabilities | | 0 | 0 | 0 | 0.00 |
| Other liabilities | | 19,345 | 5,610 | (13,735) | (71.00) |
| Total liabilities | | 32,855 | 14,637 | (18,218) | (55.45) |
| Share capital | | 679,918 | 679,918 | 0 | 0.00 |
| Capital reserve | | 0 | 0 | 0 | 0.00 |
| Retained earnings | | (225,235) | (231,449) | (6,214) | (2.76) |
| Other equity | | 19,907 | 157,424 | 137,517 | 690.80 |
| Total shareholders' equity | | 474,590 | 605,893 | 131,303 | 27.67 |

Analysis of changes exceeding a 20% increase or decrease is as follows:

1. Decrease in fixed assets was primarily due to the disposal of fixed assets.
2. Increase in other assets was mainly due to the revaluation surplus of real estate.
3. Decrease in current liabilities was primarily attributable to the reduction in accrued salaries, bonuses, and severance payments.
4. Decrease in other liabilities was mainly due to a reduction in lease liabilities resulting from the sale of state-owned land.
5. Increase in other equity was primarily due to the revaluation surplus of real estate.

(2) FINANCIAL PERFORMANCE

Comparative analysis of financial performance

| Item | Year | 2023 | 2024 | Amount of increase (decrease) | Change ratio % |
|--------------------------|------|----------|----------|-------------------------------|----------------|
| | | | | | |
| Operating revenue | | 76,959 | 18,414 | (58,545) | (76.07) |
| Operating costs | | 78,743 | 15,745 | (62,998) | (80.00) |
| Gross Operating Loss | | (1,784) | 2,669 | 4,453 | 249.61 |
| Operating Expenses | | 38,778 | 26,169 | (12,609) | (32.52) |
| Operating Income (Loss) | | (40,562) | (23,500) | 17,062 | 42.06 |
| Non-operating Income and | | 22,069 | 17,359 | (4,710) | (21.34) |

| | | | | |
|---|----------|---------|---------|--------|
| Expenses | | | | |
| Income (Loss) Before Tax | (18,493) | (6,141) | 12,352 | 66.79 |
| Profit (Loss) from Discontinued Operations | 0 | 0 | 0 | 0 |
| Income Tax Expenses | (1,400) | (73) | 1,327 | 94.79 |
| Net Income (Loss) for the Period | (19,893) | (6,214) | 13,679 | 68.76 |
| Other comprehensive income for the period | 0 | 137,517 | 137,517 | 100 |
| Total comprehensive profit or loss for the period | (19,893) | 131,303 | 151,196 | 760.05 |

Analysis of Changes Exceeding 20%:

1. Net Operating Revenue, Operating Costs: The decrease was mainly due to a reduction in orders and purchases.
2. Operating Expenses: The decrease was primarily due to lower accrued salaries, bonuses, and severance pay.
3. Non-operating Income and Expenses: The decrease was mainly attributable to a reduction in foreign exchange transactions.
4. Gross Operating Loss, Operating Income (Loss), Income (Loss) Before Tax, Net Income (Loss) for the Period: The decrease was mainly due to a reduction in Operating costs.
5. Income Tax Expenses: Due to the valuation of temporary differences in accordance with international accounting standards.
6. Other comprehensive income for the period, Total comprehensive profit or loss for the period: The increase was mainly due to the revaluation surplus of real estate..

(3) CASH FLOW

(I) Analysis of the cash flow in the most recent year and improvement plan for insufficient liquidity

Unit: NT\$ thousand

| Item | Year | 2023 | 2024 | Increase (decrease) ratio |
|--|------|---------|----------|---------------------------|
| Cash flow ratio | | 317.68 | (113.48) | (135.72) |
| Cash flow adequacy ratio | | (25.52) | (25.51) | 0.04 |
| Cash reinvestment ratio | | 8.02 | (0.02) | (100.25) |
| <ol style="list-style-type: none"> 1. Source of Information: Financial statements audited and certified by CPA. 2. Explanations for Changes Exceeding 20% in Key Financial Ratios Over the Past Two Years: <ol style="list-style-type: none"> (1) Cash Flow Ratio decreased, mainly due to a reduction in orders and purchases. (2) Cash Reinvestment Ratio decreased, primarily due to the same reason—decline in orders and purchases. 3. Formulas for Analytical Items: | | | | |

| |
|--|
| (1) Cash Flow Ratio = Net cash flow from operating activities / Current liabilities. |
| (2) Adequacy Ratio of Cash Flow = Sum of net cash flows from operating activities over the most recent five years / Sum of capital expenditures + increase in inventory + cash dividends over the same five years. |
| (3) Cash Reinvestment Ratio = (Net cash flow from operating activities – Cash dividends) / (Gross amount of property, plant and equipment + Long-term investments + Other non-current assets + Operating working capital). |

(II) Analysis of cash flow in the next year

| Cash balance at the beginning of the period | Net cash flow from business activities for the year | Cash inflow (outflow) for the full year | Estimated cash surplus (shortfall) | Financing of cash deficits | |
|---|---|---|------------------------------------|----------------------------|------------------------|
| | | | | Investment plan | Wealth management plan |
| 263,428 | 12,000 | 9,000 | 266,428 | 0 | 0 |

Analysis and Explanation:

1. Analysis of Expected Cash Flow Changes for the Coming Year:
 - (1) Operating Activities: Expected payments include accounts payable and operating expenses.
 - (2) Investing Activities: None.
 - (3) Financing Activities: None.
2. Remedial Measures for Projected Cash Shortages and Liquidity Analysis: Not applicable.

- (4) EFFECT OF SIGNIFICANT CAPITAL EXPENDITURES IN THE MOST RECENT YEAR ON FINANCIAL OPERATIONS: None.
- (5) INVESTMENT POLICIES IN THE MOST RECENT YEAR, MAIN REASONS FOR PROFITS OR LOSSES, IMPROVEMENT PLANS, AND FUTURE
 - I. Investment Policy and Profitability: None.
 - II. Investment Plans for the Coming Year: None.
- (6) ANALYSIS AND ASSESSMENT OF RISK MATTERS FOR THE MOST RECENT YEAR AND UP TO THE DATE OF PUBLICATION OF THE ANNUAL REPORT
 - I. Impact of interest rate and exchange rate changes and inflation on the Company's profit and future countermeasures:
 - i. Interest Rates: The Company did not incur any interest expenses from borrowings in 2024. Moving forward, based on a prudent and conservative strategy and reasonable returns, company funds are deposited with financially sound banking institutions.
 - ii. Exchange Rates: The Company's sales are primarily domestic, with a small portion of imports and exports quoted in USD. In 2024, the Company recognized foreign exchange gains of NT\$63 thousand, with no material exchange rate risk.
 - iii. Inflation: Affected by rising international raw material costs, the Company is actively sourcing from suppliers that offer high quality and reasonable pricing. It also continuously monitors market pricing power to mitigate inflation-related cost pressures.
 - II. Policies on high-risk and high-leverage investments, loans to external parties, endorsements/guarantees and derivative trading, the main causes of profit or loss incurred and future countermeasures: None.
 - III. Future R&D plan and expected R&D costs: None.
 - IV. The impact of important domestic and foreign policies and legal changes on the Company's financial status in the most recent year and countermeasures: None.
 - V. The impact of technological changes (including information and communications security risks) and industry changes on the Company's financial operations over the past year and the measures taken in response: None.
 - VI. Impact of corporate image change in the most recent year on corporate crisis management and countermeasures: None.
 - VII. Expected benefits and possible risks of merger and acquisition: None.
 - VIII. Expected benefits and possible risks of plant expansion: None.
 - IX. Risks of centralized procurement or sales:

The Company's procurement and sales counterparties are subject to change based on business needs; therefore, there is no significant concentration or associated risk in procurement or sales.

- X. Impact and risks on the Company from the substantial transfer or exchange of shares by directors, supervisors or major shareholders holding more than 10% of the Company's shares: Although there were changes in directors in 2024, the number of shares currently held by them does not have any material impact or risk on the Company's overall operations.
- XI. Impact and risk of the change of management right on the Company: The Company continues to focus on its core business and adheres to the core management principles of "sustainable operations," "giving back to society," and "people-oriented values." Therefore, changes in corporate control are not expected to have any significant impact or risk.
- XII. Litigation or Non-Litigation Matters; the Company's directors, supervisors, general manager, substantive responsible persons, major shareholders with shareholdings ratio of more than 10% or affiliated companies which have been adjudicated or are still in the process of major litigation, non-litigation or administrative disputes, and the results may have a significant impact on shareholders' equity or securities prices should disclose the facts of the dispute, the amount of the subject matter, the date of commencement of the litigation, the principal parties involved in the litigation and the disposition of the case as of the date of printing of the annual report: None.
- XIII. Other important risks and countermeasures: None.

(7) OTHER IMPORTANT MATTERS : None.

6. SPECIAL DISCLOSURES

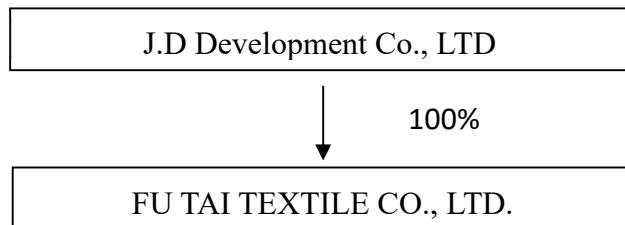
(1) INFORMATION ON AFFILIATED COMPANIES

Related Party Information: Consolidated Reports of Affiliated Enterprises

I. Consolidated Business Report of Affiliated Enterprises

Overview of Affiliated Enterprises

1. Organizational Chart of Affiliated Enterprises:



2. Basic Information of Affiliated Enterprises:

Unit: Amounts are expressed in NT\$ thousands unless otherwise stated

| Company Name | Date of Establishment | Address | Paid-in Capital | Main Business Activities |
|--------------------------|-----------------------|--|-----------------|--|
| FU TAI TEXTILE CO., LTD. | 2012.7.13 | 9 F.-1, No. 151, Zhongzheng 4th Rd., Qianjin Dist., Kaohsiung City 801609, Taiwan (R.O.C.) | 70,000 | Production and sale of polyester filament woven fabrics and nylon filament woven fabrics |

3. Presumed Control and Subsidiary Relationships with Common Shareholders:None.

4. Industries Covered by the Overall Business Operations of the Affiliated Enterprises:

- (1) Nylon filament, nylon chips, and greige fabric business.
- (2) Trading and wholesale of agricultural and livestock products.
- (3) Development and construction of solar power stations.

5. Information on the Directors, Supervisors, and General Managers of Affiliated Enterprises:

| Company Name | Position | Name/ Representing Legal Entity | Shares Held | |
|--------------------------|----------|---|-------------|---------------------------|
| | | | Amount | Shareholding Ratio (%) |
| FU TAI TEXTILE CO., LTD. | Chairman | Yang, Teng-Hsiung (2024.02.29 dismissed) FU-TA Material Technology Co, Ltd | 7,000,000 | 100 |
| | | Tang, Cheng (2024.02.29 appointed) J.D Development Co., LTD | | |

6. Operating Overview Of Related Enterprises

Unit: Amounts are expressed in NT\$ thousands unless otherwise stated

| Company Name | Capital Amount | Total Assets | Total Liabilities | Net Worth | Operating Revenue | Operating Profit (Loss) | Net Profit (Loss) After Tax | Earnings Per Share After Tax |
|--------------------------|----------------|--------------|-------------------|-----------|-------------------|-------------------------|-----------------------------|------------------------------|
| J.D Development Co., LTD | 679,918 | 620,125 | 14,232 | 605,893 | 16,892 | (21,021) | (6,214) | (0.09) |
| FU TAI TEXTILE CO., LTD. | 70,000 | 25,136 | 405 | 24,731 | 1,522 | (1,975) | (2,450) | (0.35) |

II. Consolidated Financial Statements of Affiliated Enterprises:

J.D Development Co., LTD Declaration

The business entities to be included in the Company's 2024 (from January 1, 2024 to December 31, 2024) "Affiliated Enterprise Consolidated Financial Statements" that are prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Report and Consolidated Financial Statements of Affiliated Enterprises" and the business entities to be included in the Company's parent-subsidiary consolidated financial statements in accordance with IFRS No. 10 are the same; also, the relevant information to be disclosed in the "Consolidated Financial Statements of Affiliated Enterprises" has already been disclosed in the aforementioned parent-subsidiary consolidated financial statements; therefore, the "Consolidated Financial Statements of Affiliated Enterprises" is not prepared separately.

Hereby declare

Company Name: J.D Development Co., LTD

Person in charge: Tang, Cheng

March 6, 2025

III. Report on Affiliated Relationships:

The Company is not required to prepare a report on affiliated relationships in accordance with applicable regulations.

(2) PRIVATE PLACEMENT OF SECURITIES DURING THE MOST RECENT YEAR AND UP TO THE DATE OF PUBLICATION OF THE ANNUAL REPORT:

Pursuant to a resolution passed at the 2023 Annual Shareholders' Meeting, the Company conducted a private placement of 22,000 thousand common shares on February 2, 2024. The total amount raised from this private placement was NT\$220,000 thousand, designated for operational funding and improvement of the Company's financial structure. As of the end of Q1 2025, the funds raised from this private placement have not yet been used.

(3) HOLDING OR DISPOSAL OF THE COMPANY'S SHARES BY SUBSIDIARIES DURING THE MOST RECENT YEAR AND UP TO THE DATE OF PUBLICATION OF THE ANNUAL REPORT: None.

(4) OTHER NECESSARY SUPPLEMENTARY EXPLANATIONS: None.

(5) OCCURRENCE OF ANY MATTERS DURING THE MOST RECENT YEAR AND UP TO THE DATE OF PUBLICATION OF THE ANNUAL REPORT THAT MIGHT HAVE A SIGNIFICANT IMPACT ON SHAREHOLDERS' EQUITY OR SECURITIES PRICES UNDER ARTICLE 36, PARAGRAPH 3, SUBPARAGRAPH 2 OF THE SECURITIES AND EXCHANGE ACT: None.