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BES ENGINEERING CORPORATION

ANNUAL REPORT 2025

Date of publication: April 30, 2026

I. Name, position title, contact number and email address of the spokesperson of the company:

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Title: Associate Manager

Title: Manager

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III. Name, address, website and telephone number of the stock transfer agent:

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Address: B1 No. 8 Tunghsing Road, Songshan District, Taipei City

Website: <http://www.pscnet.com.tw> <http://www.pscnet.com.tw> Tel.: (02)2746-3797

IV. Name, accountancy firm, address, website and the telephone number of the certified public accountants of the latest annual financial report:

Name: Chou Shih-Chieh and Huang Yao-Lin

Accountancy firm: Deloitte & Touche

Address: 20F., No. 100, Songren Road, Xinyi District, Taipei City

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

Tel.: (02)2725-9988725

V. Overseas Securities: None

VI. Company website:

<https://www.bes.com.tw><https://www.bes.com.tw>

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One. To shareholders' report

Dear Shareholders,

With “steady development, innovation-driven efficiency, digital transformation, and deepened sustainability” as our core principles, the Company focuses on four major sectors: “public works,” “private sector projects,” “real estate business,” and “overseas operations.” By leveraging vertical integration and horizontal collaboration across the industry chain, we optimize resource allocation and maximize corporate profitability.

In the face of challenges such as fluctuations in raw material prices, labor shortages, and changes in the market environment, the Company continues to promote the application of smart construction technologies, deepen the implementation of digital tools such as Building Information Modeling (BIM) and construction site AIoT monitoring, and enhance project execution efficiency and decision-making accuracy. Guided by ESG sustainability principles, we actively develop and apply low-carbon building materials and energy-efficient construction methods to deliver green building solutions.

We uphold high standards of construction quality and safety management, strengthen core technical capabilities, expand our business footprint, and balance domestic and international market deployment. Through flexible operational strategies, we mitigate market risks and create long-term value for shareholders, customers, employees, and society, laying a solid foundation for sustainable corporate growth.

I. 2025 Business results

In view of the increasingly complex global economic and industrial environment, the Company has leveraged its accumulated engineering expertise, technological advantages, and enhanced project execution efficiency to steadily advance operations and maintain growth momentum. For 2025, consolidated operating revenue reached NT\$20.718 billion, and profit after tax amounted to NT\$642 million.

Major contract awarded in 2025: Taiwan Provincial Highway No. 61 (WH-2H), Hsinchu Section 77K+040 to 85K+865 At-Grade Intersection Improvement Project, with a contract value of NT\$12.026 billion.

II. 2026 Business Plan

Amid continued volatility in the global political and economic environment, the construction industry remains subject to a high degree of uncertainty. The Company has established four key strategic pillars—expanding engineering operations, strengthening technological advantages, accelerating digital transformation, and implementing sustainable management—to drive integrated development and operational growth across all business segments. The development plans for each profit center are as follows:

- (I) Public works: Participating in major national construction projects to enhance professional engineering capabilities.

The Company continues to participate in major national infrastructure projects, undertaking highly technical works including rail transit, water environment projects, urban construction, and green energy infrastructure. By applying smart construction technologies and data analytics, we enhance execution efficiency, strengthen competitive advantages, and contribute long-term value to national development.

The Company will fully leverage the advantages of the 153 hectares of land to be developed in the Changbin Industrial Park. By offering tailor-made plots to meet corporate needs and implementing a pre-registration system, we provide flexible options to enhance investment attraction and land development efficiency. Simultaneously, we will adapt flexibly to industrial changes and actively evaluate opportunities for developing new industrial parks to increase the supply of land resources.

- (II) Private sector projects: Deepen digital transformation and optimize construction quality and efficiency

To achieve higher-quality project outcomes, the Company actively promotes intelligent construction site management and the application of advanced construction methods. Through BIM, the full lifecycle of buildings is integrated into data models, optimizing project planning and documentation processes. Additionally, smart construction site management systems are used to monitor construction quality and safety, while enabling data collection and analysis. The Company also advances

innovative construction techniques, including aluminum formwork, prefabrication methods, and building automation technologies, to improve construction quality and completion efficiency.

In terms of project progress, BES EcoTech Industrial Park commenced interior finishing and landscaping works in the third quarter of 2025, with the entire project expected to obtain occupancy permits in 2026. The Minsheng Community urban renewal project “Bi Yen Ge” began inspection and handover procedures in the fourth quarter of 2025. “Ming Sen Yuan” is expected to complete structural works in the second quarter of 2026. The Nangang urban renewal project completed diaphragm wall construction in the fourth quarter of 2025, while the Formosa Plastics Building urban renewal project commenced underground structural works in January 2026.

(III) Real estate business: Focus on precision development and the development of low-carbon sustainable buildings

In response to evolving market conditions and sustainability trends, the Company continues to refine its real estate development strategy, focusing on land readjustment projects to enhance land integration efficiency and overall planning quality. This approach aims to create development sites with long-term growth potential and stable value. Looking ahead, the Company will prudently allocate development resources, manage early-stage investment risks, and collaborate with strategic partners and professional planning teams to improve execution efficiency and competitiveness in land readjustment projects, thereby supporting steady growth in the real estate business.

In light of financial market volatility and tightening bank financing conditions, the Company will adopt a cooperative development model with phased investment, working with landowners, developers, and professional consultants to integrate land, capital, and technical resources, thereby diversifying risks and reducing financial pressure.

(IV) Overseas business: Steady expansion with deep roots, seizing transformation opportunities

In 2026, Vietnam’s real estate market is expected to experience structural recovery driven by regulatory improvements and economic growth. Benefiting from the “China + 1” supply chain shift, continued foreign investment is expected to stimulate demand for industrial and residential properties, with the market gradually returning to a focus on owner-occupation and practical use. Recent revisions to Vietnam’s land regulations and financial policies have enhanced development transparency and stability, while administrative restructuring has unlocked regional development potential.

The Company will maintain a prudent operating approach, deepen its presence in key cities such as Ho Chi Minh City and Hanoi, strengthen regulatory and market assessments, and collaborate with high-quality local partners to expand steadily under manageable risks and reinforce its long-term development foundation.

Looking ahead to 2026, the Company will build on its core strengths to expand engineering contracting, enhance technological innovation, accelerate digital transformation, and implement sustainable management. We will deepen our engagement in public works, accelerate industrial park development, optimize private construction and real estate operations, and steadily expand overseas markets. In the face of market challenges, the Company will strengthen competitiveness through prudent management and flexible strategies, ensure sustainable growth, create value for shareholders, enhance services for customers, and contribute to urban sustainability and industrial advancement through professional excellence.

Sincerely yours,

To you and your family’s health and prosperity!

Chairman: Chou Chih-Ming

Two. Corporate Governance Report

I. Directors, supervisors, general manager, deputy general managers, associate managers, and officers of departments and branches

(I) Profile of Directors:

As of the deadline for share transfer registration for this Shareholders' meeting: March 30, 2025

Title	Nationality and place of registration	Name	Gender/age	Appointed (on board) date	Term	Date of first elected	Shares held when elected		Shares currently holding		Shares held by spouse and minors		Shares held in the name of others		Experience (Education)	Concurrently served as the position of the Company other companies	Executives, directors, or supervisors who are spouses or relatives within the 2nd degree of kinship			Note
							Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relationship	
Chairman (27th)	Republic of China	Yang Jen Industrial Co., Ltd. Representative: Chou Chih-Ming	Male (71-80)	2023.06.07	3 years	2011.06.02	466,000 0	0.0304% 0	489,439 0	0.0304% 0	None 0	None 0	None 0	None 0	Director and President of Machi Garden Recreation and Amusement Park, Chairman of Young Song Shu Recreation Co., Ltd., Chairman of Tangcheng Construction Co., Ltd., Director of reRUBBER California, U.S.A, and Chairperson of Supervisory Board of Taipei Guangzhao Temple	Also serves concurrently as: Chairman, Acting General Manager, Chief Information Security Officer, and Member of the Sustainable Development Committee	None	None	None	--
Director (27th)	Republic of China	Formostar Garment Co. Ltd Representative: Tsai Chao-Lun	Male (71-80)	2023.06.07	3 years	2002.06.18	218,991 0	0.0143% 0	195,050 40,785	0.0121% 0.0025%	None 0	None 0	None 0	None 0	General Manager of Formostar Garment Co Ltd., Director of Shen Yi Enterprise Co., Ltd., Supervisor of Foremost Dairies (Taiwan) Limited	Also serves concurrently as: None. Chairman of Formostar Garment Co. Ltd	None	None	None	--

Title	Nationality and place of registration	Name	Gender/age	Appointed (on board) date	Term	Date of first elected	Shares held when elected		Shares currently holding		Shares held by spouse and minors		Shares held in the name of others		Experience (Education)	Concurrently served as the position of the Company other companies	Executives, directors, or supervisors who are spouses or relatives within the 2nd degree of kinship			Note
							Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relationship	
Director (27th)	Republic of China	China Petrochemical Development Corporation Representative: Chen Jui-Lung	Male (71-80)	2023.06.07	3 years	2002.06.18	164,348,449 0	10.7354% 0	172,615,175 0	10.7354% 0	None 0	None 0	None 0	None 0	Department of Economics, National Chung Hsing University Minister of Economic Affairs	Also serves concurrently as: None. Chairmann of China Petrochemical Development Corporation	None	None	None	- Resigned on 2025.11.19
Director (27th)	Republic of China	China Petrochemical Development Corporation Representative: Liu Liang-Hai (As of December 1, 2025, the representative of the corporate director Chang-Li Co., Ltd. resigned; on December 2, 2025, the representative of the corporate director China Petrochemical Development Corporation assumed office.	Male (61-70)	2025.12.02	3 years	2002.06.18	164,348,449 0	10.7354% 0	172,615,175 0	10.7354% 0	None 0	None 0	None 0	None 0	Board Chairperson of Enterprise Bank of Hualien	Also serves concurrently as: None. Chairperson of Chao Feng Financial Advisory Services Co. Ltd.	None	None	None	--
Director (27th)	Republic of China	Chang-Li Co. Ltd. Representative: Cheng Ssu-Tsung	Male (41-50)	2025.12.01	6 months	2011.06.02	1,500,000 0	0.0980% 0	1,575,450 998,835	0.0980% 0.0621%	None 0	None 0	None 0	None 0	Chairman of Delpha Construction Co., Ltd. Director of China Bills Finance Corporation Director of Delpha Construction Co., Ltd. Institutional Director of COTA Commercial Bank, Ltd.	Also serves concurrently as: None. Director of China Bills Finance Corporation Director of Delpha Construction Co., Ltd. Responsible Person of Hong Yi Investment Co., Ltd. Chairman of TRANSWISE ENTERPRISE CO., LTD. Chairman of Rui Cheng Hao Investment Co., Ltd. Chairman of Bao Shin Investment Co., Ltd.	None	None	None	Resigned on 2026.01.23
Director (27th)	Republic of China	Chang-Li Co. Ltd. Representatives: Shan Du-Wu	Male (71-80)	2026.02.24	3 months	2011.06.02	1,500,000 0	0.0980% 0	1,575,450 0	0.0980% 0	None 0	None 0	None 0	None 0	Graduated from National Taipei University of Business	Chairman of Ding Yue Development Co., Ltd. Chairman of CKS Guard Responsible Person of Cheng Chih Enterprise Co.	None	None	None	--

Title	Nationality and place of registration	Name	Gender/age	Appointed (on board) date	Term	Date of first elected	Shares held when elected		Shares currently holding		Shares held by spouse and minors		Shares held in the name of others		Experience (Education)	Concurrently served as the position of the Company other companies	Executives, directors, or supervisors who are spouses or relatives within the 2nd degree of kinship			Note
							Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relationship	
Director (27th)	Republic of China	Tian-Jing Investment Corporation Representative: Pai Chun-Nan	Male (81-90)	2023.06.07	3 years	2011.06.02	12,179,632 0	0.7956% 0	12,792,2670	0.7955% 0	None 0	None 0	None 0	None 0	General Manager of BES Engineering Corporation, Chairman of Core Pacific Securities Investment Trust Co., Ltd.	Also serves concurrently as: Standing Member of the Executive Management Committee Deputy Chairman of the Board of China Petrochemical Development Corporation	None	None	None	--
Independent Director (27th)	Republic of China	Liu Teng-Cheng	Male (71-80)	2023.06.07	3 years	2023.06.07	0	0	0	0	0	0	0	0	Chairman, Taiwan Financial Holdings Co., Ltd and Bank of Taiwan; Chairman, Hua Nan Financial Holdings Co., Ltd. and Hua Nan Commercial Bank, Ltd.; Chairman, National Credit Card Center of R.O.C.	Also serves concurrently as: Member of the Remuneration Committee, Audit Committee and Sustainable Development Committee, Nomination Committee.	None	None	None	--
Independent Director (27th)	Republic of China	Ke Shu-Jen	Male (61-70)	2023.06.07	3 years	2014.06.17	0	0	0	0	0	0	0	0	Adjunct Professor of Shih Hsin University, Chairman of Bear Mom E-Commerce Co.	Also serves concurrently as: Member of the Remuneration Committee and Audit Committee, Nomination Committee. Chairman, Chinese IPTV Channel Operators Association; Adjunct Professor, Shih Hsin University	None	None	None	--

Title	Nationality and place of registration	Name	Gender/age	Appointed (on board) date	Term	Date of first elected	Shares held when elected		Shares currently holding		Shares held by spouse and minors		Shares held in the name of others		Experience (Education)	Concurrently served as the position of the Company other companies	Executives, directors, or supervisors who are spouses or relatives within the 2nd degree of kinship			Note
							Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relationship	
Independent Director (27th)	Republic of China	Chang Fan	Male (61-70)	2023.06.07	3 years	2017.06.21	0	0	0	0	0	0	0	0	Deputy Director-General, National Property Bureau, MOF; Urban-Rural Development Bureau, New Taipei City Government; Deputy Minister, MOF	Also serves concurrently as: Member of the Audit Committee, Remuneration Committee and Sustainable Development Committee, Nomination Committee. Professor, Department of Public Finance and Taxation and Real Estate Investment and Management Diplomat; Vice Chairman of Eastern Broadcasting Co., Ltd.; Chairman, HANN SHYANG DEVELOPMENT CO.,LTD.	None	None	None	--
Independent Director (27th)	Republic of China	Pan Wei-Kang	Female (61-70)	2024.05.31	2 years	2024.05.31	0	0	0	0	0	0	0	0	PhD, Institute of Three Principles of the People, National Taiwan Normal University Former Taipei City Councilor, Former Member of the Legislative Yuan, Director of Soroptimist International	Also serves concurrently as: Member of the Audit Committee Chairman of Grand Biotechnology Co., Ltd., Chairman of the Modern Women's Foundation, Independent Director of Sinkang Industries Co.,Ltd.	None	None	None	--

Table 1: Major Shareholders of Juristic Person Shareholders

March 22, 2026

Name of Juristic Person Shareholder	Major Shareholders of the Juristic Person Shareholder
Yang Jen Industrial Co., Ltd.	Yu, Chien-Song 40.00%; Cheng, Li-Fen 20.00%; Fan, Fang-Ming 20.00%; Chang-Li Co. Ltd. 20.00%
Formostar Garment Co. Ltd	Tsai Chao-Lun 26.48%; Tsai Mei-Tzu 11.46%; Tsai Tsung-Heng 12.50%; Tung Ko-Shen 8.69%; Tsai Chao-Heng 10.92%; Frieman (Cayman) Co., Ltd; British West Indies 6.23%; Tsai Tsung-I 10.86%; Tsai Yuan-Yi 7.07%, Tsai Hui-Wen 3.33%; Tsai Hsin-Tien 1.86%
Chang-Li Co. Ltd.	Liu, Yun-Chih 35.00%; Wu, Tsung-Shun 30.00%; Yang Jen Industrial Co., Ltd. 20.00%; Gaoshangang Co., Ltd. 15.00%
China Petrochemical Development Corporation	BES Engineering Corporation 4.84%, Hung Chao-Shun 2.22%, Core Pacific Development Investment Co., Ltd. 1.43%, Standard Chartered Bank (Taiwan) Limited, Business Department, in custody for the Vanguard Emerging Markets Stock Index Fund investment account managed by Vanguard Group, Inc. 0.95%, Standard Chartered Bank (Taiwan) Limited, Business Department, in custody for the Advanced Total International Stock Index Fund investment account managed by Vanguard Group, Inc. 0.93%, HSBC (Taiwan) Commercial Bank Co., Ltd. in custody for Core Pacific-Yamaichi International (Hong Kong) Ltd. investment account 0.84%, Citibank (Taiwan) Commercial Bank in custody for Polunin Developing Countries Fund, LLC investment account 0.64%, Jen Huei Enterprise Co., Ltd. 0.58%; Lin Ming-Da: 0.57%; Chu Chien-Long: 0.50%.
Tian-Jing Investment Corporation	Glory Construction Co., Ltd 21.42%; Kuo Ching Investment Co., Ltd. 20.74%; Core Pacific Development Investment Co., Ltd. 18.88%; Chang Po Enterprise Co., Ltd. 10.89%; Ching Ding Technology Co., Ltd. 10.53%

Information of Directors and Supervisors (II)

March 30, 2026

Name of Juristic Person	Major shareholders of juridical person
Frieman (Cayman) Co., Ltd., British West Indies	Stuart Wang 100%
BES Engineering Corporation	Bao Shin Investment Co., Ltd. 18.05%; China Petrochemical Development Corporation 10.73%; Lin Wen-Yang 1.95%; TRANSWISE ENTERPRISE CO., LTD. 1.01%; Jiajun Investment Co., Ltd. 1.01%; Hezhu Investment Co., Ltd. 1.01%; JPMorgan Chase Bank, N.A. in custody for Vanguard Total International Stock Index Fund investment account 0.84%; Shen Chun-Chi Cultural and Educational Foundation 0.83%; JPMorgan Chase Bank, N.A. in custody for Vanguard Emerging Markets Stock Index Fund investment account 0.81%; Tian Jing Investment Co., Ltd. 0.79%
Glory Construction Co., Ltd	Jindu Construction and Development Corp. 24.17%; Tian-Jing Investment Corporation 17.42%; Ching Ding Technology Co. 15.15%; Cheng Chih Enterprise Co. 15.15%; Yao, Zhe-Sheng 6.06%; Core Pacific City Co., Ltd. 5.05%; Core Pacific Development Investment Co., Ltd. 4.29%; Jen Huei Enterprise Co., Ltd. 2.53%; Core Pacific Rent Corp. 2.53%; Core Pacific Investment Corp. 2.53%; Chang, Tung-An 2.53%; Jinghua Supermarket Co., Ltd. 2.53%
Kuo Ching Investment Co., Ltd.	Golden Wheel Co., Ltd. 27.17%; Core Pacific Rent Corp. 15.58%; Jindu Construction and Development Corp. 14.44%; Chang Po Enterprise Co., Ltd. 10.68%; Ching Ding Technology Co. 10.03%; Glory Construction Co., Ltd 7.78%; Gaoshangang Co., Ltd 5.01%; Cheng Chih Enterprise Co. 4.19%; Fan Yu Industrial Co., Ltd. 4.09%; Tony Development Industrials Co., Ltd 1.03%
Core Pacific Development Investment Co., Ltd.	Yang Zhen Industrial Co., Ltd. 17.61%; Gao Shan Gang Co., Ltd. 16.23%; Premier Capital Limited 11.16%; Zhen Qi Enterprise Co., Ltd. 9.29%; Tan Ling-Mei 9.11%; Ching Ding Technology Co., Ltd. 7.74%; Tony Development Industrial Co., Ltd. 6.82%; Glory Construction Co., Ltd. 6.67%; Chang Tung-An 5.56%; Tao Zhu Construction Co., Ltd. 4.00%
Chang Po Enterprise Co., Ltd.	Fang Yang Industrial Co., Ltd. 29.59%; Core Pacific Rent Corp. 17.52%; Cheng, Chao-Wen 9.73%; Glory Construction Co., Ltd. 9.00%; Wu, Chun-Feng 7.95%; Tian-Jing Investment Corporation 7.95%; Wu, Chin-Jung 7.95%; Tang, Lin-Mei 5.16%, Zhang, Zhi-Cheng 5.15%
Ching Ding Technology Co.	Taiwan Tony Enterprise Corp. 14.67%; Wu Hsiang 14.67%; Jingdu Construction Development Co., Ltd. 14.40%; Jing Zheng Industrial Co., Ltd. 9.76%; Glory Construction Co., Ltd. 9.08%; Chang Po Enterprise Co., Ltd. 8.95%; Core Pacific Property Technology Service Co., Ltd. 8.14%; Fu Hsing Management Consulting Co., Ltd. 8.13%; Tony Development Industrial Co., Ltd. 3.41%; Fan Chen-Chun 3.21%
Gaoshangang Co., Ltd.	Chang Li Co., Ltd. 50.00%; Cheng, Li-Fen 30.00%; Wu, Tsung-Hsun 20.00%
Jen Huei Enterprise Co., Ltd.	Fanyang Industrial Co., Ltd. 20.00%; Core Pacific Investment Co., Ltd. 18.13%; Changbo Enterprise Co., Ltd. 15.00%; Core Pacific Property Technology Service Co., Ltd. 14.25%; Tian-Jing Investment Corporation 13.75%; Core Pacific Leasing Co., Ltd. 9.38%; Yaoqun Co., Ltd. 8.75%; Jindu Construction and Development Corp. 0.63%; Chen Yu-Kun 0.13%.

Information of Directors and Supervisors (II)

1. Disclosure of directors' professional qualifications and the independence of independent directors:

Qualifications	Professional qualification and experience (Note 1)	Independence Criteria (Note 2)	Number of other companies served concurrently as an independent director
Name Representative of Yang Zhen Co., Ltd.: Chou Chih-Ming	Chairman Chou Chih-Ming has previously served as Director and President of Machi Garden Recreation and Amusement Park, Chairman of Young Song Shu Recreation Co., Ltd., Chairman of Tangcheng Construction Co., Ltd., Director of reRUBBER California, U.S.A, and Chairperson of Supervisory Board of Taipei Guangzhao Temple. He has led the Company to sustained growth and strong operating performance. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Chairman Chou Chih-Ming did not have any of the circumstances described in Article 3, Paragraph 1, Subparagraphs 1 and 6 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Representative of Formostar Factory Co., Ltd.: Tsai Chao-Lun	Director Tsai Chao-Lun is currently the Chairman of Formostar Garment Co. Ltd, and possesses the professional expertise and experience required for business management and the Company's development. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Director Tsai Chao-Lun did not have any of the circumstances described in Article 3, Paragraph 1, Subparagraphs 1 and 6 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Representative of China Petrochemical Development Corporation: Chen Jui-Lung (Resigned on 2025.11.19)	Director Chen Jui-Lung has served as Chairman of the Institute for Information Industry, Chairman of the Commerce Development Research Institute, Minister of Economic Affairs, Political Deputy Minister of Economic Affairs, Administrative Deputy Minister of Economic Affairs, and Director-General of the Bureau of Foreign Trade, Ministry of Economic Affairs. He possesses the professional expertise and experience required for the Company's management and development. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Director Chen Jui-Lung did not have any of the circumstances described in Article 3, Paragraph 1, Subparagraphs 1 and 6 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Representative of China Petrochemical Development Corporation: Liu Liang-Hai (As of December 1, 2025, the representative of the corporate director Chang-Li Co., Ltd. resigned; on December 2, 2025, the representative of the corporate director China Petrochemical Development Corporation assumed office.)	Director Liu Liang-Hai is currently the Chairman of Mega International Financial Advisory Co., Ltd., and formerly served as Chairman of Enterprise Bank of Hualien. He possesses professional expertise and a background in finance, accounting, and corporate governance. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Director Liu Liang-Hai did not have any of the circumstances described in Article 3, Paragraph 1, Subparagraphs 1 and 6 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Representative of Chang-Li Co. Ltd.: Cheng Ssu-Tsung (Inaugurated on 2025.12.01, resigned on 2026.01.23)	Director Cheng Ssu-Tsung is currently the Chairman of Dawa Construction Co., Ltd., a Director of Chinese Bills Finance Corporation, and the institutional director's representative of COTA Commercial Bank, Ltd. He has professional knowledge and background or work experience in business, legal affairs, finance, and accounting. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Director Cheng Ssu-Tsung did not have any of the circumstances described in Article 3, Paragraph 1, Subparagraphs 1 and 6 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0

Qualifications	Professional qualification and experience (Note 1)	Independence Criteria (Note 2)	Number of other companies served concurrently as an independent director
Name			
Representative of Chang-Li Co. Ltd.: Shan Du-Wu (Inaugurated on 115.02.24)	Director Shan Du-Wu is currently the Chairman of Core Pacific Development Co., Ltd., the Chairman of CKS Guard Co., Ltd., and the Responsible Person of Cheng Chih Enterprise Co. He possesses the professional knowledge and work experience necessary for business management and the company's development. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Director Shan Du-Wu did not have any of the circumstances described in Article 3, Paragraph 1, Subparagraphs 1 and 6 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Representative of Tianjing Investment Co., Ltd.: Pai Chun-Nan	Director Pai, Chun-Nan is currently Vice Chairman of China Petrochemical Development Corporation. He previously served as General Manager of BES Engineering Corporation, Chairman of Core Pacific Securities Investment Trust Co., Ltd., Deputy General Manager of Bank of Communications, and Specialist Commissioner of the Council for Economic Planning and Development, Executive Yuan. He possesses the professional expertise and experience required for the Company's management and development. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Director Pai, Chun-Nan did not have any of the circumstances described in Article 3, Paragraph 1, Subparagraphs 1 and 6 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Liu Teng-Cheng	Independent Director Deng Cheng has served as Chairman of National Credit Card Center of R.O.C., Chairman of Hua Nan Financial Holdings Co., Ltd. and Hua Nan Commercial Bank, Ltd., Chairman of Taiwan Financial Holdings Co., Ltd and Bank of Taiwan, etc. He has professional knowledge and background in finance, legal and corporate governance. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Independent Director Liu Teng-Cheng did not have the circumstances described in Article 3, Paragraph 1, Sub-paragraph 1 and Sub-paragraph 6 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and he, his spouse and relatives within 2nd degree of kinship do not serve as directors. The directors of the Company or its affiliates and the number and weight of the shares of the Company (the shares are not held in the name of others).	1
Ke Shu-Jen	Independent Director Ke Shu-Jen is currently Chairman of the Chinese IPTV Channel Providers Association and an adjunct professor at Shih Hsin University. He previously served as Chairman of Bear Mom E-commerce Company and possesses the professional expertise and management experience required for the Company's development. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Independent Director Ke Shu-Jen did not have the circumstances described in Article 3, Paragraph 1, Sub-paragraph 1 and Sub-paragraph 6 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and he, his spouse and relatives within 2nd degree of kinship do not serve as directors. The directors of the Company or its affiliates and the number and weight of the shares of the Company (the shares are not held in the name of others).	1
Chang Fan	Independent Director Chang Fan is currently Vice Chairman of Eastern Television Co., Ltd., a professor at Takming University of Science and Technology, and Chairman of AIDC Development Co., Ltd. He previously served as Political Deputy Minister of Finance, Executive Yuan, and Director-General of the Department of Urban and Rural Development, New Taipei City Government. He possesses the professional expertise and experience required for business management and the Company's development. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Independent Director Chang Fan did not have the circumstances described in Article 3, Paragraph 1, Sub-paragraph 1 and Sub-paragraph 6 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and he, his spouse and relatives within 2nd degree of kinship do not serve as directors. The directors of the Company or its affiliates and the number and weight of the shares of the Company (the shares are not held in the name of others).	0
Pan Wei-Kang	Independent Director Pan Wei-Kang is currently the Chairman of Grand Biotechnology Co., Ltd., Chairman of the Modern Women's Foundation, Independent Director of Sinkang Industries Co., Ltd., and Independent Director of Cathay Securities Corporation. She previously served as a Taipei City Councilor, Legislator, and Director of the International Inner Wheel. She possesses professional expertise and experience in business management, and areas aligned with the Company's development needs. Not a person of any conditions defined by the provisions of Article 30 of the Company Act.	Independent Director Pan Wei-Kang did not have the circumstances described in Article 3, Paragraph 1, Sub-paragraph 1 and Sub-paragraph 6 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and he, his spouse and relatives within 2nd degree of kinship do not serve as directors. The directors of the Company or its affiliates and the number and weight of the shares of the Company (the shares are not held in the name of others).	1

2. Board Diversity and Independence:

(1) Diversity of the Board of Directors:

To achieve the foregoing objectives and enhance the effectiveness of the Board of Directors, the Company has adopted a board diversity policy. In accordance with Article 20, Paragraph 3 of the Corporate Governance Best Practice Principles, the composition of the Board shall take diversity into consideration. In addition to the requirement that the number of directors concurrently serving as managerial officers of the Company should not exceed one-third of the total number of board seats, the Company shall formulate appropriate diversity guidelines based on its operations, business model, and development needs. Such guidelines should include, but are not limited to, the following two aspects:

I. Basic conditions and values: gender, age, nationality and culture, etc.

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

As of December 31, 2025, the current Board of Directors consists of 9 members, including 4 independent directors. Their areas of expertise cover finance and accounting, law, engineering and construction, and industry knowledge, and they possess extensive management capabilities. To further strengthen board diversity, the current target is to maintain at least one female director seat. The Company elected one female independent director in the by-election held in 2024.

The Company's business focuses on construction and large-scale public works. Due to a limited number of female senior professionals in fields closely related to the Company's business development, the proportion of female directors has not yet reached one-third. In the future, gender diversity will be a key consideration in the director nomination and election process. The Company will actively seek female candidates with expertise in corporate governance, risk management, or sustainable development to progressively increase female representation on the board.

In addition, members of the Board of Directors should generally possess the knowledge, skills, and qualities necessary to perform their duties. To achieve the ideal goals of corporate governance, the board as a whole should possess the following capabilities:

I. Operational judgment.

II. Accounting and financial analysis.

III. Business management.

IV. Crisis management.

V. Industry knowledge.

VI. International market perspective.

VII. Leadership.

VIII. Decision-making.

The Company's implementation is set out in the table below:

Core diversity items	Basic composition								Industry experience					Professional capabilities						
	Gender	Concurrently serving as an employee of the Company	Age				Tenure as director			Banking	Public relations	Media and communications	Traditional industries	Technology and startups	Operation management	Leadership and decision-making	Industry knowledge	Finance and accounting	Law	Engineering and construction
Director's name			41 to 60	61 to 70	71 to 80	81 to 90	Under 3 years	3 to 6 years	Over 6 years											
Chou Chih-Ming	Male	▲ (Concurrently serves as General Manager)			▲		▲						▲		▲	▲	▲	▲		
Pai Chun-Nan	Male				▲				▲	▲					▲	▲	▲	▲	▲	
Chen Jui-Lung (Note)	Male				▲				▲		▲			▲	▲	▲	▲	▲		
Tsai Chao-Lun	Male				▲				▲				▲		▲	▲	▲	▲		
Liu Liang-Hai (Note)	Male			▲					▲	▲					▲	▲	▲	▲		
Cheng Ssu-Tsung (Note)	Male		▲				▲			▲					▲	▲	▲	▲		
Shan Du-Wu (Note)	Male				▲		▲						▲		▲	▲	▲			
Ke Shu-Jen	Male			▲					▲						▲	▲	▲			
Chang Fan	Male			▲				▲							▲	▲	▲	▲		
Liu Teng-Cheng	Male				▲		▲			▲					▲	▲	▲	▲	▲	
Pan Wei-Kang	Female			▲			▲						▲		▲					

Note: Chen Jui-Lung (resigned on December 1, 2025); Liu Liang-Hai (ceased to serve as the representative of the corporate director Chang-Li Co. Ltd. on December 1, 2025 / assumed office as the representative of the corporate director China Petrochemical Development Corporation on December 2, 2025); Cheng Ssu-Tsung (assumed office as the representative of the corporate director Chang-Li Co. Ltd. on December 1, 2025 / resigned as the representative of the corporate director Chang-Li Co. Ltd. on January 23, 2026); Shan Du-Wu (assumed office as the representative of the corporate director Chang-Li Co. Ltd. on February 24, 2026)

(2) Board Independence:

The Company has a total of 9 directors (including 4 independent directors). None of the directors have spousal or familial relationships within the second degree of kinship, in compliance with Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act. To further ensure the independent operation of the Board of Directors, Article 15, Paragraph 1 of the Company's Rules of Procedure for Board Meetings stipulates that where a director has an interest in any matter on the agenda—whether in their own capacity or as a representative of a juristic person—the director shall explain the material aspects of such interest at the relevant board meeting. Where such interest may be detrimental to the interests of the Company, the director shall refrain from participating in the discussion and voting on that matter, and shall recuse themselves accordingly. Such director may not exercise voting rights on behalf of another director by proxy. All directors of the Company have complied with the aforementioned provisions, thereby ensuring that the discussion and voting on each proposal are conducted based on the directors' objective and independent judgment.

(II) Information for general manager, deputy general manager, associate managers and supervisors of all departments and branch organization.

March 31, 2026

Title (Note 1)	Nationality	Name	Gender	Appointed (on board) date	Holding shares		Shares held by spouse or minor children		Shares held in the name of others		Experience (Education) (Note 2)	Concurrently served as the position of other companies	Manager who has a relationship with a related party of spouse or level two relationship			Note (Note 3)
					Number of shares	Share holding %	Number of shares	Share holding %	Number of shares	Share holding %			Title	Name	Relatio nship	
General manager (concurrently served as the Chairman) (Note 4)	Republic of China	Chou Chih- Ming	Male	2023.06.07	-	-	-	-	-	-	Chairman of the Company Representative of Yang Zhen Co., Ltd. Director and President of Machi Garden Recreation and Amusement Park Chairman of Bulaosong Recreation Enterprise Chairman of Tangcheng Construction Co., Ltd. Director of reRUBBER California, U.S.A. Chairperson of Supervisory Board of Taipei Guangzhao Temple Department of Accounting, National Chung Hsing University	Chairman and CEO, Chief Information Security Officer of the Company Director of Core Pacific World Co., Ltd. Director of Huading Enterprise Co., Ltd. Director of BESM Holding Co., Ltd. Director of BES Investment Co., Ltd. Director of Core Pacific World Development Co., Ltd. Director of Core Pacific World International Investment Co., Ltd. Director of BES Logistics International Co., Ltd. Director of Global BES Engineering (Myanmar) Co., Ltd. Director of BES Engineering Vietnam Company Limited	None	None	None	-
General manager (Note 6)	Republic of China	Su Li-Mei	Female	2026.02.10	-	-	-	-	-	-	General Manager, Assistant Manager, Division Manager, Project Manager of the Company Master of Construction Management Program, Department of Civil Engineering, National Central University	None	None	None	None	-
Executive Deputy General Manager, Engineering (Note 6)	Republic of China	Yang Mei- Yuan	Female	2026.01.01	29	0.00%	-	-	-	-	Engineering executive deputy general manager and assistant manager of the Company Master of Construction Engineering and Management, Department of Civil Engineering, National Taiwan University	Director of Taiwan Mechanical and Electrical Engineering Service Association Director of Zhongqin Human Resource Management Consulting Co., Ltd. Director of CKS Guard Director of BES Engineering Vietnam Company Limited	None	None	None	-
Executive Vice President (Note 6)	Republic of China	Chen, Wen Ke	Male	2026.03.12	-	-	-	-	-	-	Executive Vice President, Consultant, and Director Chief Engineer, Manager, Specialist, Taiwan Land Development Corporation Chief Architect, Jia-Yu Wang Architecture Firm Chief Architect, Wen-Ke Chen Architecture Firm Architect of Tian-He Construction Co., Ltd. Executive Vice President and Acting President, Ding Yue Development Bachelor, Department of Architecture, National Cheng Kung University	Ding Yue Development Co., Ltd. Director of Huading Enterprise Co., Ltd.	None	None	None	-

Title (Note 1)	Nationality	Name	Gender	Appointed (on board) date	Holding shares		Shares held by spouse or minor children		Shares held in the name of others		Experience (Education) (Note 2)	Concurrently served as the position of other companies	Manager who has a relationship with a related party of spouse or level two relationship			Note (Note 3)
					Number of shares	Share- holding %	Number of shares	Share- holding %	Number of shares	Share- holding %			Title	Name	Relatio- nship	
Association	Republic of China	LIAO, SHU- LIANG	Male	2015.03.30	8,314	0.00%	-	-	-	-	Associate manager of the Company Department of Civil Engineering, National Taiwan University	None	None	None	None	-
Association	Republic of China	Cheng An- Tzu	Female	2016.01.11	-	-	-	-	-	-	Associate manager of the Company Taiwan Wenhua Oriental Apartment Building Maintenance Management Co., Ltd. Principal of Wenhuyuan Master of Advertising Department, National Chengchi University	Director of CKS Guard	None	None	None	-
Association (Note 5)	Republic of China	Ko, Teng- Yao	Male	2022.12.26	-	-	-	-	-	-	Associate manager of the Company Associate manager of Core Pacific Development Corporation Special Assistant to President, Jean Co., Ltd. President of Furen Group Fuyu Investment (Beijing) Co., Ltd. PD of Puren Group China Master, Graduate Institute of Construction Management, Chung Hua University	None	None	None	None	-
Acting Director	Republic of China	Weng, Ren-chi	Male	2023.01.01	359	0.00%	-	-	-	-	Senior Site Manager and Acting Chief Civil Engineering of Public Works Department, China University of Technology	None	None	None	None	-
Director- General	Republic of China	Lin Hsu- Chuan	Male	2021.04.07	-	-	-	-	-	-	Principal of the Company Chief Information Officer (CIO) of GEOSAT Aerospace & Technology Inc. General Manager of the Taiwan Software Team and CIO of Beijing Hulianli, Gade Software Group Executive Master of Business Administration (EMBA), Graduate Institute of Management, National Taiwan University of Science and Technology	None	None	None	None	-
Associate manager	Republic of China	Chiu Yung-Tsai	Male	2023.05.01	21,006	0.00%	-	-	-	-	Assistant manager and Department Manager of the Company Department of Civil Engineering, Tamkang University	Director of BES Safeguarding and Security Corp Director of Xiamen Bonded Area Airport Logistics Park Construction Co., Ltd.	None	None	None	-
Associate manager (Note 6)	Republic of China	Wang Kuo-Hsi	Male	2026.01.01	9,467	0.00%	-	-	-	-	Assistant manager, Department Manager, and Senior Director of the Company The Department of Civil Engineering, China University of Science and Technology	None	None	None	None	-

Title (Note 1)	Nationality	Name	Gender	Appointed (on board) date	Holding shares		Shares held by spouse or minor children		Shares held in the name of others		Experience (Education) (Note 2)	Concurrently served as the position of other companies	Manager who has a relationship with a related party of spouse or level two relationship			Note (Note 3)
					Number of shares	Share holding %	Number of shares	Share holding %	Number of shares	Share holding %			Title	Name	Relatio nship	
Manager	Republic of China	Li Chen- Ming	Male	2017.06.22	422	0.00%	-	-	-	-	Division Manager of the Company Master of Economics, Chinese Culture University	None	None	None	None	-
Manager	Republic of China	Su Yu- Min	Male	2011.09.01	-	-	-	-	-	-	Division Manager of the Company Accounting and Statistics Division, Tamsui Institute of Business Administration	Supervisor of Core Asia Human Resource Management Co., Ltd.	None	None	None	-
Manager	Republic of China	Yu Chen- Erh	Male	2016.06.01	-	-	-	-	-	-	Division Manager of the Company Architect of YH City Regeneration Co., Ltd. Master of Architecture, Chung Yuan Christian University	None	None	None	None	-
Manager	Republic of China	Chi Yun- Chung	Male	2021.07.15	6,450	0.00%	-	-	-	-	Department Manager, Project Manager, and Section Chief of the Company Master of Environmental Engineering, National Pingtung University of Science and Technology	None	None	None	None	-
Manager	Republic of China	Li Wei- Teng	Male	2022.03.07	-	-	-	-	-	-	Department Manager and Project Manager of the Company Assistant Manager, JSL Group Corporate Architecture, Saddleback College	None	None	None	None	-
Manager	Republic of China	Lin, Yu- Feng	Male	2022.11.07	-	-	-	-	-	-	Division Manager of the Company Assistant Vice President, Sales Department, Baoying Advertising Co., Ltd. Assistant Vice President, Sales Department, Sheng Hui Construction Co., Ltd. Responsible Person, Qinyuan Advertising Co., Ltd. Manager, Sales Department, Hiyes Advertising Co., Ltd. Department of Business Administration, China University of Technology	None	None	None	None	-
Principal (Note 8)	Republic of China	Hsieh, Chih- Chien	Male	2024.06.03	-	-	-	-	-	-	Division Manager of the Company Deputy general manager of BOSS Industrial General Manager of TRC International Trade Deputy General Manager of Land Development Execution of Vietnam SHUN FA Department of Economics, Soochow University Master of Business Administration, National Chung Cheng University	None	None	None	None	-

Title (Note 1)	Nationality	Name	Gender	Appointed (on board) date	Holding shares		Shares held by spouse or minor children		Shares held in the name of others		Experience (Education) (Note 2)	Concurrently served as the position of other companies	Manager who has a relationship with a related party of spouse or level two relationship			Note (Note 3)	
					Number of shares	Share holding %	Number of shares	Share holding %	Number of shares	Share holding %			Title	Name	Relatio nship		
Manager	Republic of China	Tsai Yueh- Feng	Male	2023.09.01	-	-	-	-	-	-	Division Manager of the Company Deputy Manager of the Human Resources Department of Wah Lee Industrial Corp.(Shanghai Yikang Chemical Industry Material Ltd.). Manager of Administrative Services Department at RH International Designs Co., Ltd.(Shanghai). Human Resources Administration Department Manager of HannStar Board Corporation. Department of Finance and Banking at Chaoyang University of Technology	None	None	None	None	-	
Associate manager	Republic of China	HUANG, JIA- ZHEN	Female	2023.09.11	-	-	-	-	-	-	Associate manager of the Company Legal Director at Continental Development Corporation. Employed Lawyer of Jones Day Law Firm. Employed Lawyer of Shay & Partners Law Firm. Master of Laws from the National Taiwan University. Doctor of Juridical Science in Environmental and Resource Protection Law from Peking University.	None	None	None	None	-	
Manager	Republic of China	JIA, OAI- SHA	Female	2023.10.16	-	-	-	-	-	-	Division Manager of the Company Chief Financial Officer of InterServ International Inc. Chief Audit Officer of Coaster International Co., Ltd. Financial Manager of JIETAI Machinery Co., Ltd. Department of Accounting, Chinese Culture University	None	None	None	None	-	
Associate manager (Note 6)	Republic of China	Yu Li- Cheng	Male	2025.10.23	-	-	-	-	-	-	Assistant manager and Department Manager of the Company Finance and Accounting Manager of Houshi Assets Management Company Ltd. Assistant manager of Prior Company Ltd. Senior Finance Manager of Wei Chuan Foods Corporation Department of Chemistry, National Sun Yat-sen University / Minor in Financial Management	Director of Core Pacific World Co., Ltd. Director of Xiamen Bonded Area Airport Logistics Park Construction Co., Ltd. Director of BES Investment Co., Ltd. Director of Global BES Engineering (Myanmar) Co., Ltd. Supervisor of Cinemark Core Pacific Limited	None	None	None	None	-

Title (Note 1)	Nationality	Name	Gender	Appointed (on board) date	Holding shares		Shares held by spouse or minor children		Shares held in the name of others		Experience (Education) (Note 2)	Concurrently served as the position of other companies	Manager who has a relationship with a related party of spouse or level two relationship			Note (Note 3)
					Number of shares	Share holding %	Number of shares	Share holding %	Number of shares	Sharehol ding %			Title	Name	Relatio nship	
Special Assistant	Republic of China	Chang Wen-Pin	Male	2024.01.01	-	-	-	-	-	-	Special Assistant of the Company Chief Marketing Officer of Core Pacific Group Design Principal of Living Mall Design Manager of Agora Garden Senior Fine Arts and Crafts Department at Fu-Hsin Trade and Arts School	Director of Cinema 7 Theater Co., Ltd.	None	None	None	-
Associate manager	Republic of China	Chang, Hsu-Teng	Male	2024.08.01	-	-	-	-	-	-	Associate manager of the Company Chief of the Engineering Department at Kong Chou Construction Co., Ltd. Director at Taiwan Obayashi Corporation Project manager at New Green Power Co., Ltd. Department of Civil Engineering, Chienkuo Technology University	None	None	None	None	-
Associate manager (Note 5)	Republic of China	Tu, Chih-Hsing	Male	2025.01.08	-	-	-	-	-	-	Associate manager of the Company Associate manager of the Information Technology Center at Ri-Kuan Metal Corporation Chief of the IT Department at Hanns Touch Chief Technology Officer at Hanroc Technology Corp. Ph.D. in Business Management, National Taipei University of Technology	None	None	None	None	-
Manager (Note 7) (Note 5)	Republic of China	Hsiao, You-Guang	Male	2025.05.05	-	-	-	-	-	-	Division Manager of the Company Site Director, Jin Hong Cheng Construction Co. Construction Engineer, Cooperative Construction Co., Ltd. Construction Engineer, Tai Li Engineering Co., Ltd. Department of Architectural Engineering, Hwa Hsia Institute of Technology	None	None	None	None	-
Head of Agency Department (Note 7)	Republic of China	Chiu Yi-Hsiang	Male	2026.02.01	-	-	-	-	-	-	Project Manager of the Company Manager, Gammon Construction Limited Director, Bao Ya Development & Investment Co., Ltd. Project Manager, SpaceQuest Property Master of Information Management, National Defense University	None	None	None	None	-
Associate manager (Note 7)	Republic of China	Hsiao, Shi-Hsuan	Male	2025.12.01	-	-	-	-	-	-	Associate manager of the Company Chief, ZEROVA Technologies Assistant manager, K.H.S. Musical Instruments Co., Ltd. Principal, Dongguan Mentech Optical and Magnetic Co., Ltd. Deputy Chief, TPV Technology Co., Ltd. Department of Information Science, Chinese Culture University	None	None	None	None	-

Title (Note 1)	Nationality	Name	Gender	Appointed (on board) date	Holding shares		Shares held by spouse or minor children		Shares held in the name of others		Experience (Education) (Note 2)	Concurrently served as the position of other companies	Manager who has a relationship with a related party of spouse or level two relationship			Note (Note 3)
					Number of shares	Share holding %	Number of shares	Share holding %	Number of shares	Share holding %			Title	Name	Relatio nship	
Associate manager (Note 7)	Republic of China	Tu, Chong- Hong	Male	2025.12.12	-	-	-	-	-	-	Associate manager of the Company Associate manager of Core Pacific Development Corporation Project Manager, Sun Wen-Yu Architects & Associates Deputy General Manager, Zhenglong Development Enterprise Co., Ltd. Assistant manager, Lo, Hsing-Hua Architects & Associates Department of Architectural Engineering, Feng Chia University	None	None	None	None	-
Associate manager (Note 7)	Republic of China	Chou, Yueh-Yin	Male	2026.01.12	-	-	-	-	-	-	Associate manager of the Company Project Manager, Johnson Controls Taiwan Co., Ltd. Chief, eZoom Information, Inc. Deputy Chief, Marketech International Corp. Chief, Consys Science&Technology Co., Ltd. Master of Information Management, National Kaohsiung First University of Science and Technology	None	None	None	None	-
Associate manager (Note 7)	Republic of China	Wang, Kang-Hua	Female	2026.03.01	5,000	0.00%	-	-	-	-	Associate manager of the Company Associate manager of Core Pacific Development Corporation Assistant manager, JUT Land Development Co., Ltd. Senior Manager, Mitsui Fudosan Taiwan Co., Ltd. Department of Social Work, Shih Chien University	None	None	None	None	-
Deputy general manager (Note5) (Note7)	Republic of China	Li, Hsu- Shen	Male	2025.12.22	-	-	-	-	-	-	Deputy General Manager of the Company General Manager, Han-Sun Construction Development Co., Ltd. Principal, CSBC Corporation, Taiwan Principal of Operations and Development, Kee Tai Properties Co., Ltd. Manager, Development Department, BAOPU Development Co., Ltd. Special Assistant to the General Manager, Kee Tai Properties Co., Ltd. Master of Architecture and Urban Design, National Taipei University of Technology	None	None	None	None	-

Note 1: It should include information on the general manager, deputy general manager, associate managers and supervisors of all departments and branch organization, as well as the position is equivalent to the general manager, deputy general manager, associate managers. The information should be disclosed, regardless of the job title.

- Note 2: Work experiences of an individual stated in the above table that is related to the current position held, such as previous employment at CPA firms or in an affiliated company, shall be revealed with job title and responsibilities.
- Note 3: Should the general manager of the Company or the equivalent (the highest manager) be the same person, spouse or first-degree of kinship, the information regarding reasons and the reasonableness, necessity and corresponding measures (e.g., increase of independent directors, and more than half of the directors shall not be the employee or manager of the Company) shall be disclosed. Due to the ongoing search for a General Manager who meets the Company's requirements, and in the interest of decision-making efficiency, the Chairman is temporarily assuming the role of General Manager. Efforts are actively underway to identify suitable candidates for the position of General Manager. If a suitable candidate cannot be found within the legally specified timeframe, the Company will appoint an Independent Director accordingly.
- Note 4: Chou Chih-Ming resigned as General Manager on February 10, 2026.
- Note 5: Tu, Chih-Hsing resigned on December 15, 2025; Ko, Teng-Yao resigned on May 5, 2025; Hsiao, You-Guang resigned on February 13, 2026 ; Li, Hsu-Shen resigned on March 20, 2026.
- Note 6: Yang Mei-Yuan was promoted to Executive Vice President, Engineering on January 1, 2026; Su Li-Mei was promoted to General Manager on February 10, 2026; Yu Li-Cheng was promoted to Assistant manager on October 23, 2025; Wang Kuo-Hsi was promoted to Assistant manager on January 1, 2026; Chiu Yi-Hsiang was promoted to Acting Department Head on February 1, 2026.
- Note 7: Hsiao, Shi-Hsuan assumed office on December 1, 2025; Tu, Chong-Hong assumed office on December 12, 2025; Chou, Yueh-Yin assumed office on January 12, 2026; Wang, Kang-Hua assumed office on March 1, 2026; Li, Hsu-Shen assumed office on December 22, 2025; Chen, Wen Ke assumed office on March 12, 2026; Hsiao, You-Guang assumed office on May 5, 2025.
- Note 8: Hsieh, Chih-Chien commenced unpaid leave on August 5, 2025.

II. Remuneration of directors, supervisors, general manager and deputy general managers in the latest year

(I) Remuneration of non-independent and independent directors (individual disclosure of name and remuneration method)

Unit: NTD in thousands

Title	Name	Director's remuneration								The total amount of item A, B, C and D that accounts for the percentage of net profit after tax (Note 10)		Remuneration of part-time employees						The total amount of item A, B, C, D, E, F and G that accounts for the percentage of net profit after tax (Note 10)		Received remuneration from the reinvested business other than the subsidiaries or from the parent company (Note 11)				
		Remuneration (A) (Note 2)		Retirement pension (B)		Director's remuneration (C) (Note 3)		Business implementation cost (D) (Note 4)				Salary, bonus and special expenses (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6)								
		The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	Cash amount	Stock amount	Cash amount	Stock amount		The company	All companies included in the financial report (Note 7)		
Chairman (27th)	Yang Zhen Co., Ltd. Chou Chih-Ming	8,353	8,353	0	0	3,349	3,349	0	46	1.84%	1.85%	0	0	0	0	0	0	0	0	0	0	1.84%	1.85%	None
Director (27th)	Tianjing Investment Co., Ltd. Pai Chun-Nan	4,711	4,711	0	0	3,349	3,349	0	0	1.27%	1.27%	0	0	0	0	0	0	0	0	0	0	1.27%	1.27%	None
Director (27th)	China Petrochemical Development Corporation Chen Jui-Lung (Resigned on 2025.11.19)	440	440	0	0	3,239	3,239	0	0	0.58%	0.58%	0	0	0	0	0	0	0	0	0	0	0.58%	0.58%	None
	China Petrochemical Development Corporation Liu Liang-Hai (Inaugurated on 2025.12.2)	40	40	0	0	0	0	0	0	0.01%	0.01%	0	0	0	0	0	0	0	0	0	0	0.01%	0.01%	None
Director (27th)	Formostar Factory Co., Ltd. Tsai Chao-Lun	480	480	0	0	3,349	3,349	0	0	0.60%	0.60%	0	0	0	0	0	0	0	0	0	0	0.60%	0.60%	None
	Changli Co., Ltd. Liu Liang-Hai (Discharged on 2025.12.1)	440	440	0	0	3,349	3,349	0	0	0.60%	0.60%	0	0	0	0	0	0	0	0	0	0	0.60%	0.60%	None
Director (27th)	Changli Co., Ltd. Cheng Ssu-Tsung (Inaugurated on 2025.12.1)	0	0	0	0	0	0	0	0	0.00%	0.00%	0	0	0	0	0	0	0	0	0	0	0.00%	0.00%	None
Independent Director (27th)	Pan Wei-Kang (Inaugurated on 2024.5.31)	1,800	1,800	0	0	0	0	0	0	0.28%	0.28%	0	0	0	0	0	0	0	0	0	0	0.28%	0.28%	None

Title	Name	Director's remuneration								The total amount of item A, B, C and D that accounts for the percentage of net profit after tax (Note 10)		Remuneration of part-time employees						The total amount of item A, B, C, D, E, F and G that accounts for the percentage of net profit after tax (Note 10)		Received remuneration from the reinvested business other than the subsidiaries or from the parent company (Note 11)		
		Remuneration (A) (Note 2)		Retirement pension (B)		Director's remuneration (C) (Note 3)		Business implementation cost (D) (Note 4)				Salary, bonus and special expenses (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6)						
		The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	The company	All companies included in the financial report (Note 7)	Cash amount	Stock amount	Cash amount	Stock amount		The company	All companies included in the financial report (Note 7)
Independent Director (27th)	Ke Shu-Jen	1,800	1,800	0	0	0	0	0	0	0.28%	0.28%	0	0	0	0	0	0	0	0	0.28%	0.28%	None
Independent Director (27th)	Chang Fan	1,800	1,800	0	0	0	0	0	0	0.28%	0.28%	0	0	0	0	0	0	0	0	0.28%	0.28%	None
Independent Director (27th)	Liu Teng-Cheng	1,800	1,800	0	0	0	0	0	0	0.28%	0.28%	0	0	0	0	0	0	0	0	0.28%	0.28%	None

1. Please specify the policy, system, criteria and structure of remuneration to independent directors, and specify the relationship between remuneration amount and responsibilities, risks, and input time:

(1) The Remuneration Committee, in accordance with its organizational charter, regularly reviews the performance evaluation and remuneration policies, systems, standards, and structure for directors and managerial officers, and, based thereon, evaluates and determines their remuneration. All recommendations are submitted to the Board of Directors for discussion.

(2) In accordance with the Company's Regulations Governing Board Performance Evaluation, the annual performance of each director is evaluated based on six aspects: understanding of the Company's objectives and missions, awareness of directors' responsibilities, level of participation in the Company's operations, internal relationship management and communication, professional expertise and continuing education, and internal control. The evaluation results serve not only as a basis for re-nomination but also as an important reference for determining remuneration. The remuneration of the Company's independent directors is determined with full consideration of their responsibilities, risks undertaken, and time commitment, so as to ensure the reasonableness of the remuneration level.

(3) In addition, where the Company has profits, the amount of directors' remuneration shall be resolved by the Board of Directors in accordance with the provisions of the Company's Articles of Incorporation.

2. Except for the disclosed information in the above table, all remuneration received from all companies included in the financial report during the current year (such as serving as non-employee consultants to the parent company, all entities included in the financial statements, or investee companies): None

Note: Expenses for directors and supervisors including cash, stocks, houses and other exclusive expenses are not provided.

Note 1: The directors' names shall be listed separately (the legal person shareholders shall include the names of the legal person shareholders and the representative persons separately), while the directors and independent directors shall be listed separately, and the summary of payment amount shall be disclosed.

Note 2: It refers to the remuneration of directors in the most recent year (including directors' salary, position bonus, severance pay, various bonuses, rewards, etc.).

Note 3: It refers to the amount of the directors' remuneration approved by the board of directors in the most recent year.

Note 4: It refers to the directors' related business implementation expenses (including transportation fees, special expenses, various allowances, housing and car expenses, etc.) in the most recent year. If the expenses of housing, vehicles and other transportation are provided, the nature and cost of the provided assets, as well as the actual or fair market price for the rental, oil and other payments should be disclosed. If there is a driver for the vehicles, please note the company's payment for the driver is not included in the remuneration.

Note 5: It refers to the remuneration received by directors who are also employees (including general manager, deputy general manager, managers and employees), including salary, job bonus, severance payment, various bonuses, incentives, transportation fees, special expenses, various allowances, dormitory and car expenses. If the expenses of housing, vehicles and other transportation are provided, the nature and cost of the provided assets, as well as the actual or fair market price for the rental, oil and other payments should be disclosed. If there is a driver for the vehicles, please note the company's payment for the driver is not included in the remuneration. In addition, the salary expenses recognized according to the IFRS 2 "share based payment," it shall also be included in the remuneration, including acquiring the employee stock option certificates, restricting employee rights of new shares and participating in cash increment for shares subscription.

- Note 6: It refers to the employee compensation (including stocks and cash) received by directors who are also employees (including general manager, deputy general manager, managers and employees), the amount of compensation approved by the board of directors in the most recent year should be disclosed. If the amount cannot be estimated, then it will be calculated based on the proportion of the actual distribution amount from the previous year and the Appendix table 1-3 is required to be filled.
- Note 7: The total amount of remuneration paid by all companies in the consolidated statement (including the Company) to the directors of the Company shall be disclosed.
- Note 8: The company's total remuneration paid to each of the directors and their names with the remuneration level shall be disclosed.
- Note 9: All companies' (in the consolidated statement, including the Company) total remuneration paid to each of the directors and their names with the remuneration level shall be disclosed.
- Note 10: the net income after tax refers to the net income after tax of the individual annual financial statement of the latest year.
- Note 11: a. This column should clearly state the amount of remuneration paid to the company directors from the reinvested business other than the subsidiaries or the parent company (please indicate "None" if no such remuneration).
- b. If the director of the company receives remuneration from the reinvested business other than the subsidiaries or the parent company, the remuneration received by the company director from the re-invested business other than the subsidiaries or the parent company shall be included in the remuneration level column I and the name of the column shall be changed to "the parent company and all of the reinvested business."
- c. The remuneration refers to the director's remuneration including the remuneration, compensation (including the compensation of employees, directors and supervisors) and business implementation expenses serving as directors, supervisors or managers of the reinvested business other than the subsidiaries or the parent company.
- * The remuneration contents disclosed in this form are different from the concept of the income tax law. Therefore, this form is only for information disclosure and not applicable for tax usage.

(II) The general manager and deputy general manager's remuneration (individual disclosure of name and remuneration method)

Unit: NTD thousand

Title	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonus and special allowance (C) (Note 3)		Employee compensation (D) (Note 4)				The total amount of item A, B, C and D that accounts for the percentage of net profit after tax(%) (Note 8)		Received remuneration from the reinvested business other than the subsidiaries or from the parent company (Note 9)
		The company	All companies included in the financial report (Note 5)	The company	All companies included in the financial report (Note 5)	The company	All companies included in the financial report (Note 5)	The company		in the financial report all companies (Note 5)		The company	All companies included in the financial report	
								Cash amount	Stock amount	Cash amount	Stock amount			
General manager	Chou Chih-Ming	0	0	0	0	0	0	0	0	0	0	0	0	None
Deputy general manager	Yang Mei-Yuan	2,598	2,598	0	0	1,351	1,351	439	0	439	0	0.69	0.69	None

* If the position is equivalent to general manager, deputy general manager, associate managers (such as the president, CEO, Principal...etc.), the information should be disclosed, regardless of the job title.

Level of remuneration

The pay to each of the Company's general manager and deputy general managers remuneration level	Name of the General Manager and Deputy General Manager	
	The company (Note 6)	All companies included in the financial report (Note 7)
Less than 1,000,000 dollars	Chou Chih-Ming	Chou Chih-Ming
NTD 1,000,000 (inclusive) ~ NTD 2,000,000 (exclusive)	-	-
NTD 2,000,000 (inclusive) ~ NTD 3,500,000 (exclusive)	Yang Mei-Yuan	Yang Mei-Yuan
NTD 3,500,000 (inclusive) ~ NTD 5,000,000 (exclusive)	-	-
NTD 5,000,000 (inclusive) ~ NTD 10,000,000 (exclusive)	-	-
NTD 10,000,000 (inclusive) ~ NTD 15,000,000 (exclusive)	-	-
NTD 15,000,000 (inclusive) ~ NTD 30,000,000 (exclusive)	-	-
NTD 30,000,000 (inclusive) ~ NTD 50,000,000 (exclusive)	-	-
NTD 50,000,000 (inclusive) ~ NTD 100,000,000 (exclusive)	-	-
More than 100,000,000 dollars	-	-
Total	2 people	2 people

Note 1: The general manager and the deputy general manager's names shall be listed separately, and the summary of payment amount shall be disclosed.

Note 2: It refers to the remuneration of the general manager and deputy general managers in the most recent year (including supervisors' salary, position bonus, severance pay, various bonuses, rewards, etc.).

Note 3: It refers to the remuneration received by the general manager and deputy general managers in the most recent year, including salary, job bonus, severance payment, various bonuses, incentives, transportation fees, special expenses, various allowances, dormitory and car expenses. If the expenses of housing, vehicles and other transportation are provided, the nature and cost of the provided assets, as well as the actual or fair market price for the rental, oil and other payments should be disclosed. If there is a driver for the vehicles, please note the company's payment for the driver is not included in the remuneration. In

addition, the salary expenses recognized according to the IFRS 2 “share based payment,” it shall also be included in the remuneration, including acquiring the employee stock option certificates, restricting employee rights of new shares and participating in cash increment for shares subscription.

Note 4: It refers to the employee compensation (including stocks and cash) received by the general manager and deputy general managers, approved by the board of directors in the most recent year. If the amount cannot be estimated, then it will be calculated based on the proportion of the actual distribution amount from the previous year, and the Appendix table 1-3 is required to be filled.

Note 5: The total amount of remuneration paid by all companies in the consolidated statement (including the Company) to the general manager and deputy general managers of the Company shall be disclosed.

Note 6: The company’s total remuneration paid to each of the general manager and deputy general managers, and their names with the remuneration level shall be disclosed.

Note 7: All companies’ (in the consolidated statement, including the Company) total remuneration paid to each of the general manager and the deputy general managers, and their names with the remuneration level shall be disclosed.

Note 8: The net income after tax refers to the net income after tax of the individual annual financial statement of the latest year.

Note 9: a. This column should clearly state the amount of remuneration paid to the company’s general manager and deputy general managers from the reinvested business other than the subsidiaries or the parent company (please indicate “None” if no such remuneration).

b. If the general manager or deputy general manager of the company receives remuneration from the reinvested business other than the subsidiaries or the parent company, the remuneration received by the company’s general manager or deputy general manager from the reinvested business other than the subsidiaries or the parent company shall be included in the remuneration level column E and the name of the column shall be changed to "the parent company and all of the reinvested business."

c. The remuneration refers to the general manager or deputy general manager’s remuneration including the remuneration, compensation (including the compensation of employees, directors and supervisors) and business implementation expenses serving as directors, supervisors or managers of the reinvested business other than the subsidiaries.

* The remuneration contents disclosed in this form are different from the concept of the income tax law. Therefore, this form is only for information disclosure and not applicable for tax usage.

(III) Remuneration of the top five highest-paid executives of publicly listed companies (individual disclosure of names and remuneration methods) (Note 1)

Unit: NTD thousand

Title	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonus and special allowance (C) (Note 3)		Employee compensation (D) (Note 4)				The total amount of item A, B, C and D that accounts for the percentage of net profit after tax (%) (Note 6)		Received remuneration from the reinvested business other than the subsidiaries or from the parent company (Note 7)
		The company	All companies included in the financial report (Note 5)	The company	All companies included in the financial report (Note 5)	The company	All companies included in the financial report (Note 5)	The company		All companies included in the financial report (Note 5)		The company	All companies included in the financial report	
								Cash amount	Stock amount	Cash amount	Stock amount			
Deputy general manager	Yang Mei-Yuan	2,598	2,598	-	-	1,000	1,000	351	-	351	-	0.62	0.62	None
Associate manager	Cheng An-Tzu	2,285	2,285	-	-	673	673	251	-	251	-	0.50	0.50	None
Associate manager	Chiu Yung-Tsai	1,913	1,913	-	-	788	788	376	-	376	-	0.48	0.48	None
Associate manager	Yu Li-Cheng	1,735	1,735	-	-	720	720	564	-	564	-	0.47	0.47	None
Principal	Lin Hsu-Chuan	2,290	2,290	-	-	658	658	20	-	20	-	0.47	0.47	None

Note 1: The term “top five highest-paid executives” refers to the Company’s managerial officers. The criteria for identifying managerial officers shall follow the scope of application of “managerial officers” as defined in the letter Tai-Cai-Zheng-San No. 0920001301 issued by the former Securities and Futures Commission of the Ministry of Finance on March 27, 2003. The determination of the “top five highest-paid” is based on the aggregate amount of remuneration received by managerial officers from all companies included in the consolidated financial statements, including salaries, retirement and pension payments, bonuses, special allowances, and employee compensation (i.e., the total of items A + B + C + D). The top five individuals are identified after ranking these totals in descending order.

Note 2: Refers to the salaries, position allowances, and severance payments of the top five highest-paid executives in the most recent fiscal year.

- Note 3: Refers to the salaries, position allowances, and severance payments of the top five highest-paid executives in the most recent fiscal year. If the expenses of housing, vehicles and other transportation are provided, the nature and cost of the provided assets, as well as the actual or fair market price for the rental, oil and other payments should be disclosed. If there is a driver for the vehicles, please note the company's payment for the driver is not included in the remuneration. In addition, the salary expenses recognized according to the IFRS 2 "share based payment," it shall also be included in the remuneration, including acquiring the employee stock option certificates, restricting employee rights of new shares and participating in cash increment for shares subscription.
- Note 4: Refers to the amount of employee compensation (including both shares and cash) allocated to the top five highest-paid executives as approved by the Board of Directors in the most recent fiscal year. If the amount cannot be estimated, it shall be calculated based on the proportion of the actual distribution in the previous year, and Appendix Table 1-3 shall also be completed.
- Note 5: The total amount of various types of remuneration paid by all companies included in the consolidated financial report (including the Company) to the top five highest-paid individual executive officers of the Company shall be disclosed.
- Note 6: The net income after tax refers to the net income after tax of the individual annual financial statement of the latest year.
- Note 7: a. This column shall clearly disclose the remuneration received by the Company's top five highest-paid executives from investee companies (other than subsidiaries) or from the parent company. If none, please indicate "None."
b. "Remuneration" refers to compensation received by the Company's top five highest-paid executives in their capacity as directors, supervisors, or managerial officers of investee companies (other than subsidiaries) or the parent company, including remuneration, compensation (including employee, director, and supervisor compensation), and related business execution expenses.
- * The remuneration contents disclosed in this form are different from the concept of the income tax law. Therefore, this form is only for information disclosure and not applicable for tax usage.

Name of managers who distribute employee compensation and the distribution status

December 31, 2025

Unit: NT / NTD in thousands

	Title (Note 1)	Name (Note 1)	Stock amount	Cash amount	Total	The total amount that accounts for the percentage of net profit after tax(%)
Managerial officer	General Manager	Chou Chih-Ming	0	4,033	4,033	0.63
	Deputy general manager	Yang Mei-Yuan				
	Special Assistant	Chang Wen-Pin				
	Principal	Lin Hsu-Chuan				
	Associate manager	Chiu Yung-Tsai				
	Associate manager	Yu Li-Cheng				
	Associate manager	Cheng An-Tzu				
	Manager	Tsai Yueh-Feng				
	Manager	Wang Kuo-Hsi				
	Manager	Li Chen-Ming				
	Manager	Su Yu-Min				
	Manager	Yu Chen-Erh				
	Manager	Su Li-Mei				
	Manager	Chi Yun-Chung				
Manager	Li Wei-Teng					

Note 1: The individual names and titles should be disclosed, and the profit distribution can be disclosed in a form of summary report.

Note 2: It refers to the employee compensation (including stocks and cash) received by the managers, approved by the board of directors in the most recent year. If the amount cannot be estimated, then it will be calculated based on the proportion of the actual distribution amount from the previous year. The net profit after tax

refers to the net profit after tax in the most recent year; for those using the international financial report standards, the net profit after tax refers to the net profit after tax of individuals or individual financial reports in the most recent year.

Note 3: The application scope of the managers is defined as following, which is based on the command document No. 0920001301 of Taiwanese financial document announced on March 27, 2003:

- (1) General manager and equivalent position
- (2) Deputy General Manager and equivalent position
- (3) Associate manager and equivalent position
- (4) Chief of Finance Department
- (5) Chief of Accounting Department
- (6) Others who have the right to manage the affairs of the company and sign for the company

Note 4: For the directors, general manager and deputy general managers who have received employee compensation (including stocks and cash), they should fill out the appendix table 1(2) and this form.

(IV) Compare and analyze the analysis of the total remuneration accounts for the percentage of the net profit after tax for the directors, independent directors, general managers and deputy general managers of all companies (including the Company) in the consolidated statement of the recent two years; and describe the relationship of the remuneration policy, standards and combinations and the procedures of remuneration judgment, with the operating performance and future risks.

Description:

1. The ratio of the total remuneration accounts for the percentage of the net profit after tax for the directors, independent directors, general managers and deputy general managers of the Company in the recent two years:
2024: 6.53% (NT\$46,815 thousand / NT\$717,244 thousand)
2025: 6.71% (NT\$42,687 thousand / NT\$635,940 thousand)
2. The ratio of the total remuneration accounts for the percentage of the net profit after tax for the directors, independent directors, general managers and deputy general managers of all companies in the consolidated statement of the recent two years:
2024: 5.88% (NT\$42,163 thousand / NT\$717,244 thousand)
2024: 6.72% (NT\$42,733 thousand / NT\$635,940 thousand)
3. The Company's policies, standards, structure, procedures for determining remuneration of directors and independent directors, and their linkage to operating performance are clearly stipulated in the Articles of Incorporation as follows:
 - The relevant provisions are clearly set forth in the Articles of Incorporation:
 - Article 21-1 The directors and supervisors of the Company can be compensated with salary or transportation expenses, and the amount will be based on the reference of similar companies by the board of directors.
 - Article 28 If the company generates profits before the tax in the current year, no more than 2% of the profit will be the directors' remuneration. In the event of any accumulative loss incurred by the Company, it shall reserve for offsetting the accumulative loss. The preceding pre-paid ratio, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders, and it shall be reported in the shareholders' meeting. The preceding employee compensation can be paid in stock or in cash.
 - Per the Company's "Regulations Governing the Board of Directors Performance Evaluation of BES ENGINEERING CORPORATION," the annual performance of individual directors (based on six key areas: understanding of the Company's objectives and missions,

understanding of the responsibilities of directors, level of participation in the Company's operations, internal relationship management and communication, directors' expertise and continuing education, and internal control) is assessed to determine whether to serve as a reference for setting their remuneration. The relevant performance evaluations and the rationality of the remuneration have been reviewed and approved by both the Remuneration Committee and the Board of Directors.

- The Remuneration Committee, in accordance with its committee charter, regularly reviews the policies, systems, standards, and structures for performance evaluation and remuneration of directors and managers, and evaluates and determines the remuneration of directors and managers. The proposed suggestions are submitted to the Board of Directors for discussion.
 - Other aspects such as special contributions or significant negative events are also considered as references for the performance and remuneration of directors and managers.
4. Appointment and dismissal, salaries, and bonuses of the Company's General Manager and Deputy General Managers:
- "Table of Directors and Managers' Rights and Duties in the Company:"
 - II. Personnel affairs
 - (I) The CEO, general manager, deputy general managers, associate managers and branch office supervisors' salary, appointment, retirement, rewards and punishments and pensions shall be approved by the board of directors.
 - The remuneration of the Company's managerial officers is based on the "Remuneration System Management Guidelines." Relevant bonuses are performance-oriented and are granted in accordance with the "Performance Bonus Distribution Regulations," taking into account the Company's annual operating performance, financial condition, and individual work performance. If the Company has pre-tax profit for the year, it shall allocate no less than 2% as employee remuneration.

III. Corporate governance

(I) Operations of the Board of Directors

1. Operations of the Board of Directors

The Board of Directors has held 12 meetings in 2025 (27th term), attendance of directors is as follows:

Title	Name (Note 1)	Frequency of actual attendance (B)	Frequency of proxy attendance	Rate of actual attendance (B/A) (Note 2)	Note
Chairperson (27th)	Yang Jen Industrial Co., Ltd. Representative: Chou Chih-Ming	11	1	92	Inaugurated on 2023.06.07
Director (27th)	China Petrochemical Development Corporation Representative: Chen Jui-Lung	6	2	55	Inaugurated on 2023.06.07 Resigned on 2025.11.19
Director (27th)	China Petrochemical Development Corporation Representative: Liu Liang-Hai	1	0	100	Inaugurated on 2025.12.2
Director (27th)	Chang-Li Co. Ltd. Representative: Liu Liang-Hai	7	3	64	Inaugurated on 2023.6.7, resigned on 2025.12.1
Director (27th)	Chang-Li Co. Ltd. Representative: Cheng Ssu-Tsung	1	0	100	Inaugurated on 2025.12.1, resigned on 2026.1.23
Director (27th)	Tian-Jing Investment Corporation Representative: Pai Chun-Nan	12	12	100	Inaugurated on 2023.06.07
Director (27th)	Formostar Garment Co. Ltd Representative: Tsai Chao-Lun	9	3	75	Inaugurated on 2023.06.07
Independent Director (27th)	Ke Shu-Jen	12	0	100	Inaugurated on 2023.06.07
Independent Director (27th)	Chang Fan	12	0	100	Inaugurated on 2023.06.07
Independent Director (27th)	Liu Teng-Cheng	12	0	100	Inaugurated on 2023.06.07
Independent Director (27th)	Pan Wei-Kang	10	2	83	Inaugurated on 2024.5.31
Others:					
1. When the operations of the Board of Directors comply with the following circumstances, the report shall specify the date, term, agenda of the Board meeting, and opinions of each independent director and the company's handling of such opinions.					
(I) Matters defined by provisions of Article 14-3 of the "Securities and Exchange Act":					
1. Date of Board meeting: January 16, 2025 Period: 23rd Meeting of 27th Term					
Agenda: Proposal for distributing year-end performance bonus to delegated managers of the Company in 2024.					

- Resolution: Due to conflict of interest, Chairman Chou Chih-Ming, who concurrently serves as General Manager, recused himself as a related party and designated Vice Chairman Pai Chun-Nan to act as chair of the meeting. Appointed managers in attendance also left the meeting during the discussion and recused themselves. The remaining attending directors approved the proposal as presented.
2. Date of Board meeting: February 25, 2025 Period: 24th Meeting of 27th Term
 Agenda: Proposal for the date, time, location, meeting procedure, main proposal content, period and venue for acceptance of shareholders' proposals for the 2025 annual shareholders' meeting of the Company.
 Resolution: Approval by all attending directors.
 3. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: The re-engagement of Deloitte Taiwan to audit the financial statements and tax certification for 2025.
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 4. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Proposal for the "2025 Early approval of routine non-assurance services and deadlines provided by licensed CPAs".
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 5. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Reviewing 2024 Proposal of Remuneration Distributions to Employees and Directors.
 Resolution: Approval by all attending directors, and would be reported in the 2025 annual shareholders' meeting.
 6. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: The Company's parent company only financial statements for 2024 (for the years ended December 31, 2024).
 Resolution: Approval by all attending directors, and it is listed as a matter for ratification by the 2025 annual shareholders' meeting.
 7. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: The Company's 2024 business report and 2024 consolidated financial report.
 Resolution: Approval by all attending directors, and it is listed as a matter for ratification by the 2025 annual shareholders' meeting.
 8. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Proposal of the profit distribution of 2024 (January 1 to December 31, 2024).
 Resolution: Approval by all attending directors, and it is listed as a matter for ratification by the 2025 annual shareholders' meeting.
 9. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Motion for capitalization of 2024 earnings by way of issue of new shares, please vote.
 Resolution: Approved by all attending directors with amendments to the wording and submitted to the 2025 annual shareholders' meeting for discussion.
 10. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Amendments to the main agenda items for the Company's 2025 annual shareholders' meeting.
 Resolution: Approval by all attending directors.
 11. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Amendments to certain provisions of the Company's "Articles of Incorporation."
 Resolution: Approved by all attending directors and submitted to the 2025 annual shareholders' meeting for discussion.
 12. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Amendments to certain provisions of the Company's "Corporate Governance Best Practice Principles."
 Resolution: Approved by all attending directors and submitted to the 2025 annual shareholders' meeting for discussion.
 13. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Proposal for directors' remuneration for 2024.

- Resolution: Approval by all attending directors, and would be reported in the 2025 annual shareholders' meeting.
14. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Proposal for issuance of the Company's 2024 Internal Control System Statement.
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 15. Date of Board meeting: March 13, 2025 Period: 25th Meeting of 27th Term
 Agenda: Proposal for the Company to renew the lease of premises from China Petrochemical Development Corporation in 2025.
 Resolution: Due to conflict of interest, Director Chen Jui-Lung, as a related party, recused himself in accordance with the law. The remaining attending directors approved the proposal as presented.
 16. Date of Board meeting: May 23, 2025 Period: 27th Meeting of 27th Term
 Agenda: The Company's consolidated financial statements for the first quarter of 2025.
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 17. Date of Board meeting: May 23, 2025 Period: 27th Meeting of 27th Term
 Agenda: Proposal to continue the lease house from Hung Yi Construction Co., Ltd for 2025.
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 18. Date of Board meeting: June 23, 2025 Period: 28th Meeting of 27th Term
 Agenda: Report on the Company's "Corporate Value Enhancement Plan."
 Resolution: Approval by all attending directors.
 19. Date of Board meeting: April 23, 2025 Period: 29th Meeting of 27th Term
 Agenda: Determination of the ex-rights record date and distribution date for the Company's 2025 share distribution.
 Resolution: Approval by all attending directors.
 20. Date of Board meeting: August 12 2025 Period: 30th Meeting of 27th Term
 Agenda: The Company's consolidated financial statements for the first two quarters of 2025.
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 21. Date of Board meeting: August 12 2025 Period: 30th Meeting of 27th Term
 Agenda: Proposal for distribution of directors' remuneration for 2024.
 Resolution: This proposal was approved by the Remuneration Committee and approved by all attending directors as presented.
 22. Date of Board meeting: August 12 2025 Period: 30th Meeting of 27th Term
 Agenda: Completion and proposed filing of the Company's 2024 Sustainability Report.
 Resolution: This proposal was approved by the Sustainability Development Committee and approved by all attending directors as presented.
 23. Date of Board meeting: August 12 2025 Period: 30th Meeting of 27th Term
 Content: Amendments to the Company's "Guidelines for Distribution of Employee Remuneration."
 Resolution: This proposal was approved by the Remuneration Committee and approved by all attending directors as presented.
 24. Date of Board meeting: October 23, 2025 Period: 32nd Meeting of 27th Term
 Agenda: Determination of the distribution date of share certificates for new shares issued through capitalization of 2024 earnings and the ex-rights record date.
 Resolution: Approval by all attending directors.
 25. Date of Board meeting: November 13, 2025 Period: 33rd Meeting of 27th Term
 Agenda: The Company's consolidated financial statements for the first three quarters of 2025.
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 26. Date of Board meeting: November 13, 2025 Period: 33rd Meeting of 27th Term
 Agenda: The Company has established an "Investor Relations Office" and amended the "Organizational Regulations" as well as the "Detailed Table of Responsibilities by Department and Hierarchical Levels."

- Resolution: Approval by all attending directors.
27. Date of Board meeting: November 13, 2025 Period: 33rd Meeting of 27th Term
 Agenda: Proposal to define the scope of “entry-level employees” of the Company.
 Resolution: Approval by all attending directors.
 28. Date of Board meeting: November 13, 2025 Period: 33rd Meeting of 27th Term
 Agenda: Proposal to establish the Company’s “Nomination Committee Charter.”
 Resolution: Approval by all attending directors.
 29. Date of Board meeting: November 13, 2025 Period: 33rd Meeting of 27th Term
 Agenda: Nomination of Ke Shu-Jen, Chang Fan, and Liu Teng-Cheng as members of the Company’s first Nomination Committee.
 Resolution: Approval by all attending directors.
 30. Date of Board meeting: November 13, 2025 Period: 34th Meeting of 27th Term
 Agenda: The Company’s “2026 Business Plan and Operating Budget Explanation.”
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 31. Date of Board meeting: December 23, 2025 Period: 34th Meeting of 27th Term
 Agenda: Evaluation of the independence and suitability of the Company’s CPAs for 2025.
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 32. Date of Board meeting: December 23, 2025 Period: 34th Meeting of 27th Term
 Agenda: The Company’s “2026 Audit Plan.”
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 33. Date of Board meeting: December 23, 2025 Period: 34th Meeting of 27th Term
 Agenda: Proposal for the Company to donate NT\$6,000,000 to the Sheen Chuen-Chi Culture and Educational Foundation.
 Resolution: The proposal was approved by the Audit Committee and passed by all attending directors.
 34. Date of Board meeting: December 23, 2025 Period: 34th Meeting of 27th Term
 Agenda: Report on the monthly remuneration of the newly appointed representative of the Company’s corporate director.
 Resolution: Due to conflict of interest, Director Cheng, Szu-Tsung and Director Liu Liang-Hai recused themselves from the discussion. The remaining attending directors approved the proposed monthly remuneration for the new representative of the corporate director; additionally, in accordance with Director Cheng’s wishes, his director remuneration is to be paid to Chang-Li Co. Ltd.
 35. Date of Board meeting: December 23, 2025 Period: 34th Meeting of 27th Term
 Agenda: Proposal for the Company to implement organizational restructuring commencing in 2026.
 Resolution: Approval by all attending directors.
 36. Date of Board meeting: December 23, 2025 Period: 34th Meeting of 27th Term
 Agenda: Proposal for the Company’s appointed managers to distribute 2024 employee remuneration in accordance with the “Guidelines for Distribution of Employee Remuneration.”
 Resolution: Due to conflict of interest, Chairman Chou Chih-Ming, who concurrently serves as General Manager, recused himself in accordance with the law. The remaining attending directors approved the proposal as presented.
- (II) Besides the aforementioned matters, there are other Board of Directors’ resolution items that have been opposed by other independent directors or who have expressed reservations: None of such situation.
2. Proposals with a director’s recusal due to conflict of interests, shall clearly state the director’s name, proposal content, reasons for recusal and the situation of the entitlement to vote:
 1. Date of Board meeting: January 16, 2025 Period: 23rd Meeting of 27th Term
 Agenda: Proposal for distributing year-end performance bonus to delegated managers of the Company in 2024.
 Resolution: Due to conflict of interest, Chairman Chou Chih-Ming, who concurrently serves as

General Manager, recused himself as a related party and designated Vice Chairman Pai Chun-Nan to act as chair of the meeting. Appointed managers in attendance also left the meeting during the discussion and recused themselves. The remaining attending directors approved the proposal as presented.

2. Date of Board meeting: March 13, 2024 Period: 25th Meeting of 27th Term

Agenda: Proposal for the Company to renew the lease of premises from China Petrochemical Development Corporation in 2025.

Resolution: Due to conflict of interest, Director Chen Jui-Lung, as a related party, recused himself in accordance with the law. The remaining attending directors approved the proposal as presented.

3. Date of Board meeting: December 23, 2025 Period: 34th Meeting of 27th Term

Agenda: Report on the monthly remuneration of the newly appointed representative of the Company's corporate director.

Resolution: Due to conflict of interest, Director Cheng, Szu-Tsung and Director Liu Liang-Hai recused themselves from the discussion. The remaining attending directors approved the proposed monthly remuneration for the new representative of the corporate director; additionally, in accordance with Director Cheng's wishes, his director remuneration is to be paid to Chang-Li Co. Ltd.

4. Date of Board meeting: December 23, 2025 Period: 34th Meeting of 27th Term

Agenda: Proposal for the Company's appointed managers to distribute 2024 employee remuneration in accordance with the "Guidelines for Distribution of Employee Remuneration."

Resolution: Due to conflict of interest, Chairman Chou Chih-Ming, who concurrently serves as General Manager, recused himself as a related party and designated Vice Chairman Pai, Chun-Nan to act as chair of the meeting. Appointed managers in attendance also left the meeting during the discussion and recused themselves. The remaining attending directors approved the proposal as presented.

3. Listed and OTC companies should disclose information regarding the evaluation cycle, duration, scope, method, and content of their board of directors' self-assessment (or peer assessment), as specified in Annex 2. Implementation status of the evaluation of the Board of Directors: the Company has completed the performance evaluation of the Board of Directors for 2025 on December 31, 2025, and submitted to the Board for review and disclosed on the Market Observation Post System and on the Company's official website on February 10, 2026.

<https://www.bes.com.tw/ir-policies.php#gsc.tab=0>

4. The goal for the current year and recent year is to strengthen the function of the board of directors (for example, establish audit committee, increase information transparency, and so on) and execute situational evaluations:

1. Ongoing planning and implementation of professional training programs for directors to assist directors in fully understanding regulatory trends and industry issues, support directors in effectively exercising their duties, and enhance the overall operational effectiveness of the Board of Directors.
2. Voluntary establishment of a Nomination Committee to build a systematic nomination and qualification review mechanism, assisting the Board of Directors in making professional judgments in director selection and governance operations, and strengthening the functions of the Board of Directors.

Note 1: Directors, Supervisors who are juristic person, shall disclose the name of the shareholder juristic person and the name of his/her representative.

Note 2: (1) Before the end of the fiscal year, if a supervisor resigns, the date of resignation, actual attendance rate based on his/her total attendance over the total number of meetings held during his/her incumbency as a board of supervisor, shall be clearly stated in the remark section.

(2) Before the end of the fiscal year, if a supervisor is re-elected, all new and ex-members shall be listed, with remarks to identify each member as ex-, new, or re-elected member. The re-election date shall also be stated. The actual attendance rate (%) is based on the total number of meetings attended over the total number of meetings held during incumbency.

2. Implementation Status of Evaluation for the Board of Directors:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Conducted internally once each year and externally at least once every three years.	From January 1, 2025 to December 31, 2025	Performance evaluation of the Board of Directors, individual directors, and functional committees (the Remuneration Committee and the Audit Committee):	<ol style="list-style-type: none"> 1. Internal: Questionnaire self-evaluation for the Board of Directors, individual board members, and various functional committee members. 2. External - Evaluation completed by external professional organization - Taiwan Corporate Governance Association, through questionnaires and on-site interviews in 2023. 	Please refer to the official website for the results of both internal and external evaluations of the board of directors' performance. https://www.bes.com.tw/ir-policies.php#gsc.tab=0

(II) Status of the audit committee and supervisors' participation in the board of directors:

I. Operation of the Audit Committee:

The audit committee in 2025 conducted seven (A) meetings, attendance by independent directors are as follows:

Job Title	Name	Actual Attendance in Person (B)	Attendance by Substitution	Percentage of Actual Attendance (%) 【 B/A 】 (Note 1, Note 2)	Remarks
Independent Director	Shu-Jen Ko	7	0	100	—
Independent Director	Chang Fan	7	0	100	—
Independent Director	Teng-Cheng Liu	7	0	100	—
Independent Director	Wei-Kang Pan	6	1	85.71	—

Other matters to be recorded

I. The date, session and motion content of Audit Committee meetings, objection, qualified opinions and content of significant recommendations of independent directors, the Audit Committee's resolutions and the Company's handling of the Audit Committee's comments shall be specified under any one of the following circumstances:

(I) Matters specified in Article 14-5 of the Securities and Exchange Act:

1. Establish or amend the internal control protocols in accordance with Article 14-1 of the Securities and Exchange Act.

(1) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Amendments to provisions of the Corporate Governance Best Practice Principles.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(2) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Present amendments to provisions of the Company's Article of Incorporation for discussion.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

- (3) Date of The Audit Committee meeting: November 11, 2025 Period: 3rd Term, 22nd Meeting

Proposal Content: Proposed to amend provisions of the "Payroll Cycle" internal control system and internal audit system for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

2. Evaluation of the Effectiveness of the Internal Control System:

- (1) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Present the proposal for issuing a 2024 Statement on Internal Control for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

- (2) Date of The Audit Committee meeting: December 23, 2025 Period: 3rd Term, 23rd Meeting

Proposal Content: Proposed the Company's 2026 audit plan for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

3. Establish or amend procedures for major financial or operational actions, such as acquisition or disposal of assets, engaging in derivatives trading, lending funds to others, endorsements or guarantees to others, in accordance with Article 36-1 of the Securities and Exchange Act: None.

4. Matters involving board directors' self-interests: None.

5. Transactions involving material asset or derivatives trading: None.

6. A material monetary loan, endorsement, or provision of guarantee: None.

7. Offering, issuance or private placement of any equity-type securities:

(1) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Present the motion for the capitalization of 2024 earnings by issuing new shares for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

8. Appointment, discharge or remuneration of independent auditor:

(1) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Motion content: Presented the proposal for the re-engagement of Deloitte Taiwan to audit the 2025 financial statements and tax attestation for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

9. The appointment or discharge of financial, accounting, or internal audit officers: None.

10. Annual and semi-annual financial statements:

(1) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Presented proposal to review the 2024 parent company-only financial reports for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(2) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Presented the proposal to review the Company's 2024 Parent Company Only Business Report and 2024 Consolidated Financial Report for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of

independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

- (3) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Presented the proposal fo review of the Company's 2024 Appropriation of Earnings for approval.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

- (4) Date of The Audit Committee meeting: May 09, 2025 Period: 3rd Term, 18th Meeting

Proposal Content: Presented proposal to review the Q1 2025 consolidated financial reports for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

- (5) Date of The Audit Committee meeting: August 11, 2025 Period: 3rd Term, 20th Meeting

Proposal Content: Presented proposal to review the Q2 2025 consolidated financial reports for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

- (6) Date of The Audit Committee meeting: November 11, 2025 Period: 3rd Term, 22nd Meeting

Proposal Content: Presented proposal to review the Q3 2025 consolidated financial reports for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of

independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

11. Any other material matter so required by the company or the Competent Authority.

(1) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Presented the proposal for the "2025 Early approval of routine non-assurance services and deadlines provided by licensed CPAs" for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(2) Date of The Audit Committee meeting: March 11, 2025 Period: 3rd Term, 17th Meeting

Proposal Content: Presented the proposal for the Company to renew the lease of premises from CPDC in 2025 for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Reported to the board of directors in the current year for resolution.

(3) Date of The Audit Committee meeting: May 09, 2025 Period: 3rd Term, 18th Meeting

Proposal Content: To effectively manage costs and improve investment efficiency, we propose to seek dissolution of the Singapore subsidiary, ZHONG HUA ENGINEERING (SG) PTE. LTD. Present the proposal for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Reported to the board of directors in the current year for resolution.

(4) Date of The Audit Committee meeting: May 09, 2025 Period: 3rd Term, 18th Meeting

Proposal Content: Presented the proposal for the Company to renew the lease of premises from Glory Construction Co., Ltd. in 2025 for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(5) Date of The Audit Committee meeting: June 23, 2025 Period: 3rd Term, 19th Meeting

Proposal Content: To facilitate the recovery of the Company's long-term equity investments and improve capital efficiency, management proposed that its wholly-owned subsidiary, BES Investment, reduce its capital by HK\$225,000 thousand and return the proceeds to the Company. Presented the proposal for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(6) Date of The Audit Committee meeting: June 23, 2025 Period: 3rd Term, 19th Meeting

Proposal Content: Presented the proposal to liquidate BES Engineering Vietnam to control costs and improve investment efficiency for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(7) Date of The Audit Committee meeting: June 23, 2025 Period: 3rd Term, 19th Meeting

Proposal Content: Presented the proposal for the cancellation of urban renewal plan for "five land parcels including Cadastral No. 461 in Peidi Section, Tucheng District, New Taipei City", commonly known as the "Jin'an Street Project", for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(8) Audit Committee Meeting Date: November 11, 2025 Period: 22nd Meeting of the 3rd Term.

Proposal Content: Proposal for the Company's 2025 assessment of the independence and suitability of the retained CPAs was submitted for review.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(9) Date of The Audit Committee meeting: December 23, 2025 Period: 3rd Term, 23rd Meeting

Proposal Content: Presented the proposal for review of the "2026 Business Plan and Operations Budget Explanation" for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(10) Date of The Audit Committee meeting: December 23, 2025 Period: 3rd Term, 23rd Meeting

Motion content: In order to fulfill corporate social responsibility and promote public welfare activities, we proposed a donation of NT\$6 million to the Sheen Chuen-Chi Culture and Educational Foundation to support cultural and educational activities for deliberation.

Dissenting opinions, qualified opinions, or material recommendations of independent directors: none.

Audit Committee Resolution Outcome: Unanimous vote by all attending committee to approve the motion after the chairperson consulted with the committee.

The Company's handling of the audit committee's opinions: Report to the board of directors in the current year for resolution.

(II) Except for the abovementioned matters, others which have not been passed by the Audit Committee but have been approved by more than two-thirds of all directors: None.

- II. For the recusal of independent directors due to conflicts of interest, please state the name of the independent director, the content of motion, the reason for recusal and the participation in voting: None.
- III. Communication between independent directors and internal auditing managers and accountants (communicate materiality, methods and results of the Company's financial and business conditions):
1. In accordance with regulations, the Company provides internal audit reports and follow-up reports to all independent directors for review. The head of internal audit attends audit committee meetings, provides relevant information to independent directors, and maintains good communication with them.
 2. Independent directors regularly communicate with the CPAs regarding the company's financial situation through meetings. The key points of communication between the company's audit committee and the auditors for the fiscal year 2025 are as follows:
 - (1) March 11, 2025. The audit report on the financial statements for the year 2024 was released, along with the audit results of key audit matters for the year 2024.
 - (2) May 09, 2025. Communicated on the contents of the Q1 2025 Financial Statements.
 - (3) August 11, 2024. Communicated on the contents of the Quarter 2 2025 Financial Statements.
 - (4) November 11, 2025. Communicated on the contents of the Q3 2025 Financial Statements and the 2025 key audit matters.
 3. March 11, 2025. Independent directors met individually with the attesting accountants.

Note 1: If an independent director leaves before the year ends, the resignation date, the rate of actual attendance shall be calculated based on the number of audit committee meetings and the number of actual attendance in person.

Note 2: If there is a re-election of independent directors before the year end, the newly elected and incumbent directors shall be listed. Their status of being the current, newly elected or re-elected independent directors and the re-election date shall be described in the remark field. The actual attendance rate (%) is calculated based on the number of meetings of the Audit Committee and the actual number of attendance during the term of his or her employment.

(III) Discrepancies between actual implementation of corporate governance operations and the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and reasons:

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
I. Does the Company establish and disclose the Company’s “Corporate Governance Best Practice Principles” in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?”	V		“Corporate Governance Best Practice Principles” of the Company was stipulated pursuant to the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” adopted by The Taiwan Stock Exchange Corporation (TWSE) and the Taipei Exchange (TPEX) to establish sound corporate governance system, and these Principles were approved by the Board of Directors on November 11, 2020, and are continuously updated in line with regulatory amendments and published on the Company’s official website.	None.
II. Shareholder structure and shareholders’ rights				
(I) Has the Company established internal operations procedures to handle shareholders’ suggestions, concerns, dispute, and litigation matters, and has implemented in accordance with the procedure?	V		(I) The Company has engaged a professional stock affairs agent to handle stock-related matters. In addition, the Company has established a spokesperson system and, in December 2025, established an Investor Relations Office with dedicated personnel responsible for handling shareholder-related matters.	None.
(II) Does the Company possess a list of major shareholders and beneficial owners of these major shareholders?	V		(II) The Company keeps aware of the stock transactions at all times, and through the shareholders’ name list provided by the stock agency, the Company is able to know the major shareholders and the beneficial owners of these major shareholders.	None.
(III) Has the Company built and executed risk management and	V		(III) The Company and its affiliates have built the appropriate risk control system and firewall, and the assets, financial	None.

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
<p>firewall mechanisms between the Company and its affiliated companies?</p> <p>(IV) Has the Company established internal rules to prohibit insider trading on undisclosed information?</p>	V		<p>management rights and responsibilities of each of these affiliates are separate and independent. The Company's financial unit has designated personnel to take care of managing subsidiaries, and the audit unit will execute monitoring and control under subsidiaries audit management.</p> <p>(IV) The Company has established the "Procedures for Handling Material Information and Prevention of Insider Trading," "Related Party Transaction Management," and "Regulations Governing Financial and Business Operations Between Related Parties." In addition, internal personnel are regularly reminded of the prohibition on insider trading.</p>	None.
<p>III. Composition and Responsibilities of the Board of Directors</p> <p>(I) Has the board of directors established diversity policies, specific management goals, and implementation procedures?</p>	V		<p>(I) The company has made diverse policies, which are disclosed on the official website. https://www.bes.com.tw/ir-policies.php#gsc.tab=0</p> <p>1. The Company currently has a total of nine members on the Board of Directors, including four independent directors. Their areas of expertise cover finance and accounting, law, engineering and construction, and industry knowledge.</p> <p>The nomination and selection of the Company's Board members are conducted in accordance with the provisions of the Articles of Incorporation, adopting a candidate nomination system. In addition to evaluating the academic and professional qualifications of each</p>	None.

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
(II) Besides setting up the Remuneration Committee and the Audit Committee, has the Company voluntarily set up Committees for other functions?	V		<p>candidate, stakeholder opinions are also taken into consideration, and the “Regulations Governing the Election of Directors” and the “Corporate Governance Best Practice Principles” are followed to ensure the diversity and independence of the Board members.</p> <p>2. The Board members maintain gender equality. At the current stage, the target for female directors is at least one seat. The Company has elected one female independent director in 2024.</p> <p>3. The Company operates in the construction engineering industry, and directors are required to possess professional backgrounds in engineering contract performance and large-scale project management. Due to the industry’s talent structure, female senior professionals with relevant practical experience are relatively limited. The Company has incorporated gender diversity into the director election regulations to enhance the proportion of female directors.</p> <p>(II) In addition to the existing Remuneration Committee, Audit Committee, and Sustainability Committee, the company has voluntarily established a Nomination Committee in December 2025.</p>	None.
(III) Has the Company established the regulations and method to evaluate the performance of the board of directors, and conduct	V		<p>(III) The Company has formulated the “Board of Directors Performance Evaluation Regulations of BES Engineering Corporation” and disclosed them on the Company’s website and the Market Observation Post System. Article</p>	None.

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
such evaluation regularly every year? Have the results of the performance evaluations been submitted to the board, while applied as the reference for the remunerations and re-election of each director?			<p>3 of the Regulations stipulates that the scope of performance evaluation includes the overall Board of Directors, individual directors, and functional committees (including the Remuneration Committee and the Audit Committee). The Company conducts performance evaluations of the overall Board of Directors, individual directors, and functional committees once each year and reports the evaluation results of the current year to the Board of Directors before the end of the first quarter of the following year. As of December 31, 2025, the performance evaluation of directors and functional committees for the year has had been completed and reported to the 35th Meeting of the 27th Term of the Board of Directors on February 10, 2026. In the future, the evaluation results will be used as a reference for individual directors’ remuneration and nomination for reappointment. The evaluation results are as follows:</p> <ol style="list-style-type: none"> 1. The scores of the Board of Directors in various dimensions are shown in the table below. The average score is 98 (out of a full score of 100), rated as “Good,” indicating that the Board has fulfilled its responsibilities in guiding and supervising the Company’s strategies, major operations, and risk management. The overall operation is sound and complies with the corporate governance requirements of the competent authorities and relevant regulations. 	

Evaluation item	Operation status (Note)			Discrepancies and reasons																																													
	Yes	No	Summary																																														
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Evaluation item	Operation status (Note)			Discrepancies and reasons																																																							
	Yes	No	Summary																																																								
			<p>3. Functional committee: The Company has established functional committees, including the Audit Committee, the Remuneration Committee, and the Sustainability Development Committee. Following self-evaluation by committee members, the scores for each dimension are as follows, all rated as “Good,” meeting corporate governance requirements and effectively enhancing the functions of the Board of Directors.</p> <table border="1"> <thead> <tr> <th rowspan="2">Self-assessment of five major dimensions</th> <th colspan="2">The Audit Committee</th> <th colspan="2">Remuneration Committee</th> <th colspan="2">Sustainable Development Committee</th> </tr> <tr> <th>Number of questions</th> <th>Average score</th> <th>Number of questions</th> <th>Average score</th> <th>Number of questions</th> <th>Average score</th> </tr> </thead> <tbody> <tr> <td>A. Participation in company operations.</td> <td>4</td> <td>96.3</td> <td>4</td> <td>98.3</td> <td>4</td> <td>100</td> </tr> <tr> <td>B. Awareness of functional committee duties</td> <td>5</td> <td>98.0</td> <td>5</td> <td>94.7</td> <td>4</td> <td>100</td> </tr> <tr> <td>C. Enhancement of the quality of functional committee decision-making</td> <td>7</td> <td>99.3</td> <td>7</td> <td>98.1</td> <td>7</td> <td>99</td> </tr> <tr> <td>D. Composition of functional committees and selection of members</td> <td>3</td> <td>100</td> <td>3</td> <td>100</td> <td>3</td> <td>100</td> </tr> <tr> <td>E. Internal control</td> <td>3</td> <td>98.3</td> <td>1</td> <td>100</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total/Average Score</td> <td>22</td> <td>98.4</td> <td>20</td> <td>97.7</td> <td>18</td> <td>99.6</td> </tr> </tbody> </table> <p>4. The above evaluation is conducted internally using a questionnaire-based method. Each functional committee distributes the questionnaires, which are collected from November to December each year. The Company’s Chairman’s Office analyzes the results in accordance with the established procedures and</p>	Self-assessment of five major dimensions	The Audit Committee		Remuneration Committee		Sustainable Development Committee		Number of questions	Average score	Number of questions	Average score	Number of questions	Average score	A. Participation in company operations.	4	96.3	4	98.3	4	100	B. Awareness of functional committee duties	5	98.0	5	94.7	4	100	C. Enhancement of the quality of functional committee decision-making	7	99.3	7	98.1	7	99	D. Composition of functional committees and selection of members	3	100	3	100	3	100	E. Internal control	3	98.3	1	100	-	-	Total/Average Score	22	98.4	20	97.7	18	99.6	
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Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
(IV) Has the Company evaluate the independence of the independent auditor on a regular basis?	V		<p>submits the findings to the Board of Directors in February of the following year. Based on the directors' feedback, the Company proposes action plans for further improvement.</p> <p>5. The Company commissioned the Taiwan Corporate Board Performance Promotion Association to conduct an external performance evaluation of the Board for 2023 via questionnaires and on-site interviews. The evaluation covered dimensions including board composition and structure, director selection and continuing education, involvement in company operations, enhancement of decision-making quality, internal control, value creation, and ESG. The results were reported to the Board in February 2024 and have been disclosed on the Company's official website.</p> <p>(IV) The Audit Committee and the Board of Directors of the Company evaluate the independence, suitability, and professionalism of the certifying CPAs on an annual basis. In addition to requiring the certifying CPAs to provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)," evaluations are conducted in accordance with the evaluation form set forth in Note 2 and 13 AQI indicators. It has been confirmed that, apart from fees for audit and financial and tax services, the CPAs have no other financial interests or business relationships with the Company. The family members of the CPAs also do not violate independence requirements. In addition, with reference to AQI indicator information,</p>	None.

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
(V) Does the company disclose the link between performance evaluation and remuneration for directors and managers?	V		<p>it is confirmed that the CPAs and their firm have audit experience and training hours exceeding the industry average, and that digital audit tools have been continuously introduced over the past three years to enhance audit quality.</p> <p>When the Board of Directors discusses the independence and appointment of the certifying CPAs, the CPAs' resumes and individual statements of independence are also provided for the Board's evaluation and discussion of their independence.</p> <p>The evaluation results for the most recent year were reviewed and approved by the Audit Committee on December 23, 2025, and subsequently submitted to and approved by the Board of Directors on December 23, 2025, regarding the evaluation of the independence and suitability of the CPAs.</p> <p>(V) Explanation as follows:</p> <ol style="list-style-type: none"> Pursuant to Article 28 of the Company's Articles of Incorporation, if the Company has pre-tax profit for the year, it shall allocate 3% as employee remuneration, of which 0.75% shall be allocated as remuneration for grassroots employees, and no more than 2% as directors' remuneration. In the event of any accumulative loss incurred by the Company, it shall reserve for offsetting the accumulative loss. The preceding pre-paid ratio, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders, and it 	None.

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
			<p>shall be reported in the shareholders' meeting.</p> <p>2. Per the Company's "Regulations Governing the Board of Directors Performance Evaluation of BES ENGINEERING CORPORATION," the annual performance of individual directors (based on six key areas: understanding of the Company's objectives and missions, understanding of the responsibilities of directors, level of participation in the Company's operations, internal relationship management and communication, directors' expertise and continuing education, and internal control) is assessed to determine whether to continue their nomination and to serve as a reference for setting their remuneration. The relevant performance evaluations and the rationality of the remuneration have been reviewed and approved by both the Remuneration Committee and the Board of Directors.</p> <p>3. The Remuneration Committee, in accordance with its committee charter, regularly reviews the policies, systems, standards, and structures for performance evaluation and remuneration of directors and managers, and evaluates and determines the remuneration of directors and managers. The proposed suggestions are submitted to the Board of Directors for discussion.</p> <p>4. Other aspects such as special contributions or significant negative events are also considered as references for the performance and remuneration of directors and managers.</p>	

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
(VI) Does the Company disclose the policy linking senior executive compensation with ESG-related performance evaluation?	V		(VI) In 2024, the Company approved, through internal authorization, amendments to the “BES Engineering Corporation Employee Performance Appraisal and Promotion Regulations,” adding provisions linking senior managerial performance evaluations to ESG factors and incorporating such linkage into considerations for bonuses and remuneration. The evaluation items are as follows: Appointed managers (including the General Manager and Deputy General Managers) shall establish short-term ESG objectives and implement long-term strategic performance reviews, including legal compliance, workplace inclusion, risk management, employee health and safety, labor-management relations, and carbon emission reduction. The aforementioned ESG performance items shall be incorporated as factors in determining compensation and remuneration.	None.
IV. Has the listed company assigned the properly competent and amount of corporate governance unit or personnel to be responsible for related matters to corporate governance (including but not limited to providing directors and supervisors the data required to execute the work, assisting directors and supervisors to comply with laws and regulations and organize Board	V		(I) This is the charge of the Corporate Governance Department of the Company, and the major responsibilities are the following: 1. Draw up the agenda of the board meeting, notify directors at least 7 days before the meeting, and provide sufficient meeting materials so that directors can understand the contents of relevant topics; remind them in advance. 2. Provide the information required by the directors to exercise their powers and regulations, and related news related to corporate governance, to assist the directors to	None.

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
of Directors and Shareholders meetings related matters, produced meeting minutes for Board of Directors and Shareholders meetings)?			<p>comply with the laws and regulations and to convene board meetings and shareholders' meetings.</p> <p>3. Assisting the Company in complying with the relevant laws and regulations of the Board of Directors and Shareholders' Meetings, preparing the minutes of the Board of Directors' meetings and handling investor relations and other related affairs.</p> <p>4. Register the shareholders' meeting date each year according to the law, release meeting notices prior to the deadline, prepares meeting handbook and minutes.</p> <p>5. According to the Financial Supervisory Commission's regulations, organizes the Corporate Governance evaluation work.</p> <p>(II) On March 27, 2019, the board of directors approved the establishment of a corporate governance director position, to be concurrently held by the head of the finance department. On October 25, 2023, the board of directors approved the appointment of Manager Su, Yu-Min from the accounting department to this position.</p> <p>(III) Key implementations of corporate governance related matters are as follows:</p> <p>1. A total of 12 Board of Directors meetings and 7 Audit Committee meetings were convened in 2025.</p> <p>2. One annual shareholders' meeting was summoned in 2025.</p> <p>3. All directors completed at least 6 credits of educational trainings.</p> <p>4. The company insured Directors and important staff with</p>	

Evaluation item	Operation status (Note)			Discrepancies and reasons															
	Yes	No	Summary																
			liability insurance and reported to the Board of Directors after the policies are renewed. 5. Performance evaluations of the Board of Directors and functional committees were conducted and reported to the Board of Directors before the end of the first quarter of the following year. 6. In 2025, the corporate governance officer completed a total of 15 hours of continuing education to comply with regulatory requirements. 7. The Company completed the corporate governance evaluation and filing for 2025. 8. The Company held 2 investor conferences in 2025. (IV) The educational trainings for the Corporate Governance Officer in 2025 were as follows: <table border="1" data-bbox="987 855 1776 1161"> <thead> <tr> <th>Transaction</th> <th>Training Course</th> <th>Credit</th> </tr> </thead> <tbody> <tr> <td>2025/5/16</td> <td>Seminar on Prevention of Insider Trading in 2025</td> <td>3</td> </tr> <tr> <td>2025/6/10</td> <td>CDP Taiwan Conference – Enhancing Climate Information Disclosure to Strengthen Corporate Climate Resilience</td> <td>3</td> </tr> <tr> <td>2025/7/9</td> <td>2025 Cathay Sustainable Finance and Climate Change Summit</td> <td>6</td> </tr> <tr> <td>2025/10/3</td> <td>Seminar on Prevention of Insider Trading in 2025</td> <td>3</td> </tr> </tbody> </table>	Transaction	Training Course	Credit	2025/5/16	Seminar on Prevention of Insider Trading in 2025	3	2025/6/10	CDP Taiwan Conference – Enhancing Climate Information Disclosure to Strengthen Corporate Climate Resilience	3	2025/7/9	2025 Cathay Sustainable Finance and Climate Change Summit	6	2025/10/3	Seminar on Prevention of Insider Trading in 2025	3	
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2025/7/9	2025 Cathay Sustainable Finance and Climate Change Summit	6																	
2025/10/3	Seminar on Prevention of Insider Trading in 2025	3																	
V. Has the Company established a means of communicating with its Stakeholders (including but not limited to shareholders, employees, customers, suppliers, and so on) and created a Stakeholders Section on	V		(I) The Company's website has established an investor relations section and a contact window and has added a survey section for stakeholders' concerns to emphasize the importance of stakeholders' opinions. (II) The Company has identified eight key stakeholder groups, including investors/shareholders, customers/clients,	None.															

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
its Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?			<p>employees, suppliers, community residents, government agencies/associations, investment institutions and banks, and the media. The Company engages in two-way communication through multiple channels, including shareholders' meetings and investor conferences, project meetings and satisfaction surveys, employee communication forums and internal platforms, supplier evaluations and site visits, community briefings, official correspondence and meetings with competent authorities, regular visits to financial institutions, and media communications. The Company continuously collects feedback and responds to material issues to enhance transparency and build mutual trust.</p> <p>(III) In addition, stakeholder communication will continue to be disclosed in the Company's 2024 Sustainability Report. Please refer to the official website. https://www.bes.com.tw/csr-pdf.php#gsc.tab=0</p>	
VI. Has the Company appointed a professional registrar for its Shareholders' meetings?	V		The Company appoints an independent professional shareholder service agency to handle shareholders' meeting affairs in President Securities Corporation.	None.
VII. Information disclosure				
(I) Has the Company established a corporate website to disclose information regarding its finance, business and corporate governance?	V		(I) The Company's website has been revamped. The website address is www.bes.com.tw , which fully discloses the Company's financial and business information and corporate governance status.	None.
(II) Does the Company use other information disclosure	V		(II) The Company's website also provides an English version of the Company's business overview, material financial	None.

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
<p>channels (such as, create an English-language website, designate staff responsible for the handling of information collection and disclosure, establish spokespersons system, webcasting investors conference and so on)?</p> <p>(III) Does the Company announce and register the annual financial reports within two month upon the end of a financial year, and announce and register the first, second and third quarter financial reports and the monthly operations before the required due date?</p>		V	<p>information, and corporate governance information. Dedicated personnel have been assigned to be responsible for the collection and disclosure of Company information. The Company has also established a spokesperson system and the Regulations Governing Information Reporting, publishes material information and the latest announcements to the public, and provides a link to the Market Observation Post System of the TWSE. In addition, the official website regularly discloses information about “the Company holding corporate briefing sessions.” Please visit the official website https://www.bes.com.tw/ir-conference.php#gsc.tab=0</p> <p>(III) Pursuant to Paragraph 1, Article 36, the Securities and Exchange Act, within three months after the close of each fiscal year, the Company publicly announces and registers financial reports duly audited and attested by a certified public accountant, approved by the board of directors, and recognized by the Audit Committee, as well as within 45 days after the end of the first, second, and third quarters of each fiscal year publicly announces and registers with the Competent Authority financial reports duly reviewed by a certified public accountant and reported to the board of directors, pursuant to Paragraph 2, and Paragraph 3, within the first ten days of each calendar month publicly announces and registers the operating status for the preceding month.</p>	<p>The Company conducts such pursuant to the Securities and Exchange Act</p>

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	V		<p>(1) Our company emphasizes employee rights, employee care, and human rights. We have established regulations such as the "Organization Regulations of the Labor Retirement Preparation Supervisory Committee," the "Employee Retirement, Severance, and Layoff Regulations," the "Employee Welfare Committee Scholarship Regulations" and the "Company Gender Equality Promotion Measures" to address these issues. Please visit the official website https://www.bes.com.tw/hr-benefits.php#gsc.tab=0</p> <p>(2) In accordance with domestic procurement regulations, contracts are established with suppliers, and suppliers are regulated according to our company's "Vendor Assessment and Evaluation Guidelines" to ensure quality standards are met. Meanwhile, the Company has established effective communication mechanisms with investors. The official website and annual reports provide detailed disclosures regarding the Company's internal operations and significant information.</p> <p>(3) The Company has established an investor section and an Investor Relations Office, enabling investors to contact the Company at any time to obtain responses to relevant inquiries and information regarding corporate governance.</p> <p>(4) Continuing education of directors and independent directors (as of December 31, 2025): Chairman Chou Chih-Ming; Director Pai Chun-Nan; Director Tsai Chao-Lun; Director Liu Liang-Hai; Director Cheng Ssu-</p>	None.

Evaluation item	Operation status (Note)			Discrepancies and reasons
	Yes	No	Summary	
			<p>Tsung; Independent Director Ke Shu-Jen; Independent Director Liu Teng-Cheng; Independent Director Chang Fan; and Independent Director Pan, Wei-Kang have all complied with the second item of the training hour requirements set forth in Point 3 of the “Guidelines for Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies.” Newly appointed directors should complete at least 12 hours of training in the year of appointment and at least 6 hours annually from the second year of appointment. For detailed course information, please refer to Note 3.</p> <p>(5) Status of liability insurance for directors and independent directors: The Company has stipulated in its Articles of Incorporation that liability insurance may be purchased for directors. The coverage period is from January 2, 2026 to January 2, 2027, underwritten by Fubon Insurance Co., Ltd., and has been reported to the Board of Directors.</p>	
<p>IX. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange.</p> <p>(I) The Company will discuss items for which no score was obtained and determine subsequent improvement directions.</p> <p>(II) The Company’s enhanced disclosures regarding corporate governance: Greenhouse gas inventory Scope 3 results and third-party assurance, and greenhouse gas reduction measures and performance.</p> <p>(III) The Company received the TCSA 2025 Sustainability Report Gold Award and the Sustainability Excellence Enterprise Award, the 1st Circular Economy Excellence Award – Product and Service Excellence Award (Wu River Niaozuitan Artificial Lake Project) in 2025, the Gold Award at the 2025 “Golden Eagle Microfilm Festival,” and was included in the “Taiwan Stock Exchange Corporate Governance 100 Index” in 2025.</p>				

Note 1: Regardless of whether “Yes” or “No” is selected for the operational status, an explanation shall be provided in the remarks section.

Note 2: 2025 CPA independence evaluation form.

Item	Evaluation item	Evaluation results	Whether or not the CPAs are independent
1	Whether or not the CPAs have direct or material indirect financial interest with the Company?	No	Yes
2	Whether or not the CPAs have close business relationship with the Company?	No	Yes
3	Whether or not the CPAs have a potential employment relationship while auditing the Company?	No	Yes
4	Whether or not the CPAs have any financial borrowing or lending with the Company?	No	Yes
5	Whether or not the CPAs have any value from the Company or from the directors and managers of the Company? Significant gifts or presents (with a value exceeding normal social etiquette standards).	No	Yes
6	Whether or not the CPAs have the signing accountant provided auditing services to the Company continuously for seven years.	No	Yes
7	Whether or not the CPAs hold shares in our company.	No	Yes
8	Whether or not the CPAs, their spouse or dependents served as directors, supervisors or managers of our company or held positions with significant influence on audit cases during the audit period or in the past two years?	No	Yes
9	Whether or not the CPAs complied with the provisions regarding independence in the Code of Professional Ethics for Certified Public Accountants No. 10 and obtained the “Independence Declaration” issued by the signing accountant?	Yes	Yes
10	Whether or not the CPAs obtained information on the 13 Audit Quality Indicators (AQIs) provided by the accounting firm, and evaluated the audit quality of the accounting firm and audit team based on the “Audit Committee's Interpretation of Audit Quality Indicators (AQI) Guidelines” issued by the regulatory authority?	Yes	Yes

Note 3: Directors' Continuing Education in 2025

Juristic Person Directors	Title	Name	Date of Assuming of Duties	Construction Name	Training hours	Total hours
Yang Jen Industrial Co., Ltd.	Legal Representative / Chairman of BES Engineering Corporation	Chou Chih-Ming	2023/6/7	Recent Developments in ESG and Key Considerations for Directors and Supervisors	3	6
				Artificial Intelligence and Corporate Governance	3	
China Petrochemical Development Corporation	Legal Representative / Director (Resigned on 2025.11.19)	Chen Jui-Lung	2023/6/7	Practical ESG Sustainability Trends and Updates on Sustainability Regulations	1.5	4.5
				Reshaping the International Order	1.5	
				Future Compliance Risks in the Technology Industry from the Perspective of Geopolitics and Sanctions	1.5	
Tian-Jing Investment Corporation	Legal Representative / Director	Pai Chun-Nan	2023/6/7	Benchmark Practices in the Era of Co-Governance	3	9
				Recent Developments in ESG and Key Considerations for Directors and Supervisors	3	
				Artificial Intelligence and Corporate Governance	3	
Formostar Garment Co. Ltd	Legal Representative / Director	Tsai Chao-Lun	2023/6/7	Corporate Governance Upgrade- Creating a New Landscape of Talent Competitiveness	3	6
				The 131st Corporate Governance Forum	3	
Chang-Li Co. Ltd.	Corporate Representative / Director (retired on December 1, 2025 / appointed as Corporate Representative Director of China Petrochemical Development Corporation on December 2, 2025)	Liu Liang-Hai	2023/6/7	Recent Developments in ESG and Key Considerations for Directors and Supervisors	3	6
				Artificial Intelligence and Corporate Governance	3	

Juristic Person Directors	Title	Name	Date of Assuming of Duties	Construction Name	Training hours	Total hours
Chang-Li Co. Ltd.	Corporate Representative / Director (reassigned on December 1, 2025)	Cheng Ssu-Tsung	2025/12/1	Ethical Corporate Management Guidelines and Directors' Ethical Conduct – From Anti-Money Laundering and Counter-Terrorist Financing	3	6
				2025 Cathay Sustainable Finance and Climate Change Summit	3	
Independent Director		Ke Shu-Jen	2023/6/7	Recent Developments in ESG and Key Considerations for Directors and Supervisors	3	12
				Artificial Intelligence and Corporate Governance	3	
				Overview of Domestic Commercial Real Estate from the Perspective of Directors and Supervisors – Asset Revitalization of Listed Companies	3	
				How the Board of Directors Ensures Sustainable Corporate Operations – From the Perspective of Talent Identification and Development	3	
Independent Director		Chang Fan	2023/6/7	Recent Developments in ESG and Key Considerations for Directors and Supervisors	3	6
				Artificial Intelligence and Corporate Governance	3	
Independent Director		Liu Teng-Cheng	2023/6/7	Recent Developments in ESG and Key Considerations for Directors and Supervisors	3	6
				Artificial Intelligence and Corporate Governance	3	
Independent Director		Pan Wei-Kang	2024/5/31	Corporate Governance – Principles of Fair Treatment of Customers in the Financial Services Industry	3	6
				Outlook for 2026: Key Indicators and Trend Analysis of the International Political and Economic Situation	3	

(IV) If the Company has set up a Remuneration Committee or Nomination Committee, shall disclose its composition, responsibilities and operation situations:

1. Member information of the Remunerations Committee

March 31, 2026

Identity (Note 1)	Qualifications	Professional qualification and experience (Note 2)	Independence Criteria (Note 3)	Number of other public offering companies where the member services as a part- time remuneration committee member
	Name			
Independent Director (Serving as the convener of the fifth session)	Ke Shu-Jen	Please refer to page 8 for relevant information on Table 1: Directors and Supervisors Data (II).	According to the requirements of the listing rules, the company has obtained written statements from each independent director confirming their own and their immediate family members' independence from the company, without any direct or indirect conflicts of interest.	None
Independent Director	Chang Fan	Please refer to page 8 for relevant information on Table 1: Directors and Supervisors Data (II).	According to the requirements of the listing rules, the company has obtained written statements from each independent director confirming their own and their immediate family members' independence from the company, without any direct or indirect conflicts of interest.	None
Independent Director	Liu Teng- Cheng	Please refer to page 8 for relevant information on Table 1: Directors and Supervisors Data (II).	According to the requirements of the listing rules, the company has obtained written statements from each independent director confirming their own and their immediate family members' independence from the company, without any direct or indirect conflicts of interest.	None

Note 1: Please specify, within the table, each member of the Remuneration Committee's relevant years of work experience, professional qualifications and experience, and independence status.

Note 2: Professional qualifications and experience: Specify the professional qualifications and experience of each member of the Remuneration Committee.

Note 3: Compliance with independence criteria: Specify the circumstances under which members of the Remuneration Committee meet independence criteria, including but not limited to whether the individual, their spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the Company or its affiliated enterprises; the number and percentage of the Company's shares held by the individual, their spouse, or relatives within the second degree of kinship (or held in the name of another person); whether the individual, their spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of a company having a specific relationship with the Company (as defined in Article 6, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing the Establishment and Exercise of Powers of the Remuneration Committee of Companies Whose Stock Is Listed on the Stock Exchange or Traded on the OTC Market); and the amount of remuneration received for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises in the most recent two years.

2. Information on the Operations Situation of the Remuneration Committee

(1) Members of the Remuneration Committee, a total of 3 persons.

(2) Term of the current committee members: from June 28, 2023 to June 27, 2026; the Remuneration Committee convened five meetings in 2025 (A). The qualifications and attendance of the members are as follows:

Title	Name	Number of meetings attended in person (B)	Frequency of proxy attendance	Attendance rate (%) (B/A) Note	Note
Convener	Ke Shu-Jen	5	0	100	
Member	Chang Fan	5	0	100	
Member	Liu Teng-Cheng	5	0	100	

Others:

I. If the Board of Directors declines to adopt or modify recommendation(s) of the Remuneration Committee, the date, period, content of the motion and the results of the resolution of the Board meeting shall be clearly stated; as well as the action(s) taken by the company in response to the recommendation(s) of the Remuneration Committee. (If the remuneration passed by the Board exceeds what the Remuneration Committee has recommended, the circumstances and causes for such difference shall be clearly stated): None.

II. Regarding matters related to the resolution of the Remuneration Committee, if member(s) has opposing or retaining opinion that has been recorded or written statement issued, the date, period, content of the proposal, and all opinions of the members and corresponding actions to these opinions of the Remuneration Committee meeting shall be clearly stated: None.

III. The meeting date, term, proposal content, resolution of the Remuneration Committee of the past year, and the company's disposition on the opinions proposed by the Remuneration Committee are as follows:

Remuneration Committee	Proposal content and follow-up disposition	Resolution	The company's disposition on the opinions proposed by the Remuneration Committee
5th Meeting of 11th Term January 15, 2025	Proposal Review of the proposal for distribution of year-end performance bonuses to the Company's appointed managers for 2024, submitted for deliberation.	The proposal was approved in principle. However, due to significant events and potential future risks, the General Manager shall bear supervisory and management responsibilities; therefore, it is recommended that the General Manager receive three-fourths of the bonus based on the distribution method for appointed managers' year-end performance bonuses for 2023. Considering the	Submitted to the Board of Directors and approved with amendments by the attending directors.

		operational challenges during the year, the final payment amount shall be submitted to the 23rd Meeting of the 27th Board of Directors for approval before implementation.	
5th Meeting of 12th Term March 11, 2025	Proposal I. Discussion of the proposal for distribution of employee remuneration and directors' remuneration for 2024, submitted for deliberation. II. Review of the Company's directors' remuneration for 2024, submitted for deliberation.	Approved by all of the committee members.	Approval by all attending directors.
5th Meeting of 13th Term August 11, 2025	Proposal I. Proposal for distribution of directors' remuneration for 2024, submitted for deliberation. II. Proposal for amendments to the Company's "Guidelines for Distribution of Employee Remuneration," submitted for deliberation.	Approved by all of the committee members.	Approval by all attending directors.
5th Meeting of 14th Term November 11, 2025	Proposal I. Proposal for the remuneration of appointed managers, including Chi Yun-Chung and Su Li-Mei, submitted for deliberation. II. To ensure the timely and quality completion of internal and external projects such as Tao Zhu Yin Yuan and Cloud Universe, it is proposed to appoint Chang, Hsu-Teng as head of the Civil Engineering Division concurrently serving as head of the Business Department, and conditionally nominate	Approved by all of the committee members.	Approval by all attending directors.

	<p>him as an appointed manager with a three-year contract effective upon approval by the Board of Directors, submitted for deliberation.</p> <p>III. Proposal for the promotion of appointed manager Yu Li-Cheng to Assistant manager of the Finance Department, adjustment of the proposed remuneration, and planning of career development objectives within one year, submitted for deliberation.</p>		
5th Meeting of 15th Term December 23, 2025	<p>Proposal</p> <p>I. Proposal for the monthly remuneration of the new representatives of corporate directors Chang-Li Co. Ltd. and China Petrochemical Development Corporation, submitted for deliberation.</p> <p>II. Proposal for a concurrent allowance for appointed manager Cheng An-Tzu, who concurrently serves as head of the Investor Relations Office, submitted for deliberation.</p> <p>III. Proposal for distribution of employee remuneration for 2024 by appointed managers in accordance with the “Guidelines for Distribution of Employee Remuneration,” submitted for deliberation.</p>	<p>The first proposal was approved by all committee members. For the second proposal, considering that the concurrent position requires external communication with investors and maintenance of relationships, which entails relatively heavy responsibilities, it is recommended that the proposal be adjusted. For the third proposal, minor adjustments are recommended.</p>	<p>The first proposal was submitted to the Board of Directors and approved by the attending directors; additionally, in accordance with Director Cheng, Szu-Tsung’s wishes, his director remuneration is to be paid to Chang-Li Co. Ltd. The second proposal was submitted to the Board of Directors and approved by all attending directors. The third proposal was submitted to the Board of Directors and approved by all attending directors.</p>

Note:

- (1) Before the end of the fiscal year, if a member of the Remuneration Committee resigns, the date of resignation, actual attendance rate based on his/her total attendance over the total number of meetings held during his/her incumbency on the Remuneration Committee, shall be clearly stated in the remarks section.
- (2) Before the end of the fiscal year, if the Remuneration Committee is re-elected, all new and ex-members shall be listed, with remarks to identify each member as ex-, new, or re-elected member. The re-election date shall also be stated. Actual attendance rate (%) is based on the total number of meetings attended over the total number of meetings held during incumbency.

3.-Information on members of the Nomination Committee and its operation:

- (1) The Company's Nomination Committee consists of a total of three members.
- (2) Term of the current committee members: from December 23, 2025 to June 6, 2026. In the most recent year (April 20 2025), the Nomination Committee convened four meeting (A). The professional qualifications and experience of members, attendance status, and discussion items are as follows:

Title	Name	Professional qualification and experience	Frequency of actual attendance (B)	Frequency of proxy attendance	Rate of actual attendance (B/A) (Note)	Note
Convener	Ke Shu-Jen	Decision-making in the media industry and corporate governance practices	4	0	100	
Member	Chang Fan	Decision-making in the media industry and corporate governance practices	4	0	100	
Member	Liu Teng-Cheng	Management in the financial industry, risk control, and corporate governance	4	0	100	

Others:

Description of the meeting date, term, proposal content, opinions of Nomination Committee members (including any objections), resolution results, and the Company's handling of the Nomination Committee's opinions.

1. Nomination Committee meeting date: December 23, 2025 Period: 1st Meeting of 1st Term

Agenda: Election of the convener.

Resolution: All members unanimously elected Independent Director Ke Shu-Jen

as convener.

2. Nomination Committee meeting date: February 10, 2026 Period: 2nd Meeting of 1st Term
Agenda: proposal to establish the Regulations Governing the Nomination and Review Procedures of the Nomination Committee.
Resolution: Approved as proposed by all attending committee members and submitted to the Board of Directors for review.
Agenda: Proposal to recommend Ms. Su Li-Mei, Associate Vice President of the Cost Control Department, to serve as General Manager.
Resolution: Approved as proposed by all attending committee members and submitted to the Board of Directors for review.
3. Nomination Committee meeting date: March 10, 2026 Period: 3rd Meeting of 1st Term
Agenda: Proposal to recommend Mr. Chen Wen-Ke to serve as Executive Vice President of Development of the Company.
Resolution: It is recommended that legal counsel provide a legal opinion before submitting the proposal to the Board of Directors for review.
4. Nomination Committee meeting date: April 10, 2026 Period: 4th Meeting of 1st Term
Agenda: Proposal to submit the list of director and independent director nominees nominated by the Company.
Resolution: Approved as proposed by all attending committee members and submitted to the Board of Directors for review.
Agenda: Proposal to submit the list of director and independent director nominees nominated by shareholders holding more than 1% of shares.
Resolution: After thorough consideration of the candidates' qualifications, nomination procedures, relevant laws and regulations, and with reference to legal counsel's opinion, the proposal was approved by two committee members and opposed by one, and submitted to the Board of Directors for review.

Note 1: If any member of the Nomination Committee resigns before the end of the year, the resignation date shall be specified in the remarks column. The attendance rate (%) shall be calculated based on the number of meetings attended and the number of meetings held during the member's term of office.

Note 2: If the Nomination Committee is re-elected before the end of the year, both outgoing and incoming members shall be listed, and the remarks column shall indicate whether the member is outgoing, newly appointed, or reappointed, as well as the date of re-election. The attendance rate (%) shall be calculated based on the number of meetings attended and the number of meetings held during the member's term of office.

(V) Status of the promotion of sustainable development, differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and reasons therefor:

Promoted Item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Y	N	Summary	
I. Has the Company established a governance structure for promoting sustainable development, set up a dedicated (or concurrent) unit to promote sustainable development, authorized senior management by the Board of Directors to handle such matters, and does the Board of Directors supervise the implementation thereof?	Y		<p>1. The Company's Board of Directors approved the establishment of the Sustainability Development Committee on May 11, 2022. For the organizational structure, members, responsibilities, and the fact that the Sustainability Development Committee convened two meetings in 2025, please refer to the official website: https://www.bes.com.tw/ir-sd-committee.php#gsc.tab=0</p> <p>2. The Sustainable Development Committee has established a Sustainability Implementation Team, which coordinates and implements sustainable development action plans and regularly reports the results to the committee.</p> <p>3. The results of the Company's promotion of corporate sustainable development in 2025, including (1) stakeholder communication and responsive action plans; (2) objectives and policies relating to sustainability issues; (3) implementation status of sustainability-related issues; (4) the Sustainability Report; and (5) the review, output, and identification results of the Company's ESG material topics in 2025, were reported to the Board of Directors on August 12, 2025 and December 23, 2025. The Board of Directors heard the report of the</p>	None.

		<p>Sustainability Development Committee, reviewed the implementation status of sustainability issues, and supervised the management team in continuously refining and making rolling adjustments to the relevant implementation plans in accordance with actual implementation status and changes in the external environment.</p> <p>4. The Company’s ESG-related education and training courses in 2025 are as follows:</p> <ul style="list-style-type: none"> ● April 17, 2025 BES Sustainability Consensus Camp, “Intelligent Civil Engineering for Sustainable Green Building—Building Net Zero and Climate Action” ● July 31, 2025 Recent Developments in ESG and Matters to Which Directors and Supervisors Should Pay Attention 	
<p>II. Does the Company conduct the risk evaluation of the environmental, social and governance issues pertinent to the Company’s operation based on the principle of materiality, and establishes the related risk management policies or strategies? (Note 2)</p>	<p>V</p>	<ul style="list-style-type: none"> ● The Company’s Risk Management Policy and Procedures were approved by the 4th Meeting of the 26th Term of the Board of Directors. In accordance with the Company’s overall operating policies, various types of risks are defined, and a risk management mechanism featuring early identification, accurate measurement, effective supervision, and stringent control has been established. Within the range of acceptable risks, the Company seeks to prevent possible losses and continuously adjusts and improves risk management best practices in response to changes in the internal and external environment, while protecting the interests of employees, shareholders, customers, and stakeholders. Please visit the official website: https://www.bes.com.tw/ir-policies.php#gsc.tab=0 Risk Management Policy and Procedures ● The Company’s Risk Team convened a risk management meeting on December 6, 2025, to conduct a risk assessment on environmental, social, and governance aspects related to the Company’s operations (excluding subsidiaries). Thirteen extremely high-risk issues were identified, and ongoing 	<p>None.</p>

mitigation measures were proposed. These were submitted to the Audit Committee and the Board of Directors on December 23, 2025 for implementation.

Risk Category	Risk Topics	Implementation of Risk Countermeasures	
Operational Management Risk	Insufficient material price adjustment subsidies from project owners and unfavorable claims	(1) Establish standard operating procedures (SOPs) for material price adjustments, changes, and claims to improve the quality of claims for public projects. (2) Strengthen the three-stage quality inspection and acceptance process, warranty management, and digital construction supervision for self-developed projects to safeguard the brand. (3) Promote deeper design-construction collaboration, including construction drawing conversion procedures and cross-departmental review. (4) Improve the cost early warning mechanism and project closeout feedback to enhance budget accuracy. (5) Adopt milestone management and an early warning system for construction schedules to strengthen contractor performance and progress control. (6) Improve procurement procedures and approval efficiency, and promote digitization and item standardization.	
	Quality defects in self-developed projects affecting the brand		
	Disconnect between design and construction leading to coordination failure		
	Variance between budgeted and actual costs		
Financial Risk	Project delays and escalating costs		
	Tightening of funding chains and increased credit risk		(1) Establish funding sensitivity indicators and strengthen credit communication to enhance resilience in capital allocation. (2) Introduce sales KPIs and early warning mechanisms to improve the sell-through and cash recovery speed of development projects. (3) Promote major investment decision gates and post-investment performance management to improve investment quality.
	Slow sales of development projects and cash recovery risk		
Insufficient investment decision-making and post-investment performance monitoring			
Policy/compliance Risk	Changes in control affecting governance stability	(1) Continuously monitor shareholding and market signals, and establish response procedures for changes in control. (2) Complete system inventory reviews, promote clearer authorization, and strengthen cross-departmental issue tracking. (3) Enhance procurement internal controls, progress early warning, and data transparency to improve compliance and auditability.	
	Unclear decision-making transparency and ambiguous delegation of authority		
	Delays in procurement procedures and approval timeliness		
Labor/social Risk	Declining birthrate and labor shortages	(1) Promote a cross-site manpower allocation platform and the four modernizations of construction to address labor shortages and talent gaps. (2) Introduce intelligent tools to reduce manpower demand and improve on-site execution efficiency. (3) Strengthen the contractor chain safety grading system, inspections, and deficiency remediation to improve occupational safety resilience.	
	Occupational accidents and insufficient safety management in the contractor chain		

			<ul style="list-style-type: none"> Please visit the official website: https://www.bes.com.tw/ir-policies.php#gsc.tab=0 BES Engineering Risk Management Report and BES Engineering Corporation Risk Management Policy and Procedures. 	
<p>III. Environmental Issues</p> <p>(I) Does the Company establish a suitable environmental management system based on the characteristics of the industry where it is?</p>	V		<p>The Company has obtained ISO 14001:2015 Environmental Management System certification and CNS 45001:2018 Occupational Safety and Health Management System certification, and annually engages third-party certification bodies to conduct verification audits to ensure the effectiveness of the management systems and continuous improvement. In addition, the Company actively adopts the PAS 2080 Carbon Management in Buildings and Infrastructure standard. This not only aligns the Company with international standards, but also further enhances its environmental protection and occupational safety management performance.</p> <p>The Company has established the following management objectives: “reducing environmental pollution,” “using green building materials,” “reducing waste,” “reducing carbon emissions,” and “zero major occupational accidents,” and has implemented the following measures:</p> <p>1. Measures to reduce environmental pollution</p> <p>In addition to comprehensively installing vehicle washing facilities, sedimentation tanks, and wastewater treatment equipment to ensure that discharged water meets applicable standards, the Company has also actively introduced smart construction site management technologies. Through an audiovisual command center, environmental data at construction sites, such as PM2.5 and noise levels, are monitored in real time, and an automatic water spraying system is used to suppress dust. With respect to noise prevention and</p>	None.

			<p>control, AI noise sensing and smart early warning systems have been introduced at specific construction sites, and low-noise machinery and sound insulation facilities have been adopted, effectively reducing disturbance to neighboring communities caused by construction activities.</p> <p>2. Measures to use green building materials The Company has introduced the nine major EEWB green building indicators and smart building design, and has established a “Low-Carbon Building Materials Database” to give priority to the use of materials with eco-label certifications. The 2024 flagship project, “BES Cloud Universe AI Park,” further integrates 5G and AIoT technologies and is expected to apply for LEED green building certification in 2026. As of 2024, the Company has obtained multiple candidate certificates for Gold-level and Silver-level green buildings and is committed to developing sustainable buildings that integrate ecology, energy conservation, and smart technology.</p> <p>3. Measures to reduce waste The Company actively promotes source reduction and gives priority to planning for the use of aluminum formwork in place of traditional timber formwork. This not only allows reuse more than 200 times, but also substantially reduces construction waste and debris. The Company has implemented a construction waste segregation management system, engages qualified waste removal contractors for treatment and reuse, and sets recycling targets to improve resource circulation and utilization, thereby putting the concept of a circular economy into practice.</p> <p>4. Measures to reduce carbon emissions (climate action) The Company has established a decarbonization pathway in accordance with the SBTi (Science Based Targets initiative), setting a target of reducing Scope 1 and Scope 2 emissions by</p>	
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		<p>42% by 2030 compared with the base year of 2023, and annually conducts greenhouse gas inventories and third-party verification in accordance with ISO 14064-1. In terms of practical implementation, each construction office continues to implement energy-saving measures, including installing solar warning lights, introducing smart lighting systems, promoting the use of electric scooters, and strengthening power management during non-working hours. In addition, in consideration of the operational characteristics of the construction industry, the Company also manages carbon emissions by using carbon emission intensity indicators. Going forward, the Company will continue to review and adjust its carbon reduction targets and management methods on a rolling basis with reference to national net-zero policies and industry decarbonization trends.</p> <p>5. Measures to achieve zero major occupational accidents</p> <p>The Company adheres to the principle of “safety first” and has introduced intelligent disaster prevention technologies. In addition to implementing pre-construction risk assessments and daily pre-work education, the Company uses AI image recognition technologies, such as electronic fencing, facial recognition, and personal protective equipment detection, to strengthen construction site safety monitoring. The Company continues to provide “Taiwan Occupational Safety Card” education and training for all personnel, achieving a 100% certification rate, and uses a digital inspection system to promptly correct deficiencies, thereby fostering a corporate culture that emphasizes occupational safety and moving toward the goal of zero major occupational accidents.</p> <p>The Company upholds the concept of sustainable construction and combines ISO management systems, digital transformation technologies, and practical actions in an effort to create construction sites that are safe, low-carbon, smart, and</p>	
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			<p>environmentally friendly, in order to fulfill its commitments to society and the environment.</p> <p>For the relevant ISO 14001 and ISO 45001 management system certificates, please refer to the official website: https://www.bes.com.tw/environment.php#gsc.tab=0</p>	
(II) Does the Company strive to improve energy use efficiency and use renewable materials with low environmental impact?	V		<p>To enhance energy use efficiency, the Company has established the “Domestic Material Management Regulations” and the “Material Management Operating Manual for Engineering Offices” as the basis for the procurement, allocation, and disposal of idle and waste materials. In addition to effective management and utilization of various materials, the Company also regularly recycles scrap materials such as waste steel. The proceeds from resource recycling are, in accordance with the aforementioned regulations, partially allocated for employee welfare, thereby improving energy use efficiency and encouraging employee participation in environmental protection activities.</p> <p>The Company also strictly adheres to green building design principles and actively adopts low-carbon construction methods and environmentally friendly materials, giving priority to contractors with ESG and CSR credentials and those utilizing green building materials and recyclable construction methods. At present, most private sector construction projects have adopted aluminum formwork methods, effectively reduced waste and enhancing construction quality.</p>	None.
(III) Has the Company assessed the current and potential future risks and opportunities of climate change and adopted corresponding response	V		<p>In response to the social and economic impacts arising from global climate change and extreme weather events, the Company adopts the framework of the Task Force on Climate-related Financial Disclosures (TCFD), encompassing the four core aspects of governance, strategy, risk management, and metrics and targets, to disclose climate-related governance information.</p>	None.

<p>measures?</p>		<p>After the establishment of the Sustainability Development Committee in 111, the committee has been responsible for deliberating and formulating climate change adaptation and mitigation management plans, reviewing their implementation status, discussing future plans and overseeing climate-related risk environment response, risk management priorities, and risk assessment conducted by senior executives across departments. The Sustainability Development Committee regularly reports its progress to the Board of Directors.</p>							
		<table border="1"> <thead> <tr> <th data-bbox="857 561 1167 635">Transition Risks</th> <th data-bbox="1167 561 1480 635">Physical Risks</th> <th data-bbox="1480 561 1778 635">Climate Opportunities</th> </tr> </thead> <tbody> <tr> <td data-bbox="857 635 1167 1305"> <ul style="list-style-type: none"> ● Inability to effectively inventory and reduce greenhouse gas emissions ● Involvement in building permits, legal litigation, and environmental regulatory violations ● Failure to achieve sustainability indicators or certifications ● Insufficient proportion of green building materials from suppliers </td> <td data-bbox="1167 635 1480 1305"> <ul style="list-style-type: none"> ● Climate change leading to water and electricity restrictions in construction areas ● System abnormalities caused by data center disasters </td> <td data-bbox="1480 635 1778 1305"> <ul style="list-style-type: none"> ● Expansion of green construction-related projects ● Energy-saving and carbon reduction requirements ● Increasing demand for green buildings ● Demand for green supply chains or recycled materials </td> </tr> </tbody> </table>	Transition Risks	Physical Risks	Climate Opportunities	<ul style="list-style-type: none"> ● Inability to effectively inventory and reduce greenhouse gas emissions ● Involvement in building permits, legal litigation, and environmental regulatory violations ● Failure to achieve sustainability indicators or certifications ● Insufficient proportion of green building materials from suppliers 	<ul style="list-style-type: none"> ● Climate change leading to water and electricity restrictions in construction areas ● System abnormalities caused by data center disasters 	<ul style="list-style-type: none"> ● Expansion of green construction-related projects ● Energy-saving and carbon reduction requirements ● Increasing demand for green buildings ● Demand for green supply chains or recycled materials 	
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<p>(IV) Has the Company compiled statistics on</p>	<p>V</p>	<p>The Company actively promotes and encourages all engineering offices to jointly reduce water, electricity, and fuel consumption,</p>	<p>None.</p>						

<p>greenhouse gas emissions, water consumption, and total waste volume over the past two years, and established policies for greenhouse gas reduction, water conservation, or other waste management?</p>		<p>thereby contributing to the mitigation of global warming as well as energy conservation and carbon reduction.</p> <p>I. Description of greenhouse gas and water usage statistics and management policies:</p> <p>1. Greenhouse gas reduction policy and targets In 2024, all implementation supervisors of the Company jointly signed the “Net Zero Commitment,” formally expressing support for the international target under the Paris Agreement to limit global temperature rise to within 1.5°C, and establishing a long-term vision of achieving net-zero emissions by 2050. Using 2023 as the base year, the Company has set the following targets to be achieved by 2030:</p> <ul style="list-style-type: none">(1) Reduction of Scope 1 and Scope 2 emissions by 42% (annual reduction of 6%)(2) Reduction of Scope 3 emissions by 25% (annual reduction of 3.6%) <p>2. In 2024, the total greenhouse gas emissions of the Company (including engineering offices) and eight major subsidiaries and sub-subsidiaries amounted to 9,798.999 metric tons of CO₂e. External verification was completed on May 22, 2025, and a reasonable assurance statement was obtained. Scope 3 data collection has been initiated since 2024, complete scope 1 to 3 assurance for the entire company from 2026, and complete scope 1 to 3 assurance for subsidiaries starting in 2027.</p> <p>3. Management strategies and measures include:</p> <ul style="list-style-type: none">(1) Establishment of the “Greenhouse Gas Inventory Management Procedures” and the “Internal Verification and Management Review Procedures” as the basis for inventory operations.(2) Issuance of a statement signed by the General Manager and	
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		<p>designation of a chief convener to establish a cross-departmental implementation task force.</p> <p>(3) Conducting inventory operations and internal verification based on the inventory list and procedural documents, and implementing corrective actions for identified deficiencies.</p> <p>(4) Engagement of third parties to conduct external verification and obtain reasonable assurance.</p> <p>(5) Convening management review meetings to review deficiencies and improvement strategies, and reporting the results to the Sustainability Development Committee.</p> <p>(6) Addition of a “Carbon Equivalent Calculation and Statistical Function” to the operational management system to systematically support the establishment and verification of carbon emission data for purchased goods and services. Preliminary consensus and planning have been initiated; however, the system framework, pricing basis, and actual implementation timeline remain to be further clarified and disclosed.</p> <p>II. The Company’s greenhouse gas emissions, water consumption, and total waste weight for the past two years are as follows:</p> <table border="1" data-bbox="929 1038 1787 1358"> <thead> <tr> <th>Item</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Greenhouse gas emission (Scope 1)</td> <td>1,250.7767 metric tons CO₂e</td> <td>1,782.7524 metric tons CO₂e</td> </tr> <tr> <td>Greenhouse gas emission (Scope 2)</td> <td>6,634.0501 metric tons CO₂e</td> <td>8,016.2461 metric tons CO₂e</td> </tr> <tr> <td>Water consumption</td> <td>218.933 million liters</td> <td>269.072 million liters</td> </tr> <tr> <td>Total waste weight</td> <td>20,565 metric tons</td> <td>11,196 metric tons</td> </tr> </tbody> </table> <p>For detailed greenhouse gas emissions and intensity</p>	Item	2023	2024	Greenhouse gas emission (Scope 1)	1,250.7767 metric tons CO ₂ e	1,782.7524 metric tons CO ₂ e	Greenhouse gas emission (Scope 2)	6,634.0501 metric tons CO ₂ e	8,016.2461 metric tons CO ₂ e	Water consumption	218.933 million liters	269.072 million liters	Total waste weight	20,565 metric tons	11,196 metric tons	
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			<p>statistics, please refer to Table 1-1 on page 59, “Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Years,” and the Company’s official website: https://www.bes.com.tw/environment.php#gsc.tab=0</p>	
<p>IV. Social Issues</p> <p>(I) Has the Company complied with relevant laws and regulations, and the International Bill of Human Rights, to establish the related management policies and procedures?</p>	V		<p>1. The Company adheres to the objectives set forth in international human rights conventions, including the <i>International Covenant on Civil and Political Rights</i>, the <i>Universal Declaration of Human Rights</i>, the <i>United Nations Global Compact</i>, and the International Labour Organization Declaration on <i>Fundamental Principles and Rights at Work</i>. The Company is committed to creating a safe, healthy, respectful, and inclusive working environment to ensure that every employee is treated with dignity. Human rights assessments have also been incorporated into the Company’s material sustainability issues, and the impacts of human rights issues on corporate operations are regularly reviewed and managed.</p> <p>2. Since 2022, the Company has formulated and promulgated the "Human Rights Policy" and disclosed it on the official website of the Company to highlight its commitment to human rights protection. The Human Resources and General Affairs Department is responsible for planning various human rights protection measures and uses a cross-departmental collaboration mechanism to promote the systematic establishment and continuous improvement of a human rights management system. This ensures that human rights issues are incorporated into the company’s operations management and risk management mechanism, and continuously enhances the company’s human rights governance performance.</p>	None.

		<p>3. The Company continues to deepen its focus on human rights issues and, with reference to international human rights conventions and workplace safety-related laws and regulations, has formulated the following specific management measures:</p> <table border="1"> <thead> <tr> <th data-bbox="896 355 1108 422">Concerned matters</th> <th data-bbox="1108 355 1778 422">Specific management plan of the Company</th> </tr> </thead> <tbody> <tr> <td data-bbox="896 422 1108 619">Prohibition of child labor/ illegal migrant workers.</td> <td data-bbox="1108 422 1778 619">Complying with local labor, health, safety, and environmental regulations, as well as relevant international standards. Prohibiting the employment of child labor and illegal migrant workers, and do not work with any suppliers who employ child labor or forced labor.</td> </tr> <tr> <td data-bbox="896 619 1108 751">Prohibition of forced and compulsory labor</td> <td data-bbox="1108 619 1778 751">While taking into account employees' career development and labor rights, the Company shall not compel or coerce any unwilling individual to perform labor.</td> </tr> <tr> <td data-bbox="896 751 1108 948">Creating a workplace free from discrimination and hostility.</td> <td data-bbox="1108 751 1778 948">Promoting non-discrimination on the basis of race, class, language, ideology, religion, political affiliation, place of birth, gender, sexual orientation, age, marital status, pregnancy, appearance, physical features, or physical/mental disabilities.</td> </tr> <tr> <td data-bbox="896 948 1108 1144">Prohibition of workplace harassment and unlawful infringement</td> <td data-bbox="1108 948 1778 1144">Advocate a workplace culture of gender equality, respect, and zero tolerance for harassment; prohibit all forms of workplace harassment, violence, and bullying; establish complaint mechanisms and disciplinary measures; and conduct regular awareness and training programs.</td> </tr> <tr> <td data-bbox="896 1144 1108 1430">Promoting a healthy and safe workplace.</td> <td data-bbox="1108 1144 1778 1430">Strive to create a healthy, safe, and comfortable work environment in addition to strictly following all labor laws and regulations. Regular health examinations and health seminars are conducted for all employees, with proactive attention to employees' health conditions. Occupational safety and health education and training are also regularly implemented to reduce the risk of occupational accidents.</td> </tr> </tbody> </table>	Concerned matters	Specific management plan of the Company	Prohibition of child labor/ illegal migrant workers.	Complying with local labor, health, safety, and environmental regulations, as well as relevant international standards. Prohibiting the employment of child labor and illegal migrant workers, and do not work with any suppliers who employ child labor or forced labor.	Prohibition of forced and compulsory labor	While taking into account employees' career development and labor rights, the Company shall not compel or coerce any unwilling individual to perform labor.	Creating a workplace free from discrimination and hostility.	Promoting non-discrimination on the basis of race, class, language, ideology, religion, political affiliation, place of birth, gender, sexual orientation, age, marital status, pregnancy, appearance, physical features, or physical/mental disabilities.	Prohibition of workplace harassment and unlawful infringement	Advocate a workplace culture of gender equality, respect, and zero tolerance for harassment; prohibit all forms of workplace harassment, violence, and bullying; establish complaint mechanisms and disciplinary measures; and conduct regular awareness and training programs.	Promoting a healthy and safe workplace.	Strive to create a healthy, safe, and comfortable work environment in addition to strictly following all labor laws and regulations. Regular health examinations and health seminars are conducted for all employees, with proactive attention to employees' health conditions. Occupational safety and health education and training are also regularly implemented to reduce the risk of occupational accidents.	
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<p>(II) Has the Company established and implemented reasonable employee welfare measures (including remuneration, leave, and other benefits), and appropriately reflected operating performance or results in employee remuneration?</p>	<p>V</p>	<p>The Company have established and implemented reasonable employee benefits, including compensation, vacation, and other related benefits. The principle of overall remuneration of employees is to balance internal fairness and external competitiveness, including fixed and floating remuneration, and bonuses from operation performance are distributed timely to employees to attract, encourage and keep the talents. In accordance with the Articles of Incorporation, 3% of the Company’s current year pre-tax net profit before deduction of employee remuneration and directors’ and supervisors’ remuneration shall be allocated as employee remuneration, of which 0.75% shall be allocated to grassroots employees. The preceding pre-paid ratio, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders, and it shall be reported in the shareholders' meeting. The Company's year-end performance bonus distribution regulations were amended on August 10, 2022, during the 26th Board of Directors' 20th meeting, to base bonuses on the achievement of the Company's annual operating goals,</p>	<p>None.</p>				

			including revenue, contracts secured, net profit, and ESG performance. Personal remuneration of employees is distributed based on their duties and professionalism, and the bonus and employee remuneration are rewarded based on the comprehensive work performance and contribution.	
(III) Has the Company provided a safe and healthful work environments for their employees, and organize training on safety and health for their employees on a regular basis?	V		<p>1. Occupational safety and health management system BES Investment Company Ltd has adopted and implemented the ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management System, covering all BES Investment Company Ltd employees, activities, and workplaces and has been verified by SGS Taiwan Inspection Technology Co., Ltd. The company's Occupational Safety and Health Management Division conducts inspections at various construction sites with the following frequencies: on-site inspections 20 times per month, online inspections 20 times per month, joint inspections 3 times per month. Additionally, appointed managers of the Company also conduct periodic inspections at the construction sites. Since 2024, the Company has promoted the “Engineering Office Self-initiated Joint Inspection Plan,” and since 2025, the “Engineering Office Director Walk-around Management Plan.”</p> <p>2. Occupational safety and health training courses BES in compliance with government policies, provides comprehensive education and training for occupational safety to its employees. It has established regulations mandating employees to undergo education and training based on the needs of the workplace prior to operations. Additionally, the Company also organizes Taiwan Occupational Safety Card training courses regularly. Additionally, the engineering office conducts specialized training for its professional tasks (such as</p>	None.

		<p>aerial work platforms, steel structure lifting, PC board installation, etc.) and selects colleagues to participate in professional education and training, totaling 24 categories.</p> <p>3. Recent statistics on occupational safety and health: Please visit the official website https://www.bes.com.tw/environment.php#gsc.tab=0</p> <p>4. Mitigation and prevention of the impacts of occupational safety and health. Occupational accidents are mostly the result of personal unsafe behaviors and insufficient hazard identification. Therefore, the Company continues to educate workers on self-safety maintenance in the workplace and strengthen their sensitivity to workplace hazards to avoid accidents. In 2025, two fires incidents occurred, both of which were extinguished immediately on-site. No company personnel or contractors were injured. Following these incidents, we strengthened materials storage controls, firework restrictions, and on-site fire extinguisher availability. We have also enhanced fire prevention education and training to prevent future occurrences. BES follows the ISO 45001:2018 Occupational Health and Safety Management System for occupational health and safety management and has obtained verification. In addition to complying with occupational health and safety regulations and standards, it continuously reviews management processes to ensure the implementation of safety management systems. Since safety and health are an important part of management, it is necessary to link the effectiveness of safety and health implementation with the distribution of rewards and punishments, performance appraisals, promotions and bonuses.</p>	
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		<p>Only by establishing a fair and reasonable system of rewards and punishments can we effectively implement safety and health plans or measures.</p> <p>5. Tunnel construction personnel physiological condition monitoring system BES utilizes a physiological monitoring system to proactively monitor the physical condition of construction workers. In case of any abnormalities detected, the system halts the workers' activities and tracks the number and relative positions of workers inside the tunnel. It also monitors the concentration of personnel in the tunnel to prevent excessive concentration in any single area, thereby avoiding potential risks. This allows for real-time awareness of sudden incidents and enables appropriate measures to be taken promptly, thus enhancing occupational safety management.</p> <p>6. The Company conducts a comprehensive employee health check every two years. In 2024, employees received subsidies of over NT\$8,000 each for health check packages based on their seniority and position. Out of 1,032 eligible employees, 1,012 completed the check, resulting in a 98% participation rate.</p> <p>7. In 2025, in addition to monthly visits by contracted physicians to construction sites for employee health care, on-site hazard identification was conducted. The Company employs a full-time nurse who conducts health interviews at construction sites on a fixed and non-fixed basis each month. In 2025, a total of 156 on-site visits were conducted, each lasting 2–3 hours, with 610 instances of employee consultation.</p>	
(IV) Has the Company created an environment conducive	V	1. The Company values long-term career development of employees, and establishes education and training plan	None.

<p>to the development of their employees' careers and establish effective training programs to foster career skills?</p>		<p>annually. In addition, training is performed according to the strategic development of the Company. Employees are encouraged to participate in internal and external trainings in order to improve their job competency in practice.</p> <p>2. In addition to annual regular training sessions for different hierarchical levels and management functions, as well as common course training, the Company also organizes various courses and seminars on topics such as new technologies, new skills and emerging trends periodically. This is aimed at expanding employees' abilities and perspectives in various dimensions.</p> <table border="1" data-bbox="891 638 1787 885"> <thead> <tr> <th data-bbox="891 638 1339 678">2025 targets</th> <th data-bbox="1339 638 1787 678">Achievement Status</th> </tr> </thead> <tbody> <tr> <td data-bbox="891 678 1339 778">1. The average annual training hours for managerial staff reach at least 8 hours.</td> <td data-bbox="1339 678 1787 778">1. Average training hours for managerial staff: 27.7 hours.</td> </tr> <tr> <td data-bbox="891 778 1339 885">2. The average annual training hours for non-managerial staff reach at least 10 hours.</td> <td data-bbox="1339 778 1787 885">2. Average training hours for non-managerial staff: 28.1 hours.</td> </tr> </tbody> </table> <p>3. Regarding the education and training system, please visit the official website: https://www.bes.com.tw/hr-training.php#gsc.tab=0</p> <p>4. 2024 Sustainability Report (pages 112–115): https://drive.google.com/file/d/1Qu5YkibW4pYTDZI__Xg3Obf3NcvgRcNi/view</p>	2025 targets	Achievement Status	1. The average annual training hours for managerial staff reach at least 8 hours.	1. Average training hours for managerial staff: 27.7 hours.	2. The average annual training hours for non-managerial staff reach at least 10 hours.	2. Average training hours for non-managerial staff: 28.1 hours.	
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<p>(V) For the customer health and safety, clients' privacy, marketing and labeling of the products and services, has the Company complied with the related laws and</p>	<p>V</p>	<p>1. The Company operates in the construction industry, and all the contracted works are implemented pursuant to the clients' working specifications and national standards. In recent years, to build quality and safe residencies, the self-construction projects of the Company have been implemented in a rigorous and transparent manner, while actively providing the quality certificates of the construction materials to meet the</p>	<p>None.</p>						

<p>regulations and the international standards, and established the policies and complaint procedures to protect consumers' interests?</p>		<p>requirements of tenants regarding the working quality.</p> <p>2. In addition to providing warranty services under contracts with customers to safeguard customer rights, procurement contracts also stipulate that if contractors or their subcontractors are subject to coercion, bribery solicitation, threats, injury, or other irregular circumstances and proactively report or file complaints with the Company, no penalties shall be imposed. The unit responsible for handling reports and complaints is the Internal Audit Office. Email: report@bes.com.tw; Tel: (02) 8787-7735, (02) 8787-6522; Fax: (02) 8787-6250.</p> <p>3. In terms of protecting customer rights, the Company's Marketing and Customer Service Department has established dedicated customer service contact channels (Tel: (02) 8787-6223, (02) 8787-3257) to provide immediate responses or assistance in referring matters to relevant departments. The scope includes, but is not limited to, installment payments, customer change orders, bank loan processing, property inspection and handover, and urban renewal matters.</p> <p>4. In the sales operations of self-developed projects, the Company strictly complies with and regularly updates relevant regulations issued by competent authorities, such as the <i>Equalization of Land Rights Act</i> amended in July 2023 and the <i>Seventh Wave of Credit Control Measures</i> issued in 2024. Prior to formal contract signing, customers are provided with a contract review period of no less than seven days. During contract signing, the Company proactively provides explanations and responds to customer concerns, thereby ensuring information disclosure and transaction transparency.</p>	
<p>(VI) Has the Company established supplier</p>	<p>V</p>	<p>In accordance with the Company's "Guidelines for Safety, Health, and Environmental Protection Management of</p>	<p>None.</p>

<p>management policies requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights, and what is the implementation status?</p>		<p>Contractors”:</p> <ul style="list-style-type: none">● The Company’s on-site supervisory personnel invite contractor business owners (or responsible persons) and on-site supervisors to the construction site to provide detailed briefings on the scope of contracted work, characteristics of the working environment, potential hazards to occupational safety and health and environmental pollution, and the preventive measures required under relevant safety, health, and environmental protection laws and regulations. Contractors are required to jointly sign the “Undertaking of Compliance with Safety, Health, and Environmental Protection Requirements for Contractors of BES Engineering Corporation” for control and management purposes.● Contractors shall establish appropriate occupational safety and health work rules based on the nature of their work and working environment and shall comply with relevant regulations.● All suppliers are required to sign the “Supplier Code of Conduct Commitment Letter” before cooperation, in order to indicate their commitment in the compliance with the national and local related labor laws and social standards. BES Engineering’s “Supplier Code of Conduct Commitment Letter” explicitly describes the requirements and expectations for suppliers in terms of the aspects of ethical management, basic human rights and diversity issues, as well as environmental health , safety 、 Maintain environmental sustainability, and the conservation of natural environments and biodiversity. Please refer to the official website for the Company’s supplier management specifications and oversight procedures: https://www.bes.com.tw/supplier-management.php#gsc.tab=0	
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<p>V. Does the Company prepare reports disclosing non-financial information, such as sustainability reports, with reference to internationally recognized reporting standards or guidelines? Has the above-mentioned reports received any assurance from a third party certifying institution?</p>	<p>V</p>	<p>The Company's 2024 Sustainability Report was prepared with reference to the GRI Standards, and verified by TÜV NORD Taiwan Co., Ltd. in accordance with AA1000 AS v3 Type 1, Moderate Assurance level, for which an assurance statement was issued. An English version of the report is also available for review. The aforementioned report was uploaded to the Market Observation Post System on August 26, 2025. For BES Engineering's ESG Report, please download from the following website: https://www.bes.com.tw/csr-pdf.php#gsc.tab=0</p>	<p>None.</p>
<p>VI. Intellectual property management plan and implementation status?</p>	<p>V</p>	<p>Intellectual property rights relating to the Linebot project</p> <ol style="list-style-type: none"> 1. In accordance with Article 37-2 of the <i>Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies</i>, the Company has established an intellectual property management plan. The objective is to align intellectual property rights management with the Company's research and development results and business direction and, through systematic maintenance and strategic deployment, ensure ownership of core technologies and strengthen the Company's competitive advantages. After two years of preparation, the LINEbot platform independently developed by the Company's Strategic Development Office has commenced intellectual property deployment to implement technology protection. 2. The BES@bot platform, independently developed in-house, has completed the development and architectural establishment of six core technology modules. <ul style="list-style-type: none"> ● This deployment directly supports the digital transformation strategy: The technology will be introduced into the "smart construction site" and "building resume" of self-developed projects to enhance management efficiency. At the same time, it will serve as key technical substantiation for securing public urban renewal projects, smart building 	<p>None.</p>

		<p>initiatives, and green building certification, thereby establishing technological barriers and brand advantages to support future external cooperation negotiations.</p> <ul style="list-style-type: none"> ● Management mechanism and governance: The Company has established a standing intellectual property management mechanism, with the Strategic Development Office taking primary responsibility. In accordance with regulations, budgets are allocated to implement patent examination, maintenance, and achievement ownership procedures. <p>Implementation results and plans are, pursuant to the system, regularly submitted to the Board of Directors in the fourth quarter of each year to ensure that intellectual property management is implemented at the corporate governance level.</p> <p>For the relevant implementation status and progress report, please refer to the official website: https://www.bes.com.tw/ip-management.php#gsc.tab=0</p>	
<p>VII. If the Company has established its own sustainability code based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation in the Company: In May 2022, the Company’s Board of Directors approved the “Sustainable Development Best Practice Principles” These principles are largely consistent with the “Corporate Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”. Please refer to the Market Observation Post System (MOPS) and the Company’s website for further details.</p>			
<p>VIII. Other important information helpful for understanding the implementation status of sustainable development: Please visit the official website: https://www.bes.com.tw/ir-policies.php#gsc.tab=0 for detailed promotion plans and implementation results related to corporate sustainability (ESG).</p>			

Note 1: If “Yes” is checked under implementation status, please specifically explain the key policies, strategies, measures adopted, and implementation status. If “No” is checked under implementation status, please explain the differences and reasons in the column “Difference from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor,” and describe future plans for adopting relevant policies, strategies, and measures. However, for the promotion items 1 and 2, a public company shall describe the governance and supervisory structure for the sustainable development, including but not limited to management policy, strategy and objective establishment, review measures, etc. In addition, the Company’s risk management policies or strategies with respect to the issues of environment, society and corporate governance related to business operation as well as the evaluation status thereof shall be described.

Note 2: The principle of materiality refers to the ESG issues that significantly affects the investors and other stakeholders of the company.

Note 3: For disclosure methods, please refer to the best practice reference examples on the website of the Taiwan Stock Exchange Corporate Governance Center.

(VI) Climate-Related Information for Listed and OTC Companies

1. Implementation Status of Climate-related Information

Item	Execution:
<p>1. Description of the supervision and governance by the board of directors and management regarding climate-related risks and opportunities.</p> <p>2. Describe how the identified climate risks and opportunities affect the business, strategy and finances of the company (short-term, medium-term, long-term).</p>	<p>1. Governance The Board of Directors serves as the Company’s highest governance body, overseeing its long-term business strategy, assessing risks, and evaluating the appointment, dismissal, and remuneration of the management team to ensure sustainable growth and risk management. The board’s risk assessments include climate change risks as part of environmental risk. Significant risks posed by climate change are addressed through the risk management mechanism, covering topics related to climate-related risks and opportunities. Since 111, the Company’s Sustainability Development Committee has been established to identify climate-related risks and opportunities in accordance with the Task Force on Climate-related Financial Disclosures (TCFD). In collaboration with department heads and guided by expert input, the Committee formulates approaches for climate change adaptation and mitigation.</p> <p>2. Strategy To evaluate the impact of climate change on the Company’s operations, we identify climate-related risks and opportunities through surveys and interviews with department heads. Based on these findings, we develop short-, medium-, and long-term climate strategies. Regarding physical risks, extreme weather could lead to a higher likelihood of flooding, blizzards, and droughts. Since the Company’s engineering offices are located throughout Taiwan, climate change may cause operational disruptions at those offices. Regarding transition risks, as our country has legislated a net-zero emissions target for 2050, the tightening of carbon emissions reporting requirements and the introduction of carbon fees represent high-probability short-term risks. Climate change may also create new market opportunities. In recent years, the Company has followed green building standards, integrating green construction methods and innovative technologies into its project planning. In the future, it will continue investing in related technological advancements, using carbon management data from the BES EcoTech Industrial Park as the analytical foundation for low-carbon planning in future developments.</p>

<p>3. Describe the financial impact of extreme weather events and transition actions.</p>	<table border="1"> <thead> <tr> <th data-bbox="582 207 1075 247">Transition Risks</th> </tr> </thead> <tbody> <tr> <td data-bbox="582 247 1075 662"> <ul style="list-style-type: none"> ● Inability to effectively inventory and reduce greenhouse gas emissions ● Involvement in building permits, legal litigation, and environmental regulatory violations ● Failure to achieve sustainability indicators or certifications ● Insufficient proportion of green building materials from suppliers </td> </tr> </tbody> </table>	Transition Risks	<ul style="list-style-type: none"> ● Inability to effectively inventory and reduce greenhouse gas emissions ● Involvement in building permits, legal litigation, and environmental regulatory violations ● Failure to achieve sustainability indicators or certifications ● Insufficient proportion of green building materials from suppliers 	<table border="1"> <thead> <tr> <th data-bbox="1164 207 1512 247">Physical Risks</th> </tr> </thead> <tbody> <tr> <td data-bbox="1164 247 1512 662"> <ul style="list-style-type: none"> ● Climate change leading to water and electricity restrictions in construction areas ● System abnormalities caused by data center disasters </td> </tr> </tbody> </table>	Physical Risks	<ul style="list-style-type: none"> ● Climate change leading to water and electricity restrictions in construction areas ● System abnormalities caused by data center disasters 	<table border="1"> <thead> <tr> <th data-bbox="1601 207 2016 247">Climate Opportunities</th> </tr> </thead> <tbody> <tr> <td data-bbox="1601 247 2016 662"> <ul style="list-style-type: none"> ● Expansion of green construction-related projects ● Energy-saving and carbon reduction requirements ● Increasing demand for green buildings ● Demand for green supply chains or recycled materials </td> </tr> </tbody> </table>	Climate Opportunities	<ul style="list-style-type: none"> ● Expansion of green construction-related projects ● Energy-saving and carbon reduction requirements ● Increasing demand for green buildings ● Demand for green supply chains or recycled materials
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<p>3. Financial Implications of Climate Change</p> <p>(1) In consideration of the impact of climate-related risks and opportunities on the organization's operations, BES is also actively researching and developing related countermeasures and adaptation measures to improve climate resilience. The introduction of the PAS 2080 standard in 111 to plan to reduce the overall carbon emission of the building's life cycle, to confirm the climate adaptation and the circular economy principles, and to urge all members of the value chain to set the future carbon management basis.</p> <p>(2) BES has not yet defined internal carbon pricing, purchased green power certificates, proposed the greenhouse gas emission reduction program, etc. However, it is not ruled out that it will be further included in BES's net zero route planning strategy.</p> <p>(3) The energy saving and carbon reduction of the construction industry must be combined with the operation activities. To optimize the carbon management of the construction stage, BES has become the first asset owner in the world to pass the PAS 2080 carbon management standard verification for construction and infrastructure in 2022. The carbon emissions from raw materials and engineering contents are managed, and the greenhouse gas emissions are reduced, to implement the energy saving and carbon reduction.</p> <p>(4) BES Engineering Corporation has considered the carbon emission and carbon reduction at the source through the PAS2080.</p>									

<p>4. Describe how the identification, assessment and management process of climate risks are integrated into the overall risk management system.</p>	<p>4. Through surveys on climate-related risks and opportunities and interviews with the department heads, we identify climate-related risks and opportunities and incorporate them into our risk management processes.</p> <p>(1) Integrated structure and process: The Company regards climate change risks as an integral part of overall risk management and does not operate them independently. The identification, assessment, and management processes of climate risks have been fully integrated into the Company’s “Risk Management Policies and Procedures,” and are coordinated and executed by the “Risk Management Team” under the Board of Directors, in collaboration with the “Sustainable Development Committee.”</p> <p>The integrated process operates in a cyclical manner in accordance with the following six major steps to ensure that climate risks are incorporated into the core of corporate decision-making:</p> <ul style="list-style-type: none">● Risk identification: Considering the three major aspects of economy, environment (including climate change), and society. In 2024, in addition to referring to the TCFD recommendations, physical and transition risks were also identified through interviews and workshops.● Risk analysis and assessment: For the identified climate risks (such as carbon fee imposition and work suspension due to extreme weather), the “likelihood of occurrence” and “degree of impact” are analyzed, and the impacts on finance and operations are quantitatively assessed.● Risk response: Mitigation or adaptation measures are formulated for high-risk issues (such as the adoption of SBTi carbon reduction targets and project flood prevention drills).● Risk reporting and disclosure: The evaluation results and response measures are regularly reported to the highest governance body. <p>(2) Oversight and governance mechanism</p> <ul style="list-style-type: none">● Execution level: The “Risk Management Team” is responsible for monitoring and measuring climate risks, ensuring that consistent assessment standards are applied with other operational risks (such as financial and market risks).● Decision-making and oversight level: The “Sustainable Development Committee” assists in assessing the potential impacts of climate change on the organization and, together with the “Audit Committee,” supervises the effectiveness of the risk management mechanism. Ultimately, the “Board of Directors” approves climate risk management objectives and policies and assumes ultimate responsibility.
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5. If using scenario analysis to assess resilience to climate change risks, it should outline the scenarios, parameters, assumptions, analysis factors and major financial impacts involved.

(3) Specific implementation performance in 2024 (demonstrating key actions) The Company convened a risk management meeting on **November 26, 2024**, and identified a total of **30 high-risk issues** (including water and electricity restrictions in construction areas due to climate change and increased operating costs arising from climate regulations and carbon fees), and corresponding mitigation measures have been formulated. The relevant evaluation results and implementation status were reported to the **Audit Committee on December 24, 2024**, and to the **Board of Directors on December 26, 2024**, demonstrating that climate risk management has been concretely implemented at the Company’s highest governance level.

5. Scenario Analysis

BES analyzes the impact of climate-related risks and opportunities under different scenarios and possible countermeasures. In terms of physical risks, BES has considered the three scenarios of RCP 2.6, RCP 4.5, and RCP 8.5, as well as the impact on Taiwan based on the RCP scenarios (representative concentration methods) proposed by the IPCC of the United Nations.

- RCP2.6 is a scenario of low radiated force mitigation, meaning that global warming may be kept within the temperature range of 2 degrees C above pre-industrial level, as indicated by "scenario assumptions."
- RCP4.5 is a moderate and stable scenario.
- RCP8.5 is a scenario of high greenhouse gas emission, representing a “scenario assumption” in which governments worldwide make no efforts to reduce greenhouse gas emissions.

	RCP2.6	RCP4.5	RCP8.5
2031-2050 Average temperature rise	0.3~2.1°C	0.7~2.4°C	1.0~3.1°C
2031-2050 Average precipitation	-5.3~12%	-4.7~13.6%	-7.7~13%
Description	Situation: The rise in temperature may result in the increase in temperature of the surrounding environment, which in turn may result in the decrease in production efficiency.	Situation: The rise in temperature may result in the increase in temperature of the surrounding environment, which in turn may result in the decrease in production efficiency.	Situation: As temperature rises intensify and occur more frequently, engineering offices and surrounding areas may become too hot to carry out work. Due to extreme weather,

<p>6. If there is a transformation plan to address climate-related risks, explain the content of the plan, and the indicators and objectives used to identify and manage physical and transitional risks.</p>		<p>Due to extreme weather, drought or sudden torrential rain may result in flooding, leading to an increase in equipment and personnel cost.</p>	<p>Due to extreme weather, drought or sudden torrential rain may result in flooding, leading to equipment damage or preventing personnel from working.</p>	<p>drought or sudden torrential rain may result in flooding, leading to more frequent instances of equipment damage and situations where personnel are unable to work.</p>
	<p>6. Transition risk-related scenarios In terms of transformation risks, the 6th Assessment Report (AR6) of BES IPCC provides the climate change assessment method, "Common Social and Economic Pathways" (Common Socioeconomic Pathways, abbreviated as SSP), to assess the transformation risks.</p>			
		<p>Low-risk scenarios</p>	<p>Medium-risk scenarios</p>	<p>High-risk scenarios</p>
	<p>Scenario Description</p>	<p>SSP1-1.9 pathway The world is transitioning in an orderly manner, and is expected to reach net zero by 2050.</p>	<p>SSP1-2.6 pathway Delayed transition implementation Global achievement of the Paris Agreement's <2°C target</p>	<p>SSP4-6.0 pathway No new carbon reduction measures Various countries maintain existing policies</p>
	<p>Temperature Rise at the end of the Century</p>	<p>1.4°C</p>	<p>1.6°C</p>	<p>>3°C</p>
	<p>Transition Risk Explanation</p>	<p>Gradual implementation of climate policies starting in 110</p>	<p>Urgent implementation of climate policies starting in 120</p>	<p>Maintaining the status quo with no new policies introduced</p>
	<p>Impact on BES</p>	<p>Since the government has legislated the net-zero target for 2050, BES will follow the national target to achieve the carbon reduction target in phases. Currently, BES has passed the GHG Protocol, the Company will conduct a greenhouse gas inventory and plan for carbon reduction based on the results.</p>		<p>BES will monitor the implementation of energy saving and carbon reduction in each engineering office depending on the local situation.</p>
<p>7. If internal carbon pricing is used as a</p>	<p>Please refer to page 73~78 of the Company's 2024 Sustainability Report. https://drive.google.com/file/d/1Qu5YkibW4pYTDZI_Xg3Obf3NcvgrcNi/view</p> <p>7. Internal carbon pricing planning tool and basis for price determination</p> <ul style="list-style-type: none"> ● Pricing mechanism: A "shadow price" model is adopted as an auxiliary tool for management 			

<p>planning tool, the basis for price setting should be explained.</p> <p>8. If climate-related targets are set, information should be provided on the activities covered, scope of greenhouse gas emissions, planning timeframe, progress achieved annually, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the source and quantity of offset carbon emissions or the</p>	<p>decision-making and risk assessment, and currently does not involve actual financial accounting or performance evaluation.</p> <ul style="list-style-type: none">● Basis for price determination: A reasonable carbon price range is established based on the Climate Change Response Act of Taiwan and trends in carbon fee collection policies, and through consensus evaluation among senior management.● Price set: NT\$300 to NT\$500 per metric ton.● Description of application: This price is primarily used to assess the potential cost pass-through risks of high carbon-emitting raw materials (such as steel and cement), and serves as a reference for scenario analysis in future project bidding strategies and the selection of low-carbon construction methods. <p>For details of internal carbon pricing, please refer to the official website: https://www.bes.com.tw/ir-policies.php#gsc.tab=0</p> <p>8. Climate-related targets, progress toward achievement, and carbon offset status</p> <ul style="list-style-type: none">● Targets and progress: The Company uses 2023 as the base year and, in accordance with the SBTi 1.5°C pathway, has set a target of reducing Scope 1 and Scope 2 emissions by 42% by 2030; it also continues to align with national net-zero policies and industry carbon management standards, and through regular reviews and rolling management ensures the effectiveness of its carbon reduction strategy. Although total emissions increased in 2024 due to the expansion of operations, emission intensity decreased by 3.19% compared to the previous year through energy management.● Carbon offset status: No carbon offsets or renewable energy certificates (RECs) were used in the current year; priority is currently given to achieving substantive internal emission reductions.
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<p>quantity of RECs exchanged should be explained.</p> <p>9. Greenhouse gas inventory and assurance situation, as well as <u>reduction targets, strategies and specific action plans</u> (also filled in sections 1-1 and 1-2).</p>	
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1-1 Greenhouse gas inventory and assurance of the Company for the most recent two years

1-1-1 Greenhouse gas inventory information

Describe the greenhouse gas emissions (metric tons CO ₂ e), intensity (metric tons CO ₂ e per million NTD), and data coverage for the most recent two years.		
Statistics on greenhouse gas emissions and intensity		
Year	2023	2024
Direct greenhouse gas emissions (tons of CO ₂ e)	1,250.7767	1,782.7524
Indirect greenhouse gas emissions from energy sources (tons of CO ₂ e)	6,634.0501	8,016.2461
Other indirect greenhouse gas emissions (tons of CO ₂ e)	Exclusion of materiality identification	Exclusion of materiality identification
Total greenhouse gas emissions (metric tons of CO ₂ e)	7,884.827	9,798.999
Greenhouse gas emission intensity (metric tons of CO ₂ e per million dollars of revenue)	0.4446	0.4304
Data Boundary:	Parent company	Parent company & 8 subsidiaries/ grand-subsidiaries
Whether or not verification is obtained	Yes	Yes

Note 1: Direct emissions (Scope 1, i.e., direct emissions from sources owned or controlled by the Company), energy indirect emissions (Scope 2, i.e., indirect greenhouse gas emissions resulting from purchased electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions generated from the Company's activities that are not energy indirect emissions but originate from sources owned or controlled by other entities).

Note 2: The data coverage for direct emissions and energy indirect emissions shall be handled in accordance with the schedule prescribed by the competent authority pursuant to Paragraph 2, Article 10 of these Regulations; information on other indirect emissions may be disclosed voluntarily.

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: Greenhouse gas emission intensity may be calculated per unit of product/service or per unit of revenue; however, at a minimum, data calculated based on revenue (in millions of New Taiwan Dollars) shall be disclosed.

1-1-2 Greenhouse gas assurance information

Describe the assurance status for the most recent two years as of the annual report publication date, including the scope of assurance, assurance institution, assurance standards, and assurance opinion.		
	2023	2024
Confidence interval	Parent company	Parent company & 8 subsidiaries/grand-subsubsidiaries
Assurance institution	SGS	SGS
Certainty standards	WBCSD/WRI GREENHOUSE GAS (GHG) PROTOCOL	WBCSD/WRI GREENHOUSE GAS (GHG) PROTOCOL
Assurance opinion	Reasonable assurance, no recommendations	Reasonable assurance, no recommendations

Greenhouse gas reduction baseline year: 2023

- Note 1: This shall be handled in accordance with the schedule prescribed by the competent authority pursuant to Paragraph 2, Article 10 of these Regulations. If the Company has not obtained complete greenhouse gas assurance opinions by the date of publication of the annual report, it shall state “complete assurance information will be disclosed in the sustainability report”; if the Company does not prepare a sustainability report, it shall state “complete assurance information will be disclosed on the Market Observation Post System,” and complete assurance information shall be disclosed in the annual report of the following year.
- Note 2: The assurance institution shall comply with the relevant regulations on sustainability report assurance institutions prescribed by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

1-2 Greenhouse gas reduction targets, strategies, and specific action plans

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

The greenhouse gas emission intensity of the Company's headquarters and all construction sites in Taiwan has been included as a supervised item by the Greenhouse Gas Inventory Implementation Team, and 2023 has been set as the base year. The total greenhouse gas emissions for that year were 7,884.827 metric tons CO₂e, and have been verified by a third-party external assurance provider. Based on the mission of environmental protection and sustainable development, BES Engineering has established a systematic greenhouse gas inventory program, reduction plan and file management according to the GHG Protocol and implemented the control and reduction of greenhouse gas emissions in the spirit of PDCA Engineering. In response to the particularity of climate change, we actively promote green procurement, green design and construction projects with the framework of TCFD.

Smart carbon management tools are gradually introduced for ongoing projects, and short-, medium-, and long-term goals for total greenhouse gas control are set based on quantitative evidence.

1. The greenhouse gas reduction base year and data: 2023 is the base year, and the greenhouse gas emission amount in 2023 is 7,884.827 ton CO₂e, which has been externally verified by a third party.
2. Reduction targets: Taking 2023 as the base year, by 2030, a 42% reduction in absolute emissions of Scope 1 and Scope 2 greenhouse gases (annual reduction of 6%) and a 25% reduction in Scope 3 emissions (annual reduction of 3.6%) shall be achieved.
3. Reduction strategies and specific action plans: The Company and the consolidated company have incorporated carbon management strategies into operational planning, including planning inventory-related matters and carbon reduction targets, and will establish short-, medium-, and long-term targets and departmental carbon reduction tracking indicators based on inventory results:
 - (1) The Company's greenhouse gas inventory and verification schedule has been reported to the 17th meeting of the 26th Board of Directors; thereafter, the progress of phased targets will be reported to the Board of Directors on a quarterly basis to facilitate supervision and control by the Board.
 - (2) The subsidiaries and sub-subsidiaries included in the Company's consolidated financial statements completed the inventory list in March 2025, completed the inventory report in June 2025, and will conduct external verification starting from 2027.
 - (3) Except for six shell companies, BES Construction Corporation, and Huading Enterprise Co., Ltd., which are included in the parent company's inventory, the Company convened a greenhouse gas inventory briefing meeting for 14 subsidiaries and sub-subsidiaries on November 25, 2022. Since October 2024, progress tracking meetings have been held every two months, until each subsidiary and sub-subsidiary completes its inventory by June 2025.
 - (4) In response to the Financial Supervisory Commission's requirement to disclose Scope 3 emissions starting from 2028, the Company began collecting Scope 3 data in October 2024, complete Scope 1 to 3 assurance for the parent company starting from 2026, and for subsidiaries starting from 2027.

4. Achievement of reduction targets: In 2024, the total greenhouse gas emissions of the Company (including engineering offices) and 8 major subsidiaries/sub-subsidiaries amounted to 9,798.999 metric tons CO₂e per year. Due to most construction sites entering peak construction phases and the expansion of the inventory boundary, greenhouse gas emissions increased by 24.27%; however, greenhouse gas emission intensity (CO₂e/revenue) decreased by 3.19% compared with the previous year.

Note 1: This shall be handled in accordance with the schedule prescribed by the competent authority pursuant to Paragraph 2, Article 10 of these Regulations.

Note 2: The base year shall be the year in which the inventory within the consolidated financial reporting boundary is completed. For example, in accordance with the schedule prescribed pursuant to Paragraph 2, Article 10 of these Regulations, companies with paid-in capital of NT\$10 billion or more shall complete the inventory for the consolidated financial statements for 2024 by 2025; therefore, the base year shall be 2024. If the Company has completed the inventory for the consolidated financial statements earlier, such earlier year may be adopted as the base year. In addition, the base year data may be calculated based on a single year or the average of several years.

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

(VII) Deviation between the implementation ethical management and the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons

Evaluation item	Operations Situation (note 1):			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary	
I. Establishment of the Ethical Corporate Management Policy and Program				
(I) Has the Company established the policies and measures of the ethical corporate management in the charter or external documents, and the commitment of the Board of Directors and management to actively implement such policies?	V		(I) The Company has established the “Ethical Corporate Management Best Practice Principles” and the “Procedures for Ethical Management and Guidelines for Conduct,” which specifically stipulate the matters to which directors, managerial officers, and all employees shall pay attention when performing their duties, and actively implement the policy of ethical management.	None.
(II) Has the Company established a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establishes prevention programs accordingly, at least include preventive measures against the behaviors specified in Paragraph 2,	V		(II) The Company has established risk evaluation mechanism for unethical conducts to analyze and evaluate operating activities with higher unethical conducts risks within the business scope on a regular basis, and thus stipulate prevention plans and regularly review the appropriateness and effectiveness of the prevention plans. The prevention measures against the following conducts are included in the prevention plan: 1. Bribery and acceptance of bribes. 2. Providing illegal political donations.	None.

Evaluation item	Operations Situation (note 1):			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary	
<p>Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?”</p> <p>(III) Has the Company established the programs to forestall unethical conduct, including operational procedures, guidelines, penalties and complain filing in the program, and implemented the program, and review and amend the mentioned programs regularly?</p>	V		<p>3. Improper charity donation expense or sponsors. 4. Providing or accepting inappropriate gifts, hospitalities, or other tangible or intangible improper interests. 5. Substantial controller infringes trade secret, trademark, patent, copyright, and other intellectual property rights. 6. Engaging in unfair competition activities. In addition, the Company has established the “Code of Conduct for All Personnel of BES Engineering Corporation” and the “Employee Rewards and Disciplinary Measures” to prevent unethical conduct by internal personnel. The “Whistleblowing Procedures for Violations of Ethical Management” also disclose reporting and complaint channels.</p> <p>(III) The Company has stipulated operation procedures, guidelines, disciplines for violations, and appeal system for the prevention of unethical conducts and instructed all responsible units to firmly implement the measures. The implementation and improvement plans are reviewed annually. Please refer to the official website: https://www.bes.com.tw/ir-policies.php#gsc.tab=0</p>	None.

Evaluation item	Operations Situation (note 1):			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary	
<p>II. Implementation of Ethical Corporate Management</p> <p>(I) Has the Company assessed the ethical conducts records of the business partners, and specified the ethical conduct clauses in the contracts entered with the counterparties?</p> <p>(II) Has the Company established a dedicated unit of ethical management that is under the board of directors and report to the board of directors on a regular basis (at least once a year) of the ethical management policies, prevention measures against unethical behaviors and the status of oversight and implementation?</p> <p>(III) Has the Company established policies to prevent conflict of interests, provide appropriate</p>	V		<p>(I) Since 2022, the Company has announced to include the “Supplier Code of Conduct Commitment Letter” in the purchase agreement, and suppliers are requested to commit to comply with the Ethical Corporate Management Best Practice Principles of the Company, such that during the process of business performance, it is prohibited to directly or indirectly offer, accept, commit or request illegal benefits for the purpose of obtaining or maintaining its own interest.</p> <p>(II) The Company has established an Ethical Management Task Force and reported its implementation status to the 34th meeting of the 27th Board of Directors on December 23, 2025.</p> <p>(III) The Company has established policies to prevent conflicts of interest and provided appropriate communication channels.</p>	<p>None.</p> <p>None.</p> <p>None.</p>

Evaluation item	Operations Situation (note 1):			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary	
<p>communication and complaint channels, and implement such policies properly?</p> <p>(IV) To implement the ethical management, has the Company has established effective accounting and</p>	V		<p>1. The Company's official website, procurement tender documents, and contract terms have all specified the complaint channels (phone, fax and e-mail of the Audit Office), and each engineering office has put up posters for reporting and complaint filing channels.</p> <p>2. In 2022, the Company has established the “Regulations for Reporting of Violation Against Ethical Corporate Management Principles” to publicly announce the reporting and complaint filing channels (phone, fax and e-mail of the Audit Office) in order to protect reporters from the disposition of dismissal, demotion, salary reduction or other improper dispositions due to reporting of cases. The Company has also stipulated the “Ethical Corporate Management Best Practice Principles of BES Engineering Corporation” and “Procedures for Ethical Management and Guidelines for Conduct of BES Engineering Corporation” to implement the ethical operation policy and prevent fraud actions.</p> <p>(IV) The Company has the “Management Guidelines for Self-Assessment of Internal Control System,” and the IFRSs have been introduced to officially enforced.</p>	None.

Evaluation item	Operations Situation (note 1):			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary	
<p>internal control system, and prepare the related audit program by the internal audit unit based on the evaluation results of the unethical risk, as the basis to audit the compliance of the prevention measures against unethical behaviors, or delegate accountants to audit?</p> <p>(V) Has the Company provided internal and external ethical conduct training programs on a regular basis?</p>	V		<p>The related accounting operations are based on various accounting standards of the Company as well as the certification of CPA's audits to the financial statements. The Audit Office presents the annual audit plan every year in accordance with relevant laws and regulations, and carry out the audits to various business activities based on the plan. In addition, it will also conduct project audits for each engineering office, special management matters, or complaint cases from time to time. The audit results and recommendations are made as the audit reports for management's reference.</p> <p>(V) The Company holds educational trainings on a regular basis to promote and enhance the principle of ethical corporate management of employees.</p> <ol style="list-style-type: none"> 1. On April 25, 2025, the Legal Affairs Division arranged a lecture delivered by external lawyer Huang Kuo-Ming on the topic of ethical management and corporate governance. In addition to the in-person session held on that day, the lecture content was also compiled into an online course to continuously promote employee learning through the Company's internal learning platform. 2. On July 31, 2025, the Chairman's Office arranged 	None.

Evaluation item	Operations Situation (note 1):			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary	
			<p>for external lawyer Luo Ming-wei to conduct a session on recent developments in ESG, key considerations for directors and supervisors, and the prevention of insider trading.</p> <p>3. For the “2025 Integrity Management Promotion,” the Company developed an AI interactive website to explain to all employees: (1) the legal responsibilities and risks of ethical management, (2) integrity in engineering quality, and (3) the establishment and maintenance of a corporate culture of integrity. A total of 2,930 employees (100%) completed the program.</p> <p>4. Each quarter, in accordance with the letter from Taiwan Stock Exchange Corporation regarding “Common Types of Violations in Insider Shareholding Change Reporting under the Securities and Exchange Act,” we provide guidance to insiders (including directors) and ensure strict compliance with the regulations to avoid penalties.</p>	
<p>III. Operations of the Whistle-Blowing System</p> <p>(I) Has the Company established any concrete whistle-blowing and incentive system, with a convenient whistle-blowing channel and</p>	V		<p>(I)</p> <p>1. The Company has established the “Regulations for Reporting Violations of Ethical Management,” which specify the contact details of the Audit</p>	None.

Evaluation item	Operations Situation (note 1):			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary	
assigned proper dedicated persons to the whistle blown objects?			Office—including telephone, fax, and email—as the designated unit for handling reports and complaints, and such information has been disclosed on the Company’s website. When the Audit Office receives complaints or appeals, the investigation will be carried out as a project. Should the complaint found to be true, the disciplinary action will be taken based on the “Guidelines for Rewards and Penalties for Employees.” The outcome will be announced to all the employees as an alert. 2. The Company plans to formulate the "Regulations Governing the Reward and Protection of Whistleblowers" and construct a culture of eliminating corruption in which "Corporate Anti-Corruption is Everyone's Responsibility" to reward and protect whistle-blowers.	None.
(II) Has the Company established the investigation standards, the follow-up measure to be taken after the investigation, and confidentiality mechanism for the whistle-blowing cases?	V		(II) The Company has the SOPs for the investigation of complaints and related confidentiality mechanism in place. All the whistle blowers are protected.	None.

Evaluation item	Operations Situation (note 1):			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary	
(III) Has the Company taken measures to prevent the whistle-blower from ill treatment due to the whistle-blowing?	V		(III) The Company always treats the information of whistle-blowers as confidential.	None.
IV. Enhancing Disclosure Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and MOPS?	V		The Company has passed the “Code of Integrity in Business Operations” and the “Code of Conduct and Operational Procedures for Integrity in Business” and has established an Integrity in Business Committee to report on the implementation of operations. Relevant achievements are also disclosed on the Company's website. Please refer to the official website for more information. https://www.bes.com.tw/ir-policies.php#gsc.tab=0 Implementation of Ethical Corporate Management	None.
V. If the Company has established its ethical management codes of practice according to “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” please describe the operating status and differences: no material difference: The Company stipulated the “Ethical Corporate Management Best Practice Principles” and “BES Procedures for Ethical Management and Guidelines for Conduct” in 2020, and the management follows these regulations.				
VI. Other important information helpful for understanding the Company’s ethical management operations: None.				

Note 1: When selecting “Yes” or “No” for the operations, a description must be provided in the field of “Remarks.”

(VIII) Other information to further the understanding of the corporate governance may be disclosed altogether:

1. The succession planning and operation of the Directors of the Board

- (1) In accordance with the Company's Articles of Incorporation, the number of board members is set between seven and eleven, and a candidate nomination system is fully adopted. Directors and independent directors are elected by shareholders from the publicly announced list of candidates. The nomination of candidates and related procedures are conducted in compliance with the Company Act, the Securities and Exchange Act, and relevant regulations of the competent authority to ensure the legality and stability of board operations.
- (2) The Board succession plan takes into account the Company's business model and future development strategies, selecting candidates who possess professional expertise and professional integrity, and whose values and personal characteristics align with the Company's management philosophy. Independent directors are expected to have backgrounds in law, finance, accounting, business management, or fields relevant to the Company's operations, with priority given to professionals possessing both practical and academic expertise.
- (3) To implement board diversity, director candidates are required not only to meet basic criteria and diversity attributes (such as gender, age, nationality, and cultural background), but also to possess diverse professional expertise (such as law, finance, accounting, engineering, and technology), thereby strengthening the Board's overall decision-making quality and risk management capability, and advancing sustainable corporate governance.
- (4) The Company continues to arrange annual continuing education programs for directors, integrating industry trends, corporate strategies, and governance topics to enhance directors' professional competence and performance of duties.
- (5) Since 2019, the Company has implemented the "Board Performance Evaluation Measures." Evaluation items include the understanding of company objectives, awareness of responsibilities, participation in operations, professional development, internal control systems, and the expression of constructive opinions. Evaluation results serve as an important reference for future director selection or nomination, thereby enhancing the effectiveness and professionalism of board operations.

2. Succession planning and operation of key management personnel (Please refer to the Human Resources section of the Company's website for updates)

- (1) The Human Resources and General Affairs Department is responsible for establishing succession and talent development mechanisms for key positions. For each key role, two to three potential successors are identified, and succession timelines are defined as short-term (within 1 year), mid-term (3–5 years), and long-term (over 5 years), serving as the basis for human resource planning.
- (2) Based on the strengths and development needs of succession candidates, the Company provides training mechanisms such as competency development, job rotation, and AI-enabled management enhancement. Since 2019, the Company has implemented Individual Development Plans (IDPs) linked to the performance evaluation system to systematically build practical experience and leadership capabilities.
- (3) An annual senior management consensus camp is organized to focus on strategic discussions and annual objectives. The program integrates thematic training to enhance strategic thinking and leadership practice, while high-potential mid-level managers are selected to participate in group summits, enabling experience sharing with senior executives and cross-departmental exchanges to broaden strategic perspectives.
- (4) The Company conducts multiple management training programs each year for senior, mid-level, and junior managers. These programs combine benchmarking insights from leading enterprises and the latest technological knowledge to strengthen organizational management capabilities. Internal senior executives also share corporate culture and operational practices to enhance corporate identity and leadership development.
- (5) The Company has implemented an annual performance appraisal system to monitor talent development through ongoing observation and performance evaluation. The results serve as a basis for future succession planning and resource allocation, ensuring a stable and sustainable pipeline of successors for key positions.

(IX) Implementation Status of the Internal Control System:

1. Statement of the Internal Control System

BES ENGINEERING CORPORATION

Statement of the Internal Control System

Date: March 12, 2026

For the Internal Control System of 2025, the Company states the following, on the basis of self-inspection:

- I. The Company clearly acknowledges that establishing, implementing, and maintaining the internal control system, are the responsibilities of the Board and managers. The Company has already established the system. The objectives are to reasonably assure the effects and efficiency of operations (including the profits, performance, and protection to the asset securities); the reliability, timeliness, and transparency of the reports; and the achievement of the compliance with the related laws and regulations.
- II. The internal control system has its own inherent limitations. No matter how perfect it is designed, the effective internal control system may only reasonably assure the achievements of the three abovementioned objectives; also, the effectiveness of the internal control system is subjected to the changes of environments and circumstances. However, the internal control system has set up a self-monitoring mechanism. Once a defect is identified, the correction will be taken immediately.
- III. The Company applies the “Regulations Governing Establishment of Internal Control Systems by Public Companies” (hereinafter referred to as the “Regulations”) to determine the effectiveness of the design and executions of the internal control system. The Regulations divide the internal control system based on the process of the managerial control as five constituent elements: 1. Control environment; 2. Risk assessment; 3. Control activities; 4. Information and communications; and 5. Monitoring activities. Each constituent element has several items. For the further descriptions please refer to the “Regulations.” For the abovementioned items, please refer to the “Regulations.”
- IV. The Company has applied the five constituent elements to assess the effectiveness of the design and executions of the internal control system.
- V. Based on the outcomes of the abovementioned assessment, it is believed that up to December 31, 2025, in the regard of the internal control system (including the supervision and management to the subsidiaries), including the understanding of the effects and efficiency of operations; the reliability, timeliness, and transparency of the reports; and the achievement of the compliance with the related laws and regulations, the design and executions are effective, and able to reasonably assure the achievement of the said objectives.
- VI. The Statement is an integral part of the Annual Report and the Public Statement, and is disclosed to the public. Shall there be any false or concealing, the Company will be held legally responsible according to Article 20, 32, 171, and 174 of the Securities Exchange Act.
- VII. The Statement has been passed by the Board’s meeting on March 12, 2026. All the nine attending directors unanimously gave their consents to the Statement without dissent, and declared the same.

BES ENGINEERING CORPORATION

Chairman: Chou Chih-Ming

General Manager: Su Li-Mei

2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: Not applicable.

(X) Key resolutions of the Board of Directors and Shareholders Meeting during the most recent fiscal year up to the date of publication of the annual report

Key resolutions of the Board of Directors and Shareholders Meeting for 2025

Transaction	Session	Key Resolutions
2025.1.16	27-23 Board of Directors	Approved the proposal for the distribution of year-end performance bonuses for appointed managers for 2024.
2025.2.25	27-24 Board of Directors	Approved the proposal for determining the date, time, venue, meeting procedures, main agenda items, and the period and place for accepting shareholders' proposals for the Company's 2024 annual general shareholders' meeting.
2025.3.13	27-25 Board of Directors	<ol style="list-style-type: none"> 1. Approved the re-appointment of Deloitte Taiwan to audit the Company's 2025 financial statements and provide tax attestation services. 2. Approved the Company's "Pre-approval of routine non-assurance services to be provided by the certifying CPA for 2025 and the applicable period." 3. Approved the proposal for distribution of employee remuneration and directors' remuneration for 2024. 4. Approved the Company's 2024 parent company only financial statements. 5. Approved the Company's 2024 Business Report and 2024 consolidated financial statements. 6. Approved the proposal for distribution of earnings for 2024. 7. Approved the proposal for capitalization of 2024 earnings through issuance of new shares. 8. Approved the amendments to the main agenda items for the Company's 2025 shareholders' meeting. 9. Approved amendments to certain provisions of the Company's "Articles of Incorporation." 10. Approved amendments to certain provisions of the Company's "Corporate Governance Best Practice Principles." 11. Approved the proposal for directors' remuneration for 2024. 12. Approved the issuance of the Company's 2024 Internal Control System Statement. 13. Approved the proposal for the Company to renew the lease of premises from China Petrochemical Development Corporation in 2025.
2025.5.13	27-27 Board of Directors	<ol style="list-style-type: none"> 1. Approved the Company's consolidated financial statements for the first quarter of 2025. 2. Approved the proposal for the Company to renew the lease of premises from Hung Yi Construction Co., Ltd. in 2025.
2025.5.29	Shareholders' Meeting	<ol style="list-style-type: none"> 1. Approved the 2024 year-end closing statements and schedules, 2024 financial statements, consolidated financial statements, and proposal for distribution of earnings.

Transaction	Session	Key Resolutions
		<ol style="list-style-type: none"> 2. Approved amendments to certain provisions of the Company's "Articles of Incorporation." 3. Approved the proposal for capitalization of 2024 earnings through issuance of new shares.
2025.6.26	27-28 Board of Directors	Approved the Company's "Corporate Value Enhancement Plan."
2025.7.24	27-29 Board of Directors	Approved the proposal authorizing the Chairman to determine the ex-rights record date and distribution date for the Company's 2025 share distribution.
2025.8.12	27-30 Board of Directors	<ol style="list-style-type: none"> 1. Approved the Company's consolidated financial statements for the first two quarters of 2025. 2. Approved the proposal for distribution of directors' remuneration for 2024. 3. Approved the Company's 2024 Sustainability Report and the proposed filing thereof. 4. Approved the amendments to the Company's "Guidelines for Distribution of Employee Remuneration."
2025.10.23	27-32 Board of Directors	Approved the proposal for determining the distribution date of share certificates for new shares issued through capitalization of 2024 earnings and the ex-rights record date.
2025.11.13	27-33 Board of Directors	<ol style="list-style-type: none"> 1. Approved the Company's consolidated financial statements for the third quarter of 2025. 2. Approved the proposal for establishing the Company's "Nomination Committee Charter." 3. Approved the proposal to nominate Independent Director Ke Shu-Jen, Independent Director Chang Fan, and Independent Director Liu Teng-Cheng as members of the Company's first Nomination Committee. 4. Approved the proposal for the establishment of the Company's "Investor Relations Office" and amendments to the "Organizational Regulations" and the "Table of Delegated Authorities by Level." 5. Approved the proposal for expressly defining the scope of the Company's "grassroots employees."
2025.12.23	27-34 Board of Directors	<ol style="list-style-type: none"> 1. Approved the Company's "2026 Business Plan and Operating Budget Explanation." 2. Approved the proposal for the Company's evaluation of the independence and suitability of CPAs for 2025. 3. Approved the Company's "2026 Audit Plan." 4. Approved the proposal for the Company to donate NT\$6,000,000 to the Shen Chun-Chi Cultural and Educational Foundation. 5. Approved the proposal for the monthly remuneration of the new representative of the Company's corporate director. 6. Approved the proposal for the Company to implement organizational restructuring commencing in 2026. 7. Approved the proposal for the Company's appointed managers to distribute 2024 employee remuneration in accordance with the "Guidelines for Distribution of Employee Remuneration."

Transaction	Session	Key Resolutions
2026.02.10	27-35 Board of Directors	<ol style="list-style-type: none"> 1. Approved the proposal for determining the date, time, venue, meeting procedures, main agenda items, and the period and place for accepting shareholders' proposals and nominations for the Company's 2026 annual general shareholders' meeting. 2. Approved the proposal to appoint Su Li-Mei, Associate Managers of the Cost Control Department, as General Manager. 3. Approved the proposal to include the election of the Company's directors and independent directors in the agenda of the shareholders' meeting. 4. Approved the proposal for establishing the Company's "Nomination Committee Nomination and Review Procedures." 5. Approved the proposal for establishing the "Employee Stock Ownership Trust Regulations" and the "Employee Stock Ownership Trust Committee Charter" of the Company. 6. Approved the proposal for the distribution of year-end performance bonuses for appointed managers for 2025.
2026.03.12	27-36 Board of Directors	<ol style="list-style-type: none"> 1. Approved the re-appointment of Deloitte Taiwan to audit the Company's 2026 financial statements and provide tax attestation services. 2. Approved the proposal for the distribution of employee compensation and directors' remuneration for the year 2025. 3. Approved the Company's parent company only financial statements for the year 2025. 4. Approved the Company's earnings distribution for the year 2025. 5. Approved the Company's earnings distribution for the year 2025. 6. Approved the proposal for capitalization of earnings for the year 2025 through issuance of new shares. 7. Approved the ratification of the Company's release of the financial forecasts for the four quarters of the year 2026 on February 26, 2026. 8. Approved the proposal for amendments to the main agenda items of the Company's shareholders' meeting for the year 2026. 9. Approved the proposal for directors' remuneration for the year 2025. 10. Approved the issuance of the Company's Statement of Internal Control System for the year 2025.

(XI) Where, during the most recent fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration: None.

(XII) Review of the Implementation Status of Resolutions Adopted at the 2025 Annual Shareholders' Meeting

Timeline	Matters	Execution:
2025.5.29	I. Ratification of the 2024 financial statements	Completed in accordance with regulations, with public announcement and filing made.
	II. Ratification of the 2024 earnings distribution proposal (Share dividend of NT\$0.503 per share)	Completed in accordance with regulations, with public announcement and filing made. (All earnings were capitalized through issuance of new shares.)
	III. Amendment to certain provisions of the Company's "Articles of Incorporation"	Implemented in accordance with the revised version as publicly announced.
	IV. Approval of the proposal for capitalization of 2024 earnings through issuance of new shares	The ex-rights record date was set as November 16, 2025, and the newly issued shares were listed for trading on December 31, 2025.

IV. Information on CPA Fees:

Information on CPA Fees

Table 1

Unit: NTD in thousands

Name of the Accounting Firm	Name of CPAs	Period covered by the CPA audit	Service Fee of Audit	Non-Audit Service Fee	Total	Note
Deloitte Taiwan	Chou Shih-Chieh	2025.01.01~ 2025.12.31	8,588	3,553	12,141	Non-audit fees are mainly for tax certification, annual report review fees, professional consulting services, and certification of voting financial statements.
	Huang Yao-Lin					

- (I) Where the accounting firm has been changed and the audit fees paid in the year of change are lower than those paid in the preceding year, the audit fee amounts before and after the change and the reasons shall be disclosed: None.
- (II) Where audit fees have decreased by more than 10% compared to the preceding year, the amount, percentage, and reasons for the decrease shall be disclosed: None.

V. Information on Change of CPAs: None.

VI. Where the company's Chairman, general manager or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed: None

VII. Changes in share transfers and share pledges by directors, supervisors, managers, and shareholders holding more than 10% of the shares during the most recent fiscal year and up to the date of printing of the annual report:

Changes of Equity Interests of Directors, Supervisors, Managerial Officers, and Major Shareholders

Title (Note 1)	Name	2025		The year up to March 31	
		Increased (decreased) shares held	Increased (decreased) shares pledged	Increased (decreased) shares held	Increased (decreased) shares pledged
Chairman	Yang Jen Industrial Co., Ltd.	23,439	0	0	0
	Corporate Representative: Chou Chih-Ming	0	0	0	0
Director	China Petrochemical Development Corporation	8,266,726	8,000,000	0	(72,500,000)
	Corporate Representative: Chen Jui-Lung (Note 3)	0	0	0	0
Director	China Petrochemical Development Corporation	8,266,726	8,000,000	0	(72,500,000)
	Corporate Representative: Liu Liang-Hai (Note 4)	0	0	0	0
Director	Formostar Garment Co. Ltd	(15,941)	0	0	0
	Corporate Representative: Tsai Chao-Lun	(13,856)	0	0	0
Director	Tian-Jing Investment Corporation	612,635	0	0	0
	Corporate Representative: Pai	0	0	0	0

Title (Note 1)	Name	2025		The year up to March 31	
		Increased (decreased) shares held	Increased (decreased) shares pledged	Increased (decreased) shares held	Increased (decreased) shares pledged
	Chun-Nan				
Director	Chang-Li Co. Ltd.	75,450	0	0	0
	Corporate Representative: Liu Liang-Hai (Note 4)	0	0	0	0
Director	Chang-Li Co. Ltd.	75,450	0	0	0
	Corporate Representative: Cheng Ssu-Tsung (Note 5)	998,835	950,000	0	0
Director	Chang-Li Co. Ltd.	75,450	0	0	0
	Corporate Representatives: Shan Du-Wu (Note 6)	0	0	0	0
Independent Director	Ke Shu-Jen	0	0	0	0
Independent Director	Chang Fan	0	0	0	0
Independent Director	Liu Teng-Cheng	0	0	0	0
Independent Director	Pan Wei-Kang	0	0	0	0
General Manager (Note 7)	Chou Chih-Ming	0	0	0	0
General Manager (Note 8)	Su Li-Mei	0	0	0	0
Deputy general manager	Yang Mei-Yuan	1	0	0	0
Special Assistant	Chang Wen-Pin	0	0	0	0
Associate manager	LIAO HU-LIANG	398	0	0	0
Associate manager	Cheng An-Tzu	0	0	0	0
Associate manager (Note 9)	Lin Hsu-Chuan	0	0	0	0
Associate manager	Chang, Hsu-Teng	0	0	0	0
Associate manager (Note 8)	Wang Kuo-Hsi	453	0	0	0
Associate manager (Note 7)	Yu Li-Cheng	0	0	0	0
Associate manager (Note 7)	Tu Chong-Hong	0	0	0	0
Associate manager (Note 10)	Tu Chih-Hsing	10,000	0	0	0
Associate manager	Chiu Yung-Tsai	1,006	0	0	0
Manager	Li Chen-Ming	21	0	(21)	0
Manager	Yu Chen-Erh	0	0	0	0
Manager	Chi Yun-Chung	308	0	0	0
Manager	Li Wei-Teng	0	0	0	0
Manager	JIA OAI-SHA	0	0	0	0

Title (Note 1)	Name	2025		The year up to March 31	
		Increased (decreased) shares held	Increased (decreased) shares pledged	Increased (decreased) shares held	Increased (decreased) shares pledged
Manager	Su Yu-Min	0	0	0	0
Manager	Tsai Yueh-Feng	0	0	0	0
Major shareholder	Bao Shin Investment Co., Ltd.	183,883,702	0	106,495,980	0
Major shareholder(Note 11)	China Petrochemical Development Corporation	8,266,726	8,000,000	0	(72,500,000)

Note 1: Shareholders holding 10% or more of the total shares of the Company shall be indicated as major holders and listed separately.

Note 2: Should the counterparties of the share transfer or pledge be related parties, the following form shall be completed.

Note 3: Director Chen Jui-Lung resigned on 2025.11.19.

Note 4: Liou Liang-Hai resigned as the corporate representative of Chang-Li Co. Ltd. on 2025.12.01, and assumed the position of corporate representative of China Petrochemical Development Corporation on 2025.12.02.

Note 5: Cheng Ssu-Tsung assumed office as director on 2025.12.01 and resigned on 2026.01.23.

Note 6: Shan Du-Wu assumed office as director on 2026.02.24; Tu Chong-Hong assumed office on 2026.01.01.

Note 7: General Manager Chou Chih-Ming resigned on 2026.2.10.

Note 8: Su Li-Mei was promoted to General Manager on 2026.02.10; Wang Guo-Xi was promoted to Associate Manager on 2026.01.01; You Li-Cheng was promoted to Associate Manager on 2025.10.23.

Note 9: Lin Xu-Quan was dismissed on 2025.10.23; You Chen-Er was dismissed on 2025.10.23.

Note 10: Tu Zhi-Xing assumed office on 2025.01.08 and was dismissed on 2025.04.30.

Note 11: Bao Shin Investment Co., Ltd. became a major shareholder of the Company on 2025.10.30.

Information of Share Transferred

Name (Note 1)	Reason of Transfer (Note 2)	Date of transaction	Transaction counterparty	Relationship of counterparty with the Company, directors, supervisors, and major shareholders holding 10% or more of the total shares	Number of shares	Transaction price
None						

Note 1: List the name of the directors, supervisors, and major shareholders holding 10% or more of the total shares

Note 2: List acquisition or disposal

Information of Share Pledged

Name (Note 1)	Reason of Pledge Changes (Note 2)	Date of change	Transaction counterparty	Relationship of counterparty with the Company, directors, supervisors, and major shareholders holding 10% or more of the total shares	Number of shares	Shareholding %	Pledge ratio	Pledge (Redemption) Amount
China Petrochemical Development Corporation	Pledge	2025/06/17	President Securities Corporation	N/A	8,000,000	10.73%	96.46%	Share price falls, additional collateral required.
China Petrochemical Development Corporation	Redemption	2026/03/16	Ta Ching Bills Finance Corporation	N/A	5,000,000	10.73%	88.95%	Stock price appreciation reduces collateral.
China Petrochemical Development Corporation	Redemption	2026/03/17	International Bills Finance Corp.	N/A	67,500,000	10.73%	52.74%	Repayment of a loan of NT\$290 million.

Note 1: List the name of the directors, supervisors, and major shareholders holding 10% or more of the total shares

Note 2: List pledge or redemption

VIII. Information on Whether the Top Ten Shareholders Are Related Parties, or Are Spouses or Relatives Within the Second Degree of Kinship

March 22, 2026

Name (Note 1)	Shares held by shareholders		Shares held by spouse or minor children		Shares held under other's Name		Among top ten shareholders, the shareholders who are spouses or 2nd degree kinship (Note 3)		Note
	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Name	Relationship	
Bao Shin Investment Co., Ltd. Representative: Cheng Ssu-Tsung	290,379,682	18.05%	-	-	-	-	TRANSWISE ENTERPRISE Co., Ltd.	The Chairman is the same person	
China Petrochemical Development Corporation Representative: Chen Jui-Lung	172,615,175	10.73%	-	-	-	-	Sheen Chuen-Chi Culture & Educational Foundation	Corporate Representative is the Director	-
Lin, Wen-Yang	31,398,721	1.95%	-	-	-	-	None	None	-
TRANSWISE ENTERPRISE CO., LTD. Representative: Cheng Ssu-Tsung	16,376,476	1.01%	-	-	-	-	Bao Shin Investment Co., Ltd.	The Chairman is the same person	-
Jiajun Investment Co., Ltd. Representative: Lin Chia-Hung	16,318,240	1.01%	-	-	-	-	HO CHU Investment Co., Ltd.	The Chairman is the same person	-
HO CHU Investment Co., Ltd. Representative: Lin Chia-Hung	16,273,570	1.01%	-	-	-	-	Jiajun Investment Co., Ltd.	The Chairman is the same person	-
PGIA Comprehensive International Stock Index Fund Dedicated Account, managed by PGIA, under custody of JP Morgan, Taipei Branch.	13,618,468	0.84%	-	-	-	-	None	None	-
Sheen Chuen-Chi Culture & Educational Foundation	13,436,675	0.83%	-	-	-	-	China Petrochemical Development Corporation	Its director is a representative of a corporate director	-
Vanguard Emerging Market Stock Index Fund Dedicated Account, managed by Vanguard Group, under custody of JP Morgan, Taipei Branch.	13,166,662	0.81%	-	-	-	-	None	None	-
Tian-Jing Investment Corporation Representative: Cheng-Li Chiu-Wei	12,792,267	0.79%	-	-	-	-	None	None	-

Note 1: The top ten shareholders shall be all listed; the institutional shareholders shall list all their institutional shareholders and representatives separately

Note 2: the calculation of shareholder percentage refers to the shareholding percentage of the shares held by shareholders, their spouses, minor children, and under others' names.

Note 3: the shareholders referred in the preceding paragraph shall disclose their relationship.

IX. 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:

Total shareholding

Unit: Share, %

Investee	Ownership by the Company		Ownership by Directors, Supervisors, Officers and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership
Chung Kung Safeguarding and Security Corporation	3,880,000	64.67%	1,440,000	24.00%	5,320,000	88.67%
Huading Enterprise Co., Ltd.	44,109,000	90.00%	4,901,000	10.00%	49,010,000	100.00%

Three. Status of Fundraising

I. Capital and shares

(I) Sources of share capital:

1. Historical Source of Share Capital

Note: thousand (shares) NT\$

Year/Month	Issue price	Approved share capital		Paid-up capital		Note		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Contribution of Share Capital by Non-Cash Assets	Others
1994	10	330,000	3,300,000	330,000	3,300,000	-	-	
1995	10	500,000	5,000,000	480,000	4,800,000	Capital increased by cash	-	
1996	10	800,000	8,000,000	648,000	6,480,000	Capitalization of retained earnings and capital surplus	-	
1997	10	1,200,000	12,000,000	937,600	9,376,000	Capitalization of cash, retained earnings and capital surplus	-	
1998	10	1,200,000	12,000,000	1,125,120	11,251,200	Capitalization of retained earnings and capital surplus	-	
1999	10	1,200,000	12,000,000	1,192,627	11,926,272	Capitalization of capital surplus	-	
2000	10	1,800,000	18,000,000	1,276,111	12,761,111	Capital increased by profit	-	
2002/September	10	1,800,000	18,000,000	1,365,439	13,654,389	Capitalization of capital surplus (approved by Securities Supervisory Commission' letter on 2002.8.12 Taitaichengyi Zhi No. 0910144405)	-	
2003/September	10	1,800,000	18,000,000	1,421,781	14,217,812	Capital increased by profit (approved by Securities Supervisory Commission' letter on 2003.8.7 Taitaichengyi Zhi No. 0920135497)	-	

2004/September	10	1,800,000	18,000,000	1,450,217	14,502,168	Capital increased by profit (approved by Financial Supervisory Commission' letter on 2004.8.9 Jinguanchengyi Zhi No. 0930134620)	-	
2007/September	10	1,800,000	18,000,000	1,525,017	15,250,175	Capital increased by profit (approved by Financial Supervisory Commission' letter on 2007.8.6 Jinguanchengyi Zhi No. 0960041422)	-	
2010/September	10	3,000,000	30,000,000	1,525,017	15,250,175	-	-	
2015/December	10	3,000,000	30,000,000	1,530,899	15,308,998	Conversion of convertible corporate bonds (approved by Ministry of Economic Affairs letter on 2015.12.2Jinshouhang Zhi No. 10401258070)	-	
2025/December	10	3,000,000	30,000,000	1,607,903	16,079,041	Capital increased by profit (approved by Ministry of Economic Affairs letter on 2025.12.16Jinshouhang Zhi No. 11430189690)	-	

Note: Due to the flood resulted by Typhoon Nally on September 17, 2001, the Company is unable to provided supporting documents, and only the approval dates and letter numbers are provided.

2. Types of shares

Unit: Thousand shares

Type of share	Approved share capital			Note
	Outstanding shares (listed)	Unissued shares	Total	Outstanding shares (listed)
Common shares	1,607,903	1,392,097	3,000,000	-

3. Information on Shelf Registration: None.

(II) List of major shareholders:

March 22, 2026

Names of Major Shareholders	Shares	Number of Shares held	Shareholding Ratio
Bao Shin Investment Co., Ltd.		290,379,682	18.05%
China Petrochemical Development Corporation		172,615,175	10.73%
Lin, Wen-Yang		31,398,721	1.95%
TRANSWISE ENTERPRISE CO., LTD.		16,376,476	1.01%
Jiajun Investment Co., Ltd.		16,318,240	1.01%
HO CHU Investment Co., Ltd.		16,273,570	1.01%
Vanguard Emerging Market Stock Index Fund Dedicated Account, managed by Vanguard Group, under custody of JP Morgan, Taipei Branch.		13,618,468	0.84%
Sheen Chuen-Chi Culture & Educational Foundation		13,436,675	0.83%
JPMorgan Chase Bank, N.A. in custody for Vanguard Emerging Markets Stock Index Fund investment account		13,166,662	0.81%
Tian-Jing Investment Corporation		12,792,267	0.79%

(III) Dividend policy and execution:

1. Dividend policy:

By considering the future business, fund demands, and long-term financial plan, the dividend policy takes both cash and share dividends; shall there be any earning after the annual settlement, the earnings may be distributed by the following order:

- (1) Paying the income tax of profit-seeking enterprises
- (2) Covering the losses of the past years
- (3) Setting aside ten percent of such profits as a legal reserve.
- (4) Providing or reversing the special reserves by the laws or operation demands

The balance after deducting the abovementioned items, plus the accumulated undistributed earnings of the previous year, shall there be any profit, at least 20% shall be provided as the bonus to the shareholders. Provided, such the percentage of profit distribution, and the percentage of cash distribution may be proposed by the Board of Directors based on the actual earning and funds, to be resolved by the AGM for implementation. However, the abovementioned distribution of bonus to the shareholders, may be made in cash or share dividends. The cash dividends shall not be less than 10% of the total dividends. But if the cash dividend is lower than NT\$ 0.1, the dividends will be paid in shares.

2. Execution:

- (1) The 2025 dividends distribution proposal has been resolved by the

36th meeting of the 27th Board of Directors of the Company on March 12, 2026, as per the attached table:

Unite: NT\$

Item	Amount	
	Subtotal	Total
Undistributed balance at the beginning of the term		3,077,199,963
Current profit after tax	635,939,891	
Actuarial income (loss) listed in the retained earnings	9,107,913	
Disposal of equity instrument measured at fair value through other comprehensive income transferred to retained earnings (realized)	403,275,392	
The current net income after tax, plus the items other than the current net income that are included in the undistributed earnings for the current year		1,048,323,196
Set aside 10% legal reserve provision		(104,832,319)
Current Distributable Profits		4,020,690,840
Dividends to shareholders (stock dividend)	(805,559,950)	
Undistributed profit at the end of period		3,215,130,890
<p>Note: For the capital increase by share distribution, the Board of Directors is authorized to determine the ex-dividend base date and the capital increase base date. If there is any change in the number of common shares issued by the Company, which results in a change in the share distribution ratio, the chairman is authorized to adjust the share distribution ratio based on the actual number of shares issued on the base date of distribution of new shares. If the amendment is made by the competent authority, the amended content shall prevail. In case of any amendment to the relevant laws and regulations, the chairman is authorized to handle such amendment according to the laws and regulations.</p>		

(2) Shareholders' dividends are intended to be distributed entirely in shares, and the share dividends are about NTD 0.501 per share.

(IV) Impacts of the proposed stock dividends at the shareholders meeting on the Company's business performance and earnings per share: Not applicable.

(V) Compensation to employees, directors and supervisors:

1. The percentages or ranges with respect to employees' and directors' remunerations, as set forth in the company's articles of incorporation:

If the company generates profits before the tax in the current year, no less than 2% of the profit will be the employees' remuneration and no more than 2% of the profit will be the directors' remuneration. In the event of any accumulative loss incurred by the Company, it shall reserve for offsetting the accumulative loss. The preceding pre-paid ratio, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders, and it shall be reported in the shareholders' meeting. The preceding employee compensation can be paid in stock or in cash.

2. The basis for estimating the amount of employee, director, for calculating the number of shares to be distributed as employee compensation and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

On March 12, 2026, the Board of Directors resolved the compensations to employees and directors, based on the profit of the year and their contributions. The compensations to employees and directors were estimated for NT\$24,955,225(Including NT\$6,238,807 for grassroots employees) and NT\$16,636,816, respectively. Shall the estimated amounts are different from the actual amount paid, such deviance will be treated as accounting changes, and the adjustment is accounted for at the year of payment.

3. Information on any approval by the board of directors of distribution of compensation:

(1) 2025 Employee and Director Compensation

Item	Resolution of the Board of Directors (March 12 2026)
	Amount (NT\$)
Compensations to directors (cash)	16,636,816
Compensations to employees (cash)	24,955,225
Total	41,592,041

- (2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation: N/A

4. The actual distribution of compensations to employees and directors in the previous year:

	Resolution of the Board of Directors March 13, 2025 Amount (NT\$)	Actual paid amount (NT\$)
Compensations to directors (cash)	18,378,902	18,378,902
Compensations to employees (cash)	18,378,903	18,378,903
Total	36,757,805	36,757,805

(VI) Share re-purchase: N/A

II. Corporate bonds status: N/A

III. Preferred shares: N/A

IV. Global depository receipt: N/A

V. Employee stock option certificates: N/A

VI. Status of Issuance of Restricted Employee Shares: N/A

VII. The issuance of new shares for the acquired or transferred company:
N/A

VIII. Implementation status of fund application plan: N/A

Four. Operation overview

I. Business contents

(I) Business Scope

1. Main contents of the business operations

- (1) Quarrying industry
- (2) Other petroleum and manufacturing industry of coal products
[premixed asphalt concrete]
- (3) Premixed concrete manufacturing industry
- (4) Cement and concrete products manufacturing industry
- (5) Metal structure and construction component manufacturing industry
- (6) Integrated construction industry
- (7) Channel dredging industry
- (8) Sandstone silting ocean dumping industry
- (9) Water pipe installation industry
- (10) Fuel conduit installation industry
- (11) Piping engineering industry
- (12) Electrical equipment industry
- (13) Cable installation industry
- (14) Elevator installation industry
- (15) Fire safety equipment industry
- (16) Automatic control equipment industry
- (17) Traffic sign engineering
- (18) Lighting equipment industry
- (19) Mechanical installation industry
- (20) Construction materials wholesale industry
- (21) Department store industry
- (22) Supermarket industry
- (23) Convenience store industry
- (24) Warehousing industry
- (25) Residential/building development and rental industry
- (26) Industrial plant development and rental industry
- (27) Development of a specific professional region
- (28) Investment in the construction of the public construction industry
- (29) New town and new community development industry
- (30) Regional land collection and city land redistribution agency industry
- (31) Urban renewal industry
- (32) Construction management industry
- (33) Real estate industry

- (34) Real estate leasing industry
- (35) Elderly housing industry
- (36) State-owned non-public property management industry
- (37) Management and consulting industry
- (38) Landscape, interior design industry
- (39) Waste removal industry
- (40) Waste treatment industry
- (41) Environmental testing services industry
- (42) Waste [stain] water treatment industry
- (43) Waste recycling industry
- (44) Other environmental sanitation and pollution prevention services industry
- (45) Auto repair industry
- (46) Conference and exhibition industry
- (47) Leasing industry
- (48) Refrigeration and air conditioning industry
- (49) Except for licensed businesses, the company may operate all other businesses that are not prohibited or restricted by law.

2. Business percentage

<u>Item</u>	<u>Percentage</u>
Civil engineering	56.35 %
Construction engineering	20.75 %
Electromechanical engineering	6.69 %
Development engineering project	4.77 %
Sales of real estate	5.30 %
Other operating costs	6.14 %

3. The Company's current products (services) and new products in development

Public civil engineering projects, constructions, mechanical and electrical undertaking projects, civil construction projects, industrial land development and sales, urban renewal projects and MRT joint development. In the future, we plan to undertake for private joint civil construction and overseas construction projects. The ongoing BES projects as of now are listed below:

- (1) Taoyuan Airport MRT A14 station (terminal 3) and extension section to Zhongli Railway Station's E&M system project (tender ME06A) (108)
- (2) Turnkey project for renovation of the First Vegetable and Fruit Market (in-embankment relay) and Wan-Da Wholesale Market
- (3) CR580C Eastward Section Project of Xinyi Section in the Taipei MRT System

- (4) The construction of parking apron, taxiway and apron facilities in terminal III of Taiwan Taoyuan International Airport
- (5) The new construction project of the Health Building in National Taiwan University Hospital
- (6) GM01 electromechanical system turnkey engineering project of the MRT Green Line GM01
- (7) GC02 civil engineering and construction turnkey project of the underground section between the daylighting section to G07 Station (exclusive) of the Taoyuan MRT Green Line
- (8) Hsing Tai Wen Zai Jun Zone 2 land replotting project in New Taipei City
- (9) Taoyuan Aerotropolis Zone Expropriation Project – Contract A1 Turnkey Project
- (10) Health Building New Construction Project (Interior, Plumbing, Electrical, and HVAC – Phase 1)
- (11) Hsinchu Science Park (Baoshan land) Phase 2 expansion - First tender project
- (12) Niazui Lake purification field new construction turnkey project (continued)
- (13) Hsinchu Science Park (Baoshan land) Phase 2 expansion - Second tender project
- (14) Taipei City West Gateway Taipei Main Station Specialized Zone C1/D1 (East Block) land development project (management tender)
- (15) Sun Ba Phase 2 solar photovoltaic equipment and detention basin turnkey project
- (16) Public facilities and plant maintenance project in Changhua Coastal Industrial Park (Xianxi, Lunwei District)
- (17) Changhua Coastal Industrial Park - Lunwei West District 1 (Phase 4) road and public facilities project
- (18) Changhua Coastal Industrial Park Lunwei West District 1 Phase 4 Surrounding Road Improvement Project
- (19) Changhua Coastal Industrial Park - Lunwei West District 1 Phase 2 drainage channel and gate project
- (20) Changhua Coastal Industrial Park - Lunwei West District 2 environmental protection land public facility project
- (21) Changhua Coastal Industrial Park Lunwei Seawall Parapet Heightening and Flood Protection Road (Phase 2) Project
- (22) Changhua Coastal Industrial Park Lunwei External Connection Road Project (Embankment Section)
- (23) Public Facilities and Plant Maintenance Project in Yunlin Science and

Technology Industrial Park (Dabeixi Area)

- (24) Letzer Industrial Park land protection project
- (25) Yanshou Zone K (BES Yun Cui)
- (26) Yanshou Zone I (BES Bi Yan Ge)
- (27) Yanshou Zone J Urban Renewal (BES Ming Sen Yuan)
- (28) Urban renewal project of Chongyang Road in Nangang
- (29) Xing'an street urban renewal project
- (30) BES EcoTech Industrial Park
- (31) Shulin Dongsheng Section Public Urban Renewal Project
- (32) Chengnan Shuiyuan Section Public Urban Renewal Project
- (33) Banqiao Welfare Station Public Urban Renewal Project
- (34) Section 3, Minsheng E Rd Urban Renewal Project
- (35) Section 2, Da'an Rd Urban Renewal Project
- (36) Jiankang Road urban renewal project
- (37) Tongxiao Power Plant Phase 2 renewal and renovation project for cooling circular water system pump facility room, retarded flow basin, and related works project
- (38) Kaohsiung New Town Road 1-1, 1-2 and 1-3 cross the highway project (Tender X101G)
- (39) Construction of Songhu Ultra-High Voltage Substation and Multi-Purpose Building
- (40) Tainan Seawater Dampening Plant turnkey project (Phase 1) and maintenance and operation
- (41) 345kV Gangfeng - Central Taiwan Science Park, Hengshan - Central Taiwan Science Par Cable Line Tunneling and Associated Electromechanical Turnkey Project (1st worksite)
- (42) Formosa Plastics Building's urban renewal and new construction master turnkey project
- (43) Taiwan Provincial Highway No. 61 (WH-2H), Hsinchu Section 77K+040 to 85K+865 At-Grade Intersection Improvement Project

(II) Industry overview

Engineering projects:

The total budget for 2025 includes NT\$264.4 billion for public construction projects, an increase of NT\$79.8 billion or about 43.2% from 2024, mainly due to the addition of NT\$7 billion for the Taiwan Railways Metropolitan Area MRT System Taoyuan Section Underground Project, NT\$6.01 billion for the overall improvement and adjustment project of the central pipeline, NT\$6 billion for the Huadong Railway Double Track Electrification Project, NT\$1.79 billion for the Hsinchu-Hsinchu railway

project, NT\$5 billion for the Network Technology Application Enhancement Project, NT\$4.1 billion for the Sustainable Pedestrian Safety Improvement Project, NT\$4 billion for the Backup Water Transmission Pipeline Project, NT\$3.55 billion for the Provincial Highway Expressway Improvement Project, NT\$3.13 billion for the Kaohsiung Metropolitan Area MRT System Xiaogang-Linyuan Line Construction and Surrounding Land Development Project; NT\$3 billion for the Kaohsiung Metropolitan Area MRT System Metropolitan Line (Yellow Line) Construction and Surrounding Land Development Project; NT\$2.15 billion for the Living Circle Road Transportation System Construction Project; NT\$1.92 billion for the State-owned Taiwan Railway Corporation Vehicle Maintenance Phase 1 Project; NT\$1.87 billion for the Comprehensive Watershed Management and Disaster Prevention Project; NT\$1.79 billion for the Sustainable Public Road Transportation and Transportation Equalization Project; NT\$1.79 billion for the Hsinchu Seawater Desalination Plant Project; NT\$1.62 billion for the Coast Guard Vessel Construction and Forward-Looking Development Project; NT\$1.32 billion for the 2030 Bus Electrification Promotion Project; NT\$1.25 billion for the Shimen Reservoir to Hsinchu Connecting Pipe Project; NT\$1.23 billion for the Provincial Highway Improvement Project; NT\$1.19 billion for the Cross-Domain Integration and Sustainable Development of Irrigation and Drainage Project; NT\$1.18 billion for the Historical and Cultural Asset Preservation and Development (Phase 5) Project; NT\$1.15 billion for the Phase 2 Upgrading of the Round-Island Bikeway and Integration of Diverse Routes Promotion Project; NT\$1.14 billion for the Enhancement of National Sports and Competition Environment Project; NT\$1.14 billion for the National Ship Model Laboratory Multi-functional Water Tank Construction Project; and NT\$970 million for the National Key Field Inter-University Research and Education Park Pilot Project. The total budget allocation amounted to NT\$264.4 billion, in addition to a special budget of NT\$57.4 billion for the Fifth Phase of Forward-looking Infrastructure Projects, bringing the total to NT\$321.8 billion. This represents an increase of NT\$52.8 billion compared to the previous year, approximately a 19.6% increase on the same basis. Including operating and non-operating special funds totaling NT\$326.5 billion, the total amount is NT\$648.3 billion. Of the above total allocation, NT\$208.7 billion was budgeted for Balanced Taiwan infrastructure expenditures, representing an increase of NT\$50.2 billion over the same basis in the previous year, or approximately 31.6%.

The key points of each budget allocation are summarized as follows:

1. Transportation infrastructure: NT\$226.9 billion was allocated, mainly comprising NT\$193.2 billion for projects undertaken by Taoyuan International Airport Corporation, the Ministry of Transportation and Communications, Taiwan Railway Corporation, Ltd., and Taiwan International Ports Corporation, Ltd., including the Taiwan Taoyuan International Airport Terminal 3 Area Construction Project, land acquisition for the Taoyuan Aerotropolis Airport Park, provincial highway improvements, overall procurement and replacement of Taiwan Railways rolling stock, National Freeway No. 7 Kaohsiung Section, National Freeway No. 1A, provincial expressway improvements, the underground railway project for the Taoyuan Section of Taiwan Railways metropolitan rapid transit system, and the double-track electrification project for the railway in the Hualien–Taitung area; NT\$21.42 billion for projects undertaken by the Ministry of the Interior, including the Living Circle Road Traffic System Construction Plan (urban roads), road quality improvement, and sustainable pedestrian safety enhancement; and NT\$11.41 billion for projects undertaken by the Ocean Affairs Council, including the Forward-looking Development Plan for Coast Guard Vessel Construction and maritime patrol readiness.
2. Environmental resources: NT\$100.9 billion was allocated, mainly comprising NT\$66.77 billion for projects undertaken by the Ministry of Economic Affairs and Taiwan Water Corporation, including integrated improvement and adaptation of centrally administered river basins, integrated improvement of county- and city-administered rivers and regional drainage systems, reduction of leakage rates, the Daan River–Dajia River connecting pipeline project, backup dispatch trunk pipeline projects, and the Hsinchu seawater desalination plant project; NT\$25.73 billion for projects undertaken by the Ministry of the Interior, including the Sixth Phase Sewerage Construction Plan, promotion of reclaimed water from public sewage treatment plants, and the national parks medium-term plan; NT\$4.03 billion for projects undertaken by the Ministry of Environment, including the Phase II Diversified Waste Treatment Plan and projects for waste reduction, recycling, and resource circulation promotion; NT\$4.37 billion for projects undertaken by the Ministry of Agriculture, including integrated improvement of county- and city-administered rivers and regional drainage systems and strengthened conservation and management of reservoir catchment areas; and NT\$3.69

billion for projects undertaken by the Ministry of Environment, including the Phase II Diversified Waste Treatment Plan and projects for waste reduction, recycling, and resource circulation promotion.

3. Economic development: NT\$217.0 billion was allocated, mainly comprising NT\$145.6 billion for projects undertaken by Taiwan Power Company, including the Offshore Wind Power Phase II Project, the Phase II renewal and reconstruction project of Tongxiao Power Plant, and the renewal and reconstruction of gas-fired generating units at Dalin Power Plant; NT\$42.46 billion for projects undertaken by CPC Corporation, Taiwan, including the Natural Gas Business Division's investment in the second offshore natural gas transmission pipeline from Yongan to Tongxiao and the investment in Phase III of the Taichung Plant of the Natural Gas Business Division; NT\$19.27 billion for projects undertaken by the National Science and Technology Council, including the construction of the Hsinchu, Central Taiwan, and Southern Taiwan Science Parks; NT\$4.14 billion for projects undertaken by the Ministry of Economic Affairs, including the construction of the first building of Kaohsiung Software Park Phase II and the development of local industrial parks; and NT\$2.28 billion for projects undertaken by Chunghwa Post Co., Ltd., including the construction and acquisition of postal facilities.
4. Urban and regional development: NT\$16.8 billion was allocated, mainly comprising NT\$8.17 billion for projects undertaken by the Ministry of the Interior, including the development of the Tamsui, Kaohsiung, and Linkou new towns, reinforcement and reconstruction of public hazardous buildings, and townscape and placemaking environment projects; NT\$2.43 billion for projects undertaken by the Ministry of National Defense for engineering and facility improvement projects; NT\$1.46 billion for projects undertaken by the National Development Council, including revitalization and development of public assets in the northern and central core areas of Zhongxing New Village and projects to build sustainable and inclusive local revitalization; NT\$1.12 billion for projects undertaken by the Ministry of Health and Welfare for reinforcement and reconstruction of public hazardous buildings; NT\$0.65 billion for projects undertaken by the Indigenous Peoples Council for livable tribal community construction; and NT\$0.64 billion for projects undertaken by the Ministry of Economic Affairs for reinforcement and reconstruction of public hazardous buildings.

5. Cultural facilities: NT\$12.0 billion was allocated, comprising NT\$8.1 billion for projects undertaken by the Ministry of Culture, including the maintenance and development of historical and cultural assets (Phase V), cultural living circle construction, and the revitalization and transformation of the Taipei Railway Workshop into the National Railway Museum Park; NT\$1.8 billion for projects undertaken by the National Palace Museum under the medium-term plan for enhancing public accessibility of the National Palace Museum to promote tourism industry development; NT\$1.3 billion for projects undertaken by the Hakka Affairs Council, including Hakka village revitalization and environmental development and Hakka Village 369 Happiness initiatives; and NT\$0.8 billion for projects undertaken by the Indigenous Peoples Council, including indigenous tribal community development and the promotion of the Indigenous Peoples' Diverse Industry Development 2.0 program.
6. Educational facilities: NT\$11.1 billion was allocated, mainly comprising NT\$9.28 billion for projects undertaken by the Ministry of Education, including the 2030 Bilingual Policy, construction of the Southern Branch of the National Central Library and Joint Repository Center, optimization of the environment for national sports and sporting events, and the pilot project for the intercollegiate education and research park in national key fields; and NT\$1.67 billion for projects undertaken by the National Science and Technology Council, including the construction of National Pingtung Experimental Senior High School and National Chiayi Experimental Senior High School, and the establishment of the Taiwan Semiconductor Industry-Academia-Research Value Co-Creation Base.
7. Agricultural development: NT\$39.7 billion was allocated, mainly comprising NT\$37.95 billion for projects undertaken by the Ministry of Agriculture, including rural regeneration construction and development, cross-domain integration for sustainable development of agricultural water conservancy, integrated mountain area management and disaster prevention, sustainable forest management and industrial revitalization, infrastructure upgrades in farmland readjustment areas, improvement of emergency farm roads outside readjustment areas, and the establishment of a cold chain logistics and quality assurance demonstration system for agricultural products (Phase II); and NT\$1.71 billion for the Agricultural Circular Pig Farm Reconstruction Investment Project undertaken by Taiwan Sugar Corporation.

8. Health and welfare facilities: NT\$15.6 billion was allocated, mainly comprising NT\$7.64 billion for projects undertaken by the Ministry of Health and Welfare, including the expansion project for the critical care building of Taipei Hospital, food safety infrastructure, and the construction project for the Epidemic Prevention Center; NT\$3.76 billion for projects undertaken by the Ministry of Education, including the new Health Building project of National Taiwan University Hospital and the Phase II expansion project of National Yang Ming Chiao Tung University Hospital; and NT\$3.24 billion for projects undertaken by the Veterans Affairs Council, including the proton therapy center project and the third medical building project at Taichung Veterans General Hospital.
9. Digital infrastructure: NT\$8.3 billion was allocated, mainly comprising NT\$4.82 billion for projects undertaken by the Ministry of the Interior, including enhanced application of internet technology and digital infrastructure and value-added applications for national spatial information; NT\$1.87 billion for projects undertaken by the Ministry of Digital Affairs, including enhancement of digital resilience for government and grassroots organizations and cross-domain software infrastructure for the digital industry and digital service upgrades; NT\$0.51 billion for projects undertaken by the Ministry of Justice to enhance application of internet technology; and NT\$0.31 billion for projects undertaken by the Ministry of Transportation and Communications for upgrading the highway supervision database and infrastructure.

Private construction business:

Based on factors such as the demand for updating old buildings in Taiwan's metropolitan areas, urban planning and development, and economic conditions, the level of activity in various types of development projects such as urban renewal, joint development, BOT (Build-Operate-Transfer), land reclamation, and industrial land development is closely related. These initiatives directly drive the volume of private engineering projects.

Although the government has implemented a series of policies to cool down the residential property market in recent years, the impact on the demand for housing swaps and the necessity of demolishing and rebuilding old and dangerous buildings is limited. Additionally, investment clients have shifted towards commercial construction investment. Optimistic growth is anticipated in the industry's development regarding industrial

zone renewal and land utilization. Therefore, in the overall context, the volume of private construction projects is expected to remain at a peak in the coming years.

Considering Taiwan's labor shortage and lack of management talent, the development of private construction projects necessitates continuous research and development of new construction methods to reduce manpower. Additionally, integrating smart systems into the construction process to enhance management efficiency and the adoption of migrant workers have become inevitable trends. The rate of internalization of new construction methods and digital transformation will directly impact the competitive ability of private construction contractors.

In addition, in response to the trend of nearly zero-energy buildings, carbon footprint assessments for projects and the selection of low-carbon green building materials during planning and design have become important considerations. Green procurement practices, such as cost control and carbon reduction during construction, are also crucial aspects of private construction management. Enhancing differentiation capabilities through the adoption of new materials, new construction methods, new technologies and other factors is an important challenge for the industry.

The direction of private construction contracting business at BES is primarily divided into two main parts:

1. Real Estate Development Division: The real estate development projects at BES's Business Division primarily focus on urban renewal projects. These projects are subject to approval by the competent authorities through business plans and rights transformation plans. After obtaining demolition and construction permits, the construction is contracted out to the Private Engineering Business Division.

As of the end of December 2025, ongoing construction projects under the Real Estate Development Division include three projects located on Yanshou Street in Minsheng Community—"Bi Yan Ge," "Ming Sen Yuan," and "Chongyang"—as well as the "BES EcoTech Industrial Park" in the Tucheng Industrial Zone. The total contract value of these projects is nearly NT\$30 billion, and they are expected to be completed progressively between 2025 and 2027. Subsequently, the Company will continue to flexibly allocate manpower and organizational resources in line with the development schedules of projects under the Real Estate Development Division (such as the Shulin Dongsheng Section public urban renewal project, the Banqiao Welfare Station public

urban renewal project, and the Chengnan Shuiyuan public urban renewal project), in order to manage and execute construction operations effectively.

2. External contracting business: As of the end of 2025, the Company continues to undertake the construction of the “Formosa Plastics Building Urban Renewal Turnkey Master Project” and the Taipei Twin Towers C1/D1 project. In addition, based on manpower recruitment conditions, the Company participates in external bidding for medium- and large-scale projects on a case-by-case basis. Depending on the project owner’s requirements, contracts are undertaken using either cost-plus or lump-sum contracting models. Going forward, the Company aims to secure contracting opportunities across diverse building types, including commercial office buildings, hospitals, smart industrial parks, and hotels. This will enhance its project portfolio and brand credentials, while simultaneously accumulating capabilities in planning, interface integration, and construction management, serving as a strategic foundation for the sustainable development of its business operations.

Construction business:

1. Overview of the development trends in the real estate:

Due to the impacts of the worldwide COVID-19 pandemic and Russo-Ukrainian War, global raw materials have been in shortage such that international prices increase significantly. To overcome the economic difficulties, countries around the globe have adopted the relaxed currency policy with increase printing of bills, leading to severe global inflation. Consequently, the U.S. Federal Reserve System (Fed) adopts the continuous increase of interest rate to suppress inflation, and the government in Taiwan also follows such trend with the increase of the interest rate, causing increase of financing interest rate. As a result, the construction and development industry originally suffering the shortage labor and materials needs to further face the tough challenge of increase of construction cost. In addition, it also causes the house price to continue to reach new highs, such that groups expecting the increase of the house price to purchase real property based on the consideration of value preservation and measures against inflation.

As the house price continues to surge in Taiwan, the government has implemented numerous tough real estate hype prevention policies and actions, including the Integrated Housing and Land Tax and Land Value 2.0, increase of land tax and land value increment tax, construction

financing control, the Equalization of Land Rights Act to prevent exchange of pre-sale house contracts, construction commencement within 18 months after acquisition of land, mortgage tightening, etc., causing postponement of project release, shift of seller's market to buyer's market and the overall expectation for decrease of future house prices. In view of the above, next year (2023) is expected to be a year for destocking and slow market growth. Since construction cost cannot be predicted, many constructors have adopted the "build first and sale after" policy to ensure the stability of cash flows.

To cope with the real estate development trend for next year, in terms of the development and operation policy, BES Engineering will still mainly focus on the urban renewal development business, and will engage in cooperating alliance or joint venture development with other constructors in the same industry. Accordingly, in addition to the combination of advantages of various business operators in the same industry, resources can be sought more effectively and professional complementation can be achieved, thereby diversifying the development risk and expanding the scope of development business.

2. Ongoing construction projects:

(1) "Tao Zhu Yin Yuan:"

In the third quarter of year 2018, the usage license and the registration of property rights were acquired. The project includes 40 households with 210 parking spaces.

(2) "BES Yun Cui " construction project:

The construction started in the third quarter of 2017, and the pre-sale operation began in the fourth quarter. The user license was obtained on March 19, 2021, and the house delivery was completed in the fourth quarter and the remaining houses were sold by 2025.

(3) "BES Bi Yan Ge" Urban Renewal Project:

The urban renewal review process was completed in the fourth quarter of 2018, and the urban renewal project was officially approved. The construction permit was obtained in the second quarter of 2019. The relocation was completed in the first quarter of 2020, and the demolition work was completed in the third quarter. Underground structure was still in progress at the end of 2021 construction, the beam-raising ceremony will be held in September 2022, Internal renovations completed by 2025, and handover operations were conducted in the first quarter of 2026.

(4)“BES Ming Sen Yuan” Urban Renewal Project:

In the fourth quarter of 2018, the rights change plan was submitted for review. The right change was approved in the second quarter of 2020. 100% approval was obtained at the end of 2021. The relocation was completed in June 2022, As of Year 114, structural works and interior finishing are being carried out simultaneously, the plan is to obtain the occupancy permit in the second quarter of 2026 and start the property handover in the fourth quarter.

(5)" Chongyang " Urban Renewal Project:

In December of 2015, the business plan was submitted for review. In the fourth quarter of 2018, a special project team meeting was convened to discuss the business plan. In the fourth quarter of 2019, the business plan was approved. In the fourth quarter of 2020, the business plan was officially authorized. It is anticipated that in the second quarter of 2021, the rights conversion plan will be submitted for review and in the fourth quarter of 2023, the rights conversion plan will be officially authorized. The business and rights transformation plan was approved in September 2024, and the revised plan was approved in November 2025. As of 2025, preparatory work for the application for delegated demolition is underway.

(6)“BES EcoTech Industrial Park” Urban Renewal Project:

In the fourth quarter of 2016, the business plan was submitted for review. In the third quarter of 2018, a special project team meeting was convened to discuss the business plan. In the fourth quarter of 2019, the urban renewal review process was completed. In February 2020, the construction permit was obtained, and construction commenced in the fourth quarter. In March 2021, a design change review was submitted and in December 2021, the second special team meeting was held to review it. In April 2022, a public hearing was conducted. In May 2022, the design change was approved. As of the end of 2022, the application for the new construction permit was approved, and sales operations are ongoing as of the end of 2025.

(7)“BES Shulin Office Building” Urban Renewal Project:

Selected as the preferred investor In November 2021. In December 2021, a contract was signed with the New Taipei City Government. By the end of 2022, the application for the urban renewal scope had been submitted to the Department of Finance. In December 2023, the approval process for the administrative division plan was completed. In April 2024, a public exhibition and hearing

were held. In September 2025, a hearing was held. In December 2025, the plan was approved by the review committee. As of 2026, the administrative division approval and planning design process is underway.

(8) “BES Xing’an Street” Urban Renewal Project:

The development work was completed in February 2022. The application for review of the urban renewal unit delineation scope was submitted in June 2022. The review of the urban renewal unit delineation scope approval was in February 2023. The planning and design stage was carried out in 2024. By the end of 2025, the work of changing the renewal scope and adjusting the planning and design had been carried out.

(9) Chengnan Shuiyuan Section Public Urban Renewal Project:

The Company was selected as the preferred investor on April 26, 2023, and signed a contract with the Taipei City Housing and Urban Regeneration Center on August 8, 2023. The rights plan continued to be reviewed in May 2024, the second public exhibition and public hearing were held in September 2024, the second urban design executive committee meeting was convened in December 2024, the second urban renewal project meeting was held in March 2025, the urban design review committee was held in August 2025, and the first urban renewal project re-examination meeting was held in November 2025.

(10) “Banqiao Welfare Station” Public Urban Renewal Project:

The Company was selected as the preferred investor in July 2023 and signed a contract with the National Housing and Urban Renewal Center in October 2023. The rights plan was prepared and submitted for approval in May 2024, and the first project task force meeting was held in December 2025.

(11) Section 2, Da'an Rd Urban Renewal Project:

The project development was completed in September 2023, house selection took place at the end of 2024, and the administrative division plan was submitted for approval in February 2025.

(12) Section 3, Minsheng E Rd Urban Renewal Project:

The project was completed in August 2023, the planning and design phase began in September, the urban renewal unit delineation was approved in December 2024, and the reward value update and planning and design adjustment were carried out by the end of 2025.

Development of industrial zone:

1. Current industrial status and development of the industry

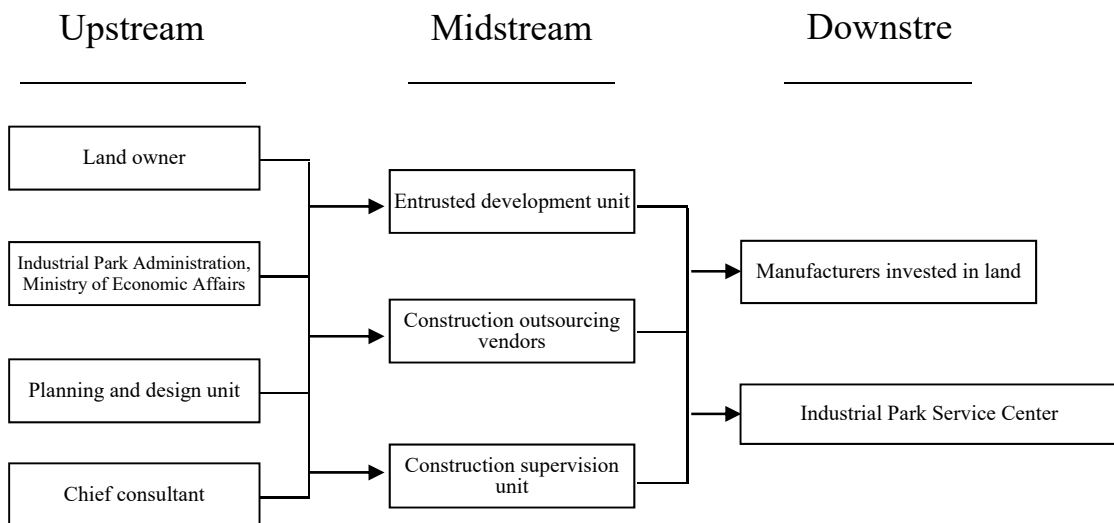
Looking at global economic development in 2025, the world economy has gradually shifted from the turbulence of the post-pandemic and high-inflation period toward a more balanced state. However, growth has slowed amid heightened trade barriers and geopolitical tensions. The United States has maintained relatively stable growth, supported by AI investment and policy measures. In contrast, the Eurozone and the United Kingdom have experienced weakening momentum due to tariffs, competitive pressure from China, and fiscal constraints. Japan has promoted investment in key industries, yet its exports remain constrained by tariff barriers. China continues to face significant pressure from weak domestic demand and a sluggish real estate market. Overall, global economies are entering a new phase characterized as “stable but uncertain.”

Domestically, it was originally expected that in 2025, the accelerated expansion of artificial intelligence and related technologies would stimulate manufacturing demand and sustain strong order momentum for related products. However, in April, the U.S. government announced reciprocal tariff policies, triggering sharp volatility across global equity, foreign exchange, and bond markets. The resulting uncertainty and mixed market signals have posed greater challenges for enterprises in their investment planning and operational deployment. Considering the gradual easing of domestic inflation and moderate economic growth, Taiwan’s central bank has maintained an unchanged interest rate policy for seven consecutive periods as of December 2025, while continuing to uphold tightened credit controls in the real estate sector. Consequently, investment promotion, leasing, and sales activities for land in the Changhua Coastal Industrial Park remain subject to considerable risk.

In terms of industrial real estate development, according to statistics from Sinyi Global Asset Management Co., Ltd., the transaction volume of commercial real estate and land markets among listed and OTC companies in 2025 amounted to NT\$257.9 billion, representing a year-on-year decrease of 22%. Approximately 40% of this transaction volume was driven by land acquisition and factory expansion demand from the AI industry and its upstream and downstream supply chains. In contrast, traditional industries largely adopted a cautious, wait-and-see approach due to tariff-related uncertainties, resulting in overall real estate investment activity being primarily driven by rigid corporate demand.

In summary, during the first half of 2025, domestic industrial land demand benefited from strong demand for high-performance computing and artificial intelligence applications, as well as the recovery of the semiconductor industry. This, in turn, drove investment growth in testing equipment and related peripheral industries, including electronic components, machinery, and chemical materials, thereby increasing demand for industrial land. However, investment demand varies significantly across industries. Traditional sectors continue to face pressure from China’s economic slowdown. In addition, the U.S. government’s proposed imposition of a uniform 15% tariff on global imports, coupled with the domestic central bank’s continued tight monetary stance and restrictions on land financing, necessitate prudent evaluation when planning and launching projects in the Changhua Coastal Industrial Park, in order to facilitate future land absorption and development.

2. Industrial upstream, midstream and downstream relations



3. Trend of product development and competition situation

According to the foregoing analysis of the current state of industry development, the future economic and industrial outlook remains unclear. Differences among industries may affect manufacturers’ decisions to invest in plant construction, thereby creating uncertainties in land demand. It is therefore necessary to identify AI-related enterprises and their upstream and downstream supply chain participants, manufacturers with rigid self-use demand, and those seeking land due to policy-driven incentives. In line with the direction of the Industrial Land Policy White Paper, efforts should be made to actively prevent speculation in industrial

park land, assist illegal factories in pursuing legalization and improvement, and prioritize factory relocation cases involving illegal factories as potential target customers for development.

In addition, as the government continues to promote the non-nuclear homeland policy and the 2050 net-zero emissions target, while actively developing renewable energy sources such as offshore wind power and solar photovoltaics, and as available land for factory construction in Taiwan continues to decline alongside nationwide shortages of industrial water, the completion of the Fuma Canal water supply project in the Changhua Coastal Industrial Park will stabilize industrial water supply. This advantage should be leveraged, together with the extensive land area of Changhua Coastal Industrial Park, to actively attract domestic and foreign businesses to invest in factory construction. However, in response to the shortage of industrial land, the government has recently cooperated with Taiwan Sugar Corporation to develop new industrial parks. Through the release of Taiwan Sugar farmland in central and southern Taiwan for development into new industrial parks, competitors to the Changhua Coastal Industrial Park project will increase. Accordingly, the advantages of this park should be highlighted and active investment promotion should be pursued.

Overseas industries:

Vietnam and Myanmar are described as follows:

1. Vietnam

Vietnam continues to attract substantial foreign investment by leveraging its political stability, low labor costs, demographic dividend, high degree of trade openness, and advantageous geographic location. Its strengthened political stability has further consolidated its attractiveness as an investment destination.

Despite unfavorable external conditions such as global economic volatility and international trade tensions, Vietnam maintained strong economic growth in 2025. According to data from the International Trade Administration of the Ministry of Economic Affairs, Vietnam's GDP grew by 8.02% in 2025, reaching US\$514 billion, an increase of US\$38 billion compared to 2024. GDP per capita reached approximately US\$5,026, representing an increase of US\$326 from the previous year.

In addition, Vietnam attracted total foreign direct investment (FDI) of US\$38.42 billion in 2025, reflecting a year-on-year increase of 0.5%. Among these, real estate investment accounted for US\$1.93 billion, representing 7% of the total.

The Vietnamese government continues to introduce new incentive measures to attract foreign investment in high-tech industries, including semiconductor manufacturing, artificial intelligence, and green energy. In addition to amending land-related regulations and easing investment policies, the government is also actively collaborating with the private sector to cultivate high-level talent.

2. Myanmar

In 2025, Myanmar’s political and economic environment remains highly challenging.

Myanmar’s industrial structure is primarily composed of oil and natural gas extraction, small-scale machinery manufacturing, garment production, wood processing, sugar refining, basic food processing, fishery processing, and plastic products manufacturing. However, long-term political instability and economic sanctions have significantly constrained overall national development.

Despite the challenges, the infrastructure and real estate market in Myanmar is still promising. Under the current environment, there may be opportunities to obtain quality land at a lower price, which is the foundation of future development.

(III) Technology and R&D overview

BES Engineering Corporation primarily enhances the quality of its internal operations through the coordinated efforts of its Information Division, Information Security Office, and Video Command Center. By continuously leveraging AI-assisted technologies, optimizing system architecture, and standardizing operating procedures, the Company improves overall operational efficiency and internal workflow quality. The key strategies are as follows:

1. Research and development expenses for the most recent year, as of the printed out date of the annual report:

Unit: NTD in thousands

Year	2025	2024	2023
Amount	38,614	41,314	33,571

2. AI technology empowerment and intelligent assistance: The Company is actively developing various AI applications to streamline processes and improve decision-making accuracy:

- (1) Development of AI assistants: AI-driven office applications have been developed for different functions, including HR assistants, IT assistants, and legal assistants, to automate routine inquiries and tasks. Development is ongoing for additional applications, such as engineering operations assistants.

- (2) Price prediction models: Sales price forecasting and rebar price prediction models have been established to support data-driven decision-making.
 - (3) AI-based safety monitoring: The Company plans to introduce AI BOX at its headquarters in the second quarter of 2026 to enable intelligent safety monitoring through real-time alert systems (e.g., fall detection, construction site PPE detection, fire detection, and safety perimeter monitoring).
 - (4) Intelligent decision-making platform: An intelligent BI reporting platform is being continuously developed to provide timely and accurate business information across departments, enabling rapid problem identification, response, and resolution, and improving cross-functional collaboration.
 - (5) Cross-department AI applications: AI technologies are being applied across departments such as audit, legal, and finance, including applications in inspection optimization and AI-assisted legal processing.
3. Digital system optimization and management: Continuous enhancement of the operations management system and document management system ensures efficient and paperless internal operations:
- (1) Structural optimization of internal operations: The Information Division conducts regular on-site visits to engineering offices and has established an internal operations user group to optimize system modules structurally.
 - (2) Collaboration and paperless operations: Collaborative working models are promoted across engineering offices, with short video tutorials on frequently asked questions provided via the portal for efficient employee learning.
 - (3) Rapid response to system requirements: In 2025, the operations management system processed over 400 system modification requests, covering key modules such as owner budgeting, subcontractor contracts, and materials management.
4. Smart construction sites and image integration: Through integration by the Video Command Center, on-site management and data reporting quality are enhanced:
- (1) In-house CCTV integration: A self-developed system integrates hundreds of CCTV units across the Company (increasing from 213 to 322 units), with standardized equipment (e.g., Vivotek) to facilitate deployment and maintenance.

- (2) Standardization of smart construction sites: Using the Dunbei project as a benchmark, multiple databases and applications are consolidated to reduce the number of servers at engineering offices. Smart construction site implementation has been extended to projects such as Nangang. The Smart E&M Department was established within the Group in 2026, and subsequent collaboration on related smart site needs will be managed by the Smart E&M Department.
 - (3) Network bandwidth upgrades: ADSL bandwidth expansion and fiber network upgrades have been implemented at engineering offices (e.g., Bocheng and Xinzhan) to ensure high-quality image analysis and data transmission.
5. Information security protection and resilience building: A robust digital transformation is supported by stringent information security measures:
- (1) International certification: An ISO 27001 information security certification project has been initiated as a foundational requirement for information security management.
 - (2) Endpoint and network control: The Company has deployed Comodo EDR endpoint protection, strictly prohibits unauthorized software installation, and utilizes firewalls to monitor network activity.
 - (3) Enhanced engineering office cybersecurity: Firewall and anti-intrusion systems have been introduced at engineering offices. Eight offices completed implementation in 2025, with remaining sites scheduled for completion in 2026.
 - (4) Disaster recovery drills: In accordance with the Disaster Recovery Plan (DRP), the Company successfully conducted disaster recovery testing in 2025. Annual drills, including JDE system recovery and outage simulations, will continue to ensure rapid recovery in the event of operational disruptions.
6. Support for ESG carbon inventory (Scope 1, 2, and 3): The Company supports greenhouse gas inventory management, covering building material procurement (e.g., steel and concrete), waste treatment, transportation, and associated emissions. A key focus is placed on emissions during the structural construction phase to evaluate the effectiveness of green construction practices and material-based carbon reduction. Relevant systems have been enhanced to collect the following data for emissions calculation.
- (1) Materials system: inclusion of ready-mixed concrete and steel materials.
 - (2) Subcontractor billing system: inclusion of steel plate (labor and materials), earthworks, and waste.

- (3) Invoicing system: inclusion of energy consumption (fuel, electricity, water, natural gas/LPG).
- (IV) The long-term and short-term business development plan
1. The long-term business development plan
 - (1) Continue to develop the large and medium scale engineering projects.
 - (2) The Company is expected to be continuously dedicated in its core expertise of construction business projects and the external construction project, and we are looking toward to be more professional and exquisite, with higher quality innovation.
 - (3) The ratio of public engineering projects will be gradually adjusted, and we will continue to put effect in the urban renewal, civil construction and land development projects, so to expand the company's business domain and increase profits.
 - (4) Reinforce the customer service team and enhance the concept, practices and scopes of after-sales service.
 - (5) Taking into account the industrial outlook for 2025—marked by the rapid growth of AI-related industries and uncertainties surrounding traditional industries—the Company will continue to monitor market dynamics and track changes among potential land purchasers. By leveraging its 153 hectares of semi-developed land in the Changhua Coastal Industrial Park, and utilizing the flexibility of parcel adjustment and the pre-registration system, the Company provides diverse options to prospective buyers.
 - (6) The Company has established a customer relationship management (CRM) system and adopted a customer-oriented service philosophy to reduce complaints and enhance customer satisfaction.
 - (7) The Company establishes product differentiation through product intelligence (community platform systems, smart buildings, FM property management)
 - (8) The Company builds a new corporate brand image through innovation (user-oriented product planning), professionalism (intelligent product design), quality (data-driven construction quality), and service (platform-based systematic services).
 - (9) Plan for large-scale land development projects (including industrial park development), and formulate 5-10-year project execution plans.
 - a. Develop diversified channels for land acquisition, or explore various “cooperation” and “joint venture” models to promote business expansion while seeking cross-industry alliances and optimizing collaborative team rosters.

- b. Target developments toward medium-to-large-scale land development projects.
 - c. Initiate various types of development projects, such as superficies, urban land re-zoning, and joint construction.
 - d. Plan development costs for different products and evaluate the enhancement of development capabilities.
 - e. In alignment with government policies and to implement the Company's ESG development principles, establish 4 functional platforms:
 - 1. Carbon Management Platform, 2. Energy Management, 3. Project Management Information System (PMIS), and 4. Building Information Modeling (BIM).
2. The short-term business development plan
- (1) The construction management effectiveness can be gradually discovered, and the practical management performance is recognized by business owners.
 - (2) With the priority of safety and environmental protection, as well as the quality of the construction project, to obtain business owner's recognition and increase the visibility of the BES brand by the comprehensive construction management methods.
 - (3) As for the short-term construction cases (the peer construction companies), we will implement them in a project-based manner and combine with the team's extensive experience in the construction industry to actively expand the services with peer construction companies.
 - (4) Work with the architects and electromechanical manufacturers to integrate and expand the business in new plants of various industries.
 - (5) In terms of internal management, we implement business operation reforms, reinforce the operation management, reduce construction costs, and undertake the public construction projects and maintain the growth in the construction industry with the company's excellent reputation and advantage of large-scale engineering construction technology and professional engineering talents.
 - (6) In the short term, continue monitoring market trends and formulate zone-specific sales strategies based on customer demand. In 2026, the Company plans to release land in smaller parcels, prioritizing: The second offering of the remaining 7 hectares in Phase 2 of Lunwei West Zone 2 (Phase 1 industrial land) in Changhua Coastal Industrial Park;

- The second offering of Phase 1 community land in Xianxi District. For the electroplating zone, the Company will continue to assess the impact of reduced demand caused by the downturn in China's industrial sector on domestic expansion willingness, and will coordinate with the park authority for appropriate zoning adjustments.
- (7) Expand the scope of development projects beyond residential projects by actively participating in public urban renewal tenders and developing aging factory sites surrounding the Company's AI industrial park projects, thereby enhancing market exposure and business opportunities.
 - (8) Secure stable business through private urban renewal and participate in large-scale government-led urban renewal projects.
 - (9) For overseas business development, the Company will actively engage in the establishment of relationships with the government and landlords, and will also seek cooperation with the local developers for joint project development. Furthermore, the Company will continue to adjust strategies for the existing deeply cultivated project sources, and to engage in negotiation with the landlords for projects with the most completely prepared regulatory documents, in order to obtain the project development.
 - (10) The Company will primarily focus on small-scale development or construction projects, with a rolling five-year project plan formulated on an annual basis:
 - A. In Vietnam, the Company has conducted a comprehensive review of its existing projects to ensure compliance with the newly enacted *Land Law* and *Housing Law*. Taking advantage of increased regulatory transparency, the Company will actively evaluate new development opportunities. It will focus on public infrastructure projects and high-tech industrial parks, and actively establish strategic alliances with leading engineering consultants and contractors in Taiwan and local markets, leveraging technical expertise to secure development rights.
 - B. In Myanmar, the Company will continue to closely monitor political and economic developments, while seeking to acquire land parcels with advantageous locations at relatively low prices as entry points for future development.

II. The market and production and sales overview:

(I) Market analysis:

1. The sales area of the Company's main products:

The Company's main products are construction projects for public construction contract projects. In 2025, the private construction projects accounted for about 0% of the total contract amount of the Company. The area of project contracts is shown as follows:

Year	The construction area (%)			
	Northern	Central	Southern	Eastern
2025	83.10	9.15	7.75	-
2024	70.91	14.56	14.53	-
2023	75.65	12.55	11.80	-
2022	83.52	8.75	7.73	-
2021	86.52	8.18	5.3	-

2. Current market share:

The company's current share of public construction projects (over 500 million) is as follows:

Year	Government project released (NTD in thousands)	The company's contracts (NTD in thousands)	Market share
2025	648,300,000	12,055,900	1.86%
2024	588,600,000	18,032,053	3.06%
2023	597,200,000	13,874,565	2.32%
2022	459,600,000	15,554,538	3.38%
2021	436,600,000	14,924,705	3.42%

3. The supply and demand conditions and growth of the market in the future:

The public construction project budget for fiscal year 2026 is NT\$288.3 billion, an increase of NT\$37.4 billion from the previous year, or approximately 14.9%. This increase is mainly attributable to the addition of NT\$14.7 billion for the Comprehensive Improvement Plan for County- and City-Administered Rivers and Drainage Systems in Response to Climate Change, NT\$7.52 billion for the TPASS Executive Yuan Commuter Pass Implementation Program, NT\$6.0 billion for the National Circular Zone Pilot Program and the New Material Circular Industry Park Application and Establishment Project, NT\$2.55 billion for the integrated program for unmanned vehicle industry development, as well as additional allocations of NT\$2.75 billion for the Tainan Seawater Desalination Plant Project (Phase I) and NT\$2.3 billion for the Hsinchu Seawater Desalination Plant Project. In addition, when combined with

NT\$382.1 billion in operating and non-operating special funds, the total amounts to NT\$670.4 billion. Of the above allocation, NT\$224.6 billion is budgeted for major Balanced Taiwan infrastructure projects, representing an increase of NT\$31.9 billion over the same basis in the previous year, or approximately 16.5%.

4. Advantages and disadvantages for the future development

Item	Favorable factor	Unfavorable factors
Politics	<ol style="list-style-type: none"> 1. The government expands its demand of domestic construction, hence more budget and funding for local projects are offered. 2. The government actively promotes urban renewal policies, increases the building capacity awards, and loosens the restriction on the urban renewal projects. 	<ol style="list-style-type: none"> 1. The narrowing gap in economic conditions between Taiwan and labor-exporting countries has reduced migrant workers' willingness to come to Taiwan. 2. The Renewal of Urban planning are not comprehensive, and the policies of federal and local governments are different.
Laws and regulations	<ol style="list-style-type: none"> 1. The reform of the Procurement Law for the Public Construction Projects encourages to use the most favorable bidding method to avoid vicious cycle of low-price competition. 2. The "Renewal of Urban planning" rewards the building capacity and increases the investment profits of development. 	<ol style="list-style-type: none"> 1. Reduce the capital threshold of the construction industry, which results in impacting the existing market structure, and increase the competition in the construction industry. 2. The conditions of importing foreign workers are very strict which results in the proportion of foreign workers is low; the manpower is still insufficient and construction efficiency cannot be enhanced. 3. Lack of policy for the construction industry. 4. The government's new policy of labor holidays will impact the construction industry and increase its costs and construction duration, and it is expected to reduce the profit margins. 5. The education system and declining birth rate have led to a shortage of talent in the industry.
Economy	<ol style="list-style-type: none"> 1. The price of bulk raw materials has shown an upward tendency and the related material costs have been increased. 2. The government promotes the 006688 preferential program of the industrial zone. 	<ol style="list-style-type: none"> 1. The financial system is still very conserved in its policy for the construction industry. 2. Although the government has released a large number of construction projects, but the required production equipment

Item	Favorable factor	Unfavorable factors
	3. Interest rates are decreasing year by year and it lower the burden of interest.	is not sufficient. 3. High-tech industries are rushing to build plants regardless of cost. While a few contractors have benefited, other contractors face shortages of workers, surging subcontractor prices, delays in ongoing projects, and erosion of profit margins.
Technology	1. The construction plants and companies will merge and found large-scale construction groups to enter the international engineering market in the future. 2. By contracting with foreign companies, we will have the opportunity to learn the advanced foreign construction methods and techniques.	1. The new construction method has not been introduced and the technical level has not been enhanced. 2. Most of the domestic construction companies do not have sufficient management capabilities.

5. Analysis of the overall strengths and weaknesses of the Company

Item	Advantage	Disadvantage
Manpower	1. The support and integration of manpower in the group. 2. Employee rotation system for cultivating comprehensive professional talents.	1. High employee turnover rates and increase the learning costs. 2. The basic level professional manpower and basic level labors are insufficient.
Financial ability	1. The problem of advance payment of funds in the industrial zone has been valued by the government. 2. The increase in rental income in the industrial zone will help in the fund recovery. 3. Interest rates are decreasing year by year and it lower the burden of interest.	1. The banking industry is still very conserved in its policy for the construction industry. 2. The issue of advance payment of funds in the industrial zone has not been resolved, which impacts the usage of funds.
Operation management	1. Implementation of management reforms to be in the construction industry. 2. Introduction of information technology system to the company to improve the efficiency of business management.	1. The cost still cannot be significantly reduced and operating costs are still high. 2. Cooperate with suppliers to share risks and reduce operating costs.

Item	Advantage	Disadvantage
Technology R & D	<ol style="list-style-type: none"> 1. Experience in large-scale engineering projects and special engineering methods. 2. Experience in building large shopping malls and high-rise buildings. 	<ol style="list-style-type: none"> 1. Lack of patented construction technique. 2. Lack of factory and high-rise hotel building experience.
Competitiveness	<ol style="list-style-type: none"> 1. The extensive qualifications for undertaking the large public construction projects. 2. Maintain quality construction and technique, and recognized by the proprietor. 3. Good reputation in the industry that yields benefits to the business development for the public and private sectors. 4. The company has a solid financial status. 	<ol style="list-style-type: none"> 1. The foreign companies are taking over the construction market with their advanced engineering methods. 2. Some local construction vendors actively participate in large-scale public construction projects with their advantage of management costs. 3. Winning less Golden Safety Awards and Golden Quality Awards is the disadvantage for tendering the projects adopting most advantageous tender.

6. Analysis of peer companies:

the statistics table of construction manufacturers

Year	Class A	Class B	Class C	Total
2025	2,098	1,274	6,244	9,616
2024	3,305	1,250	7,708	12,263
2023	3,204	1,245	7,569	12,018
2022	3,122	1,231	7,433	11,786
2021	3,051	1,228	7,303	11,582

Source: Construction Agency, Ministry of the Interior <http://www.cpami.gov.tw>

7. Future perspective

- (1) Be persistent in the industry, reinforce project management and increase construction competitiveness and operational performance.
- (2) Actively invest in projects such as urban renewal, industrial zone, real estate development, etc., to enhance the company's profit.
- (3) Integrate the reinvested business to enhance the efficiency of investment.
- (4) Actively expand the Southeast Asian market to be in line with the Group's comprehensive strategy.

(II) Important usage of the main products and production process

1. Main products and usages

- (1) Civil engineering projects: all civil engineering projects include roads, bridges, tunnels, dams, airports, harbors, railway engineering, MRT engineering projects, environmental protection engineering projects, etc.
- (2) Construction projects: all construction projects include national residence construction, commercial buildings, technology factories, recreational and entertainment industry, hospitals, etc.
- (3) Electromechanical engineering: water supply, electrical appliances, lighting, air conditioning, electricity (support) ladders, fire safety equipment and other projects.
- (4) Development of industrial zone.
- (5) Urban renewal projects.
- (6) Joint development projects of the MRT station.

2. Process of product production:

(1) Undertake engineering contracts:

Business Development → Valuation process → Bidding (price negotiation) → Budget of construction → Construction Plan → Manpower allocation, purchase of machine tools and materials (Implementation of budget) → Construction Management → Completion and settlement → Review upon completion.

(2) Urban renewal projects:

The initiation and integration of business case → update of the unit → urban renewal summary → urban renewal → business plan → plan for change of rights in urban renewal → announcement and implementation of urban renewal → engineering construction → registration of property rights → house handover → update the renewal business plan upon the completion of the project.

3. Supply condition of the main raw materials:

Other than some of the requirements in the contracts, the company has cooperated with the long-term suppliers for the following: steel, concrete, structural steel, cement, sand, floor tiles, aluminum curtains, products of stainless steel, pre-set systems, cement products, plastic pipes, paints, cables and wires, etc., hence the cost of these material supply is relatively stable.

4. Industrial upstream, midstream and downstream relations

Construction enterprise is part of the Construction Industry. The main business sources are public engineering, civil construction

investment companies, and construction projects from public and private sectors, so the downstream of this industry includes government, public and private sectors, and civil construction companies while the upstream includes iron and steel industry, cement industry, sand and gravel industry, electrical industry, and engineering design companies.

5. Development trend of the product of the industry

The government continues to promote significant public constructions. Since they require higher technology threshold and financial capacity, they have become the battlefield for large construction companies. The construction industry has entered the era of larger companies grow larger. The large construction companies bring the operation efficiency into play by strictly controlling costs during the construction process, enhancing construction site management, and developing new construction methods.

The important development trends for the construction industry in the future are as follows:

(1) Introduction of the turnkey model:

The traditional item-sub-contracting structure can no longer satisfy the needs of the clients. The comprehensive engineering service company's capabilities and characteristics can provide the comprehensive and holistic professional engineering services responding to market demands. With increasing disputes and time pressures of new construction projects, the engineering industry actively thinks about introducing the new “outsourcing strategy” to resolve these issues. Therefore, the “turn-key” model that has been adopted in foreign countries for many years is introduced to Taiwan, aiming to mitigate the impacts from the streamlining of governmental staff to the public construction projects, to proceed on time with quality.

(2) Contracted Constructions become internationalized and larger:

After Taiwan joined the World Trade Organization, the domestic market has been opened to the foreign construction companies to enter for fair competition. To respond to this trend, the domestic players will also strengthen the company by cooperating with foreign companies in Taiwan or exploring international markets and foreign local players in response to this trend. Competitiveness. In response to the increase in global demand, the supply volume needs to be relatively increased. In view of the economies of scale, various engineering companies are also vying to upgrade their technology for

large-scale projects. In response to the increase in global demand, the supply volume needs to be relatively increased. In view of the economies of scale, various engineering companies are also vying to upgrade their technology for large-scale projects.

(3) Emphasis on research and development

As the construction industry develops toward to the large scale, under the fierce market competition, technology research and development work is bound to be gradually valued. The Company develops new work methods, new materials, and provide customers with multiple added value, while providing design ideas to reduce costs, in order to improve their competitiveness in the market, and establish the differentiated direction of efforts for each engineering company.

(4) Establish an exclusive construction brand

Establishing dialogues between people, art and the environment, as well as the brand value of the Company is not only the demands of purchasers for quality improvements regarding the living environment including the building design, internal layout, building materials, equipment and public facilities, but also the safety demands of consumers for their home. The Company stays true to the concept of human-oriented and the environmental, while upgrading the demands of consumers, for the product planning, the new products are launched according to "artistic," "innovative," "practical" and "humanity" to meet market demands; the after-sales service is also strengthened to establish the brand awareness in the minds of consumers.

(5) Global position for the international market

With the boundary-less internet, the international global village era comes; the planning and design of architectural product follow the trend of the world, and is no longer confined to specific regions. The cross-border real estate transactions have become more convenient, and the Taiwanese real estate market will also step forward to the international open market, and thus further promotes the formation of a common circulation platform for the real estate market in the Asia-Pacific region and four markets crossed the straight. Therefore, the Company will be globally deployed to the international market and launch real estate products.

6. Product competition

The main business of the Company is contracting and building public constructions, and the Company is taking the leading role in the

domestic Contracting Construction industry. The corporate image and construction quality have been recognized by the industry and government, which makes the Company competitive in the industry. The scale of public engineering expands, it is expected that the company's growth will continue to increase with a great momentum. Among the top 20 construction companies, our main competitors include the TWSE listed Continental Engineering, CTCI, DACIN Construction, KSECO, and Newasia Construction and TPEX listed Te Chang Construction.

(III) Availability of the main raw materials:

Unit: NTS

Main ingredient	2021			2022			2023			2024			114 years					
	Total purchase amount	The average of unit price	Main supplier	Total purchase amount	The average of unit price	Main Supplier	Total purchase amount	The average of unit price	Main supplier	Total purchase amount	The average of unit price	Main Supplier	Total purchase amount	The average of unit price	Main supplier			
Reinforcing steel	High tension (420)	1,102,269,250	NTS20,852/T	Donghe Fengxing Higuang Luodong	358,344,650	NTS22,318/T	Donghe Fengxing Zhiyi Wei Chih	966,438,850	NTS20,544/T	Donghe Luodong Higuang Fengxing Zhiyi Wei Chih	1,074,157,300	NTS20,391/T	Donghe Luodong Higuang Fengxing Zhiyi Wei Chih	526,896,370	NTS17,584/T	Donghe Luodong Higuang Fengxing Wei Chih		
	Medium tension (280)	106,966,300	NTS20,367/T		57,534,100	NTS20,929/T		180,578,350	NTS19,835/T		85,790,640	NTS18,614/T		42,081,710	NTS16,633/T			
	Others																	
	Total	1,209,235,550		Shyeh Sheng Fuat	415,878,750			1,147,017,200		Wei Chih	1,159,947,940			568,978,080				
Cement	Type I cement	1,195,934	NTS171/Bag	Songchi Jinyuanxin Chengzhou	5,634,735	NTS194/Bag	Songchi Chengzhou	2,731,863	NTS188/Bag	Jinyuanxin Chengzhou Songchi Shinye	2,804,653	NTS219/pack	Shinye, Songchi, Tsao Xin Tai, Youzhi, Yiqing, Hongjun, Hexuan, Yongtong, Hongshin, Jinyuanxin	14,345,611	NTS189/pack	Song Qi, Tsao Hsin Tai, Yong Tong Hardware, Hong Song, Yi Xin, Southeast, Yi Ching Hardware, Hsiang Sheng Hardware, Jin Yuan Xin, Cheng Zhou, Tai Ding Racking, Hsin Yeh Building Materials		
	Type II cement																	
	Other (Choujouchen)																	
	Total	1,195,934			5,634,735			2,731,863			2,804,653			14,345,611				
Sandstone	Ingredients			Jinsa			Jinsa Zhesheng Dashen			JR Guang								
	rocks, pebbles																	
	Fine aggregate																	
	Coarse aggregate				84,000	NTS1,500/m3												
	Construction sand	536,580	NTS660/m3		785,400	NTS1,050/m3												
Total	536,580		869,400				285,000	NTS404/m3										
Concrete	Pre-mixed concrete	2,234,346,830	280kgf/cm2 Northern: NTS2,396/m3	Dashen, Yonghe Yungchu, YuNan Hohsing, JiangFeng Songda, Wushung Xinyi, Xutian Yichang, Gouchen National and domestic, Guoshun Ronggong, Qinghuang GinCheng Xinsanya	2,104,098,862	280kgf/cm2 Northern: NTS3,064/m3 Central: NTS1,889/m3 Southern: NTS2,652/m3	Da Xiang, Yung Chu, Yu Nan, He Xing, Song Da, Wu Xiong, Hsin Yi, Yi Chang, Goldsun, Guo Pu, Guo Shun, RSEA, Ching Huang, Jian Cang, Huan Guan, New Sanya, Hung Jung	1,293,844,887	280kgf/cm2 Northern: NTS2,928/m3 Central: NTS2,400/m3 Southern: NTS2,700/m3	Xinsanya, Taisong, Yichang, Songda, YuNan, Qinglong, Guopu, Hexing, Dashen	356,438,180	280kgf/cm2 Northern: NTS3,002/m3 Central: NTS3,036/m3 Southern: NTS2,956/m3	Song Da, Yong Ju, Yi Chang, Yu Nan, He Xing, Da Xiang, Ching Huang, Goldsun	241,511,348	280kgf/cm2 Northern: NTS3,463/m3 Central: NTS2,910/m3 Southern: NTS3,005/m3	Guo Shun, Da Xiang, Yu Nan, Goldsun, Ya Dong, Song Da, Hsin Yi, Hung Jung, Yong Ju, Jin Qiang		
	Asphalt concrete	326,439,690	Dense-graded asphalt concrete: NTS6,661/m3	Sanxia, Yongli Jiangfeng, Jifeng Wancheng, Linming Hsinyu, Xinshu Changcheng, Weixin Guomei, Shengyang Luhe, Jingfeng Changmao, Liron	100,047,522	(1) Dense-graded asphalt concrete: NTS6,955/m3 (2) Renewed asphalt concrete (Dense-graded asphalt concrete with 30% of renewable materials): NTS3,461/m3	Sanxia, Jiangfeng, Jiding, Xinyu, Songwang, Lirong, Yuwei, Zhangmao, Longxin	183,343,944	(1) Dense-graded asphalt concrete: NTS5,617/m3 (2) Coarse graded asphalt concrete: NTS6,806/m3 (3) Renewable asphalt concrete pavement, coarse-graded mix: NTS2,317/m3	Meison, Wangcheng, Sanxia, Shenggong, Hongxin	116,434,095	(1) Dense-graded asphalt concrete: NTS7,453/m3 (2) Coarse graded asphalt concrete: NTS7,453/m3 (3) Renewed asphalt concrete (Dense-graded asphalt concrete with 30% of renewable materials): NTS4,923/m3	linming construction, Jingfeng, Yuwei, Jiding, Wangcheng, Sanxia, Jianli, Lirong	70,274,639	(1) Dense-graded asphalt concrete: NTS6,250/m3 (2) Coarse graded asphalt concrete: NTS6,252/m3 (3) Renewed asphalt concrete (Dense-graded asphalt concrete with 30% of renewable materials): NTS5,325/m3	Zhangmao, Linming Construction, Jingfeng, Sanxia, Wangcheng, Xinyu, Jianli, Lirong, Zhiheng		

Description: 1. the major procurement of the bulk materials of the Company includes RS and concrete. The regional and local vendors bid their quotes, and the HQ procures via tenders, to supply materials to the contractors.

2. The pre-mixed concrete has different compression strength; the 280kgf/cm2 is taken as the benchmark for the unit price reference.

(IV) A list of any suppliers and clients accounting for 10% or more of the Company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures.

Information of the main suppliers in the recent two years

Unit: NTD in thousands

Item	2024				2025				As of the previous quarter of 2026			
	Name	Amount	Percentage of the net amount for the full year procurement (%)	Relationship with the issuer	Name	Amount	Percentage of the net amount for the full year procurement (%)	Relationship with the issuer	Name	Amount	Accounted for the net purchase of goods ratio of the current year up to the previous quarter [%]	Relationship with the issuer
Others		22,291,929	100.00	-	Others	19,135,728	100.00	-	N/A			
Net purchase of goods		22,291,929	100.00	-	Net purchase of goods	19,135,728	100.00	-				

Note: No individual supplier accounted for more than 10% of the total purchases.

Information of the main clients for sale in the recent two years

Unit: NTD in thousands

Item	2024				2025				As of the previous quarter of 2026			
	Name	Amount	Percentage of the net amount for the full year sales (%)	Relationship with the issuer	Name	Amount	Percentage of the net amount for the full year sales (%)	Relationship with the issuer	Name	Amount	Accounted for the net sales ratio of the current year up to the previous quarter [%]	Relationship with the issuer
1	MRT Engineering Bureau of Taoyuan Government	4,751,414	19.92	-	MRT Engineering Bureau of Taoyuan Government	3,094,950	14.94	-	N/A			
2	Hsinchu Science Park Bureau, NSTC	4,110,989	17.24	-	Hsinchu Science Park Bureau, NSTC	2,897,500	13.99	-				
3	Water Resources Agency, Ministry of Economic Affairs	2,296,107	9.63	-	New Construction Office of New Taipei City Government	1,661,800	8.02	-				
4	New Construction Office of New Taipei City Government	2,134,102	8.95	-	Water Resources Agency, Ministry of Economic Affairs	1,598,455	7.72	-				
	Others	10,553,975	44.26	-	Others	11,465,729	55.33	-				
	Net Sales	23,846,587	100.00	-	Net Sales	20,718,434	100.00	-				

Reason of increase/decrease: the Company engages contracted construction, and the operating revenues are recognized with the completion proportion method for each project. As the invested cost and progress differs for each project in the year, the recognized operating revenues vary as well.

III. The number of employees, average service period, average age and education background of the employees in the last two years and up to the published date of this annual report

March 31, 2026

Year		2024	2025	Current year as of March 31, 2026 (Note)
Employee Headcount	General staff	248	240	252
	Technical staff	997	1,027	1,020
	Total	1,245	1,267	1,272
Average age		42.11	42.38	42.44
Average of service years		5.3	4.97	5.63
Educational Attainment Distribution	PhD	0.24%	0.08%	0.16%
	Master	16.31%	15.47%	16.27%
	College/University	73.65%	74.35%	73.20%
	Senior High School	8.84%	9.07%	9.43%
	Under high school	0.96%	1.03%	0.94%

Note: The annual information shall be filled out, as of the printed out date of the annual report.

IV. Information on environmental expenditure

(I) The total lost and disposal amount due to the environmental pollution in the most recent year:

Content \ Period	2025 (as of the end of December)	2024	2023	Total
Pollution status -type -level	Violation of road cleanness, air, water and noise pollution Mild	Violation of road cleanness, air, water and noise pollution Mild	Violation of road cleanness, air, water and noise pollution Mild	-
Subject of compensation or the disciplinary unit	Engineering Office Local environmental protection agency	Engineering Office Local environmental protection agency	Engineering Office Local environmental protection agency	-
Compensation amount or disposition status	53 cases in total	9 cases in total	12 cases in total	74 cases
	Fined NT\$1,616,200	Fined NT\$358,600	Fined NT\$232,500	NT\$2,207,300
Other losses	None	None	None	-

(II) The response measures and possible expenditures in the future:

1. It is expected to adopt the improvement measures

(1) Improvement plan

- A. Reinforce the promotion of environmental awareness and manage the contractors for the pollution prevention and control at various construction sites, as well as implementation of low-pollution methods and purchase low-pollution construction tools.
- B. Conduct regular and irregular site assessments of environmental protection and reward the site to improve the environmental protection.
- C. Before the work is operated, the risk assessment shall be conducted according to the requirements of the company's management system ISO14001, so that the various environmental protection regulations can be implemented to reduce the risk and impact on the environment.
- D. Use the low-pollution and low-noise construction facility and equipment.
- E. Found a special unit to supervise the results of implementation on each site.
- F. Conducts the 6S environment cleaning assessment of each Engineering construction office, so that the engineers will be aware of the environment, manage and maintain the environment at workplace. As the company is facing the challenges in the operating environment, it is expected that all employees to work hard to break through the bottlenecks to create a highly efficient working environment and enhance the competitiveness as well as the safety of personnel and work quality and efficiency.
- G. In response to the Company's ESG policy, the Company completed a greenhouse gas inventory for the entire company in 2022 and obtained reasonable assurance. Subsequently, the Company will analyze the data and develop carbon reduction strategies to achieve sustainable operations and carbon neutrality.

(2) Estimated environmental capital expenditure for the next three years

Year Content	2026	2027	2028
The proposed purchase of pollution prevention equipment or expenditure	A. Include a budget for safety, health and environmental maintenance for each project. B. The expenditures are primarily used for the installation of vehicle washing facilities, sedimentation/clean water tanks, rental of water sprinkling trucks, procurement of vehicle washing equipment, wastewater treatment facilities, environmental monitoring instruments, as well as noise reduction, sound insulation measures, and ecological conservation monitoring.	Same as left	Same as left
Expected improvement	Reduce environmental pollution	Same as left	Same as left
Amount	NT\$10,000 thousand	NT\$10,000 thousand	NT\$10,000 thousand

(3) Impact after the improvement

Year Content	2026	2027	2028
Impact on the net profit	Reduce the general public's complaints, fines, and increase the depreciation fee of equipment.	Same as left	Same as left
Expected improvement	Enhance the corporate image which is beneficial to the progress of the project.	Same as left	Same as left

(III) Maintenance measures of the work environment:

1. Comply with the relevant laws and regulations.
2. Each project shall be subject to stipulate applicable plan for the environmental maintenance, waste cleaning, and wastewater handing at the construction site.
3. Request the contractors to comply with relevant environmental regulations and pay attention to the cleanness of the construction environment.
4. In order to reduce air pollution at the construction site, the vendors are requested to install a filter or a smoke evacuator to reduce the generation of pollution sources to create a good working environment.
5. To reduce the noise pollution from the construction machines, the vendors are required to apply the low-noise machine, or low-noise

- methods. Because the machines tend to create noise and vibrations, the buffers are added at the bases or change the working period, to reduce the generation of noise source and create a good operating environment.
6. Set up the construction canvas and curtains in the residential area to reduce any possible impact to the environment due to the construction.
 7. The exhumed soils in the open air digging operation are covered by canvas or straws and the passage roads are sprinkled with water to avoid dusts from being blown in the air.
 8. In the ecology protection zone, ecology monitoring is conducted pursuant to environmental protection project.
 9. In compliance with environmental impact assessment commitments and with due consideration to breeding seasons of flora and fauna, the Company installs artificial nesting boxes using existing tree species at construction sites to provide habitats for birds.
 10. During construction, the life cycle method is considered to select the operation technique, and the greenhouse gas emissions generated by Categories 1 and 2 of each engineering office are included in the carbon inspection calculation.
 11. In addition to continuing the carbon audits for categories 1 and 2, there will be an expansion to include category 3 audits in the future.
 12. Planning for the optimization/systematization of ESG information management methods to streamline the process of consolidating energy information across departments and accelerate the achievement of carbon neutrality goals.

V. Labor relations:

- (I) The company's various employee welfare, advanced studies, training, retirement system and the implementation, and the agreement between labor and the company regarding to the employee rights are as follows:
 1. The Company has created the "Employees' Welfare Committee of BES Engineering Corporation" according to the "Employee benefits regulations" and the following are stipulated: "Donation regulations for the Employees' Welfare Committee of BES Engineering Corporation," "Work Rules of the Employees' Welfare Committee of BES Engineering Corporation," "key points of rewarding construction materials for the Employees' Welfare Committee of BES Engineering Corporation," "Scholarship application for the Employees' Welfare Committee of BES Engineering Corporation" and the "Key points for the implementation of employees' recreation activities for the Employees' Welfare Committee

of BES Engineering Corporation.” The Staff Welfare Committee conducts various welfare and recreational measures for the employees of the Company. The company's employees will be rewarded with NT\$6,000 to 15,000 (including the Chinese Year Festival, Dragon Boat Festival) during each holiday season. The Staff Welfare Committee awarded a total of scholarships NT\$740,500 in 2025. In addition, in order to take care of the employees’ safety at the work site, the Company has insured all employees with group insurance of life insurance for 2 million dollars per person and 2 million dollars of accident insurance.

2. The Company has established the “Guidelines Governing Remuneration to Employees.” At the 2025 annual shareholders’ meeting, a total of NT\$18,378,903 in employee remuneration was approved as part of the 2024 earnings distribution. Based on employee rank and performance evaluation, the distribution amount ranged from NT\$2,140 to NT\$1,000,000. The top ten recipients of employee remuneration were: Chairman and President Chou Chih-Ming, Assistant manager Yu Li-Cheng, Department Manager Tsai Yueh-Feng, Assistant manager Chiu Yung-Tsai, Special Assistant Chang Wen-Pin, Assistant manager Yang Mei-Yuan, Assistant manager Cheng An-Tzu, Department Manager Su Li-Mei, Department Manager Li Chen-Ming, and Department Manager Li Wei-Teng, totaling NT\$4,018,345.
3. The Company has established the “Employee Training Regulations” to systematically develop a learning and development framework based on organizational strategy and talent development needs. The Company continuously provides employees with job-related training and has established the following main training categories and methods:
 - (1) Training category
 - A. New employees training:

Designed to help new employees quickly understand the Company’s business operations, systems, and corporate culture, and to become familiar with its core values and vision. Training content is tailored to different job roles and work environments (including headquarters and engineering offices), enabling new hires to integrate quickly and acquire basic competencies.
 - B. General competency training:

Provides cross-functional foundational courses to enhance employees’ basic work capabilities, work attitudes, and career development awareness, thereby improving overall work effectiveness.

C. Core competency training:

Defines organizational capabilities based on the Company's mission and long-term objectives, including skills, knowledge, and behavioral attributes. Through such training, employees are expected to understand and embody corporate culture and demonstrate core competencies. The Company has identified seven core competencies: accountability, integrity, pursuit of excellence, proactiveness, execution, communication and coordination, and teamwork.

D. Management competency training:

Targets supervisors at entry, mid, and senior levels, with the aim of strengthening leadership, team management, and goal achievement capabilities.

E. Professional competency training:

In response to the diverse professional and competency needs of each department, we provide a variety of courses in professional knowledge, technical or practical experience for employees to improve their professional competence and enhance their job performance.

(2) Training methods

Employees and the organization's learning and development needs are assessed for suitable employee education and training methods, and the conditions of the trainees, number of people, and other conditions are taken into account. Its categories are as the following: ① In-house training: the internal organizers of the company will focus on the training of the related employees. ② Commissioned training: In order to achieve specific company goals or comply with legal requirements, if evaluations show that outsourcing training to external organizations is more cost-effective or effective, it is advisable to commission the relevant agency to conduct centralized training. ③ Training assignment: Assign individuals from various units to participate in training provided by external professional institutions, schools or training units.

4. In 2025, the Company continued to invest in education and training resources, conducting 223 in-house and commissioned training sessions and 255 external training sessions. Total training participation reached 17,815 person-times, with 35,543 total training hours and total training expenses amounting to NT\$5,637,792.

5. Major training programs conducted in 2025 include:

- (1) Succession Plan: To build leadership capacity within the succession pipeline, the Company organized five shared learning and exchange courses, covering topics including “Leadership Assessment,” “Talent IDP Development,” “Process Design and Cross-Department Communication,” and “Leveraging AI Technology to Build High-Impact Presentation Skills.” At the end of the year, the Company also held the “Succession Talent IDP Year-End Sharing Session” to showcase learning outcomes and development results.
- (2) Leadership Development: To strengthen the managerial competencies required for employees in management positions, the Company organized a series of “Management Competency Training” courses, consisting of three courses in five sessions for different job grades. Topics included “Co-learning for Senior Executives and Successor Talent / Amazon’s Eye × Accountability Influence,” “Mid-level Managers / Situational Leadership,” and “Junior Managers / Using People Effectively—Making Management Less Burdensome.”
- (3) Engineering Professional Courses for Internal Instructor Training: To assist internal instructors in delivering foundational professional knowledge to employees at engineering offices, the Company developed five online foundational engineering training courses for use on the internal learning platform: “Construction Management—Schedule Management,” “Building Engineering MEP Systems—The Five Major Pipelines,” “On-site Operational Safety and Hazard Prevention,” “Construction Daily Log Reporting,” and “Steel Structure Engineering—Film Thickness Inspection.” The Company also assisted engineering office employees in independently organizing in-person internal training courses such as “Construction Quality Inspection” and “Engineering Operations Management.”
- (4) AI Empowerment: To help employees learn how to integrate AI technology into their work and improve efficiency, the Company organized courses including “AI Productivity Skills: Use ChatGPT Effectively to Say Goodbye to Workplace Procrastination,” “Leveraging AI Technology to Build High-Impact Presentation Skills,” and “Overview of Generative AI and Related Modeling Applications.”
- (5) ESG Sustainability Courses: In response to current issues such as global carbon reduction trends, sustainable development, and energy transition, the Company organized the course “2025 Sustainability

Consensus Camp / Smart Civil Engineering, Sustainable Green Building—Net-Zero Buildings and Climate Action,” as well as a stakeholder communication and engagement course titled “Building High-Trust Investor Communication with the ESG Spirit.”

- (6) Compliance Courses: To implement the Company’s core values of ethical management, strengthen proper legal compliance and information security awareness, and foster a gender-friendly workplace, the Company organized courses including “Ethical Management and Corporate Governance,” “Overview of Law and Basic Concepts of Civil and Criminal Law,” “Workplace Bullying and Workplace Unlawful Infringement—Practical Case Analysis and Preventive Measures (Supervisor Edition / Employee Edition),” “Prevention of Workplace Sexual Harassment and Unlawful Infringement,” and “Information Security Awareness Training for General Personnel (including the Personal Data Protection Act).” These courses were also produced as online learning modules for use on the internal learning platform.
- (7) Diverse Learning: To broaden the scope of diversified learning, the Company arranged various online courses and learning resources, including “Principles of Blockchain and Development Trends of Virtual Assets,” “AI Productivity Skills: Use ChatGPT Effectively to Say Goodbye to Workplace Procrastination,” “Agile Communication Skills,” “Accountability: A Workplace Superpower for Improving Job Performance,” “QBQ: The Question Behind the Question,” and “Managing Up.”
- (8) Taiwan Occupational Safety Card: To reduce workplace accidents, strengthen occupational safety awareness, and implement protective measures, the Company organized 31 times of “Taiwan Occupational Safety Card” training sessions. (including foreign migrant workers and third-party contractors)
- (9) Health Promotion Lectures: To care for employees’ physical and mental well-being and provide health knowledge, the Company organized courses including “Defeating the Potential Twin Killers—Hypertension and Hyperlipidemia,” “Healthy Eating for Better Eye Health,” “Small Changes, Greater Comfort—A Discussion on Vision Care,” “The Impact of Environmental Hormones on Health,” “Ultra-Slow Jogging for Everyone—Let’s Get Moving Together,” and “CPR + AED First Aid Training Course.”

6. Major External Professional Training Programs Attended by the Company's Professionals in 2025:

- (1) "220-hour Training Program for Construction Site Supervisors" (including refresher training), with a total of 17 participants. Training institutions attended by employees across Taiwan included the National Association of Construction Site Supervisors, the Chinese Industry Association, the Taipei Construction Industry Rights Promotion Foundation, National Central University, and National Taipei University of Technology, among others.
- (2) "Public Construction Quality Management Personnel Training Program" (including refresher training), with a total of 41 participants. Training institutions included National Central University, Chung Yuan Christian University, the Extension Education Division of Tamkang University, National Taipei University of Technology, and the China Productivity Center, among others.
- (3) "Occupational Safety and Health Management Personnel Training Program" (including Class A Occupational Safety and Health Supervisors in the construction industry, occupational safety and health administrators, occupational safety managers/engineers, and refresher training for relevant personnel), with a total of 109 participants. Training institutions included the Chinese Occupational Skills Development Association, the Taiwan Safety and Health Development Association, the Occupational Safety and Health Association of R.O.C., the Labor Safety and Health Management Association of China, the Taiwan Provincial Industrial Safety and Health Association, the China Labor Education Advancement Association, the Industrial Safety and Health Association of R.O.C., the China Productivity Center, and the Occupational Accident Prevention Association of R.O.C., among others.

7. As a listed company, the Company places particular emphasis on enhancing the professional competence of its internal auditors and arranges for them to attend relevant training programs annually. Auditor Chiao Ai-shan participated in courses including "Practical Audit Techniques" and "Analysis of Sustainability Reports and Audit Practices of Sustainability Information" organized by the Institute of Internal Auditors, R.O.C., as well as the course "FinTech from the Perspective of Stablecoins: Blockchain Practice and Future" organized by the Taipei Financial Research and Development Foundation. Auditor Hsieh Ru-ying participated in courses including "Focusing on Operational System

Auditing and Integration Across Cycles and Operations” and “Key Seminar on Sustainability Information Management and Internal Control and Internal Audit Practices,” both organized by the Institute of Internal Auditors, R.O.C. Auditor Lien Wan-ting participated in the “Pre-service Training Program for Newly Appointed Internal Auditors” organized by the same institute.

8. The training courses of corporate governance participated by the Company's supervisors are as follows:

In May 2025, Accounting Department Manager Su Yu-min attended the “2025 Insider Trading Prevention Seminar” organized by the Securities and Futures Institute, totaling 4 hours. In November 2025, he also attended the “Continuing Education Program for Chief Accounting Officers of Issuers, Securities Firms, and Stock Exchanges” organized by the Accounting Research and Development Foundation, totaling 12 hours.

9. The Company has stipulated the "Organization Rules of the Labor Retirement Subsidy Supervision Committee " and "Employees Retirement and Remuneration and the Severance Measures” and create the "Labor Retirement Reserves Supervisory Committee," in accordance with the "Labor Act" and the "Regulations for the Allocation and Management of the Workers' Retirement Reserve Funds," to supervise the provision and manage the retirement reserve of the employees. The company also conduct the retirement, severance pay and pension matters of the employees in accordance with the law. In 2018 , there are 5 people retired and 1 people at the retirement age from the Company.
10. According to the "Labor Union Act" and the "Implementation Rules of Labor Union Act," the Company's employees stipulated the "Work Rules of the Employees' Welfare Committee of BES Engineering Corporation" and founded the Labor Union. The representative of Labor Union was selected according to the "Member Representative Organization Rules of the BES Engineering Corporation" and the attending representatives selected the directors, backup directors, supervisors and backup supervisors according to the "Labor Union Supervisor Election Method of BES Engineering Corporation" by the anonymous method. The Labor Union regularly hold board and members’ meetings. The company assigns relevant business executives to attend the meetings so that the labor and the Company will have an open communication to maintain the employees' rights and interests.

- (II) The losses caused by the labor disputes in recent years and the corresponding measures that may be adopted due to the losses in labor disputes at present and in the future:

The company has not suffered losses due to the labor disputes in recent years. In order to establish a harmonious relationship between labor and the Company, any company's policies and regulations will be communicated with employees or labor union before announcement, so that the employees can closely work together with the company to create surpluses for the Company.

- (III) Employee Code of Conduct and Ethics:

1. The Company has stipulated the "Employee Code of Conduct" as the guidelines for the Company's directors, managers and all employees to follow, and its main contents are as follows:
 - (1) All employees' behaviors should be honest and ethical, especially when there is a conflict of interest with their duties.
 - (2) The Company's confidential business operations and information should be kept confidential.
 - (3) The periodic report should be disclosed and presented in a comprehensive, fair, proper, timely and easy-to-understand manner.
 - (4) Treat customers, suppliers and competitors in a fair manner.
 - (5) Protect the Company's assets for effective usage.
 - (6) Comply with the government's laws and regulations, including laws and regulations related to insider trading.
 - (7) When there is a violation of this Code of Conduct or a doubt of violation, one should respond to the appropriate personnel listed in this Code of Conduct.
2. In order to specify the behavior and ethics for all employees, the Company has stipulated the "Work Rules for Staffs of BES Engineering Corporation," "employee's reward and punishment method" and "the main points of damage compensation for employees," the "leaves and attendance management measures," etc.; they are all announced on the Company's internal website for all employees to review and follow.
3. To prevent employees from occupational injury or death BES has set up and publicized regulations and systems including the "Safety and health and environment protection policy", "Safety and health and environment and safety protection management guidelines", "Industrial safety and health training guidelines", "Precautions against natural disasters", "Employee physical and health exam guidelines" and "Safety protection management guidelines" Colleagues' Physical Examination and Health Examination Measures", and "Safety Protection Management Measures"

in the regulation page on the BES website; BES also holds promotion, lectures and inspection program from time to time.

(IV) Corporate International Human Rights Practices

The Company adheres to the objectives set forth in international human rights conventions, including the *International Covenant on Civil and Political Rights*, the *Universal Declaration of Human Rights*, the *United Nations Global Compact*, and the *International Labour Organization's Declaration on Fundamental Principles and Rights at Work*. It is committed to creating a safe, healthy, respectful, and inclusive working environment, ensuring that every employee is treated with dignity. Human rights assessments are incorporated into the Company's material sustainability topics, and the impact of human rights issues on business operations is regularly reviewed and managed. The human rights issues of concern to the Company include the following:

1. Prohibition of child labor/illegal migrant workers.
2. Prohibition of forced and compulsory labor
3. Creating a workplace free from discrimination and hostility.
4. Prohibition of workplace harassment and unlawful infringement
5. Promoting a healthy and safe workplace.
6. Implementation of personal data protection
7. Emphasis on stakeholder communication

The Company will continue to strengthen human rights awareness and implement corporate social responsibility through institutional frameworks, education and training, and stakeholder engagement, thereby promoting harmonious labor relations and advancing toward the vision of sustainable operations.

VI. Information Security Management

(I) Information Security Risk Management Framework, Policies, Specific Management Measures, and Resources Invested:

1. Information Security Risk Management Framework:

The Company established an Information Security Office at the end of 2022, responsible for planning and implementing information security operations management, establishing and maintaining the Information Security Management System (ISMS), and coordinating the formulation, execution, risk management, and compliance auditing of information security and protection policies. In addition, the Company has established the promotion task force with the President to concurrently act as the Chief Information Security Officer, the Head of Command Center to act

as the Supervisor and Information Security Officer, two full-time information security managers are assigned, and the heads of all internal units (including legal, audit, information and engineering) of the Company act as the task force members, in order to be responsible for the promotion of information security and relevant audits of the Company.

2. Information Security Policy:

The Company's information security management policy is developed with reference to the ISO 27001:2022 framework, aiming to meet international standards across all control domains. ISO 27001:2022 is also adopted as the template for internal information security audits. A three-year blueprint has been established, requiring the information unit to maintain documented procedures, methods, forms, and system operation records, including execution logs, to facilitate future audits. These serve as the Company's fundamental operational controls for safeguarding corporate data.

3. Resources Invested:

Information security has been incorporated as a key ESG initiative, with short- and medium-term objectives established and regular progress review meetings conducted to embed information security awareness into corporate management processes. Key resource investments include:

- (1) As of the end of 2025, total annual internal and external ~~total~~ training hours for information security personnel exceeded 200 hours, including programs such as ISO 27001:2022 Lead Auditor (LA), Google Cybersecurity Certificate, and Xcitium Essentials AEP, ensuring sufficient professional capability to continuously advance ISMS implementation.
- (2) In September 2025, the Company launched the "ISO 27001 Information Security Management System Implementation and Certification Service" project, engaging Deloitte & Touche Management Consulting to provide professional advisory services. This supports ISMS establishment, implementation, and gap remediation, with external certification expected by the end of 2026.
- (3) The Company joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) in 2022, regularly receiving cybersecurity bulletins, vulnerability disclosures, and other relevant intelligence, thereby enhancing its cybersecurity defense and incident response capabilities.
- (4) The Company plans to start introducing the Security Scorecard mechanism for information security assessment in 2026, and

continuously improve the information security risks of its external system environment. It is expected to achieve an A-level information security assessment by the end of 2026.

4. Specific management plan:

- (1) Personnel management: through continuous training, we aim to enhance employees' awareness of information security and integrate it into various operations, with the goal of effectively reducing human-related risks.
 - (2) Security Monitoring: Regular updates are carried out for hardware, firewall firmware, and blocking rules, along with corresponding intrusion detection. External asymmetric network modules and dictionary attack prevention modules are activated, and maintenance contracts are signed on a regular basis to ensure that the basic hardware firewall's defense mechanisms and rules are automatically updated in near real-time with the vendor, reducing the risk of hacker attacks. The Company also plans to implement information security threat detection and management services, internal and external email backup systems, and advanced anti-spam protection systems. Furthermore, it plans to collaborate with external Security Operations Centers (SOC) to monitor internal and external anomalies, enabling automatic alerts for suspicious activities and real-time response by administrators to establish a robust security defense.
 - (3) Process Management: Responsibilities for software development, program modification procedures, system documentation management, and access control for programs and data are clearly defined within the information system lifecycle. External support and maintenance contracts for critical systems and network infrastructure are also arranged to enhance technical support and ensure timely updates.
 - (4) Internal Control Management: The internal audit unit conducts annual audits on information systems, information security, and network security control measures to ensure effective implementation and continuous improvement. It also reviews authorization and usage records of high-level system access, as well as the update frequency of user access lists and related control documentation.
- (II) List the losses incurred from material cybersecurity incidents and their potential impacts, along with the countermeasures taken, over the past year up to the annual report publication date. If the amount cannot be reasonably estimated, state the fact that a reasonable estimate is not possible:

The Company has not experienced any material cybersecurity incidents resulting in operational losses in the most recent year up to the annual report publication date.

Going forward, the Company will conduct dynamic risk assessments of core systems to address evolving cybersecurity threats. It will also regularly organize information security training and phishing simulation exercises to enhance employee awareness, reduce intrusion risks, and safeguard the interests of the Company and its shareholders.

VII. Conclusion of Important Contract

Unit: NTD in thousands

Nature of the contract	Homeowner	Project contents and contract amount	Starting date	Restrictions
Contract of the engineering construction	Second District Engineering Office of Taipei City Government MRT Engineering Bureau	CR580C Eastward Section Project of Xinyi Section in the Taipei MRT System: NT\$4,570,353 thousand	October, 2016~ October 2026	None
Contract of the engineering construction	Taoyuan International Airport Corporation	The construction of parking apron, taxiway and apron facilities in terminal III of Taiwan Taoyuan International Airport: NT\$3,437,962 thousand	May, 2017~ November 2026	None
Contract of the engineering construction	National Taiwan University Hospital	The new construction project of the Health Building in National Taiwan University Hospital: NT\$2,180,526 thousand	October, 2018~ September 2024	None
Contract of the engineering construction	MRT Engineering Bureau of Taoyuan Government	GM01 electromechanical system turnkey engineering project of the Taoyuan MRT Green Line: NT\$11,096,437 thousand	January, 2019~ June 2031	None
Contract of the engineering construction	MRT Engineering Bureau of Taoyuan Government	GC02 civil engineering and construction turnkey project of the underground section between the daylighting section to G07 Station (exclusive) of the Taoyuan MRT Green Line: NT\$11,474,703 thousand	July 2019~ May 2030	None
Contract of the engineering construction	Taiwan Railways Administration, MOTC	ME06A The electromechanical system engineering of the project of the addition of Station of Terminal Three, Taoyuan Airport (A14 Station) and the extension to Chungli Railway Station: NT\$640,594 thousand	October 2019 ~ September 2028	None
Contract of the engineering construction	New Construction Office of New Taipei City Government	Turnkey project for renovation of the First Vegetable and Fruit Market (in-embankment relay) and Wan-Da Wholesale Market: NT\$16,758,828 thousand	February 2020 ~ August 2029	None
Contract of the engineering construction	Land Administration Department, New Taipei City Government	Hsing Tai Wen Zai Jun Zone 2 land replotting project in New Taipei City: NT\$4,822,252 thousand	September 2021 January 2027	None
Contract of the engineering construction	National Taiwan University Hospital	Jiankang Building New Construction Project (Interior, Plumbing, Electrical, and HVAC – Phase 1) NT\$2,575,740 thousand	February 2022 ~ February 2025	None

Nature of the contract	Homeowner	Project contents and contract amount	Starting date	Restrictions
Contract of the engineering construction	Taoyuan City Government Aerotropolis Project Office	Taoyuan Aerotropolis Zone Expropriation Project – Contract A2 Turnkey Project: NT\$5,940,000 thousand	February 2022 ~ May 2027	None
Contract of the engineering construction	Hsinchu Science Park Bureau	Hsinchu Science Park (Baoshan land) Phase 2 expansion - First tender project: NT\$5,993,022 thousand	August 2022-September 2026	None
Contract of the engineering construction	Taiwan Water Corporation	Niaozui Lake purification field new construction turnkey project (continued): NT\$2,041,667 thousand	December, 2022 ~ November 2026	None
Contract of the engineering construction	Sun Ba Power Corp.	Sun Ba Phase 2 solar photovoltaic equipment and detention basin turnkey project: NT\$159,705 thousand	February 2023-June 2026	None
Contract of the engineering construction	Hsinchu Science Park Bureau, NSTC	Hsinchu Science Park (Baoshan land) Phase 2 expansion - Second tender project: NT\$6,582,717 thousand	February 2023-May 2026	None
Contract of the engineering construction	Central Construction Office of Nuclear Thermal Power Engineering Office of Taiwan Power Company.	Tongxiao Power Plant Phase 2 renewal and renovation project for cooling circular water system pump facility room and retarded flow basin project: NT\$4,521,500 thousand	April 2023 ~ October, 2029	None
Contract of the engineering construction	North District Construction Office, Transmission and Distribution Engineering Department, Taiwan Power Company Ltd.	Construction of Songhu Ultra-High Voltage Substation and Multi-Purpose Building: NT\$4,500,000 thousand	September 2023 ~ July 2030	None
Contract of the engineering construction	Taiwan National Highway Bureau	Kaohsiung New Town Roads 1-1, 1-2, and 1-3 Cross-Highway Project (Tender X101G): NT\$4,719,939 thousand	November 2023 ~ November 2027	None
Contract of the engineering construction	Taipei Twin Towers Co., Ltd.	Taipei City West Gateway Taipei Main Station Specialized Zone D1 (East Block) land development new construction project: NT\$4,930,610 thousand	April 2023 ~ March 2028	None
Contract of the engineering construction	Taipei Twin Towers Co., Ltd.	Taipei City West Gateway Taipei Main Station Specialized Zone C1 land development new construction project: NT\$3,201,697 thousand	April 2023 ~ May 2027	None
Contract of the engineering construction	Southern District Water Resources Bureau, Ministry of Economic Affairs	Tainan Seawater Dampening Plant turnkey project (Phase 1) and maintenance and operation: NT\$9,014.843 thousand	June 2024-April 2029	None
Contract of the engineering construction	Central District Construction Office, Transmission and Distribution Engineering Department, Taiwan Power Company Ltd.	345KV Gangfeng - Central Taiwan Science Park, Hengshan - Central Taiwan Science Par Cable Line Tunneling and Associated Electromechanical Turnkey Project (1st worksite): NT\$8,220.730 thousand	December 2024-October 2031	None
Contract of the engineering construction	Formosa Plastics Construction Corporation	Formosa Plastics Building's urban renewal and new construction master turnkey project: NT\$21,980,000 thousand	July 2024-December 2029	None

Nature of the contract	Homeowner	Project contents and contract amount	Starting date	Restrictions
Contract of the engineering construction	Taiwan Ministry of Transportation, Directorate General of Highways, Northern Region Highway Construction Engineering Division	Taiwan Provincial Highway No. 61 (WH-2H), Hsinchu Section 77K+040 to 85K+865 At-Grade Intersection Improvement Project: NT\$12,055,900 thousand	March 2026 March 2030	None

Unite: NT\$

Nature of the contract	Company Name	Contract name	Contract amount	Date of bid	Restrictions
Subcontracted projects	Jiangfeng Construction Co., Ltd.	Earthwork project	369,996,900	2025/1/13	None
Subcontracted projects	Fumi Enterprise Co., Ltd.	Fire Protection Works for the Entire Project Area	207,410,000	2025/1/23	None
Subcontracted projects	Le Shine Interior Design Co., Ltd.	Standard Floor and Elevator Hall Interior Renovation Works for Building B in the Entire Project Area	84,800,000	2025/01/23	None
Subcontracted projects	Ze Fang Interior Design Decoration Co., Ltd.	Low-rise Interior Renovation Works for Buildings A, B, and C in the Entire Project Area	236,000,000	2025/01/23	None
Subcontracted projects	Fumi Enterprise Co., Ltd.	Water Supply and Drainage Works for the Entire Project Area	302,930,000	2025/01/23	None
Subcontracted projects	Fumi Enterprise Co., Ltd.	Electrical Works for the Entire Project Area	501,920,000	2025/01/23	None
Subcontracted projects	Ze Fang Interior Design Decoration Co., Ltd.	Standard Floor Interior Renovation Works for Building A in the Entire Project Area	173,000,000	2025/1/23	None
Subcontracted projects	Wo He Landscape Design Co., Ltd.	Landscape projects (I)	79,500,000	2025/2/4	None
Subcontracted projects	Yi Xin Engineering Co., Ltd.	Formwork Works (3rd Supplemental Contract)	106,187,225	2025/2/5	None
Materials procurement	Nakosin Enterprise Co., Ltd.	Procurement of Galvanized Steel Pipes and Galvanized Heavy-Gauge Steel Conduits	52,699,991	2025/2/7	None
Materials procurement	Ever-Pot International Technology Co., Ltd.	Procurement of Heat-Resistant Fans	53,000,000	2025/3/10	None
Subcontracted projects	Okumura Corporation Taiwan Branch (JP)	Shield Tunneling Works (1st Supplemental Contract)	105,415,859	2025/3/10	None
Subcontracted projects	Huayi Landscape Co., Ltd.	Landscape projects (zone B)	103,000,000	2025/03/12	None
Subcontracted projects	Tung Hsing Engineering Co., Ltd.	Earthwork project	72,000,000	2025/03/17	None

Nature of the contract	Company Name	Contract name	Contract amount	Date of bid	Restrictions
Subcontracted projects	Rui Guang Landscape Design Co., Ltd.	Structural Works for the North Depot Administration Building (1st Supplemental Contract)	70,881,781	2025/3/28	None
Materials procurement	Home Boutique International Ltd.	Procurement of Indoor Bathroom Equipment	52,299,868	2025/4/5	None
Subcontracted projects	Chunghwa Telecom Co., Ltd., Enterprise Customer Branch	5G Co-construction, Radio Services, and Fiber Backbone Works	85,500,000	2025/04/11	None
Subcontracted projects	Jinyi Metal Engineering Co., Ltd.	Metal Works	73,999,700	2025/04/11	None
Materials procurement	Be New Form Building Material Co., Ltd.	Tile Procurement	77,499,804	2025/4/17	None
Materials procurement	Shanghai Fengdi Household Products Co., Ltd.	Procurement of Interior Soft Furnishings for the First-floor Lobby of Tao Zhu Yin Yuan	52,882,364	2025/4/18	None
Subcontracted projects	Alumi International Co., Ltd.	North machinery plant steel structure project (2nd supplementary contract)	65,000,000	2025/4/18	None
Subcontracted projects	Ri Yang Construction Co., Ltd.	G03 station structure project (III)	147,000,000	2025/4/22	None
Subcontracted projects	Ri Yang Construction Co., Ltd.	VS5 station structure project (III)	57,800,000	2025/4/22	None
Subcontracted projects	Siemens Taiwan	Fire Protection System Works	96,500,000	2025/4/29	None
Subcontracted projects	Su-Chen-Shin Construction Co., Ltd.	Working Shaft and Tunnel Excavation Support Works (I)	1,228,557,561	2025/5/7	None
Subcontracted projects	Fushi Construction Co., Ltd.	Landscape Works for the North Depot	79,500,000	2025/5/8	None
Subcontracted projects	Hung.Da Construction Co., Ltd.	Stainless Steel Pipe Works	167,499,997	2025/5/13	None
Subcontracted projects	Yidian Industrial Co., Ltd.	Temporary Substation Works	54,500,000	2025/5/19	None
Materials procurement	Su-Chen-Shin Construction Co., Ltd.	Procurement of Ductile Iron Pipes (II)	90,299,797	2025/5/21	None
Subcontracted projects	Tung Feng Construction Co., Ltd.	Continuous wall project	609,000,000	2025/6/2	None
Subcontracted projects	Jiangfeng Construction Co., Ltd.	Working Shaft and Tunnel Excavation Support Works (II)	239,652,431	2025/6/7	None
Subcontracted projects	Chang Yu Construction Co., Ltd.	Building Works for the Administration Building and Standby Room (1st Supplemental Contract)	62,361,142	2025/6/11	None

Nature of the contract	Company Name	Contract name	Contract amount	Date of bid	Restrictions
Subcontracted projects	Fu Gang Engineering Co., Ltd	Full-casing Bored Pile Works (I) (2nd Supplemental Contract)	75,537,578	2025/6/11	None
Materials procurement	Goldsun Building Materials Co., Ltd., Xizhi Plant	Ready-mixed concrete procurement (II)	378,059,010	2025/6/19	None
Subcontracted projects	King Polytechnic Engineering Co., Ltd.	Electrical and Plumbing Works (Zone B) (1st Supplemental Contract)	74,679,999	2025/6/26	None
Subcontracted projects	Yijia Mechanical and Electrical Engineering Co., Ltd.	Electrical and Plumbing Works (Zone A)(1st Supplemental Contract)	73,500,000	2025/6/26	None
Subcontracted projects	Zhangmao Construction Co., Ltd.	Changhua Coastal Industrial Park Development Project – Lunwei West Area 1 Phase IV Peripheral Road Improvement Project – Phase IV Road Works	91,000,000	2025/6/30	None
Materials procurement	Tung Ho Steel Enterprise Corp.	Reinforcing steel procurement (IX)	75,757,500	2025/7/4	None
Subcontracted projects	Hongwei Engineering Workshop	Masonry Works (Entire Basement Area and Building A)	66,000,000	2025/7/11	None
Materials procurement	Jinqiang Cement Products Co., Ltd.	Concrete Procurement	96,978,347	2025/7/18	None
Subcontracted projects	Quan Jiang Engineering Co., Ltd.	Other Areas – Water Supply Works (I)	77,400,001	2025/7/28	None
Subcontracted projects	Hong Tai Engineering Co., Ltd.	Other Areas – Cast-in-place Drainage Box Culvert Works (II)	60,000,000	2025/8/1	None
Materials procurement	Shun-Tung Cement Products Co., Ltd.	Other Areas – Procurement of Precast Drainage Box Culverts (II)	60,999,956	2025/8/15	None
Subcontracted projects	Shen Tai Electric Cable Co., Ltd.	Procurement of Low-voltage and Control Cables for Water Environment Works at the North Depot (I)	139,300,000	2025/8/28	None
Materials procurement	Jun Fu Wire Fabric Co., Ltd.	Procurement of Welded Wire Mesh (V)	62,318,760	2025/9/8	None
Subcontracted projects	Yu Tai Feng Technology Co., Ltd.	Other regions - Sewage pipelines project (III)	89,000,000	2025/9/15	None
Subcontracted projects	Huang Cheng Construction Co., Ltd.	Other Areas – Common Duct Works (III)	131,000,000	2025/9/15	None
Subcontracted projects	Yanhe Industrial Co., Ltd.	Structural Works for the South Main Substation	67,000,000	2025/9/15	None

Nature of the contract	Company Name	Contract name	Contract amount	Date of bid	Restrictions
Subcontracted projects	CECI Engineering Consultants, Inc. Taiwan	Design and Technical Service Contract	540,000,000	2025/9/16	None
Subcontracted projects	Honglin Engineering Co., Ltd.	Temporary Water and Electricity Works – Phase II	67,500,000	2025/9/24	None
Subcontracted projects	Cai Chen Machinery and Engineering Co., Ltd.	Platform and Support Works for the Multi-purpose Building	106,800,000	2025/9/26	None
Subcontracted projects	Xingxiangfa Engineering Co., Ltd.	Formwork project (Aluminum) (2nd floor (incl.) and up)	73,006,542	2025/10/08	None
Materials procurement	Tung Kang Steel Structure Co., Ltd.	Procurement of Top-down Steel Columns (I)	86,476,740	2025/10/9	None
Subcontracted projects	Tung Kang Steel Structure Co., Ltd.	Top-down Steel Column Works (I)	66,823,260	2025/10/9	None
Subcontracted projects	Yanhe Industrial Co., Ltd.	Other Areas – Sewage Pipeline Works (V)	139,200,000	2025/10/15	None
Subcontracted projects	Quan Jiang Engineering Co., Ltd.	Other Areas – Water Supply Works (III)	72,999,999	2025/10/17	None
Subcontracted projects	Su-Chen-Shin Construction Co., Ltd.	BC02 to BC03 sewage shield fixed stand structural and pipe fitting installation project	100,999,129	2025/10/17	None
Subcontracted projects	Zhangmao Construction Co., Ltd.	Changhua Coastal Industrial Park Development Project – Lunwei West Seawall Parapet Heightening and Flood Protection Road (Phase II) Works	820,000,000	2025/11/12	None
Subcontracted projects	Ji Diing Engineering Company Limited	Changhua Coastal Industrial Park Development Project – Lunwei External Connection Road Project (Embankment Section)	778,000,000	2025/11/12	None
Subcontracted projects	Xinhuang Engineering Co., Ltd.	Other Areas – Water Supply Works (II)	85,890,000	2025/11/12	None
Subcontracted projects	Sung Wang Engineering Co., Ltd.	Electromechanical engineering	61,600,000	2025/11/12	None
Materials procurement	Tucheng Branch of Kuoshun – Ready-mixed Concrete Co., Ltd.	Purchase of Ready-Mixed Concrete (3rd Supplementary Contract)	58,483,215	2025/11/12	None
Subcontracted projects	Shun-Tung Cement Products Co., Ltd.	Other Areas - Procurement of Precast Products for Common Pipeline projects (1st Supplemental Contract)	108,029,400	2025/11/19	None

Nature of the contract	Company Name	Contract name	Contract amount	Date of bid	Restrictions
Subcontracted projects	Zengyi Construction Co., Ltd.	Diaphragm Wall and Barrette Pile Works for the Multi-purpose Building and Cable Culvert Tunnel	133,850,000	2025/11/27	None
Subcontracted projects	Cai Chen Machinery and Engineering Co., Ltd.	King Post, Composite Pile, and Soldier Pile Works for the Multi-purpose Building	78,000,000	2025/11/27	None
Subcontracted projects	Gaofu Industrial Co., Ltd.	Fluorocarbon Coated Aluminum Panel Works for External Walls	180,000,000	2025/11/28	None
Subcontracted projects	e-Leader Technology Co., Ltd.	Weak-current Works for the Entire Project Area	89,500,000	2025/12/2	None
Subcontracted projects	Otis Elevator company Ltd.	Elevator and Escalator Equipment Works	148,000,000	2025/12/8	None
Materials procurement	Ya Tung Ready Mixed Concrete Co., Ltd.	Ready-mixed concrete procurement (III)	309,481,221	2025/12/17	None
Materials procurement	Tai-I Electric Wire & Cable Co., Ltd.	Procurement of Wires and Cables for the Power Supply System (1st Supplemental Contract)	54,499,995	2025/12/18	None

Unit: NTD in thousands

Nature of the contract	Involved Parties	Start date of the contract	Main content	Restrictions
Agreement	Economic Affairs Ministry, Industrial Park Administration Bureau	March 1994~ (Project progress is adjusted according to the market demand)	Public Facilities Project in Yilan Lize Industrial Park: The estimated amount of direct construction fee is NT\$4,264,140 thousand (by actual settlement)	None
Agreement	Economic Affairs Ministry, Industrial Park Administration Bureau	December 1990- (Project progress is adjusted according to the market demand)	Public facilities project in Changhua Coastal Industrial Park (Xianxi, Lunwei District) The estimated amount of direct construction fee is NT\$53,608,071 thousand (by actual settlement)	None
Contract	Economic Affairs Ministry, Industrial Park Administration Bureau	August 1995- (Project progress is adjusted according to the market demand)	Public Facilities Project Yunlin Science and Technology Industrial Park (Dabeixi Area) : The estimated amount of direct construction fee is NT\$4,024,820 thousand (by actual settlement)	None

Notes:

1. The estimated direct construction costs are based on the results of the 2013 development costs of Industrial Bureau, Ministry of Economic Affairs.
2. In accordance with the Economic Affairs Ministry's organizational restructuring, the Industrial Zone Division of the Industrial Development Bureau was transferred to the new agency, the "Industrial Park Administration Bureau," on September 26th, 2023. Following the establishment of this new agency, it will inherit the rights and obligations originally stipulated in the development agreements.

Nature of the contract	Involved Parties	Main content	Starting date	Restrictions
Urban renewal	92 people including Liu	BES Yun Cui New residential construction	From the signing date on March 3, 2011 to the settlement date after the completion and handover of the house	None
Urban renewal	221 people including Tsai	BES Bi Yan Ge New residential construction	From the signing date on April 7, 2012 to the settlement date after the completion and handover of the house	None
Urban renewal	417 people including Ding	BES Ming Sen Yuan New residential construction	From the signing date on October 17, 2012 to the settlement date after the completion and handover of the house	None
Urban renewal	62 people including Lee	BES Chongyang New residential construction	From the signing date on May 16, 2015 to the settlement date after the completion and handover of the house	None
Urban renewal	BES	BES EcoTech Industrial Park – Factory Buildings	From submitting for review on May 8, 2015 to the settlement date after the completion and handover of the house	None
Public Urban Renewal	New Taipei City Government	Shulin Public Urban Renewal Project New residential construction	From the signing date on December 28, 2021 to the settlement date after the completion and handover of the house	None
Public Urban Renewal	Taipei City Housing and Urban Renewal Center	Chengnan Shuiyuan Public Urban Renewal New residential construction	From the signing date on August 08, 2023 to the settlement date after the completion and handover of the house units	None
Public Urban Renewal	National Housing and Urban Renewal Center	Banqiao Welfare Station Public Urban Renewal Project Public Urban Renewal New residential construction	From the signing date on October 5, 2023 to the settlement date after the completion and handover of the house units	None
Urban renewal	60 people, including Huang, Li-Hsiang	Xing'an Street New residential construction	From the signing date on March 9, 2022 to the settlement date after the completion and handover of the house units	None
Jointly-constructed and sold in partitions	Asia Pacific Commerce Co., Ltd.	Tao Zhu Yin Yuan	From the signing date on March 08, 2010 to the settlement date after the completion and handover of the house	None
Letter of Intent	Cloud Network Technology Singapore Pte. Ltd. (Taiwan Branch)	Tu Cheng AI Intellectual Park	From the signing date on October 12, 2023 to the settlement date after the completion and handover of the house units	None

Five. Review, analysis and risk matters of financial condition and financial performance

I. Financial Condition

Comparative Analysis of the Financial Position

Unit: NTD in thousands

Year Item	2024	2025	Difference	
			Amount increase (decrease)	Percentage of change (%)
Current Assets	55,693,731	58,648,089	2,954,358	5.30
Investments by the Equity Method	1,417,478	1,377,776	(39,702)	(2.80)
Property, Plant and Equipment	3,533,418	3,804,131	270,713	7.66
Other non-current assets	4,387,359	3,902,479	(484,880)	(11.05)
Total Assets	65,031,986	67,732,475	2,700,489	4.15
Current liabilities	26,132,660	27,405,802	1,273,142	4.87
Non-current liabilities	15,830,040	17,598,907	1,768,867	11.17
Total Liabilities	41,962,700	45,004,709	3,042,009	7.25
Share capital	15,308,998	16,079,041	770,043	5.03
Capital reserve	96,532	96,532	0	0.00
Retained earnings	7,682,699	7,960,980	278,281	3.62
Other equity	(913,098)	(1,537,754)	(624,656)	68.41
Equity Attributed to the Owners of the Parent Company	22,175,131	22,598,799	423,668	1.91
Non-controlling equity	894,155	128,967	(765,188)	(85.58)
Total of Shareholders' Equity	23,069,286	22,727,766	(341,520)	(1.48)
<p>Main reasons of increase/decrease, the impact and the future countermeasures:</p> <ol style="list-style-type: none"> 1. The decrease in total other equity is mainly attributable to the translation differences of foreign operating entities during the year and the transfer of cumulative gains or losses from the disposal of equity instruments to retained earnings. 2. The decrease in non-controlling interests was mainly due to capital reduction at subsidiaries resulting in a return of capital. 				

II. Financial Performance

(I) Comparison and analysis of operating results

Unit: NTD in thousands

Item	2024	2025	Difference	
			Amount increase (decrease)	Percentage of change (%)
Operating revenue	23,846,587	20,718,434	(3,128,153)	(13.12)
Operating costs	22,291,929	19,135,728	(3,156,201)	(14.16)
Gross profit	1,554,658	1,582,706	28,048	1.80
Operating expenses	602,075	632,467	30,392	5.05
Operating Income (Loss)	952,583	950,239	(2,344)	(0.25)
Non-operating income and expenses	(54,216)	(166,225)	(112,009)	206.60
Net income before tax	898,367	784,014	(114,353)	(12.73)
Income Tax Expenses (Incomes)	173,958	142,094	(31,864)	(18.32)
Net profit for the year	724,409	641,920	(82,489)	(11.39)
Other comprehensive income and losses	(155,775)	(425,357)	(269,582)	173.06
Total comprehensive income for the year	568,634	216,563	(352,071)	(61.92)
1. The increase in non-operating expenses is due to a tax refund in fiscal year 113 under the direct offset method for business tax; this situation did not occur in the current year. 2. The increase in other comprehensive loss is mainly attributable to exchange differences arising from the translation of financial statements of foreign operations.				

(II) Analysis of Changes in Gross Operating Profit:

Item	Year		Percentage of Increase (Decrease) (%)
	2024	2025	
Operating Margin (%)	6.51	7.63	17.20
Explanation of changes in the increase (decrease) ratio: mainly due to the increase in operating revenue in 2025.			

III. Cash flow

(I) Analysis for the Liquidity of the Recent Two Years

Item	Year		Percentage of Increase (Decrease) (%)
	2024	2025	
Cash flow ratio (%)	-	-	-
Cash flow adequacy ratio (%)	4.02	0.87	(78.36)
Cash re-investment ratio (%)	-	-	-
Analysis and explanation for the changes in increase/decrease percentage: Mainly attributable to a decrease in net cash inflows from operating activities.			

(II) Analysis for the cash liquidity for the next year

1. Analysis for the changes in cash flow for the year (next year)

Unit: NTD in thousands

Opening balance of cash and cash equivalents ①	Net cash flow from operating activities for the year ②	Net cash flow for the year ③	Cash surplus (deficit) amount ① + ③	Remedies for Cash Shortage	
				Investment plan	Wealth management plan
1,167,156	-883,569	-864,869	302,287	-	-

(1) Operating activities: actively contracting public construction and individual construction projects; well controlling the construction progress and promoting the development, sales and leasing business in industrial zones, in order to contribute to the operating revenue and funds

(2) Investment activities: continuously implementing the streamline of the Company and carefully selecting the underlying investees.

(3) Financing activities: repaying the borrowings due gradually.

2. The expected remedy for insufficient cash amount and the analysis for liquidity: N/A

IV. Impact of Major Capital Expenditure in the Past Year on the Financial Status: None

V. The main reasons for the profit or loss of the re-investment policy for the recent year, the improvement plan and the investment plan for the next year: None

VI. Analysis and Assessment of Risk Factors for the Most Recent Fiscal Year up to the Date of Publication of the Annual Report:

(I) Impacts to the income and loss of the Company from changes of interest rates, foreign exchange rates, and inflation, and the countermeasures

1. Interest rates

A. In 2025, the global economy entered a post-tightening era. Although the U.S. Federal Reserve (Fed) and the European Central Bank (ECB) continued the interest rate cut cycle to maintain economic momentum, the new U.S. administration has formally taken office, and its expected expansionary fiscal policies and high-tariff trade stance may give rise to risks of secondary inflation, leading to a more cautious pace of global interest rate cuts. Domestically, considering inflation expectations and its responsibility to maintain price stability, the

Central Bank of the Republic of China (Taiwan) is expected to maintain relatively stable interest rate levels. Affected by the overall financial environment, the Company's short-term borrowing interest rates remain at relatively high levels in recent years, and the impact of interest expenses on profit and loss requires close monitoring.

- B. The Company will take the following measures to reduce the impact of interest rate changes on profit and loss in its financing transactions with financial institutions: First, the Company will continue to pay close attention to the trend of interest rate changes and maintain good cooperative relationships with major financial institutions to strive for more preferential financing conditions; secondly, in order to further reduce financial pressure, the Company will continue to execute the strategy of repaying part of the bank loans each year, gradually reducing the loan balance, and thus reducing future interest expenses. In addition, the Company will also keep an eye on signs of global economic recovery and adjust the financing structure in a timely manner to ensure that the Company maintains a stable financial position and in future high-interest environments, and minimize the impact of interest rate changes on profit and loss to the maximum extent.
2. Foreign exchange rates: The Company has very insignificant foreign currency assets in the total assets; therefore, foreign exchange rates have limited impacts to the Company.
3. Inflation:
- A. In recent years, under the impact of the increase in the energy and raw material prices, the domestic prices also increase. However, holistic economics and industries are expected to grow steadily, and thus inflation is still in check. Also, the Company actively maintains good relationships with clients and suppliers, and timely adjusts the sales prices and material inventory corresponding to the movement of prices, for the purpose of lowering the influence of inflation.
 - B. The Company closely observes the market conditions of the bulk commodity, as well as enhances analyses of the trends and movements of the domestic and overseas market. Procurements are made in batches or once-for-all to lower the costs, and subcontract the professional works to avoid the risks of the inflations.
- C. When contracting out for jobs, the Company negotiates to increase the price-adjustment payment, to decrease the erosion of the profit as much as possible. Therefore, the impact of inflation to the Company is limited.

- (II) Policies for investments with high risks and leverage, loaning of funds to others, endorsement and guarantee, and the derivative trading, the main reasons for the profit or loss, and future countermeasures:
1. The Company currently does not engage in any investments with high risks and leverage, nor derivative trading.
 2. External Endorsement/Guarantee
 - A. Up to the deadline of December 31, 2025, the Company has not provided any external endorsements and guarantees.
 - B. As approved by the Board of Directors in December 2024, to meet the Company's working capital needs, the subsidiaries Core Pacific Consulting (Changshu) Co., Ltd. and Hua Cheng Consulting (Changshu) Co., Ltd. applied for a working capital loan facility of NT\$550,000 thousand from the Taipei Branch of the Bank of East Asia, Limited. The subsidiaries also provided CNY certificates of deposit to the Suzhou Branch of the Bank of East Asia (China), Limited to apply for standby letters of credit (Standby L/C) totaling CNY 142,000 thousand as collateral for the Company's financing for a term of two years. The guaranteed amount complies with the Guidelines of Loaning of Funds and Making of Endorsements/Guarantees. As of December 31, 2025, the actual drafted amount by both companies is NT\$520,000 thousand.
 - C. On December 30, 2025, the Board of Directors of BES Investment Company Ltd., a subsidiary of the company, approved providing US\$1,123,800 in time deposits to the Taiwan SME Bank as partial collateral to guarantee the company's business operations.
 3. Loans to others:
 - A. As of December 31, 2025, the Company has a total of 1 company. Due to the Company's execution of merger with subsidiary BES Machinery Co., Ltd., the Company generally assumed the loan and the creditor's right of BES Machinery Co., Ltd. on HRDD Logistics Co., Ltd. for an amount of NT\$21,550 thousand on March 25, 2022. The aforementioned loan has not yet been repaid upon the deadline of September 3, 2022. After assessing HRDD Logistics Co., Ltd.'s operating performance and the possibility of collecting the receivables, the Corporation set aside an allowance for bad debt for the receivables and interest receivables from HRDD Logistics Co., Ltd., totaling NT\$22,628 thousand, at the end of September 2022. HRDD Logistics Co., Ltd. later signed a supplementary agreement with the Company on October 14, 2022 for the loan return. However, the loan has not been repaid as scheduled. Up to December 31, 2025,

the loaning of funds provided by the Company to the external was NT\$21,550 thousand.

B. As of December 31, 2025, the subsidiaries had provided loans to a total of four companies:

- (1) Chung Kung Safeguarding and Security Corp. had an outstanding balance of loans to others amounting to NT\$30,000 thousand, comprising NT\$15,000 thousand lent to BES Consultant Co., Ltd. and NT\$15,000 thousand lent to BES Apartment Maintenance and Management Ltd. As of December 31, 2025, the actual amount drawn was NT\$0.
- (2) Core Pacific World Co., Ltd. had an outstanding balance of loans to others amounting to NT\$36,000 thousand, comprising NT\$10,000 thousand lent to Chung Kung Management and Maintenance of Apartment Co., Ltd., with an actual amount drawn of NT\$7,000 thousand as of December 31, 2025; and NT\$26,000 thousand lent to Core Pacific International Marketing Corporation., with an actual amount drawn of NT\$0 as of December 31, 2025.
- (3) Cinemark-Core Pacific, Ltd. had an outstanding balance of loans to Agora Garden Co., Ltd. amounting to NT\$95,000 thousand. The aforementioned loans were approved by the Board of Directors on November 26, 2024 for NT\$45,000 thousand and on December 19, 2024 for NT\$65,000 thousand. Agora Garden Co., Ltd. repaid part of the first loan in the amount of NT\$15,000 thousand on November 27, 2025. The remaining NT\$95,000 thousand was not repaid upon maturity, and Cinemark-Core Pacific, Ltd. issued a collection notice on December 1, 2025. Subsequently, both parties agreed to extend the loan terms, whereby the first loan of NT\$30,000 thousand was extended to May 27, 2026, with the annual interest rate increased by 0.25% to 3.75%, and the second loan of NT\$65,000 thousand was extended to June 17, 2026, with the annual interest rate increased by 0.25% to 4.05%.
- (4) BES Consultant Co., Ltd. had an outstanding balance of loans to BES Apartment Maintenance and Management Ltd. amounting to NT\$7,000 thousand, and as of December 31, 2025, the actual amount drawn was NT\$5,000 thousand.

(III) Future plans of R&D and R&D investment expected:

1. Establishing the construction equipment rental module.
2. Optimization of the smart site management mechanism.
3. Implementation of customer relationship management system.

4. Establishment of construction project management system.
 5. Enterprise Information Portal (EIP) revision.
 6. It is estimated that the research and development expenses in the next year will be approximately NT\$18 million.
- (IV) The Impact to the finance and business of the Company from the changes of domestic and overseas key policies and laws, and the countermeasures
1. Analysis and Assessment of Risks
 - (1) From 2025 onwards, the global economic and trade landscape has been affected by the United States' "Trump 2.0" policy. The rise of tariff barriers and protectionism has led to a second shift in the global supply chain, and intensified fluctuations in the prices of bulk commodities and construction raw materials. Although the rate of inflation has slowed, the resilience of a high interest rate environment has exceeded expectations. In addition, geopolitical factors (such as the conflicts in Ukraine-Russia and the Middle East) continue to disrupt energy supply, posing challenges to the Company's construction cost control and exchange rate hedging for its overseas operations.
 - (2) To implement transparency and diversification in the awarding of public works contracts, the government continues to promote smaller contract packages and phased contracting. While this facilitates participation by local contractors, it also weakens the scale advantages of large construction companies in small- and medium-sized projects. In addition, to promote housing justice, the government continues to implement the Housing Hoarding Tax 2.0, the House and Land Transactions Income Tax, and stringent credit control measures (loan restrictions). The real estate market has shifted from "speculative premium" to "owner-occupier rigid demand," resulting in a significant extension of the sales cycle for development projects. The cost of capital holding and constrained financing capacity have become major challenges for development operations.
 - (3) The Ministry of Environment officially imposed carbon fees in 2025. The cost pass-through pressure from upstream and downstream construction industries (such as cement and steel), together with the formal incorporation of "green inflation" into pricing systems, poses a direct threat to the gross profit of public works projects adopting fixed-price contracting.
 - (4) The government actively promotes energy transition and the "Greater Southern New Silicon Valley Plan," which, while stimulating

domestic demand, also affects operating costs due to power supply stability concerns and rising green electricity prices. Furthermore, a significant portion of grassroots and technical labor has been attracted by the “Greater Southern New Silicon Valley Plan,” leading to competition for labor between public works and private projects, and resulting in rigid increases in wage costs.

In summary, the following risk and countermeasures are derived.

2. Risks affecting the Company's incomes:

- (1) Market environment competition risk: The excessive supply of similar products in the market results a fierce marketing competition, and finally risks of increasing marketing costs and slow sales of products are derived. The risks are generated from insufficient market research and analysis and product competitiveness, as well as the incapability of grasping the market.
- (2) Financial allocation risk: The developers are unable to recover its returns on the investment as scheduled or on schedule, resulting in the use of financial leverage.
- (3) Governmental policy direction risk:
 - A. In recent years, the government has been committed to addressing the demand for land for industrial investment and plant establishment. Following the direction of the existing Industrial Land Policy White Paper, it has actively prevented speculation in industrial land, encouraged Taiwanese enterprises to return and establish plants, and released land in central and southern Taiwan, including expansion plans for existing science parks such as the Southern Taiwan Science Park, Hsinchu Science Park, and Central Taiwan Science Park, as well as four industrial parks co-developed with Taiwan Sugar Corporation in Zhongpu, Shuishang, Xinshi, and northern Kaohsiung, thereby increasing competition for sales in the Changhua Coastal Industrial Park.
 - B. The government’s energy transition plan, together with investment in public infrastructure and private sector participation in public construction, has had a significant effect in driving the development of domestic industries and creating employment opportunities. Many large domestic and international enterprises have already procured green electricity, and the government is actively promoting the development of wind and solar power industries, while strengthening independent research and development and manufacturing capabilities. In line with policy,

the use of green energy by industries will gradually become a trend. If contracts do not contain explicit “price adjustment clauses” or “carbon fee adjustment mechanisms,” increases in raw material prices and carbon costs will directly erode the net profit of construction projects.

C. In recent years, emphasis has been placed on housing price control policies. In addition, the passage of the third reading of the amended Equalization of Land Rights Act, restrictions on assignment or resale of pre-sale or newly completed housing contracts, stricter financing conditions, and higher down payment requirements have affected investors’ willingness, thereby creating difficulties for the Company in promoting new development projects in the future. Furthermore, the government has also implemented numerous restrictions on the private legal person’s purchase of houses, including restrictions on the transfer, pre-registration within five years of the holding period, increase in tax burden and greater difficulty in the subsequent resale of houses.

D. Vietnam and Myanmar:

(a) Vietnam

- In 2024, the Vietnamese government will implement a global minimum tax policy, imposing a 15% tax rate on multinational enterprises with annual revenues of EUR 750 million. This will impact foreign investors’ tax planning, render low-tax structure models ineffective, and prompt enterprises to adjust their international deployment and enhance financial transparency.
- The newly revised *Land Law* and related real estate regulations in Vietnam came into effect in 2024 and 2025, adjusting land pricing and auction mechanisms, and setting an upper limit of 5% on deposits for pre-sale properties, which will affect developers’ capital turnover. At the same time, foreign investment restrictions have been relaxed, and ownership rights of small residential units have been regulated, improving transparency and investment efficiency, which is beneficial to the long-term development of the real estate market.

(b) Myanmar

- Myanmar has implemented a new tax system, requiring tax reporting in Myanmar Kyat, thereby increasing exchange rate

risk. Under the military government, political and economic conditions remain highly unstable. Natural disasters and armed conflicts have led to a 2% contraction in GDP, accompanied by foreign capital withdrawal.

- Although the exchange rate has been liberalized, the black market exchange rate has surged, and inflation remains severe. However, there are still potential opportunities in long-term infrastructure development and the real estate market.

(4) Macro-economic risk:

- A. In recent years, global economies have gradually shifted from post-pandemic volatility and inflation toward a phase of stable expansion. However, uneven recovery across industries has resulted in modest global economic growth. The U.S. Federal Reserve, as of January 2026, expects that risks related to inflation and employment have gradually eased. With AI infrastructure investment becoming a key growth driver, the economic outlook has improved, and interest rates are being maintained at current levels under a wait-and-see approach. Nevertheless, a recent ruling by the U.S. Supreme Court declaring reciprocal tariffs unconstitutional has introduced additional risks and uncertainties to the global economic outlook.
- B. Domestically, at the beginning of 2025, Taiwan benefited from the rapid expansion of AI and semiconductor industries, which drove major technology firms to increase investment and boosted industrial real estate demand, also benefiting related SMEs through expanded production capacity. However, the announcement of “reciprocal tariffs” by the United States in April 2025 led to a decline in industrial real estate transactions. Although the “Taiwan–U.S. Reciprocal Trade Agreement” was signed in early 2026—capping tariff rates at 15% without stacking—uncertainty remains as it has yet to complete legislative review. Furthermore, despite the U.S. Supreme Court ruling earlier tariffs unconstitutional, former President Trump subsequently announced a uniform 15% tariff on all global imports, adding further uncertainty to overall economic development.
- C. Amid the U.S.–China trade tensions, Vietnam has benefited from the relocation of supply chains away from China, resulting in significant economic growth. The manufacturing and real estate

sectors have attracted strong foreign investment, reaching a five-year high with a 9% year-on-year increase. Improved monetary liquidity—resulting from the central bank’s suspension of treasury bill issuance—has alleviated depreciation pressure on the Vietnamese dong. Meanwhile, ongoing revisions to land and real estate regulations continue to improve the overall market environment. Vietnam’s stock market valuation remains relatively low, making it attractive for long-term investment. Over the past decade, the average return of three-year systematic investment plans has reached 38.7%, reflecting a positive economic outlook. Myanmar, in 2025, was affected by a major earthquake, armed conflicts, and severe flooding. The World Bank forecasts that GDP will contract by 2.0% in fiscal years 2025–2026. The economy may experience a moderate rebound of approximately 3% driven by reconstruction demand; however, this depends on political stability and the resumption of international aid.

(5) Interest rate risk:

Vietnam’s policy interest rate declined from 4.25% in 2019 to 2.5%, rose back to 4.25% in 2022, and had fallen to 3% by 2025. In 2025, the Vietnamese government adopted a supportive monetary policy. The State Bank of Vietnam indicated that it would maintain a supportive policy stance and remain open to interest rate cuts in order to support economic growth. As of September 30, 2025, bank lending had increased by 9% year on year, indicating moderate credit expansion. However, as inflationary pressure increases, interest rate hikes may occur in 2026, and this should continue to be monitored.

Myanmar’s policy interest rate declined from 10% in 2019 to 7%, and remained fixed at 7% as of 2025. However, due to political instability, economic recession, and high inflation (exceeding 30%), actual financing costs are far higher than the nominal interest rate, while foreign currency exchange remains restricted and exchange rate risk is significant.

(6) Oil price fluctuation risk:

Oil prices in 2025 were affected by multiple factors, including U.S. crude oil production once again reaching a record daily high, together with the EIA’s forecast that global oil inventories would continue to rise, placing downward pressure on international oil prices. Although geopolitical conflict in the Middle East temporarily pushed oil prices upward during the period, oil prices continued to

trend downward amid market expectations of oversupply. Continued declines in oil prices may restrain expansion in upstream operations and force oil-producing countries to reduce output in order to rebalance the market and support oil prices. Coupled with energy demand from emerging markets, there remains potential for a long-term reversal in oil prices.

(7) Water and electricity supply fluctuation risk:

Affected by surging global energy prices, domestic electricity rates in Taiwan had been raised consecutively in recent years. Although adjustments to industrial electricity prices were suspended in 2025, upward pressure remains in the long term. At the same time, extreme weather conditions have also affected the stability of water and electricity supply. These factors have added uncertainty to manufacturers' operating costs and may accelerate the implementation of ESG and green energy initiatives by businesses.

3. Future countermeasures:

(1) Countermeasures for market environment competition risk:

A. Introduction of the turnkey model:

The traditional item-sub-contracting structure can no longer satisfy the needs of the clients. The comprehensive engineering service company's capabilities and characteristics can provide the comprehensive and holistic professional engineering services responding to market demands. With increasing disputes and time pressures of new construction projects, the engineering industry actively thinks about introducing the new "outsourcing strategy" to resolve these issues. Therefore, the "turn-key" model that has been adopted in foreign countries for many years is introduced to Taiwan, aiming to mitigate the impacts from the streamlining of governmental staff to the public construction projects, to proceed on time with quality.

B. Contracted Constructions become internationalized and larger:

After Taiwan joined the World Trade Organization, the domestic market has been opened to the foreign construction companies to enter for fair competition. To respond to this trend, the domestic players will also strengthen the company by cooperating with foreign companies in Taiwan or exploring international markets and foreign local players in response to this trend. Competitiveness. In response to the increase in global demand, the supply volume needs to be relatively increased. In

view of the economies of scale, various engineering companies are also vying to upgrade their technology for large-scale projects.

C. Emphasis on research and development

As the construction industry develops toward to the large scale, under the fierce market competition, technology research and development work is bound to be gradually valued. The Company develops new work methods, new materials, and provide customers with multiple added value, while providing design ideas to reduce costs, in order to improve their competitiveness in the market, and establish the differentiated direction of efforts for each engineering company.

D. Establish an exclusive construction brand

Establishing dialogues between people, art and the environment, as well as the brand value of the Company is not only the demands of purchasers for quality improvements regarding the living environment including the building design, internal layout, building materials, equipment and public facilities, but also the safety demands of consumers for their home. The Company stays true to the concept of human-oriented and the environmental, while upgrading the demands of consumers, for the product planning, the new products are launched according to "artistic," "innovative," "practical" and "humanity" to meet market demands; the after-sales service is also strengthened to stablish the brand awareness in the minds of consumers.

E. Global position for the international market

With the boundary-less internet, the international global village era comes; the planning and design of architectural product follow the trend of the world, and is no longer confined to specific regions. The cross-border real estate transactions have become more convenient, and the Taiwanese real estate market will also step forward to the international open market, and thus further promotes the formation of a common circulation platform for the real estate market in the Asia-Pacific region and four markets crossed the straight. Therefore, the Company will be globally deployed to the international market and launch real estate products.

(2) Countermeasures for the risks of financial allocation:

A. For real estate developers, under the current circumstance that lands are not easy to obtain, actively looking for urban renewal and

joint construction is the most beneficial way for mitigating and covering for investment losses.

- B. For the purpose of strengthening the cost control and avoiding the vicious low-price bidding in the industry, the Company actively engages in urban renewal and the development of MRT stations, to enhance the Company's profit; meanwhile, we bid the tenders with technical requirements, special construction methods and specific qualifications to improve the chances of winning.
- C. The Company continues to implement the streamlining plan for health of the Company, and restructures the reinvested companies with poor operational performance or no obvious profit.
- D. Impacts of the government's loan restriction order on development projects. In response to the impact of the government's lending restrictions on development activities, our development efforts are shifting towards projects not subject to these limitations. The primary focus is on urban renewal initiatives and participation in public construction projects under the Act for Promotion of Private Participation in Infrastructure Projects. Additionally, the Company will also undertake construction company projects that, although affected by the lending restrictions, offer viable development benefits.

(3) Countermeasures for government policies:

- A. Continuing to promote the development of land in Chung Hua Coastal Industrial Park is conducive to the continuous rolling investment of funds into development operations. Seeking preferential land policies and assisting communication between businesses and government agencies can accelerate land sales. Strive to relax the land use restrictions.
- B. 1. Vietnam: Primarily focusing on small-scale development or construction projects.
 - In response to the enactment of the newly revised Land Law, Housing Law, and Real Estate Business Law in 2024 and 2025, actively assess the impact of these new regulations on existing projects and future developments, and capitalize on market opportunities arising from increased regulatory transparency.
 - Actively seek partnerships with reputable Taiwanese or local enterprises (such as engineering consultants and construction firms) to leverage technological advantages and expand

market presence, with particular emphasis on public infrastructure projects and high-tech industrial park real estate development opportunities.

- Capitalize on the continued inflow of foreign investment to evaluate investment opportunities in industrial real estate and real estate operations related to the processing and manufacturing sectors.

2. Myanmar

- Closely monitor political developments leading up to and following the elections from late 2026 to 2027, and assess potential business opportunities arising from reconstruction demand.
- Leverage the economic downturn and depressed asset prices to target low-cost, strategically located land parcels as entry points for future development.

(4) Countermeasures for the economic environment:

- A. Leveraging the vast lands in Changhua Coastal Industrial Park stable water supply, and the dual advantage of leasing and selling, we aim to differentiate our industrial park from the one developed by Taiwan Sugar Corporation, while continuously aligning with the government's existing 2025 “Non-Nuclear Homeland” policy and the “Meet Greater South” plan to attract domestic and international investors to set up plants.
- B. Formulate tailored sales strategies for each zone in line with market trends. In light of the recent U.S. reciprocal tariff policies, which have impacted Taiwan’s manufacturing sector—particularly traditional industries such as metal products and machinery manufacturing—and created risks for land leasing and sales in the Changhua Coastal Industrial Park, the Company will adopt a strategy of offering smaller land parcels in 2026. The primary focus will remain on promoting investment for the remaining 7 hectares of Phase 2 industrial land in Phase 1, Lunwei West Zone 2, as well as the second offering of Phase 1 community land in Xianxi District. For the metal surface treatment zone, considering the downturn in China’s industrial sector and the resulting decline in electroplating demand that affects domestic manufacturers’ expansion willingness, the Company will continue to recommend that the park administration reassess industrial demand and make timely adjustments.

- C. To stay abreast of global economic developments, we will strengthen our collaboration with central and local governments (such as the Ministry of Economic Affairs Industrial Park Bureau and Changhua County Government) to understand the future direction of industrial land planning. We will continue to visit businesses to investigate market demand, plan suitable product types and refine our sales methods.
- D. The depreciation pressure on the Vietnamese dong eased in 2025, supported by improved monetary liquidity following the central bank's suspension of treasury bill issuance. The implementation of new regulations is expected to enhance market transparency and streamline investment processes, benefiting the long-term development of the real estate market. Vietnam's stock market has shown gradual improvement and remains attractive for long-term investment. In Myanmar, the central bank continues to require all transactions to be conducted in Myanmar Kyat and restricts foreign currency exchange, resulting in a widening gap between official and black-market exchange rates. Although certain exchange rate policies have been relaxed, these measures have yet to produce a significant impact on economic recovery.
- (5) Countermeasures for changes in interest rates:

Continuously monitor global economic trends and strengthen engagement with enterprises to understand production needs across different industries, while formulating customized response strategies accordingly. Consult with major financial institutions to stay informed of current industrial real estate lending conditions and financing constraints. In addition, greater emphasis should be placed on profit structure and overall strategic planning, reviewing profitability from a financial perspective and incorporating such considerations into future investment decisions.

Vietnam has adopted a supportive monetary policy, with the policy interest rate reduced to 3% and openness toward further rate cuts to stimulate economic growth, alongside moderate credit expansion. However, with rising inflationary pressure, interest rate hikes may occur in 2026. In contrast, Myanmar faces political instability and high inflation, rendering the policy interest rate largely ineffective. The black-market exchange rate significantly exceeds the official rate, resulting in substantial foreign exchange risk; investments should therefore be approached with caution.

(6) Countermeasures for changes in oil prices:

If rising oil prices lead to increased production costs for enterprises, efforts should be made to promote carbon reduction and circular economy principles in production processes, reduce resource consumption, and implement energy-saving and carbon reduction measures. This will enhance enterprises' willingness to invest in factory establishment.

(7) Countermeasures for movement in water and power supply:

The 50,000-ton water supply project from the Fuma Canal for the Lunwei area of the Changhua Coastal Industrial Park has been completed, ensuring a stable industrial water supply. Amid nationwide water scarcity, this can serve as a key incentive to enhance enterprises' willingness to purchase land and establish factories.

The supply of the electricity system in the Changhua Coastal Industrial Park is stable. Considering the current ESG, net zero carbon emissions and other environmental protection, energy saving has become a trend. When purchasing land for factories, manufacturers can encourage manufacturers to increase the area of pavement in addition to the 50% of the roof solar PV power plant according to the regulations. The electricity demand for daily office use is placed on the electricity trading platform to increase revenue.

(V) The impact of technological (including cybersecurity risks) and industrial changes on the Company's finance and business and the countermeasures:

The Company is mainly engaged in contracted constructions for the civil engineering and construction, investment in the construction of real estates, and the agency of the government planning industrial zone development, to create revenue and profit. To responding the technological and industrial changes, the Company constantly grasp market movements, and actively obtains industry information through various means to expand the business. In order to accurately grasp the pulse of industrial information, in recent years, it has also been committed to digitization, for the purpose of improving working efficiency and enhancing competitiveness. Currently, the Company has no impact to finance and business resulted from the technological changes or industrial changes.

(VI) The impact of corporate image changes on corporate crisis management and countermeasures:

The Company aims to improve the quality of constructions, serve the society and promote prosperity, in order to establish a good corporate image.

(VII) The expected effects and possible risks of mergers and acquisitions and countermeasures: None

(VIII) The expected effects and possible risks of the expanding plants and countermeasures: None

(IX) Risks and countermeasures for concentration of purchase or sales of goods:

Due to the industrial characteristics, the items and standards of purchased or sold goods are subject to different requirements of the clients, so there is no risk of concentration.

(X) The impacts of material share transferred or changed by directors or major shareholders holding more than 10% of the shares on the Company, risks, and countermeasures: None

(XI) Impact, Risks, and Countermeasures Related to Changes in Management Control: None

(XII) Litigation or non-litigation events

Item	I
Name of case:	Gongguan is claiming payment for six electromechanical project items and material adjustment funds
Involved Parties	Plaintiff: the Company Defendant: ROC Air Force Combatant Command
Summary:	This case involves disputes over six issues: the core switch, additional equipment and pipelines, the information system center, air conditioning and constant temperature/humidity equipment, noise control standards, and the type of central air conditioning system adopted.
Subject or amount	NT\$129,090,183
Date starting the lawsuit	2024/12/24
Current status	Second instance trial in progress.

Item	II
Name of case:	Damage Indemnification
Involved Parties	Plaintiffs: Chou Sui, Lin, Hui-Ling Defendants: the Company, Chung Lu Industrial Co., Ltd., Pro Motor Co., Ltd., New Delta Industrial Sewing Co., Xinfuyu Enterprise, Lu Wen-Chung, Chiang Chia-Hung, and Chu Yen-Chang.
Summary:	Due to illegal road closure during construction, which led to the death of road user Zhou Ye-lin, their family filed an associated civil lawsuit for compensation. In the first-instance judgment, all defendants were held jointly and severally liable to pay NT\$9,015,065 to the plaintiffs.
Subject or amount	NT\$54,720,577
Date starting the lawsuit	2021/5/19
Current status	Second instance trial in progress.

Item	III
Name of case:	Request for price difference of the engineering funds resulting from the direct procurement of CF650.
Involved Parties	Plaintiff: the Company Defendant: Taipei City Metro Bureau, First District Engineering Office
Summary:	Due to changes in the contract, both parties were unable to reach an agreement. Therefore, the owner sought compensation for the price difference of the engineering funds resulting from this direct procurement.
Subject or amount	NT\$107,489,135
Date starting the lawsuit	2021/9/27
Current status	First instance trial in progress.

Item	IV
Name of case:	Damage Indemnification Lawsuit
Involved Parties	Plaintiff: the Company Defendants: Shen Hua-Yang, Shen Ching-Kuang, Chang Shih-Wen, Chang Ta-Wei, Sun Wen-Yu, Tung Chun-Yi, Liu Chuan-Fan, Cheng Chun-Ming, and the legal entities they represent, totaling 11 defendants.
Summary:	Six individuals, including Chang Ta-wei and Shen Hua-yang, were indicted by the Taiwan New Taipei District Prosecutors Office (Case No. 109 Military Investigation No. 69) for alleged violations of the Anti-Corruption Act and breach of fiduciary duty under the Securities and Exchange Act. They were subsequently found guilty by the New Taipei District Court (Case No. 110 Military Criminal No. 3). Due to the damages caused to the Company by their breach of fiduciary duty and fraudulent conduct, the Company has initiated a civil claim against them seeking compensation.
Subject or amount	NT\$95,000,000
Date starting the lawsuit	2021/10/21
Current status	First instance trial in progress.

Item	V
Name of case:	CF650 Soundproof Wall and Hollow Cement Wall Request for Construction Payment Lawsuit
Involved Parties	Plaintiff: the Company Defendant: Taipei City Metro Bureau, First District Engineering Office
Summary:	For the expenses related to the size and enlargement of the embedded anchor bolts of the soundproof wall, and the modification of the hollow cement wall columns , the Company was awarded a payment of NT\$19,213,636 in the first instance, which is now appealing for the second instance .
Subject or amount	NT\$38,396,155
Date starting the lawsuit	2022/1/17
Current status	Third instance trial in progress.

Item	VI
Name of case:	CF650 Voluntary Traffic Warden Fee Dispute Lawsuit
Involved Parties	Plaintiff: the Company Defendant: Taipei City Government Metro Bureau, First District Engineering Office
Summary:	A dispute arising from the request for expenses occurred due to the extension of the construction period and the property owner's instructions to increase the personnel costs for duty.
Subject or amount	NT\$170,612,151
Date starting the lawsuit	2022/11/11
Current status	First instance trial in progress.

Item	VII
Name of case:	CF650 Dispute Lawsuits Related to Five Items of Steel Bars
Involved Parties	Plaintiff: the Company Defendant: Taipei City Government Metro Bureau, First District Engineering Office
Summary:	For this case, it involved disputes on the five items of the steel bar fee calculation failed to include the fees for the working bars, additional Jingan Station security, additional fees for use of private land, the addition of steel pre-arch correction fee and the defendant's improper deduction of fees on the AC prime coat.
Subject or amount	NT\$104,658,147
Date starting the lawsuit	2022/12/27
Current status	Second instance trial in progress.

Item	VIII
Name of case:	CF650 Bidding Platform Gates and Five Other Disputed Litigations.
Involved Parties	Plaintiff: the Company Defendant: Taipei City Government Metro Bureau, First District Engineering Office
Summary:	This case involves five disputes related to changes in the covering material of the platform gates equipment, changes in the form of the drainage heads, addition of groove steel and angle iron to the platform gates equipment, changes in aluminum ceiling panels and the three-dimensional metal ceiling light box and the relocation of the grounding interface box of the elevated bridge grounding system, among others.
Subject or amount	NT\$32,730,768
Date starting the lawsuit	2023/3/9
Current status	First instance trial in progress.

Item	IX
Name of case:	CF650 Bidding Settlement Quantity Dispute Exceeding 30%.
Involved Parties	Plaintiff: the Company Defendant: Taipei City Government Metro Bureau, First District Engineering Office
Summary:	This case involves a dispute arising from the request for a price difference in engineering funds due to a separate negotiation of unit prices for items where the settlement quantity exceeds 30% of the original contract quantity.
Subject or amount	NT\$271,363,646
Date starting the lawsuit	2023/3/7
Current status	First instance trial in progress.

Item	X
Name of case:	Dispute Case Regarding Engineering Funds, Performance Bond, and Material Adjustment Payment For The Gongguan Fuxing Camp Construction Project.
Involved Parties	Plaintiff: the Company Defendant: ROC Air Force Combatant Command
Summary:	This case was mainly due to the delay default fine dispute, therefore, a request for the owner to pay the engineering funds, performance bond and materials adjustment payment.
Subject or amount	NT\$ 663,528,045
Date starting the lawsuit	2022/11/15
Current status	First instance trial in progress.

Item	XI
Name of case:	Dispute regarding Baobosen's request for payment of engineering funds.
Involved Parties	Plaintiff: Baobosen Construction Co., Ltd. Defendant: the Company
Summary:	This case involves a claim by Baobosen Construction Co., Ltd. against our company for extension management fees, engineering funds, interest on delayed payment of engineering funds, water and electricity fees, environmental safety and cleanliness fees related to the small package CF650 bidding project.
Subject or amount	NT\$32,616,333
Date starting the lawsuit	2023/6/2
Current status	Second instance trial in progress.

Item	XII
Name of case:	Claim for outstanding construction payments from the Gongguan Project
Involved Parties	Plaintiff: the Company Defendant: ROC Air Force Combatant Command
Summary:	The Company has filed a claim against the project owner seeking payment of the 59th progress payment, the 59th price adjustment (material escalation) payment, the fourth performance bond refund, and the final payment, totaling NT\$186,769,013.
Subject or amount	NT\$ 186,769,013
Date starting the lawsuit	2025/1/10
Current status	First instance trial in progress.

Item	XIII
Name of case:	Gongguan's claim for refund of the warranty bond and extension of administrative and selling expenses.
Involved Parties	Plaintiff: the Company Defendant: ROC Air Force Combatant Command
Summary:	The Company has requested the project owner to return a total of NT\$72,437,942 in warranty bonds, as well as NT\$52,952,436 in costs incurred due to the extension of the construction period.
Subject or amount	NT\$ 125,390,378
Date starting the lawsuit	2025/3/7
Current status	First instance trial in progress.

Item	XIV
Name of case:	Claim for Damages – New Taipei Circular Line 0403 Earthquake Incident
Involved Parties	Plaintiffs: New Taipei City Government; New Taipei Metro Corporation Defendant: the Company
Summary:	Following the April 3, 2024 earthquake, the New Taipei Circular Line experienced a steel box girder displacement incident. The New Taipei City Government has filed a claim against the Company seeking damages totaling NT\$1.927 billion.
Subject or amount	NT\$ 1,927,763,871
Date starting the lawsuit	2025/3/27
Current status	First instance trial in progress.

Item	XV
Name of case:	New Taipei Circular Line 0403 Earthquake Claim Case – Taipei City Government
Involved Parties	Plaintiffs: Taipei City Government; First District Engineering Office, Taipei City Government Metro Bureau Defendant: the Company
Summary:	Following the April 3, 2024 earthquake, the New Taipei Circular Line experienced a steel box girder displacement incident. The Taipei City Government has filed a claim against the Company seeking damages totaling NT\$1.441 billion.
Subject or amount	NT\$ 1,441,046,003
Date starting the lawsuit	2025/3/27
Current status	First instance trial in progress.

Mediation cases:

Item	I
Name of case:	Project Dispute of the Shimen Reservoir, Northern Region Water Resources Branch
Involved Parties	Applicant: the Company Respondent: Northern Region Water Resources Branch, Water Resources Agency, Ministry of Economic Affairs
Summary:	Disputes arising from expedited work bonuses, insurance premiums, and related matters.
Subject or amount	NT\$40,000,000
Date starting the lawsuit	2025/12/4
Current status	Under mediation.

Final Judgments in 2025

Item	I
Name of case:	Taichung City Hall Construction Payment Dispute
Involved Parties	Plaintiff: The Company Defendant: Taichung City Government
Summary:	Regarding the construction payment of the Building, Taichung, the Company has assigned Xiang-Chi Corporation to work and now claimed the construction payment for design changes from the Taichung City Government.
Subject or amount	NT\$340,707,789
Date starting the lawsuit	2013/7/11
Current status	The first-instance judgment ordered the owner to pay NT\$11,020,000. Both parties appealed the unfavorable portions. The second-instance judgment upheld the original decision. Both parties appealed to the Supreme Court, which remanded the case. In the retrial (first retrial instance), the Company lost the case. On November 21, 2025, the Supreme Court dismissed the Company's appeal, and the judgment became final.

Item	II
Name of case:	Taoyuan Airport Earthwork Bidding Extension Management Fee Claim.
Involved Parties	Plaintiff: the Company Defendant: Taoyuan International Airport Corporation
Summary:	Request for management fees arising from a 1771.5-calendar day extension of the project duration.
Subject or amount	NT\$66,347,481
Date starting the lawsuit	2023/8/29
Current status	Mediation was reached on February 19, 2025. The defendant shall pay the Company NT\$46,441,101. The case is final.

Item	III
Name of case:	Lawsuit For The Claim of Payment For Engineering Funds of Nakosin Enterprise Co., Ltd. and Yong Ching Enterprise.
Involved Parties	Plaintiffs: Nakosin Enterprise Co., Ltd., Yong Ching Enterprise Defendant: the Company
Summary:	This case involves a claim by Yong Ching Enterprise, a subcontractor in the riverside social housing project, for payment of engineering funds from our company. Additionally, Nakosin Enterprise Co., Ltd. is claiming payment from our company after being assigned the aforementioned engineering funds debt by Yong Ching Enterprise.
Subject or amount	NT\$190,000,000
Date starting the lawsuit	2023/9/18
Current status	On April 11, 2025, the court rendered judgment fully in favor of the Company.

Item	IV
Name of case:	Arbitration for Design Integration Costs Related to the Relocation of the North Airport for the Green Line
Involved Parties	Claimants: the Company; Siemens Mobility GmbH; Hyundai Rotem Company Arbitration Respondent: Department of Rapid Transit Systems, Taoyuan City Government
Summary:	Due to the location change of the North Airport for the Taoyuan Green Line, our team believes that system integration design modifications have occurred, which the principal denies. Both parties have agreed to submit the dispute to arbitration.
Subject or amount	NT\$ 346,116,050
Date starting the lawsuit	2024/11/25
Current status	The arbitration award was received on July 14, 2025. The respondent shall pay NT\$261,736,734 plus statutory interest.

Item	V
Name of case:	Mediation of the Dispute Over Geological Differences In The Shimen Reservoir Project
Involved Parties	Applicant: the Company Respondent: Northern Region Water Resources Branch, Water Resources Agency, Ministry of Economic Affairs
Summary:	Request for expenses due to geological differences dispute.
Subject or amount	NT\$180,000,000
Date starting the lawsuit	2023/7/31
Current status	Mediation was reached on December 20, 2024. The respondent shall pay the Company approximately NT\$59,095,710.

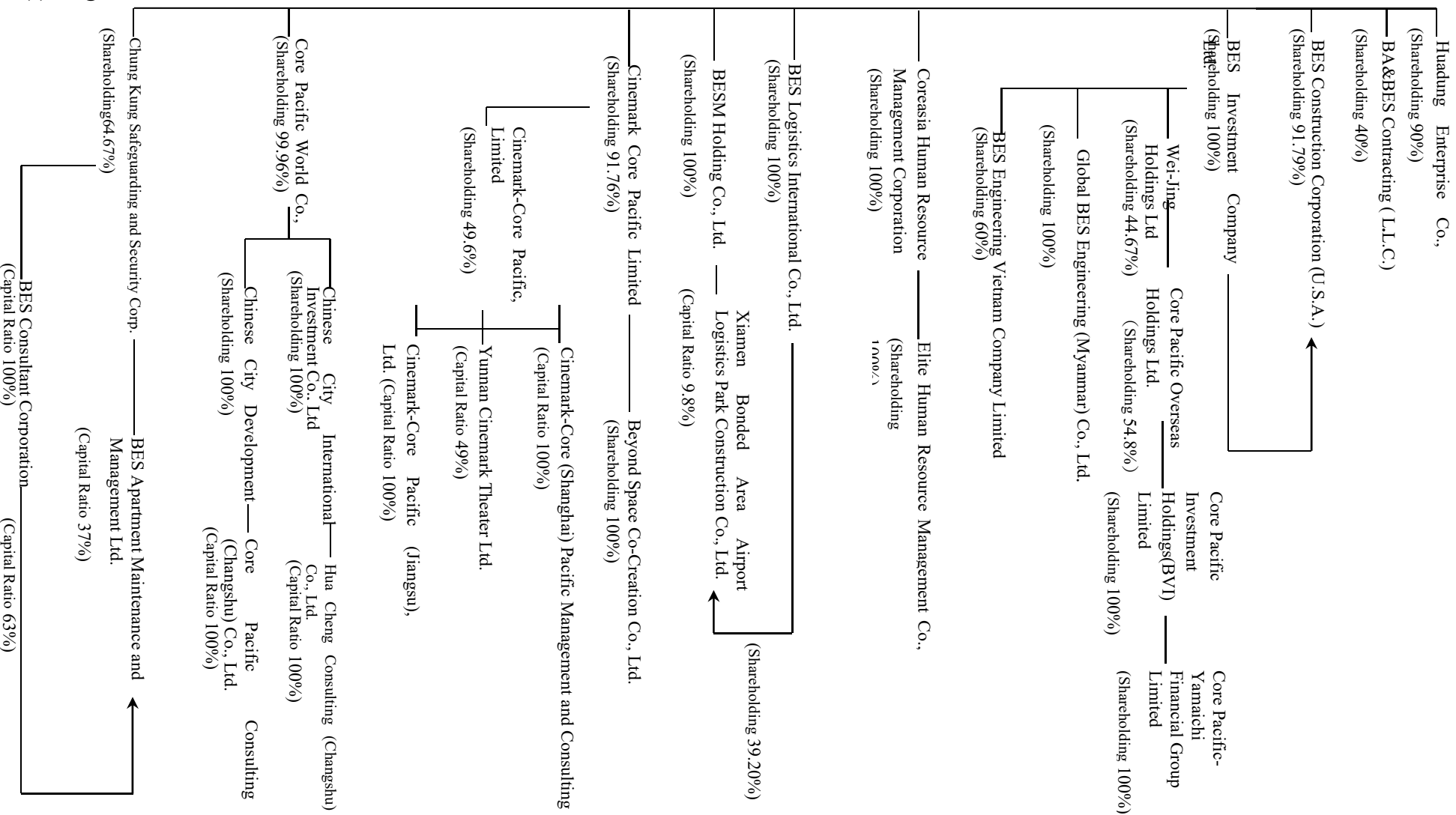
Item	VI
Name of case:	Dispute Regarding The Bird's Beak Reservoir Artificial Lake Project.
Involved Parties	Applicant: the Company Respondent: Central Region Water Resources Branch, Water Resources Agency, Ministry of Economic Affairs
Summary:	Dispute over earthwork and backfill unit price adjustments, among other issues.
Subject or amount	NT\$260,000,000
Date starting the lawsuit	2023/9/23
Current status	Mediation was reached on March 2, 2025. The respondent shall pay the Company NT\$74,524,530.

Item	VII
Name of case:	Application for Temporary Injunction and Emergency Response in Commercial Case
Involved Parties	Applicant: Bao-Hsin Investment Jia-Jun Investment Co., Ltd., Da-Hua Construction Co., Ltd. Defendant: The Company
Summary:	A request for a temporary injunction and emergency relief regarding the listing of nominated director candidates on the candidate slate.
Subject or amount	None
Date starting the lawsuit	115/4/13
Current status	The court issued a ruling for a provisional disposition to maintain the status quo, requiring the Company to include the petitioner in the candidate list; the motion for emergency disposition was dismissed.

(XIII) Other material risks and countermeasures: None

VII. Other Important Matters: None

BES ENGINEERING



Six. Special Notes and Matters

I. Information of Affiliates

(I) Organizational chart of Affiliates

(II) Consolidated business report

1. Basic information of Affiliates

Unit: unless otherwise specified, Thousand NT\$

Name of Enterprise	Date of establishment	Address	Paid-up Capital	Major business or products
Core Pacific World Co., Ltd.	1997.12.15	6F, No. 12, Dongxing Rd., Taipei City	1,160,000	Investment
Mauritius Chinese City International Investment Co., Ltd	2003.01.23	Republic of Mauritius	USD 9,500,000	Consultancy
Mauritius Chinese City Development Co., Ltd	2003.01.23	Republic of Mauritius	USD 9,500,000	Consultancy
Hua Cheng Consulting (Changshu) Co., Ltd.	2003.11.04	707, Building A, Changshu World Trade Center Plaza, Changshu City, Jiangsu Province, China	USD 9,000,000	Engineering and design consultancy
Core Pacific Consulting (Changshu) Co., Ltd.	2003.11.04	707, Building A, Changshu World Trade Center Plaza, Changshu City, Jiangsu Province, China	USD 9,000,000	Engineering and design consultancy
Chung Kung Safeguarding and Security Corp.	1995.08.04	2F, No. 12, Dongxing Rd., Taipei City	60,000	Security business
BES Consultant Corporation	1999.04.02	2F, No. 12, Dongxing Rd., Taipei City	10,000	Operation of parking lots and business management consultancy
BES Apartment Maintenance and Management Ltd.	2000.06.29	2F, No. 12, Dongxing Rd., Taipei City	10,000	Management service of apartment buildings
Coreasia Human Resource Management Corporation	1999.05.18	2F, No. 12, Dongxing Rd., Taipei City	60,000	Business management consultancy and investment advices
Huading Enterprise Co., Ltd.	2023.06.14	14F., No. 12, Dongxing Rd., Taipei City	490,100	Urban Renewal Reconstruction
BES Investment Company Ltd.	1996.08.06	Unit 1607, 16th Floor, Fortress Tower, 250 King's Road, North Point, Hong Kong	USD 30,723,800	Overseas operations of construction, machine and electrical equipment
BESM Holding Co., Ltd.	2005.10.18	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	USD 5,075,000	Investment Holding
BES Construction Corporation (U.S.A.)	1987.04.06	141 Bennington Court McDonough, Georgia 30253, U.S.A.	USD 9,261,000	Land development and investment
Xiamen Bonded Area Airport	2004.04.15	Rm. 301, Wan Xiang International	CNY 250,000,000	Logistics, warehouse, and

Name of Enterprise	Date of establishment	Address	Paid-up Capital	Major business or products
Logistics Park Construction Co., Ltd.		Commerce Center, Building No. 2, North Building No. 1692 Gangzhong Rd., Xiamen City		international trading
Elite Human Resource Management Co., Ltd.	2001.10.23	2F, No. 12, Dongxing Rd., Taipei City	5,000	Manpower Services
Cinemark Core Pacific Limited	1999.03.15	2F, No. 12, Dongxing Rd., Taipei City	321,000	Reality Technology Services and Live House
Hongkong Cinemark Core Pacific Limited	2011.09.27	FLATB 3/F WING CHBONG COMMERCIAL BUILDING 19-25 JERVOIS STREET SHEVNG WAN HK	HKD 111,503,000	Investment Holding
BA & BES Contracting (L.L.C.)	2007.02.13	Post Box 92237, Dubai-United Arab Emirates	3,000,000(AED)	Contracting Construction
BES Logistics International Co., Ltd.	2007.03.23	Republic of Mauritius	USD 13,995,000	Investment
Beyond Space Co-Creation Co., Ltd.	2003.05.14	2F., No. 102, Guangfu S. Rd., Taipei City	125,000	Retail Sale of Groceries, and Beverages
Cinemark-Core (Shanghai) Pacific Management and Consulting	2011.09.27	Rm. 307, No. 655, Fengzhou Rd., Ma Lu Township, Jiading District, Shanghai City	USD 900,000	Management of movie theaters; consultancy for procurement and management
Yunnan Cinemark Theater Ltd	2013.02.20	No. 1079, Beijing Rd., Kunming City	CNY 25,000,000	Movie playing; consultancy for procurement and management
Cinemark-Core Pacific (Jiangsu) Ltd.	2015.07.16	Room 1001, Building 1, Duanmu Mansion, No. 18 Jinghua Cheng Road, Hanjiang District, Yangzhou City	USD 11,000,000	Movie playing; consultancy for procurement and management
HRDD Logistics Co., Ltd.	2014.09.16	No. 966, Chongqing Ave, Tianjin Free Trading Area (Dong Jiang Bonded Port Area)	CNY 96,370,000	General warehousing industry, frozen warehousing industry and automobile freight industry
Global BES Engineering (Myanmar) Co., Ltd.	2016.05.15	NO.153/KA, Kyun Shwe Myaing Lane (2), 23 Ward, (Thuwanna), Thingangyun Township, Yangon, Myanmar	USD 500,000	Contracting Construction
BES Engineering Vietnam Company Limited	2020.02.06	G2-11, Golden King Building, 15 Nguyen Luong Bang Street, Tan My Ward, Ho Chi Minh City, Vietnam	USD 1,500,000	Contracting Construction

2. Information on the same shareholders of those who are presumed to have control and affiliation: None

3. Information of Directors, Supervisors, and General Managers of Each Affiliates (as of March 31,2026)

Unit: Thousands NTD unless specified otherwise; share; %

Name of Enterprise	Position title	Name or Representative	Holding shares	
			Number of shares	Percentage of Holding
Core Pacific World Co., Ltd.	Director	BES ENGINEERING CORPORATION Representatives: Chou Chih-Ming, Chen, Yu-Kuan, You, Li-Cheng	115,956,500	99.96
Chung Kung Safeguarding and Security Corp.	Director	BES ENGINEERING CORPORATION Representatives: Shan, Du-Wu, Yang, Mei-Yuan, Cheng, An-Tzu, Chiu, Yung-Tsai	3,880,000	64.67
	General manager	Kou, Ming-Hung	—	—
BES Consultant Corporation	Director	Chung Kung Safeguarding and Security Corp. Representatives: Shan, Du-Wu	10,000 (Capital Contribution)	100
BES Apartment Maintenance and Management Ltd.	Director	BES Consultant Corporation Representatives: Shan, Du-Wu	6,300 (Capital Contribution)	63
Coreasia Human Resource Management Corporation	Director and Supervisor	BES ENGINEERING CORPORATION Representatives: Chiang, Hung-Chiao, Chen, Yu-Kun, Yang, Mei-yuan Representative of Supervisors: Su, Yu-Min	6,000,000	100
	General manager	Wang, Ying-Chuan	—	—
Huading Enterprise Co., Ltd.	Director	BES ENGINEERING CORPORATION Representative: Chou, Chih-Ming, Chen, Wen-Ke, Lin, Chun-Yao	44,109,000	90.00
BES Construction Corporation (U.S.A.)	Director	BES ENGINEERING CORPORATION Representatives: Chou Chih-Ming, You, Li-Cheng	8,509	91.79

Name of Enterprise	Position title	Name or Representative	Holding shares	
			Number of shares	Percentage of Holding
BESM Holding Co., Ltd.	Director	BES ENGINEERING CORPORATION Representatives: Chou Chih-Ming	5,075,000	100.00
Xiamen Bonded Area Airport Logistics Park Construction Co., Ltd.	Director	BESM Holding Co., Ltd.及 BES Logistics International Co., Ltd Representative: You, Li-Cheng, Wang, Ying-Chuan, Chiu, Yung-Tsai Audit Committee Member : You, Li-Cheng	CNY 122,500,000 (Capital Contribution)	49.00
BES Investment Company Ltd.	Director	BES ENGINEERING CORPORATION Representatives: Chou Chih-Ming, You, Li-Cheng	30,723,800	100.00
Core Pacific Consulting (Changshu) Co., Ltd.	Director	Mauritius Chinese City Development Co., Ltd Representatives: Shang, Du-Wu, Chen, Yu-Kuan; Hu, Wen-Kuo	USD 9,000,000 (Capital Contribution)	100.00
Hua Cheng Consulting (Changshu) Co., Ltd.	Director	Mauritius Chinese City Development Co., Ltd Representatives: Shang, Du-Wu, Chen, Yu-Kuan; Hu, Wen-Kuo	USD 9,000,000 (Capital Contribution)	100.00
Elite Human Resource Management Co., Ltd.	Director and Supervisor	Coreasia Human Resource Management Corporation Representatives: Lin, Yu-Bin	500,000	100.00
	General manager	Lin, Yu-Bin	—	—
Cinemark Core Pacific Limited	Director	BES ENGINEERING CORPORATION Representatives: You, Li-Cheng	29,455,180	91.76
Mauritius Chinese City Development Co., Ltd.	Director	Core Pacific World Co., Ltd. Representatives: Chou Chih-Ming	9,500,000	100.00
Mauritius Chinese City International Investment Co., Ltd.	Director	Core Pacific World Co., Ltd. Representatives: Chou Chih-Ming	9,500,000	100.00

Name of Enterprise	Position title	Name or Representative	Holding shares	
			Number of shares	Percentage of Holding
BES Logistics International Co., Ltd.	Director	BES ENGINEERING CORPORATION Representatives: Chou, Chih-Ming	13,995,389	100.00
Hongkong Cinemark Core Pacific Limited	Director	Chen, Chia-Hui	61,503,000	49.60
Beyond Space Co-Creation Co., Ltd.	Director and	Cinemark Core Pacific Limited Representatives: Zhang, Wen-Bin, Chen, Yi-Shang Representative of Supervisors: Zhang, Zhi-Cheng	125,000	100.00
Cinemark (Shanghai) Investment and Management Consultancy Ltd.	Supervisor	Hongkong Cinemark Core Pacific Limited Representatives: Shen, Ching-Jing, Shen, Huei-Ting, Chen, Yi-Shang Representative of Supervisors: Shen, Yao-Ting	USD 900,000 (Capital Contribution)	100.00
Yunnan Cinemark Theater Ltd	Director and	Hongkong Cinemark Core Pacific Limited Representatives: Chiu, Wen-Yi, Shen, Huei-Ting Representative of Supervisors: Chen, Yi-Shang	CNY 12,250,000 (Capital Contribution)	49.00
Cinemark-Core Pacific (Jiangsu) Ltd.	Supervisor	Hongkong Cinemark Core Pacific Limited Representatives: Shen, Ching-Jing, Chiu, Wen-Yi, Shen, Huei-Ting Representative of Supervisors: Shi-Xiang	USD 5,000,000 (Capital Contribution)	100.00
HRDD Logistics Co., Ltd.	Director and Supervisor	BES ENGINEERING CORPORATION Representatives of Supervisors: Wang, Ying-Chuan Representative of Supervisors: Chou Chih-Ming	CNY 34,000,000 (Capital Contribution)	11.14
Global BES Engineering (Myanmar) Co., Ltd.	Director	BES Investment Company Ltd. Representative: You, Li-Cheng, Chou, Chih-Ming	USD 500,000	100.00
BES Engineering Vietnam Company Limited	Director	BES Investment Company Ltd. Representative: Chou, Chih-Ming, Yang, Mei-Yuan	USD 900,000	60.00

4. Overview of the operations of each Affiliates, 2025

Unit: unless otherwise specified, Thousand NT\$

Name of Enterprise	Amount of capital	Total value of assets	Total Liabilities	Net Value	Operating Revenue	Operating Profit (loss)	Profit/Loss of the Term (Before tax)	Profit/Loss of the Term (After tax)
Core Pacific World Co., Ltd.	1,160,000	1,323,535	66,303	1,257,232	—	(1,432)	(28,194)	(23,076)
Chung Kung Safeguarding and Security Corp.	60,000	180,318	89,758	90,560	391,408	1,030	11,745	11,404
BES Consultant Corporation	10,000	25,406	3,278	22,128	6,641	1,327	7,173	6,865
Chung Kung Management and Maintenance of Apartment Co., Ltd.	10,000	76,558	55,444	21,114	220,411	11,538	11,188	8,944
Coreasia Human Resource Management Corporation	60,000	112,609	18,442	94,167	696,248	(3,375)	8,317	8,328
Huading Enterprise Co., Ltd.	490,100	496,280	9,732	486,548	—	(3,981)	(2,374)	(1,897)
BES Investment Company Ltd.	239,396,208 (HKD)	157,024,812 (HKD)	35,000 (HKD)	156,989,812 (HKD)	—	(101,826) (HKD)	5,845,409 (HKD)	5,845,409 (HKD)
BES Construction Corporation (U.S.A.)	5,000,000 (USD)	1,277,719 (USD)	288,575 (USD)	989,144 (USD)	—	(20,000) (USD)	20,421 (USD)	20,421 (USD)
Elite Human Resource Management Co., Ltd.	5,000	39,725	17,839	21,886	168,036	11,682	13,791	11,032
Cinemark Core Pacific Limited	321,000	267,118	27,885	239,233	—	(16,765)	(47,397)	(40,996)
Mauritius Chinese City International Investment Co., Ltd.	78,631,500 (CNY)	113,417,866 (CNY)	65,062 (CNY)	113,352,804 (CNY)	—	(119,424) (CNY)	(3,386,971) (CNY)	(3,386,971) (CNY)
Mauritius Chinese City Development Co., Ltd.	78,631,500 (CNY)	113,076,590 (CNY)	65,062 (CNY)	113,011,528 (CNY)	—	(119,424) (CNY)	(3,081,625) (CNY)	(3,081,625) (CNY)
Hua Cheng Consulting (Changshu) Co., Ltd.	74,490,300 (CNY)	111,794,960 (CNY)	406,742 (CNY)	111,388,218 (CNY)	220,000 (CNY)	(1,810,463) (CNY)	(4,471,736) (CNY)	(3,336,610) (CNY)
Core Pacific Consulting (Changshu) Co., Ltd.	74,490,300 (CNY)	114,489,558 (CNY)	421,128 (CNY)	111,068,430 (CNY)	267,619 (CNY)	(1,585,298) (CNY)	(4,064,136) (CNY)	(3,031,414) (CNY)

Name of Enterprise	Amount of capital	Total value of assets	Total Liabilities	Net Value	Operating Revenue	Operating Profit (loss)	Profit/Loss of the Term (Before tax)	Profit/Loss of the Term (After tax)
BESM Holding Co., Ltd.	31,977,067 (CNY)	52,381,828 (CNY)	173,942 (CNY)	52,207,886 (CNY)	—	(78,892) (CNY)	931,587 (CNY)	931,587 (CNY)
Xiamen Bonded Area Airport Logistics Park Construction Co., Ltd.	250,000,000 (CNY)	817,541,980 (CNY)	436,344,616 (CNY)	381,197,364 (CNY)	245,729,265 (CNY)	(2,676,131) (CNY)	5,873,888 (CNY)	4,646,054 (CNY)
BA & BES Contracting (L.L.C.)	3,000,000 (AED)	—	—	—	—	—	—	—
BES Logistics International Co., Ltd.	99,443,035 (CNY)	150,587,051 (CNY)	23,354 (CNY)	150,563,697 (CNY)	—	(61,270) (CNY)	1,751,533 (CNY)	1,751,533 (CNY)
Hongkong Cinemark Core Pacific Limited	89,636,565 (CNY)	22,039,978 (CNY)	74,334 (CNY)	21,965,644 (CNY)	—	(17,458) (CNY)	(7,524,691) (CNY)	(7,524,691) (CNY)
Cinemark (Shanghai) Investment and Management Consultancy Ltd.	5,685,600 (CNY)	646,871 (CNY)	875,716 (CNY)	(228,845) (CNY)	—	(2,000) (CNY)	(2,000) (CNY)	(2,000) (CNY)
Yunnan Cinemark Theater Ltd.	25,000,000 (CNY)	23,620,777 (CNY)	2,640,615 (CNY)	20,980,162 (CNY)	7,753,911 (CNY)	(432,556) (CNY)	(1,177,126) (CNY)	(1,177,126) (CNY)
Beyond Space Co-Creation Co., Ltd.	125,000	23,719	7,825	15,894	—	(2,779)	(2,525)	(2,525)
Cinemark-Core Pacific (Jiangsu) Ltd.	73,124,130 (CNY)	97,858,758 (CNY)	92,684,274 (CNY)	5,174,484 (CNY)	1,210,256 (CNY)	(6,413,764) (CNY)	(7,094,069) (CNY)	(7,094,192) (CNY)
Global BES Engineering (Myanmar) Co., Ltd.	748,635,000 (MMK)	795,325,044 (MMK)	—	795,325,044 (MMK)	—	(6,406,316) (MMK)	(947,097) (MMK)	(947,097) (MMK)
BES Engineering Vietnam CO., Ltd.	34,801,012 (Thousand VND)	158,990,084 (Thousand VND)	104,785,577 (Thousand VND)	54,204,507 (Thousand VND)	—	6,363,906 (Thousand VND)	14,468,043 (Thousand VND)	11,521,843 (Thousand VND)

Note: The overview of each affiliate is based on the financial statement of them. Beyond Space Co-Creation Co., Ltd. was formerly known as Cinema 7 Ltd.

(III) Relationship report

REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of the Company (from January 1, 2025 to December 31 2025), under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the IFRS No. 10, “Consolidated Financial Statements.” In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, BES Engineering Corporation and Subsidiaries do not prepare a separate set of combined financial statements.

Hereby statement

Name of Company: BES Engineering
Corporation

Representative: Chou Chih-Ming

March 12, 2026

1. Overview of the relationship between the subordinating companies and the controlling company: None
2. Transaction of purchases and sales of goods: None
3. Transaction of properties: None
4. Asset leasing: None

5. Financing:

BES Engineering Corporation and Subsidiaries Loaning of funds January 1, 2024 to December 31, 2025

Unit: NT NTD in thousands

No	Fund loaner	Fund borrower	Item for transaction	Related party or not	Maximum balance of the year (Note1)	Balance at the end of year (Note1)	Amount actually drafted	Interest rate Range	Nature of Loaning of funds (Note3)	Business relationship Amount	Reason for short-term financing	Amount to be provided for bad loans	Collateral		Limit of loaning of funds to one single counterparty	Nature of Total Limit	Note
													Name	Value			
0	BES Engineering Corporation	Huarui Quanshi Logistics Co., Ltd.	Payables from related party	Yes	\$21,550	\$21,550	\$21,550	5	2	\$—	Operating Turnover	\$21,550	—	—	\$903,952 (4% of BES Engineering Corporation's net equity)	\$9,039,519 (4% of BES Engineering Corporation's net equity)	
1	Chung Kung Safeguarding and Security Corp.	Chung Kung Management Consultant Co., Ltd.	Payables from related party	Yes	15,000	15,000	—	3.5	2	—	Operating Turnover	—	—	—	36,224 (40% of Chung Kung Safeguarding and Security Corporation's net equity)	36,224 (40% of Chung Kung Safeguarding and Security Corporation's net equity)	
1	Chung Kung Safeguarding and Security Corp.	BES Apartment Maintenance and Management Ltd.	Payables from related party	Yes	15,000	15,000	—	3.5	2	—	Operating Turnover	—	—	—	36,224 (40% of Chung Kung Safeguarding and Security Corporation's net equity)	36,224 (40% of Chung Kung Safeguarding and Security Corporation's net equity)	
2	Cinemark Core Pacific Limited	Agora Garden Co., Ltd.	Other receivables	Yes	110,000	95,000	95,000	3.5~3.8	2	—	Operating Turnover	—	Real estate, Securities	123,804	95,693 (40% of net worth of Cinemark Core Pacific Limited's net equity)	95,693 (40% of net worth of Cinemark Core Pacific Limited's net equity)	Note 2 and Note 4
3	Core Pacific World Co., Ltd.	BES Apartment Maintenance and Management Ltd.	Other receivables from related parties	Yes	10,000	10,000	7,000	3.5	2	—	Operating Turnover	—	—	—	377,170 (30% of net worth of Core Pacific World Co., Ltd.'s net equity)	377,170 (30% of net worth of Core Pacific World Co., Ltd.'s net equity)	
3	Core Pacific World Co., Ltd.	Appoint CORE PACIFIC Marketing Corporation	Other receivables from related parties	Yes	26,000	26,000	—	3.5	2	—	Operating Turnover	—	Stocks	15,169	377,170 (30% of net worth of Core Pacific World Co., Ltd.'s net equity)	377,170 (30% of net worth of Core Pacific World Co., Ltd.'s net equity)	Note 2
4	BES Consultant Corporation	BES Apartment Maintenance and Management Ltd.	Payables from related party	Yes	7,000	7,000	5,000	3.5	2	—	Operating Turnover	—	—	—	8,851 (40% of net worth of BES Consultant Corporation's net equity)	8,851 (40% of net worth of BES Consultant Corporation's net equity)	

Note1: The limit of loaning of funds passed by the Board of Directors of the Company and subsidiaries.

Note2: In preparing the consolidated financial statements, all intercompany balances have been eliminated, except for other receivables between Cinemark Core Pacific Limited and Agora Garden Co., Ltd., as well as between Core Pacific World Co., Ltd. and Appoint CORE PACIFIC Marketing Corporation.

Note3: The description of the loan and its nature is as follows: 1. Those who do business; 2. Those who need short-term financing.

Note4: Cinemark Core Pacific Limited (hereinafter referred to as “Cinemark Company”) has a loan balance of NT\$95,000 thousand extended to Agora Garden Co., Ltd., which has exceeded the originally agreed term. Cinemark Company has formulated an improvement plan and reported it to the supervisors, and the subsequent implementation will be included in the board of directors’ regular monitoring and control.

Endorsements and guarantees for others
provided by BES Engineering Corporation and subsidiaries
January 1, 2025 to December 31, 2025

Unit: NT NTD in thousands

No	Endorsements and guarantees provider Name of the Company	Counterparty of endorsements and guarantees		Limit of endorsements and guarantees to one single enterprise	Maximum balance of endorsements and guarantees for the period	Endorsements and guarantees at the end of the period	Amount actually drafted	Amount of endorsements and guarantees with property as collateral(s)	Ratio of accumulated amount of endorsements and guarantees to the net value in in the latest financial statement.	Maximum limit of endorsements and guarantees	Endorsements and guarantees from the Company to subsidiaries	Endorsements and guarantees from subsidiaries to the Company	Endorsements and guarantees in Mainland China	Note
		Company Name	Relationship											
1	Hua Cheng Consulting (Changshu) Co., Ltd.	BES Engineering Corporation	Corporation holding more than 50% of ordinary shares of the Corporation directly or through a subsidiary indirectly	\$ 1,252,004 (Note 2)	\$ 318,094	318,094	260,000	318,094	63.52%	\$ 1,502,404 (Note 7)	—	Y	—	
2	Core Pacific Consulting (Changshu) Co., Ltd.	BES Engineering Corporation	Corporation holding more than 50% of ordinary shares of the Corporation directly or through a subsidiary indirectly	1,248,409 (Note 3)	318,094	318,094	260,000	318,094	63.70%	1,498,091 (Note 8)	—	Y	—	
3	Chung Kung Safeguarding and Security Corp.	Chung Kung Management and Maintenance of Apartment Co., Ltd.	Subsidiary in which parent Corporation holds more than 50% voting rights directly or indirectly	226,401 (Note 4)	25,000					271,681 (Note 9)	Y	—	—	
4	BES Investment Company Ltd.	BES Engineering Corporation	Subsidiary in which parent Corporation holds more than 50% voting rights directly or indirectly	1,267,850 (Note 5)	973,650	35,259	35,259	35,259	5.56%	1,584,812 (Note 10)	—	Y	—	

5	Core Pacific World Co., Ltd.	BES Engineering Corporation	Subsidiary in which parent Corporation holds more than 50% voting rights directly or indirectly	3,143,082 (Note 6)	220,500					3,771,698 (Note 11)	—	Y	—	
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Note 1: Indicate “Y” if the endorsement and guarantee is given in Mainland China.

Note 2: The limit is 250% of the net value of Hua Cheng Consulting (Changshu) Co., Ltd. in the latest financial statement.

Note 3: The limit is 250% of the net value of Core Pacific Consulting (Changshu) Co., Ltd. in the latest financial statement.

Note 4: The limit is 250% of the net value of BES Safeguarding and Security Corporation in the latest financial statement.

Note 5: The limit is 200% of the net value of BES Investment Company Ltd. in the latest financial statement.

Note 6: The limit is 250% of the net value of Core Pacific World Co., Ltd. in the latest financial statement.

Note 7: The limit is 300% of the net value of Hua Cheng Consulting (Changshu) Co., Ltd. in the latest financial statement.

Note 8: The limit is 300% of the net value of Core Pacific Consulting (Changshu) Co., Ltd. in the latest financial statement.

Note 9: The limit is 300% of the net value of BES Safeguarding and Security Corporation in the latest financial statement.

Note 10: The limit is 250% of the net value of BES Investment Company Ltd. in the latest financial statement.

Note 11: The limit is 300% of the net value of Core Pacific World Co., Ltd. in the latest financial statement.

- II. For the current year up to the publication date of the annual report, the private placement of securities: N/A
- III. Other necessary supplementary matters: N/A

Seven. For the Current Year Up to the Publication Date of the Annual Report, Any Matter Having Material Impact to the Shareholders' Equity or Price of Securities Specified in Subparagraph 2, Paragraph 3, Article 36 of the Securities Exchange Act: N/A

BES ENGINEERING CORPORATION

Principal : Chou Chih-Ming