

CONTINENTAL HOLDINGS CORPORATION

Annual Report 2024

Taiwan Stock Exchange Market Observation
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Continental Holdings Corporation

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Members of Continental Holdings Corporation**Continental Engineering Corporation**

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Tel: (02)3701-1000

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Continental Development Corporation

Address: No. 95 Dun Hua S. Road, Sec 2, Taipei, Taiwan

Tel: (02)3701-3000

Website: <https://www.continental-propertydevelopment.com>

HDEC Corporation

Address: No. 95 Dun Hua S. Road, Sec 2, Taipei, Taiwan

Tel: (02)3701-5000

Website: [http:// www.hdec-corp.com](http://www.hdec-corp.com)

Continental Consulting Limited Company

Address: No. 95 Dun Hua S. Road, Sec 2, Taipei, Taiwan

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Common Share Transfer Agent and Registrar

Company: The Transfer Agency Department of Taishin Securities CO.,Ltd.

Address: B1F., No. 96, Sec. 1, Jianguo N. Rd., Taipei City ,Taiwan, R.O.C.

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

Tel: (02)2504-8125

Certified Public Accountants

Auditors: Chung-Che Chen, Shu-Ying Chang

Auditors Company: KPMG

Address: 68F, No. 7, Xinyi Rd., Taipei City, Taiwan, R.O.C.

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

Tel: (02)8101-6666

Public listings and securities trading in overseas stock exchanges: None

Note: The English version is a translation of the original Chinese. In case of any discrepancies, the Chinese version shall prevail.

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Letter to the Shareholders

In 2024, Continental Holdings Corporation (CHC) Group maintained steady growth and development thanks to the continuous promotion of government public construction, the successive commencement of several large-scale civil development plans, and the great efforts of our colleagues and their resilience in responding to challenges. However, the continual impact of global inflation, fluctuating interest rates, and the government's continuous adoption of housing market control measures affected the Group's residential housing deliveries in the second half of the year. In 2024, the consolidated revenue of the Group reached NT\$30.701 billion, in line with the previous year; the net operating profit was NT\$1.249 billion, down by 43% compared with the previous year; and net profit after tax was NT\$1.175 billion with earnings per share of NT\$1.43, down by 32% compared with the previous year.

Continental Engineering Corporation (CEC), a subsidiary of the Group, continued to develop core markets and expanded into diversified fields in 2024. CEC successively contracted new projects, including CJ17 for the Taoyuan Railway Underground Project (Zhongli Train Station), the Taipei MRT South Circular Line CF670A Project, the Taipei MRT North Circular Line CF690B Project, the Nangang Rail Yard Urban Renewal Project (Unit 1), and Nangang Depot Social Housing Zone 2, presenting a record high revenue backlog and laying a stable foundation for the construction business in the coming years. The main projects currently under construction include large-scale public works and a variety of civil development projects, such as the Nangang Rail Yard Urban Renewal Project, the Taoyuan MRT Green Line, the Taipei MRT Circular Line Sections, the Tainan Urban District Railway Underground Project, and Zuoying Naval Base.

Continental Development Corporation (CDC) presale projects in 2024 including "Green Utopia", "Poetic Yard" and "Grove Mansion", which were highly appreciated by the market, and sales of the projects brought in considerable revenue backlog. Looking to 2025, CDC plans to recognize the profits from "Belle Époque" and "Sensuous Garden" as well as other residential projects. In addition to more than a dozen ongoing real estate projects, CDC has also acquired new projects in Taipei City, New Taipei City, Hsinchu City and Taichung City, and will continually expand its project pipeline in potential markets, laying a sustainable and long-lasting profiting foundation for the future.

In 2024, HDEC Corporation (HDEC), another subsidiary of the Group, continued to advance the Tainan Chengxi Incineration Plant and Kaohsiung Qiaotou Recycling Water Plant construction works, and commenced operations with the Phase I of Zhongli Water Resources. HDEC also acquired a new project – STSP Chiayi Science Park Wastewater Treatment Plant New Construction Project. With such ongoing business development, HDEC aims to improve project and operational management capabilities, strengthen risk control, and create record-high profits.

Adhering to the concept of ESG, CHC Group remains committed to improving energy utilization efficiency, investing in the utilization of water resources and renewable energy sources, placing emphasis on talent development, and implementing ethical management policies. Looking to the future, we will continually strengthen our operational resilience, develop core our business areas, and strive to enhance our long-term corporate value.

Chairman



I. Board Members and Management Team

(I) Information Regarding Board Members

Title (Note 1)	Nationality or Place of registration	Name	Gender/ Age	Date Elected	Tenure of Office (year)	Date First Elected	Shares Held When Elected		Share Currently Held (Note 2)		
							Shares	%	Shares	%	
Chairman	R.O.C	Wei-Dar Development Co.,Ltd	-	2024.6.3	3	2009.11.2	206,025,200	25.02	206,025,200	25.02	
		Representative: Nita Ing	Female 61~70	2024.6.3	3	2009.11.2	903,298	0.11	903,298	0.11	
Director	R.O.C	Wei-Dar Development Co.,Ltd	-	2024.6.3	3	2009.11.2	206,025,200	25.02	206,025,200	25.02	
		Representative : Helena Kuo	Female 81-85	2024.6.3	3	2009.11.2	-	-	-	-	
Director	R.O.C	Han-De Construction Co.,Ltd	-	2024.6.3	3	2015.5.22	63,755,667	7.74	63,755,667	7.74	
		Representative: Hsiung Chiang	Male 71~80	2024.6.3	3	2021.7.30	124,953	0.02	124,953	0.02	
Director	R.O.C	Han-De Construction Co.,Ltd	-	2024.6.3	3	2015.5.22	63,755,667	7.74	63,755,667	7.74	
		Representative : John Huang	Male 71~80	2024.6.3	3	2018.6.5	-	-	-	-	
Independent Director	R.O.C	Frank Juang	Male 61~70	2024.6.3	3	2015.5.22	-	-	-	-	
Independent Director	R.O.C	Jolien Shu	Female 51~60	2024.6.3	3	2021.7.30	-	-	-	-	
Independent Director	R.O.C	Wilma Wei	Female 61~70	2024.6.3	3	2024.6.3	-	-	-	-	
Independent Director	R.O.C	Allen Lee (Note 5)	Male 71~80	2021.7.30	3	2015.5.22	N/A	N/A	N/A	N/A	

Note1: Directors as the legal representative, the major shareholder of institutional shareholder on page. 6

Note 2: The shares currently held is based on April 19, 2025 book closure date

Note 3: CHC's Directors did not hold any positions within the company's independent audit firm or its affiliates.

Note 4: Chairman and CEO are not same person, spouses or first degree consanguinity

Note 5: Mr. Allen Lee stepped down as Independent Director after the Annual Shareholders' Meeting on June 3, 2024

	Share Currently Held by Spouse & Minors		Shares held by nominee arrangement		Selected Education Past Position (Note 3)	Selected Current Positions at CHC and Other Companies	Other officer, Directors or Supervisors who are Spouses or within Two Degrees of relative			Remarks (Note 4)
	Shares	%	Shares	%			Titles	Name	Relation	
	-	-	-	-	Bachelor of Arts in Economics, UCLA Chairman, Continental Engineering Corporation Chairman, Continental Development Corporation Chairman, Taiwan High Speed Rail Corporation	Chairman, TSRC Corporation Chairman, Hao Ran Foundation	None			None
	-	-	-	-						
	-	-	-	-	MBA, Accounting & Finance USC MA, Cognitive Learning, UCLA Bachelor of Philosophy, National Taiwan University Executive Consultant, Taishin International Bank Chairman, Taiwan Depositary & Cleaning Corp. Chairman, Taishin Bills Finance Co., Ltd. Independent Director, Tatung System Technologies Inc. Director, Taiwan Opportunities Fund Limited Senior Advisor, UBS Vice President, Bank of America Adjunct Lecturer, School of Business, Soochow University	Adviser, Taiwan Depositary & Clearing Corp.	None			None
	-	-	-	-						
	-	-	-	-	B.S. in Hydraulic Engineering, Chung Yuan Christian University Director, Continental Engineering Corporation Director, Continental Engineering Corporation (Hong Kong) Limited General Manager, CEC International Corporation (India) Pvt.Ltd General Manager, Construction Division of Continental Engineering Corporation Director, CEC International Corporation (India) Pvt.Ltd. Director, CEC International Corporation	Director, CEC International Malaysia Sdn. Bhd.	None			None
	7,000	0.00	-	-						
	-	-	-	-	Bachelor of Science (Accounting), National Cheng Kung University Director, Continental Engineering Corporation Director, Continental Development Corporation Chief Auditor, Taiwan High Speed Rail Corporation General Manager, Suzhou Standard Foods (China) Chief Auditor, Philips Companies in Taiwan Audit Asst. Manager, Deloitte Touche Tohmatsu Limited (Taiwan) Director, CDC Commercial Development Corporation	Director, TSRC Corporation	None			None
	-	-	-	-						
	-	-	-	-	Master of Law, Institute of Technology Law, National Chiao-Tung University Master of Business Administration, University of Iowa Bachelor of Business Administration, National Taiwan University Director, Taiwan Opportunities Fund Limited Independent Director, Wistron Information Technology & Service Corporation Independent Director, Browave Corporation Chairman, Young Optics Inc. Chairman, Young Lighting Technology Inc. Chairman, Optoma Corporation Managing Director, EVP & COO / Coretronic Corporation Vice President, Bankers Trust Company, Taipei Branch Vice President, H&Q Asia Pacific International Loan Officer, Bank of America, Taipei Branch	Director, Azure Investment Ltd Independent Director, Wistron Corporation	None			None
	-	-	-	-	MBA, University of California, Irvine, U.S.A. B.B.A. Concentration in Finance, National Taiwan University, Taiwan, Finance Consultant, Womany Media Group Independent Director, ViewSonic International, Taipei, Taiwan / Senior Vice President of Group Finance, GigaMedia Limited (NASDAQ listed) Vice President & Controller, Asia Pacific, ViewSonic International, Taipei, Taiwan Director of Finance Dept., FarEastone, Taipei, Taiwan	None	None			None
	-	-	-	-	MBA, University of Washington Director, Raycore Biotech Co., Ltd. Bachelor of Art in Business Administration with concentration on International Trade, National Taiwan University Independent Director, SYNergy ScienTech Corp. Director, Raycore Biotech Co., Ltd. Director, Zheng Ying Electronics(Chongqing) Co., Ltd Senior Vice President & CFO, Toppoly Optoelectronics Corp. Executive Director, BNP Paribas Executive Director, Bankers Trust Company, Taipei Branch Vice President, ABN AMRO and American Continental Bank	Independent Director, Visco Vision Inc. Senior Vice President, Compal Electronics Investment Planning and Management Office President/Compal Ruifang Health Assets Development Corporation	None			None
	N/A	N/A	N/A	N/A	N/A	N/A	N/A			N/A

Major Shareholder of Institutional Shareholder

Name of Institutional shareholders	Major shareholders
Wei-Dar Development Co., Ltd	Maoshi Corporation (99.6%)
Han-De Construction Co., Ltd.	Maoshi Corporation (99.4%)

Major shareholders of the Company's major institutional shareholders

Name of Institutional shareholders	Major shareholders
Maoshi Corporation	Jade Fortune Enterprises Ins. (99.9%)

(II) Qualifications of directors and independence of independent directors

Requirements Name	Qualifications and Experience (Note 1)	Independence Status	Number of Other Taiwanese Public Companies where He/She Concurrently Serves as an Independent Director
Nita Ing Chairman	<ul style="list-style-type: none"> With a career spanning more than 30 years in commerce, finance, financial holding, and construction, Nita Ing currently serves as Chairman of TSRC Corporation and Hao Ran Foundation. Ing once acted as Chairman of Continental Engineering Corporation and Taiwan High Speed Rail Corporation. Not a person of any conditions defined in Article 30 of the Company Act 	<ul style="list-style-type: none"> Not an employee of the Company or any of its affiliates, not an employee of a company that has a specific relationship with the Company, nor does her spouse or relative within the second degree of kinship; not receiving compensation for rendering commercial, legal, financial, or accounting services to the Company or any of its affiliates within the recent two years 	0
Helena Kuo Director	<ul style="list-style-type: none"> Having extensive experience in the financial sector, including commerce, finance, and banking, Helena Kuo concurrently serves as Consultant to Taiwan Depository & Clearing Corporation. Kuo once acted as Executive Consultant of Taishin Financial Holding Co., Ltd., Chairman of Taishin Bills Finance Co., Ltd., Executive Consultant, Taishin International Bank, Chairman, Taiwan Depository & Clearing Corp., Chairman, Taishin Bills Finance Co., Ltd., Independent Director, Tatung System Technologies Inc., Director, Taiwan Opportunities Fund Limited, Senior Advisor, UBS, Vice President, Bank of America. Earlier in her career, Kuo also served in several senior management positions in international banking and finance institutions. Not a person of any conditions defined in Article 30 of the Company Act 	<ul style="list-style-type: none"> Not an employee of the Company or any of its affiliates, not holding shares of the Company, nor does her spouse or relative within the second degree of kinship; not an employee or a director or supervisor of a company that has a specific relationship with the Company, nor does her spouse or relative within the second degree of kinship; not receiving compensation for rendering commercial, legal, financial, or accounting services to the Company or any of its affiliates within the recent two years 	0
John Huang Director	<ul style="list-style-type: none"> With commerce, finance, and accounting background, John Huang has more than 10 years of general management experience, along with over 20 years of experience in financial and operational auditing. Huang also serves as Director of TSRC Corporation. He once acted as Director of Continental Engineering Corporation, Director of Continental Development Corporation, Director of CDC Commercial Development Corporation, Chief Auditor of Taiwan High Speed Rail Corporation, General Manager of Suzhou Standard Foods (China), Head Auditor of Philips Companies in Taiwan and Audit Assistant Manager of Deloitte Touche Tohmatsu Limited Not a person of any conditions defined in Article 30 of the Company Act 	<ul style="list-style-type: none"> Not an employee of the Company or any of its affiliates, not holding shares of the Company, nor does his spouse or relative within the second degree of kinship; not an employee of a company that has a specific relationship with the Company, nor does his spouse or relative within the second degree of kinship; not receiving compensation for rendering commercial, legal, financial, or accounting services to the Company or any of its affiliates within the recent two years 	0

Requirements Name	Qualifications and Experience (Note 1)	Independence Status	Number of Other Taiwanese Public Companies where He/She Concurrently Serves as an Independent Director
Hsiung Chiang Director	<ul style="list-style-type: none"> With a commerce and construction background, Hsiung Chiang possesses over 40 years of solid experience in on-site engineering project execution and management. Apart from his civil engineering profession, Chiang also has rich and extensive experience in planning and management. He concurrently serves as Director of CEC International Malaysia Sdn. Bhd. He once acted as Director of HDEC Corporation, Director of Continental Engineering, Director of CEC's overseas subsidiaries in India and HK, General Manager of Construction Division, CEC as well as General Manager of CEC's subsidiary in India. Not a person of any conditions defined in Article 30 of the Company Act 	<ul style="list-style-type: none"> Not an employee of the Company or any of its affiliates, not an employee or a director or supervisor of a company that has a specific relationship with the Company, nor does his spouse or relative within the second degree of kinship; not receiving compensation for rendering commercial, legal, financial, or accounting services to the Company or any of its affiliates within the recent two years 	0
Frank Juang Independent Director	<ul style="list-style-type: none"> With law, commerce, finance, and banking background, Frank Juang has over 20 years of management experience. Juang currently serves as an independent director of Wistron corporation and a Director of Azure Investment Ltd. He once acted as Independent Director, Taiwan Opportunities Fund Limited, Independent Director, Wistron Information Technology & Service Corporation, Independent Director, Browave Corporation, Chairman, Young Optics Inc., and Chairman, CEO, or Director for a number of high-tech companies and he also served as head of the finance department at several companies. Not a person of any conditions defined in Article 30 of the Company Act 	<ul style="list-style-type: none"> Complying with requirements for independence as defined in the checklist (at time of election) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act; not an employee or a director or supervisor of the Company or any of its affiliates, nor does his spouse or relative within the second degree of kinship; not holding shares of the Company, nor does his spouse or relative within the second degree of kinship; not an employee or a director or supervisor of a company that has a specific relationship with the Company, nor does his spouse or relative within the second degree of kinship; not receiving compensation for rendering commercial, legal, financial, or accounting services to the Company or any of its affiliates within the recent two years 	1
Jolien Shu Independent Director	<ul style="list-style-type: none"> With commerce and finance background, Jolien Shu possesses more than 25 years' profound experience in financial practices. As a CPA charterholder of California, Shu once acted as consultant in finance for Womany Media Group, Independent Director, ViewSonic Corporation, Senior Vice President of Group Finance, GigaMedia Limited, Asia-Pacific Vice President & Controller, ViewSonic Corporation, and Director of Finance Department, Far EasTone Telecommunications Co., Ltd. apart from financial officers in many other companies. Not a person of any conditions defined in Article 30 of the Company Act 	<ul style="list-style-type: none"> Complying with requirements for independence as defined in the checklist (at time of election) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act; not an employee or a director or supervisor of the Company or any of its affiliates, nor does her spouse or relative within the second degree of kinship; not holding shares of the Company, nor does his spouse or relative within the second degree of kinship; not an employee or a director or supervisor of a company that has a specific relationship with the Company, nor does her spouse or relative within the second degree of kinship; not receiving compensation for rendering commercial, legal, financial, or accounting services to the Company or any of its affiliates within the recent two years 	0

Requirements	Qualifications and Experience (Note 1)	Independence Status	Number of Other Taiwanese Public Companies where He/She Concurrently Serves as an Independent Director
Name			
Wilma Wei	<ul style="list-style-type: none"> With commerce, finance and banking background, Wilma Wei has over 25 years experience in finance and investment planning. She is currently Senior Vice President of Investment Planning & Management Office, Compal Electronics Inc., an independent director of Visco Vision Inc., and also serves as a board director or supervisor for various high-tech and bio-medical companies. Previously, she worked as an independent director of Synergy ScienTech Corp., Chief Financial Officer of Toppoly Optoelectronics Corp., and Executive Director of multiple international financial institutions. Not a person of any conditions defined in Article 30 of the Company Act. 	<ul style="list-style-type: none"> Complying with requirements for independence as defined in the checklist (at time of election) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act; not an employee or a director or supervisor of the Company or any of its affiliates, nor does her spouse or relative within the second degree of kinship; not holding shares of the Company, nor does his spouse or relative within the second degree of kinship; not an employee or a director or supervisor of a company that has a specific relationship with the Company, nor does her spouse or relative within the second degree of kinship; not receiving compensation for rendering commercial, legal, financial, or accounting services to the Company or any of its affiliates within the recent two years 	1

Note 1: For more information on directors' education and work experience, please refer to page 5 of the annual report.

(III) Diversity and Independence of Board of Directors

1. Diversity of Board of Directors

The diversity policy for the Board of Directors is defined in Article 21 of the "Corporate Governance Principles". The composition of the Board should take diversification into account. Appropriate diversification strategies should also be developed in terms of Board operations, business model, and development requirements. These include but are not limited to the following criteria:

A. Basic conditions: Gender, age, nationality, and cultural background.

B. Professional knowledge and skills: Professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industrial experience.

The Board of Directors as a whole should possess the following capabilities:

(1) Ability to make operational judgments. (2) Accounting and financial analysis ability. (3) Business administration ability. (4) Crisis management ability. (5) Industry knowledge. (6) International market perspective. (7) Leadership ability. (8) Decision-making ability.

2. Board Diversity Policy Specific Objectives

The Board of Directors is composed of experts with backgrounds in industry, accounting, management; The Board of Directors has 60% of the seats in various professional fields such as investment holding, commerce, construction and construction, financial accounting, etc., and has set specific objects as follows:

- At least 2 independent directors shall serve for a term not exceeding 3 terms.
- Increase the number of female directors to 3, 1 of whom is an independent director.

In the future, the Diversity policy of board members will be extended based on the existing structure, in addition to the original professional background, and expertise in the business planning and business, but also consider the company's strategic development requires, and select suitable candidates.

3. Achievement of Board Diversity Policy

The 6th term of Board of Directors comprises 7 directors, including 3 independent directors. The Company places a strong emphasis on the diversity of Board members' industry backgrounds. The Board members come from a range of different professional backgrounds including academia, accounting, commerce, financial holding, law, technology, and construction. All possess operational judgment, financial analysis, business administration, crisis management, international market perspective, leadership, and decision-making abilities. Female members of the Board include Chairman Nita Ing, Director Helena Kuo, Independent Director Jolien Shu and Independent Director Wilma Wei. The two Independent Directors have served for less than 3 terms.

- In terms of age distribution, Board members aged between 51 and 60 and between 61 and 70 respectively accounted for 14% (1 director) and 43% (3 directors) while 29% were aged between 71 and 80 (2 directors) and 14% were aged between 81 and 85 (1 director).
- Gender equality in the composition of the Board was emphasized by the Company as well. 4 out of the 7 current Board members were women, so up to 58% of directors were female. This percentage exceeds the proportion of female directors of TWSE listed companies, demonstrating our Board's commitment to gender equality through concrete actions.
- No member of the Board was also an employee of the Company.

The abilities possessed by Board members are aligned with the diversity policy and the Company's future development needs.

4. Implementation of Board Diversity Policy

Name	Diversity Gender	Nationality	Independent Directors' Tenure			Professional Background and Ability											
			Less than 3 Years	3-9 Years	Up to 9 years	Law	Technology	Accounting	Financial Holding	Commerce	Construction	Operational Judgment	Financial Analysis	Business Administration	Crisis Management	International Market Perspective	Leadership & Decision-making
Nita Ing Chairman	Female	R.O.C							✓	✓	✓	✓	✓	✓	✓	✓	✓
Helena Kuo Director	Female	R.O.C						✓	✓	✓		✓	✓	✓	✓	✓	✓
Hsiung Chiang Director	Male	R.O.C								✓	✓	✓	✓	✓	✓	✓	✓
John Huang Director	Male	R.O.C						✓		✓		✓	✓	✓	✓	✓	✓
Frank Juang Independent Director	Male	R.O.C			✓	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓
Jolien Shu Independent Director	Female	R.O.C		✓				✓		✓		✓	✓	✓	✓	✓	✓
Wilma Wei Independent Director	Female	R.O.C	✓					✓		✓		✓	✓	✓	✓	✓	✓

5. Independence of Board of Directors

The 6th term of Board of Directors comprises 7 directors, including 3 independent directors (43%). None of the directors has any of the circumstances specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act. None of the directors is a spouse or relative within the second degree of kinship of another. The 6th term of Board of Directors as a whole complies with the requirements for independence.

(IV) Information Regarding President, Vice President, Assistant Vice President, and all Department Heads

Title (Note 1)	Nationality	Name	Gender	On Board Date	Shares Held		Shares Held by Spouse & Minors		
					Shares	%	Shares	%	
CEO	R.O.C	Cindy Chang	Female	2018.10.8	-	-	-	-	
Chief Auditor	R.O.C	Charleen Chang	Female	2020.10.15	-	-	-	-	
Finance Department Vice President	R.O.C	Jill Tung	Female	2024.12.16	-	-	-	-	
Legal Department Vice President	R.O.C	Weifan Wang	Male	2020.7.1	-	-	20,000	0.00%	
Human Resources Department Vice President	R.O.C.	ChiChi Chen	Female	2023.9.4	-	-	-	-	
Corporate Communication Department Vice President	R.O.C	Emily Liu	Female	2010.10.18	-	-	-	-	
IT Department Vice President	R.O.C	Erwin Fei	Male	2022.6.1	34,000	0.00%	-	-	
Accounting Officer	R.O.C.	Gray Hsieh	Male	2024.3.11	-	-	-	-	
Secretariat Chief Secretary and Corporate Governance Officer	R.O.C.	Peggy Lin	Female	2021.1.21	-	-	-	-	
Chairman Office Asst. Vice President	R.O.C.	Nanchyi Shieh	Male	2022.1.1	-	-	-	-	
CEO Office Asst. Vice President	R.O.C.	Tuan Jen Wang	Male	2022.1.1	-	-	-	-	
CEO Office Asst. Vice President	R.O.C.	David Wang	Male	2022.5.1	1,000	0.00%	-	-	
CEO Office Asst. Vice President	R.O.C.	Jason Lin	Male	2022.8.8	-	-	-	-	
Corporate Communication Department Asst. Vice President	R.O.C	John Yeh	Male	2023.7.1	-	-	-	-	

Note 1: Corporate Governance Officer Mr. Calvin Tsai resigned on June 30, 2024 and Secretariat Chief Secretary Ms. Peggy Lin was appointed as the new Corporate Governance Officer on July 1, 2024; Principal Financial Officer Mr. Kris Lin resigned on August 10, 2024; Principal Accounting Officer Ms. Eva Lin was transferred to a subsidiary company's Finance Dept. on March 11, 2024.

Note 2: The Management Team did not hold any positions within the company's independent audit firm or its affiliates.

Note 3: Chairman and CEO are not same person, spouses or first degree consanguinity.

	Shares Held in the Name of Others		Education and Past Positions (Note 2)	Current Positions at Other Companies	Managers Who are Spouses or within Second-degree Relative of Consanguinity To Each Other			Remark (Note 3)
	Shares	%			Title	Name	Relation	
	-	-	Cornell University MBA	Chief Executive Officer, Continental Consulting Limited Company Director, CDC US Corp. Director, Mega Capital Development SDN.BHD Director, Bangsar Rising SDN BHD Director, CDC Asset Management Malaysia Sdn. Bhd.	None	None	None	None
	-	-	Master of Business Administration, National Chengchi University	None	None	None	None	None
	-	-	MBA, Finance National Taiwan University	Director, CDC Commercial Development Corporation	None	None	None	None
	-	-	LL. M., University of California, Davis	Vice President, Continental Engineering Corporation Vice President, HDEC Corporation Vice President, Continental Development Corporation Vice president, Continental Consulting Limited Company Director, Grand River D. Limited	None	None	None	None
	-	-	Master of Teaching and Learning, New York University	Vice President, Continental Consulting Limited Company	None	None	None	None
	-	-	M.S. in Public Relations, Boston University	None	None	None	None	None
	-	-	Master of Science in Electrical Engineering, National Tsing Hua University	Vice President, Continental Consulting Limited Company	None	None	None	None
	-	-	Master of Accounting, Providence University	None	None	None	None	None
	-	-	Mater of Laws, Soochow University	None	None	None	None	None
	-	-	MA. in Political Science, Chinese culture university	None	None	None	None	None
	-	-	BA. in Public Administration Tamkang University	Asst. Vice President, Continental Consulting Limited Company	None	None	None	None
	-	-	MS. in Advanced Architecture Studies, University of Sheffield	Asst. Vice President, Continental Consulting Limited Company	None	None	None	None
	-	-	MBA, University of Wisconsin	None	None	None	None	None
	-	-	Master of Science, National Taiwan University	None	None	None	None	None

(V) Remuneration to Directors, CEO and Vice Presidents

1. Remuneration Paid to Director and Independent Directors

Title	Name	Director Remuneration								(A+B+C+D) as a % of Net Income		
		Base Compensation(A)		Severance Pay and Pensions (B)		Compensation to Directors (C) (Note 2)		Allowances (D)				
		From CHC	From All Consolidated Entities	From CHC	From All Consolidated Entities	From CHC	From All Consolidated Entities	From CHC	From All Consolidated Entities	From CHC	From All Consolidated Entities	
Wei-Dar Development Co., Ltd		1,200	1,200	0	0	0	0	0	0	0.10%	0.10%	
Chairman	Representative: Nita Ing	15,000	15,000	0	0	0	0	0	0	1.27%	1.27%	
Director	Representative: Helena Kuo	0	0	0	0	0	0	0	0	0	0	
Han-De Construction Co., Ltd		1,400	1,400	0	0	0	0	0	0	0.12%	0.12%	
Director	Representative: John Huang	0	0	0	0	0	0	0	0	0	0	
Director	Representative: Hsiung Chiang	0	0	0	0	0	0	0	0	0	0	
Independent Director	Frank Juang	1,500	1,500	0	0	0	0	400	400	0.16%	0.16%	
Independent Director	Jolien Hsu	1,500	1,500	0	0	0	0	357	357	0.16%	0.16%	
Independent Director (Note 3)	Wilma Wei	867	867	0	0	0	0	173	173	0.09%	0.09%	
Independent Director (Note 4)	Allen Lee	638	638	0	0	0	0	170	170	0.07%	0.07%	

Note 1: The remuneration policies, procedures, standards, and packages for Directors and Independent Directors, as well as the linkage to factors such as individual responsibilities, risks, and time spent:

- According to CHC's Articles of Incorporation, the Board of Directors is authorized to determine the compensation for the Directors by taking into account their participation in the Company's business and their contribution value, and domestic and overseas industry standards. Travel expenses or attendance fees may be reimbursed to the Directors of the Company. The amount is to be determined by the Board of Directors. The Articles of Incorporation also provide that if there is profit for the fiscal year, the Company shall allocate no more than 0.5% as remuneration to Directors. According to CHC's Compensation Committee Charter, the Committee shall formulate and regularly review the annual and long-term performance targets for the Company's directors as the remuneration policies, procedures, standards and packages, and regularly evaluate the performance of the Company's directors and set the contents and amount of their individual remunerations accordingly.

2. Compensation Paid to CEO and Vice Presidents

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		
		From CHC	From All Consolidated Entities	From CHC	From All Consolidated Entities	From CHC	From All Consolidated Entities	
CEO	Cindy Chang	18,668	32,564	0	0	3,536	7,096	
Chief Auditor	Charleen Chang							
Vice President	Jill Tung							
Vice President	Weifan Wang							
Vice President	Chichi Chen							
Vice President	Emily Liu							
Vice President	Erwin Fei							
Corporate Governance Officer	Calvin Tsai (Resigned 2024.6.30)							

Note 1: For business execution, 5 vehicles are provided with one driver. 4 vehicles were purchased outright for NT\$7,417 thousand while one vehicle was leased at a cost of NT\$575 thousand for the whole year.

Note 2: Net income for 2024 was NT\$1,174,632 thousand.

Unit: NT\$ thousands

	Compensation Earned by a Director Who is an Employee of CHC or of CHC's Consolidated Entities								Sum of A+B+C+D+E+F+G and as a % of Net Income		Compensation Paid to Directors from Non-consolidated Affiliates or Parent Company
	Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employees' Profit Sharing Bonus (G)						
	From CHC	From All Consolidated Entities	From CHC	From All Consolidated Entities	From CHC		From All Consolidated Entities		From CHC	From All Consolidated Entities	
					Cash	Stock	Cash	Stock			
	0	0	0	0	0	0	0	0	1,200 0.10%	1,200 0.10%	None
	0	0	0	0	0	0	0	0	15,000 1.28%	15,000 1.28%	None
	0	0	0	0	0	0	0	0	0	0	None
	0	0	0	0	0	0	0	0	1,400 0.12%	1,400 0.12%	None
	0	0	0	0	0	0	0	0	0	0	None
	0	0	0	0	0	0	0	0	0	0	None
	0	0	0	0	0	0	0	0	1,900 0.16%	1,900 0.16%	None
	0	0	0	0	0	0	0	0	1,857 0.16%	1,857 0.16%	None
	0	0	0	0	0	0	0	0	1,040 0.09%	1,040 0.09%	None
	0	0	0	0	0	0	0	0	808 0.07%	808 0.07%	None

2. The 5th meeting of the 5th Board of Directors session resolved that directors' remuneration will be paid as fixed compensation instead. A distinction shall also be made between Independent Directors and ordinary Directors.

Note 2: No directors' remuneration was allocated in 2024.

Note 3: Ms. Wilma Wei was elected as Independent Director during the Annual Shareholders' Meeting on June 3, 2024.

Note 4: Mr. Allen Lee stepped down as Independent Director after the Annual Shareholders' Meeting on June 3, 2024.

Note 5: 3 company vehicles were allocated for business purchases. 3 vehicles were purchased outright for NT\$5,394 thousand.

Note 6: Net income for 2024 was NT\$1,174,632 thousand.

Unit: NT\$ thousands

	Employees' Compensation (D)				Sum of A+B+C+D and as a % of Net Income		Compensation Received from Non-consolidated Affiliates or From Parent Company
	From CHC		From All Consolidated Entities		From CHC	From All Consolidated Entities	
	Cash	Stock	Cash	Stock			
	1,972	0	3,956	0	24,176 2.06%	43,616 3.71%	None

3. Compensation range table

Range of Compensation	Name	
	From CHC	From All consolidated Entities
NT\$0~ NT\$1,000,000	Calvin Tsai, Weifan Wang, Jill Tung	Calvin Tsai, Jill Tung
NT\$1,000,000 ~ NT\$ 2,000,000	Chichi Chen, Erwin Fei	
NT\$2,000,000 ~ NT\$3,500,000		
NT\$3,500,000 ~ NT\$5,000,000	Emily Liu, Charleen Chang	Emily Liu, Charleen Chang
NT\$5,000,000 ~ NT\$10,000,000		Weifan Wang, Erwin Fei, Chichi Chen
NT\$10,000,000 ~ NT\$15,000,000	Cindy Chang	Cindy Chang
NT\$15,000,000 ~ NT\$30,000,000		
NT\$30,000,000 ~ NT\$50,000,000		
NT\$50,000,000 ~ NT\$100,000,000		
Over NT\$100,000,000		
Total	8	8

Note: Corporate Governance Officer Mr. Calvin Tsai resigned on 2024.6.30; Vice President Ms. Jill Tung took office on 2024.12.16.

4. Employees' Compensation Paid to Managers

Unit: NT thousands;%

Title	Name	Stock	Cash	Total	Total Employees' Profit sharing Bonus Paid to Manager as a % of Net Income
CEO	Cindy Chang	0	5,178	5,178	0.44%
Chief Auditor	Charleen Chang				
Vice President	Weifan Wang				
Vice President	ChiChi Chen				
Vice President	Emily Liu				
Vice President	Erwin Fei				
Accounting Officer	Gary Hsieh				
Corporate Governance Officer	Peggy Lin				
Asst. Vice President	Nanchi Shieh				
Asst. Vice President	Tuan Jen Wan				
Asst. Vice President	David Wang				
Asst. Vice President	Jason Lin				
Asst. Vice President	John Yeh				
Principal Accounting Officer	Eva Lin (Transferred on 2024.3.11)				

Note: The aforementioned Employees' Compensation for 2024 are estimated figures

(VI) Total remuneration, as a percentage of net income stated, paid by the Company and by each other company included in the consolidated financial statements during the past two fiscal years to Directors, CEO, and executives above the grade of vice president

Unit: NT thousands;%

Title	2024				2023			
	Total remuneration		Percentage of Net Income After Tax (%)		Total remuneration		Percentage of Net Income After Tax (%)	
	CHC	All Consolidated Entities	CHC	All Consolidated Entities	CHC	All Consolidated Entities	CHC	All Consolidated Entities
Directors	23,205	23,205	1.97%	1.97%	23,200	23,200	1.35%	1.35%
CEO and Vice President	24,176	43,616	2.06%	3.71%	26,081	40,185	1.52%	2.34%

(VII) Compensation policies, standards, and packages for directors and managers, procedures for determining compensation, and consideration of operating performance and future risks

Directors

1. In accordance with the provisions of the Articles of Incorporation of the Company, the Board of Directors is authorized to determine the compensation for directors in accordance with the degree of participation of directors in corporate operations and their contributions, with reference to industry standards. It has also been specified in the Articles of Incorporation that the Company shall set aside 0.5% of its annual profits, if any, as compensation for employees, and no more than 0.5% of the profits as compensation for directors. Additionally, in accordance with the rules of organization of the Compensation Committee of the Company, this committee will regularly review the annual and long-term performance targets of directors as well as compensation policy, system, standards, and structure. Furthermore, the Compensation Committee will periodically evaluate the achievement status of the directors' performance targets, and determine the content and amount of individual compensation.
2. The Company's policy, system, standards, and structure for paying compensation to directors shall be handled in accordance with the Articles of Incorporation and the rules of organization of the Compensation Committee. The Compensation Committee and the Board of Directors regularly review the system of directors' compensation. A resolution was made at the fifth board meeting of the fifth Board of Directors of the Company that fixed compensation would be paid to directors with a distinction between independent directors and general directors, in consideration of the degree of participation of directors in corporate operations, evaluation of directors' performance targets, and with reference to the structure and trends of directors' compensation in Taiwan and other places.

All independent directors of the Company serve as members of the Audit Committee and the Compensation Committee, and fulfill the duty of participating in discussions and resolutions of committee meetings. Reasonable compensation will be paid to independent directors in accordance with the rules of organization of functional committees and in consideration of the degree of their participation, evaluation of directors' performance, operational performance of the Company, and industry standards. Therefore, independent directors' compensation is higher than that of non-independent directors.

Managers

1. Compensation policy for managers

The Company provides a competitive compensation policy to attract, retain, and motivate excellent managers to ensure that the management team can effectively lead the Company to achieve its business goals. The compensation system of the Company balances internal fairness and external competitiveness. We provide compensation packages in accordance with managers' responsibilities, expertise, work performance, and the Company's operational conditions to ensure the long-term stable development of the Company.

2. Managers' compensation standards and packages

Managers' compensation includes fixed compensation and variable bonuses. The compensation packages of the Company's managers include such fixed compensation and variable bonuses which are adjusted as appropriate based on market salary levels and the Company's operational performance.

- Fixed compensation: It refers to the salary paid per month. When determining managers' salaries, we mainly consider their job responsibilities and professional skills, compensation level in the industry, and the Company's operational conditions to ensure that our compensation structure is competitive.
- Variable bonuses: Bonuses are approved according to the Company's overall operational performance and managers' annual individual performance to strengthen a performance-oriented compensation mechanism.

3. Procedures for review and approval of manager's compensation

The human resources department is responsible for proposing managers' fixed compensation and variable bonuses according to reward and compensation principles and performance. Following approval of the internal approval authority, managers' fixed compensation and variable bonuses are presented to the Compensation Committee for deliberation and then submitted to the Board of Directors for review and approval.

4. Consideration of operational performance and future risks

Corporate sustainable management and operational performance are considered to determine the policy and payment mechanism for managers' compensation. We aim to ensure that managers focus on the improvement of overall corporate performance and balance short-term performance and long-term development through a range of indicators, including financial and non-financial indicators, long-term and short-term operations, and risk management. We also consider market fluctuations and long-term stable operations, and strive to mitigate the adverse impact of maximizing short-term interests on corporate sustainable development.

II. Corporate Governance Operations

(I) Board of Directors Meeting Status

The Board of Directors convened 8 times (A) in 2024. Attendance of the 5th term and 6th term of the Board of Directors is as follows:

Term of office (5th): July 30, 2021~June 3, 2024 ; term of office (6th): June 3, 2024~June 2, 2027

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (B/A)	Remark (Note 1)
Chairman	Wei-Dar Development Co., Ltd. Representative: Nita Ing	8	0	100%	Re-elected
Director	Wei-Dar Development Co., Ltd. Representative: Helena Kuo	8	0	100%	Re-elected
Director	Han-De Construction Co., Ltd. Representative: Hsiung Chiang	8	0	100%	Re-elected
Director	Han-De Construction Co., Ltd. Representative: John Huang	8	0	100%	Re-elected
Independent Director	Frank Juang	8	0	100%	Re-elected
Independent Director	Jolien Shu	8	0	100%	Re-elected
Independent Director	Wilma Wei	4	1	80%	Newly-elected Should attend 5 times
Independent Director (Note 2)	Allen Lee	3	0	100%	Term expired Should attend 3 times

Note 1: The 6th Board of Directors was elected at the Annual Shareholders' Meeting on June 3, 2024. Their respective tenures are from June 3, 2024 to June 2, 2027

Note 2: Mr. Allen Lee stepped down as Independent Director after the Annual Shareholders' Meeting on June 3, 2024

Other matters required to be recorded:

In 2024, the Board of Director's meeting was held 8 times, during which there was only once an independent director attended by proxy. The attendance rate of independent directors is 96%.

As of the publication date of the annual report, the Board of Directors meeting was held once in 2025, and all independent directors attended the meetings in person, and the attendance rate of independent directors is 100%.

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

Date	Session	Proposal	Independent Directors' Opinion	Resolution
March 8, 2024	5-16	To Release the Non-competition Restrictions on Members of the 6 th term Board of Directors Appointment of the Company's CPAs in 2024 Appointment and remuneration of the Company's Accounting Officer	Approved by All Independent Directors present	Approved by All Directors present
July 31, 2024	6-2	Purchase of Equity of 950 Investment LLC by CDC and Capital Increase of CDC US Corporation per Purchasing Amount Personnel Changes of the Financial Supervisor of the Company	Approved by All Independent Directors present	Approved by All Directors present
December 13, 2024	6-5	Lending of Funds to CDC Personnel Changes of the Financial Supervisor of the Company	Approved by All Independent Directors present	Approved by All Directors present
March 8, 2025	6-6	Disposal of the Land in Linzi Section, Tamsui District by Subsidiary CDC Cash capital Increase of CDC US Corporation by Subsidiary CDC To Release Non-Competition Restrictions on a member of the Board of Directors Appointment of the Company's CPAs in 2025	Approved by All Independent Directors present	Approved by All Directors present

- (2) Except for the preceding matters, resolutions of the Board of Directors' meetings in which the independent directors oppose or have reservations and which are recorded or stated in writing: There are no such matters in the Company.
2. Recusal of Directors due to conflicts of interest: There are : There were no motions involving conflicts of interest at Board meetings in 2024.
3. The cycle, period, scope, method, and aspect of self-evaluation or peer evaluation of the Board of Directors:
For details of the evaluation of the Board of Directors' performance in 2024, please refer to page 23 regarding the operation of corporate governance and its differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof.

Cycle	Period	Scope	Method	Aspect
Conducted on an annual basis	January 1, 2024 to December 31, 2024	1. Performance of Board of Directors 2. Performance of Individual Board Members 3. Performance of functional committees	Board members' self-assessment	<p>Board of Directors' Performance Evaluation:</p> <ul style="list-style-type: none"> • Involvement in the Company's operation • Enhancement of the quality of the Board's decision-making • Make up and structure of the board • Election of board members and continuing knowledge development • Internal Control <p>Board Members' Performance Evaluation:</p> <ul style="list-style-type: none"> • Managing the Company's goals and tasks • Awareness of directors' duties and responsibilities • Involvement in the Company's operations • Internal relationship management and communication • Director's Professional and continuing knowledge • Internal Control <p>Functional Committees' Performance Evaluation:</p> <ul style="list-style-type: none"> • Involvement in the Company's operations • Enhancement of the quality of functional committee decision-making • Awareness of the functional committee's duties and responsibilities • Election of functional committee members and continuing knowledge development • Internal Control

4. Strengthening the functions of the Board:

- (1) The convention, meetings, discussions, and resolutions of the Board of Directors all adhere to the relevant laws and regulations, rules, and guidelines issued by the competent authorities. Internal company rules such as Rules of Procedure for Board of Directors Meetings and Articles of Incorporation have also been put into place.
- (2) An Audit Committee and a Compensation Committee were established by the Company on May 22, 2016. The two committees are composed of three Independent Directors. These committees serve as a preliminary review body for the Board of Directors to assist the Board with carrying out its duties and performance of its supervisory function.
- (3) The Chairman does not hold a concurrent position as a managerial officer of the Company.

Continuing Education/Training of Directors in 2024

Name	Date	Organizer	Course/Seminar	Number of Hours
Nita Ing	November 7, 2024	Securities and Futures Institute	The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors	3
	November 7, 2024	Securities and Futures Institute	Legal Risks and Responses to Enterprise Investment and Financing-From the Viewpoint of Corporate Directors'	3
Helena Kuo	November 7, 2024	Securities and Futures Institute	The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors	3
	November 7, 2024	Securities and Futures Institute	Legal Risks and Responses to Enterprise Investment and Financing-From the Viewpoint of Corporate Directors'	3
John Huang	November 7, 2024	Securities and Futures Institute	The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors	3
	November 7, 2024	Securities and Futures Institute	Legal Risks and Responses to Enterprise Investment and Financing-From the Viewpoint of Corporate Directors'	3
Hsiung Chiang	November 7, 2024	Securities and Futures Institute	The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors	3
	November 7, 2024	Securities and Futures Institute	Legal Risks and Responses to Enterprise Investment and Financing-From the Viewpoint of Corporate Directors'	3

Name	Date	Organizer	Course/Seminar	Number of Hours
Frank Juang	November 7, 2024	Securities and Futures Institute	The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors	3
	November 7, 2024	Securities and Futures Institute	Legal Risks and Responses to Enterprise Investment and Financing-From the Viewpoint of Corporate Directors'	3
Jolien Shu	November 7, 2024	Securities and Futures Institute	The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors	3
	November 7, 2024	Securities and Futures Institute	Legal Risks and Responses to Enterprise Investment and Financing-From the Viewpoint of Corporate Directors'	3
Wilma Wei	September, 26, 2024	Securities and Futures Institute	The Miracle of Nvidia's Three Trillion Empire: The Semiconductor Industry Revolution Behind Artificial Intelligence	3
	November 7, 2024	Securities and Futures Institute	The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors	3
	November 12, 2024	Taiwan Corporate Governance Associate	Analyzing M&A Cases from the Perspective of Directors and Supervisors	3

(II) Audit Committee Meeting Status

- An Audit Committee was established by the Company with the 3rd term of the Board of Directors in 2015, and is composed of 3 Independent Directors. Independent Director Jolien Shu is the convener in a unanimous decision by the 6th term of the Board of Directors. The operations of the Audit Committee adhere to the Company Act, the Securities and Exchange Act, and other rules and regulations issued by the competent authorities. The Audit Committee Charter was also formulated by the Company. The primary purpose of the Audit Committee is to supervise the following:
 - (1) Fair representation of the Company's financial statements
 - (2) The appointment, dismissal, independence, and performance of CPAs
 - (3) The effective implementation of the Company's internal controls
 - (4) The Company's compliance with relevant laws and regulations
 - (5) The Company's management of existing or potential risks
- The Audit Committee develops an annual work plan in accordance with its key functions listed below:
 - (1) Adoption or amendment of the internal control system according to Article 14-1 of the Securities and Exchange Act.
 - (2) Assessment of the effectiveness of the internal control system.
 - (3) Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
 - (4) Matters bearing on the personal interests of a director.
 - (5) Material assets or derivatives transactions.
 - (6) Material monetary loans, endorsements, or provisions of guarantee
 - (7) The offering, issuance, or private placement of any equity-type securities.
 - (8) The hiring or dismissal of CPAs, or the compensation given thereto
 - (9) The appointment or discharge of a financial, accounting, or internal auditing officer.
 - (10) Annual financial statements and second-quarter financial statements.
 - (11) Any other material matter so required by the Company or the competent authority.

3. The main matters reviewed and discussed in 2024 are presented below:

- (1) 2023 Business Report, Financial Statements, and Internal Control Statement
- (2) 2023 Earnings Distribution and Cash Dividend Distribution Plan
- (3) Financial Statements for 2024 Q1 through Q3
- (4) To Release Non-competition Restrictions on members of the 6th Board of Directors
- (5) To Release Non-competition Restrictions on Manager
- (6) Appointment of the Company's CPAs in 2024
- (7) Group Risk Management Performance Report
- (8) Review of the 2025 Budget
- (9) Review of the 2024 Audit Plan Amendment
- (10) Review of the 2025 Audit Plan
- (11) Personnel change of Chief Accounting officer and Financial Officer
- (12) Purchase of 950 Investment LLC by Continental Development Corporation and Lending to A Subsidiary Company
- (13) Review of SOP Amendments : Procedures of the Audit Committee, Group Risk Management Policy
- (14) Review of New SOPs: Group Sustainability Information Management

The Audit Committee convened 5 times (A) in 2024 (2 times in the 5th term and 3 times in the 6th term). Attendance by Independent Directors is as follows:

Term of office (5th): 2021.7.30~2024.6.3; term of office (6th): 2024.6.3~2027.6.2

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (B/A)	Remark
Convener and Member	Jolien Shu Independent Director	5	0	100%	Re-elected on 2024.6.3
Member	Frank Juang Independent Director	5	0	100%	Re-elected on 2024.6.3
Member	Wilma Wei Independent Director	3	0	100%	Newly-elected on 2024.6.3 Should attend 3 times
Convener and Member	Allen Lee Independent Director	1	1	50%	Term Expired Should attend 2 times

Other matters that require reporting:

1. (1) The Meeting Status in 2024~2025.3 and the items listed in Article 14-5 of the Securities and Exchange Act and the company's response to the opinions of the Audit Committee:

Date	Session	Proposal	Items Listed in Article 14-5 of the Securities and Exchange Act	Resolutions of the Audit Committee
March 8, 2024	5-14	1. 2023 Financial Statements and Business Report	✓	Approved and submitted to the Board of Directors for resolution
		2. 2023 Profit Distribution		
		3. 2023 Distribution of Cash Dividends with Surplus		
		4. To Release Non-competition Restrictions on members of the 6 th Board Directors	✓	
		5. Evaluation of the Independence and Suitability of the Company's CPAs		
		6. Appointment of the Company's CPAs in 2024	✓	
		7. 2023 Statement on the Internal Control System of the Company	✓	
		8. Amendments to the Organizational Procedure of the Audit Committee		
		9. Appointment and remuneration of Company's Accounting Supervisor	✓	
		10. To Release Non-competition Restrictions on Manager		
May 8, 2024	5-15	1. Financial Report of the Company for Q1 2024		Approved and submitted to the Board of Directors for resolution

Date	Session	Proposal	Items Listed in Article 14-5 of the Securities and Exchange Act	Resolutions of the Audit Committee
July 29, 2024	6-1	1. Financial Reports for Q2 2024	✓	Approved and submitted to the Board of Directors for resolution
		2. Purchase of Equity of 950 Investment LLC by CDC and Capital Increase of CDC US Corporation per Purchasing Amount	✓	
		3. Amendments to the Company's 2024 Audit Plan		
		4. Personnel Change of Financial Supervisor of the Company	✓	
October 31, 2024	6-2	1. Financial Report for Q3 2024		Approved and submitted to the Board of Directors for resolution
		2. Amendment to the Group Risk Management Policy		
December 9, 2024	6-3	1. 2025 Annual Budget of the Company		Approved and submitted to the Board of Directors for resolution
		2. 2025 Audit Plan of the Company		
		3. Lending of Funds to CDC	✓	
		4. Formulation of Group Sustainability Information Management		
		5. Appointment and remuneration of the Company's Financial Supervisor	✓	
March 5, 2025	6-4	1. Disposal of the Land on Linzi Section Tamsui District by CDC	✓	Approved and submitted to the Board of Directors for resolution
		2. Cash Capital Increase of CDC US Corporation by Subsidiary CDC	✓	
		3. 2024 Financial Statements and Business Report	✓	
		4. 2024 Profit Distribution		
		5. 2024 Distribution of Cash Dividends with Surplus		
		6. To Release Non-competition Restrictions on a member of Board Directors	✓	
		7. Evaluation of the Independence and Adequacy of the Company's CPAs		
		8. Appointment of the Company's CPAs in 2025	✓	
		9. 2024 Statement on the Internal Control System of the Company	✓	

- (2) Any matter that has not been approved by the Audit Committee but has been adopted with the approval of two-thirds or more of all Board members: None
2. Recusal of Independent Directors due to conflicts of interest: There was no proposals involving conflicts of interests in the Audit Committee in 2024.
3. The Company's handling of the opinions of the Audit Committee: Approved by all the Audit Committee members present and approved unanimously by all the Board Directors present at the board meeting.
4. Communication between the Independent Directors and the Head of Internal Audit and the CPAs: Please refer to CHC's website.
5. To enhance the performance of the functional committees, the Company conducts internal performance evaluations of the Board of Directors (including functional committees) annually and evaluations by external specialized institutions at least once every three years. In 2024, the Audit committee's performance evaluation results were reported to the Board of Directors on March 5, 2025. For details on Evaluation duration, method and standards, please refer to page 17 and 22~23.

(III) Information on Compensation Committee Members

As of 2025.4.24

Title	Name	Requirements	Qualifications and Experience	Independence Status	Number of Other Taiwanese Public Companies where He/She Concurrently Serves as a Compensation Committee Member
Convener and Member	Frank Juang Independent Director	Independent Director, For their Professional Qualifications and Experience, please refer to "Information Regarding Board members" on page 4-8 of this Annual Report.	All the Compensation Committee members meet any of the following situations: 1. Satisfy the requirements of Article 14-6 of "Securities and Exchange Act" and the requirements of "Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" issued by Taiwan's Securities and Futures Bureau 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any CHC shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"		0
Member	Jolien Shu Independent Director				0
Member	Wilma Wei Independent Director				1

(IV) Compensation Committee Meeting Status

- The Compensation Committee has three members, and all of them are Independent Directors. Independent Director Frank Juang was elected by the 6th term of the Compensation Committee as the convener. The Compensation Committee operates in accordance with laws and regulations, the Company's Articles of Incorporation, and the Compensation Committee Charter. The key responsibilities of the Compensation Committee are as follows:
 - Regularly review the Compensation Committee Charter and propose recommendations for improvement.
 - Formulate and regularly review the annual and long-term performance targets for the Company's directors and executives, as well as the remuneration policies, procedures, standards, and packages.
 - Regularly evaluate the performance of the Company's directors and executives, and set the contents and amount of their individual remunerations accordingly.
- The main matters reviewed and discussed in 2024 are presented below:
 - 2023 internal board performance evaluation results report
 - Distribution of 2023 employees' compensation and Directors' compensation
 - Personnel changes of the Corporate Governance Officer, Chief Accounting Officer and Financial Supervisor
 - 2024 executive compensation
 - Executives performance goals, evaluations and bonuses
- Term of office (5th): 2021.7.30~2024.6.3; Term of office (6th): 2024.6.3~2027.6.2. The Compensation Committee convened 6 meetings (A) in 2024. The Compensation Committee members' qualifications and attendance are as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (B/A)	Remark (Note 1)
Convener	Frank Juang Independent Director	6	0	100%	Re-elected on 2024.6.3
Member	Jolien Shu Independent Director	6	0	100%	Re-elected on 2024.6.3
Member	Wilma Wei Independent Director	3	0	100%	Newly-elected on 2024.6.3 Should attend 3 times
Member (Note 2)	Allen Lee Independent Director	2	1	67%	Term Expired Should attend 3 times

Note: 1 The 6th Board of Directors was elected at Annual Shareholders' Meeting on June 3, 2024.

Note: 2 Mr. Allen Lee stepped down as Independent Director after Annual Shareholders' Meeting on June 3, 2024.

Other matters that require reporting:

- The Compensation Committee's meetings and resolutions and the Company's responses to Compensation Committee members' opinions from 2024 to March 2025

The Compensation Committee has met once in 2025 as of the date of publication. The meetings were attended by all Independent Directors in person and their attendance rate was 100%.

Date	Session	Proposal	Resolutions of the Compensation Committee
March 8, 2024	5-10	1. 2023 internal board performance evaluation results report 2. Distribution of 2023 employees' compensation and Directors' remuneration 3. Appointment and remuneration of the Company's Accounting Officer	Approved and submitted to the Board of Directors for resolution
May 8, 2024	5-11	1. Adjustments to Executives' Compensation in 2024	
May 30, 2024	5-12	1. Personnel Changes to the Corporate Governance Officer of the Company	
July 29, 2024	6-1	1. Personnel Change of the Company's Financial Supervisor 2. The Principles for Paying Performance Bonuses to Managers	
August 22, 2024	6-2	1. LTIP for CEO of the Company	
December 9, 2024	6-3	1. Appointment and remuneration of the Company's Financial Supervisor 2. 2024 Executives' Performance Evaluation 3. 2024 Executives' Performance Bonus 4. 2025 Executives' Performance target	
March 5, 2025	6-4	1. 2024 internal board performance evaluation results report 2. Distribution of 2024 Employee Compensation and Directors remuneration 3. Definition of Non-executive Employees and Remuneration Appropriation 4. 2025 Financial Supervisor's Performance Targets	

- Recommendations from the Compensation Committee rejected or amended by the Board of Directors: None.
- Resolutions passed by the Compensation Committee where objections or reservations are registered by members: None.
- The Company's handling of the opinions of the Compensation Committee: Approved by all the Compensation Committee members present and approved unanimously by all the Board Directors present at the board meeting.
- To enhance the performance of the functional committees, the company conducts internal performance evaluations for Board of Directors (including functional committees) annually and evaluations at least once every three years by external specialized institutions. In 2024, the Audit committee's performance evaluation was reported to the Board of Directors on March 5, 2025. For details on Evaluation duration, method and standards, please refer to page 17 and 23.

(V) The operation of corporate governance and the differences from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and the root causes

Assessment items	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and root causes
	Yes	No	Description	
I. Does the company formulate and disclose its Corporate Governance Best Practice Principles in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?”	✓		The Corporate Governance Principles were approved at the 19 th meeting of the 4 th Board of Directors to Strengthen the functions of Board, protect shareholder rights, and respect the rights of stake holders. The principles enhance the integrity of the Company’s corporate governance system as disclosed on the Company’s website and Market Observation Post System (MOPS).	None
II. Shareholding structure and shareholders’ equity (I) Has the company established internal operating procedures for handling shareholders’ proposals, inquiries, disputes, and litigation matters, and then has them processed in accordance with the procedures? (II) Does the company have a list of the major shareholders who actually control the Company and the ultimate controllers of the major shareholders? (III) Does the company establish and implement risk control and firewall mechanisms with affiliated companies? (IV) Does the company have internal regulations to prohibit insiders from using undisclosed information to buy and sell securities?	✓		(I) It has been established with the investor services handled by the responsible department to take care of the opinions of shareholders. (II) The Company watches the Company’s stock transactions constantly and requests relevant information from the stock agency, when necessary, in order to control changes. (III) The Company and the member companies have established an internal control system and have regularly conducted self-inspection operations. The Company has also formulated the “Rules Governing Subsidiary with the relevant measures implemented by the audit unit to secure the risk control mechanism. (IV) The Company has formulated the “Code of Conduct,” “Code of Ethics and Business Conduct,” “Group Guideline for Anti-Insider Trading Management,” and “Procedures for Handling Material Inside Information” to prevent insiders from taking advantage of the undisclosed information to trade securities and to cooperate with the propaganda of the competent authorities.	None
III. Composition and responsibilities of the Board of Directors (I) Does the board of directors formulate diversity policies, specific management objectives, and have them implemented? (II) Is the company willing to set up other functional committees in addition to the Remuneration Committee and the Audit Committee? (III) Does the company formulate the “Self-Evaluation or Peer Evaluation of the Board of Directors,” conduct a performance evaluation annually and regularly, report the performance evaluation results to the board of directors, and apply it as a reference for determining the director’s remuneration and nomination of directors for another term?	✓		(I) The Company’s board director diversity policy is stated in Article 21 of the “Corporate Governance Best Practice Principles,” which clearly stipulates that the composition of the board of directors should be diversified, and to have a diversity policy drafted up by taking into account the Company’s operation, business type, and development needs. Please refer to page 8-9 of the annual report for the specific management objectives and implementation of the board director diversity policy in detail. (II) The Company has Compensation Committee and Audit Committee established lawfully to carefully review major financial business, content system, related party transactions, and reasonable remuneration of directors and managers with appropriate suggestions proposed. (III) The Company conducts an internal performance evaluation of the board of directors every year in accordance with the established performance evaluation method. At least once every three years, it entrusts an external independent body to perform an external performance evaluation. The evaluation results are submitted to the closest board of directors meeting as the basis for review and improvement. The results are also provided to the Compensation Committee as a reference for designing the compensation system and for the selection or nomination of board directors and other functional committee members.	None

Assessment items	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and root causes
	Yes	No	Description	
(III) Does the company formulate the "Self-Evaluation or Peer Evaluation of the Board of Directors," conduct a performance evaluation annually and regularly, report the performance evaluation results to the board of directors, and apply it as a reference for determining the director's remuneration and nomination of directors for another term?	✓		<p>The internal performance evaluation for the year 2024 was completed in the first quarter of 2025, and submitted to the sixth board meeting of the sixth Board of Directors. Please refer to page 17 of the annual report for the scope and method of evaluation and the evaluation period. An abstract of the internal performance evaluation results is provided below:</p> <p>Evaluation of the overall performance of the Board of Directors and meeting expectations</p> <p>All directors had a full understanding of the Company's business philosophy and core values, and the efforts of the Board of Directors in enhancing decision-making quality are highly recognized. They fully discussed and exchanged their opinions regarding resolutions on proposals, and provided the management team with improvement direction and risks that should be noted in an appropriate and timely manner. All directors also recognized the chairperson's appropriate and proper efforts in presiding over meetings, controlling proposals, and facilitating interactions among members. Independent directors were able to freely express their opinions and independently exercise their authorities without improper intervention or influence, or potential pressure and concerns. Overall, the Board of Directors of the Company has a sound system, present transparent information, and comply with regulations. Board members are diverse and complement with each other, helping to improve the functionality of the Board of Directors. The overall performance of the Board of Directors complied with directors' expectations.</p> <p>Evaluation of the performance of functional committees: Meet expectations</p> <p>Evaluation of the Audit Committee: Meet expectations</p> <p>Evaluation of the Compensation Committee: Meet expectations</p> <p>Independent directors recognized the favorable operation status of the Audit Committee and the Compensation Committee. The performance of these committees complied with the expectations of members of the functional committees. All committee members highly recognized operations, decision-making quality, and structure, and showed awareness of the responsibilities of these committees, evidencing that the functional committees fully leveraged and practically implemented the preliminary review function of the Board of Directors.</p> <p>Evaluation of the performance of individual board members and meeting expectations</p> <p>All board members highly identified with the responsibilities they should exercise and norms they should follow, recognized supervision from each aspect of the internal control system, and emphasized the continual improvement of their professional knowledge and skills. All board members also recognized the Board of Directors for its sound operation system and transparent information, and identified with the norms all board members should follow when exercising their duties. The composition of the Board of Directors of the Company is also diverse. During discussions and decision-making of the Board of Directors, all directors could provide different viewpoints and opinions appropriately from the perspective of their respective professional fields.</p> <p>The Company's most recent external evaluation of the performance of the Board of Directors was conducted in September 2022 by EY Business Advisory Services Inc. (hereinafter referred to as "EY"), whose executive experts have no business dealings with and are independent of the Company. EY evaluated the performance of the Board of Directors. The board performance evaluation report was issued in November 2022 and submitted to the Board of Directors meeting in December 2022. For more details on the implementation and suggestions for improvement to the Company's Board of Directors, please refer to the "Corporate Governance" section on the Company's official website.</p>	None

Assessment items	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and root causes																					
	Yes	No	Description																						
(IV) Does the company regularly evaluate the independence of the independent auditors?	✓		(IV) The Company's Audit Committee and the board of directors regularly evaluate the independence and competency of the independent auditors at the end of each fiscal year with the evaluation results forwarded to the board of directors. The independent auditor's evaluation results were reviewed and approved in the 4 th Audit Committee meeting of the 6 th term and the 6 th board meeting of the 6 th term on March 5, 2025. Please refer to Note 1 for the statement issued by CPA Chung Che Chen and CPA Shu Ying Chang of KPMG Taiwan. CPA Chung Che Chen and CPA Shu Ying Chang meet the Company's independence and competency evaluation standards as detailed in Note 2; therefore, they are qualified to serve as the Company's independent auditors.	None																					
IV. Does the TWSE/TPEX listed company have a sufficient number of competent and appropriate corporate governance personnel and a corporate governance supervisor appointed to be responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information necessary for business operation, assisting directors and supervisors in complying with law and regulations, handling matters related to the board meetings and shareholders meetings lawfully, preparing the minutes of a board meeting and shareholders meetings, etc.)?	✓		<p>The Company passed a resolution at the 18th board meeting of the 5th Board of Directors that appointed Peggy Lin, Chief Secretary of the Board Secretariat, as the Corporate Governance Officer of the Company reporting directly to the Chairperson. The Corporate Governance Officer is the highest executive responsible for corporate governance affairs. The main responsibilities of the Corporate Governance Officer include handling relevant matters of the Board of Directors and shareholders' meetings according to the law, preparing meeting minutes of Board of Directors' and the shareholders' meetings, assisting directors in taking office and engaging in continual education, providing data needed for directors to perform their duties, assisting directors in complying with laws and regulations, reporting to the Board of Directors the results of inspection to determine whether independent directors' qualifications comply with relevant laws, regulations, and rules during nomination, election, and tenure, handling matters related to changes of directors and other affairs determined according to the Articles of Incorporation or contracts, and coordinating relevant departments to further strengthen the corporate governance structure and promote the planning and implementation of corporate governance practices on the existing basis and with reference to standards and best practices related to corporate governance, thereby realizing sustainable development of the Company under a sound governance structure.</p> <p>Training for Corporate Governance Officer is as follows:</p> <table><tr><th>Organizer</th><th>Courses</th><th>Hours</th></tr><tr><td>The Taiwan Academy of Banking and Finance</td><td>Analysis on Important Court Decisions on Corporate Governance</td><td>3</td></tr><tr><td>Securities & Futures Institute</td><td>Artificial Intelligence Boom: The Technology Development and Application Opportunities of ChatGPT</td><td>3</td></tr><tr><td>Securities & Futures Institute</td><td>The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors</td><td>3</td></tr><tr><td>Securities & Futures Institute</td><td>Legal Risks and Responses to Enterprise Investment and Financing –From the Viewpoint of Corporate Directors'</td><td>3</td></tr><tr><td>Taiwan Corporate Governance Associate</td><td>How should the board respond to 12 ESG risk issues</td><td>3</td></tr><tr><td>Chinese National Association of Industry and Commerce</td><td>FAQs of 2025 Board of Directors and Shareholders' Meetings</td><td>3</td></tr></table>	Organizer	Courses	Hours	The Taiwan Academy of Banking and Finance	Analysis on Important Court Decisions on Corporate Governance	3	Securities & Futures Institute	Artificial Intelligence Boom: The Technology Development and Application Opportunities of ChatGPT	3	Securities & Futures Institute	The Development of the Global Prevention of Base Erosion and Profit Shifting (BEPS) and Its Impact on the Company from the Perspective of Directors and Supervisors	3	Securities & Futures Institute	Legal Risks and Responses to Enterprise Investment and Financing –From the Viewpoint of Corporate Directors'	3	Taiwan Corporate Governance Associate	How should the board respond to 12 ESG risk issues	3	Chinese National Association of Industry and Commerce	FAQs of 2025 Board of Directors and Shareholders' Meetings	3	None
Organizer	Courses	Hours																							
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Chinese National Association of Industry and Commerce	FAQs of 2025 Board of Directors and Shareholders' Meetings	3																							

Assessment items	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and root causes
	Yes	No	Description	
V. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.), set up a page, especially for stakeholders on the company's website, and appropriately responded to the important corporate social responsibility issues of concern to stakeholders?	✓		The Company out of the respect for the rights and interests of stakeholders regularly identifies stakeholders in accordance with the GRI Sustainability Reporting Standards every year, and establishes contact windows and communication channels with each and all stakeholders. The Company strives to maintain a good interactive relationship with each and all stakeholders through a smooth and diversified communication channel; also, adjust operational decisions and daily business actions in a timely manner through feedback, and regularly report the situation of communication with each and all stakeholders to the board of directors. The communication situation with each and all stakeholders in 2024 was reported to the board of directors on December 13, 2024. The "stakeholder" page is included in the Company's website to fully disclose relevant information about stakeholders. Please refer to the "Stakeholder" page on the Company's website and the Company's corporate social responsibility report for detailed communication in this regard.	None
VI. Does the company contract a professional stock affairs agency to handle the affairs of the shareholders meeting?	✓		The Company has appointed the Shareholder Affair Department of Taishin Bank as the Company's stock affair agency to help the Company handle matters related to the shareholders meetings.	None
VII. Information disclosure (I) Does the company set up a website to disclose financial business and corporate governance information? (II) Does the company adopt other information disclosure methods (such as, setting up an English website, appointing a person to be responsible for the collection and disclosure of company information, implementing the spokesperson system, placing the corporate shareholder briefing on the company website, etc.)? (III) Does the company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the financial statements for the first, second, and third quarters and the operating conditions of each month before the specified deadline?	✓		(I) There are "Finance," "Investor Relations" and "Corporate Governance" pages on the Company's website to disclose the information of the Company's finance, corporate governance, and others with the website updated regularly. (II) The Company has a website in both Chinese and English with a dedicated department responsible for information disclosure and update, and implements the spokesperson system. (III) The Company has the annual financial report announced and reported before the end of March each year lawfully; also, has the 1st, 2nd, and 3rd quarter financial reports announced and reported within 45 days at the end of each quarter of the fiscal year that was signed or sealed by the Chairman, management, and chief accountant; also, reviewed by the independent auditors and reported to the board of directors in accordance with Article 36 of the Securities and Exchange Act.	None
VIII. Does the company have other important information that is helpful to understand the operation of corporate governance (including but not limited to employee interests, employee care, investor relations, supplier relations, stakeholders' rights, advanced study of directors and supervisor relations, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, the company's purchase of liability insurance for directors and supervisors, etc.)?	✓		(I) Employee interests and employee care: The Company and the member companies are committed to creating the best well-being of employees, establishing a humanized management system, focusing on employee communication and management, providing health and welfare information at any time, providing group insurance and health checks, handling education and training to refine employees' professional skills and career development, and organizing welfare committees and various activity societies to promote employee interaction. In addition, the Company and the member companies employ indigenous peoples and persons with disabilities for a percentage higher than the mandatory ratio.	None

Assessment items	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and root causes
	Yes	No	Description	
VIII. Does the company have other important information that is helpful to understand the operation of corporate governance (including but not limited to employee interests, employee care, investor relations, supplier relations, stakeholders' rights, advanced study of directors and supervisor relations, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, the company's purchase of liability insurance for directors and supervisors, etc.)?	✓		<p>(II) Investor relations: The Company discloses material messages and reports corporate governance and related financial information on the Market Observation Post System lawfully that allows investors to acquire information at any time; also, there is the "Investors Relations" page on the website for a smooth communication channel available to investors.</p> <p>(III) Supplier relationship: All members of CHC Group strictly abide by the Group procurement policies. Through supplier selection standards, risk identification, supplier management practices, supplier evaluations, the annual selection of excellent suppliers, and active management guidance for high-risk suppliers, the Group asks all suppliers to follow ethics code of conduct and procurement policies, as well as to comply with relevant domestic and foreign regulations regarding environmental protection, occupational safety and health, and human rights and labor rights. Making use of CHC Group's business influence, the Group works together with supply chain partners to promote sustainable development. The audit results for the implementation of the Group's procurement policy in 2023 indicate that there were no significant violations and no instances of suppliers violating relevant regulations. For details on the implementation of Supplier Management, please refer to the Company's website and Sustainability report.</p> <p>(IV) Stakeholders' rights: Please refer to the "Stakeholder" page on the Company's website for details.</p> <p>(V) Training for the Directors: All directors of the Company regularly participate in more than 6 hours every year. Please refer to Page 17-18 for the director's training in 2024.</p> <p>(VI) Implementation of risk management policies and risk measurement standards: The Company's "Group Risk Management Policy" was approved by the board of directors on November 5, 2020, in order to establish risk management systems, procedures, and categories, to confirm organizational rights and responsibilities, and to regulate relevant implementation and supervision mechanisms. Please refer to the "Risk Management" page on the Company's website for the 2024 Group's risk management operation in detail.</p> <p>(VII) The Company is an investment holding company without the implementation of customer policies available.</p> <p>(VIII) In terms of acquiring liability insurance for directors and supervisors, the Company acquires liability insurance for the business scope of directors, supervisors, and managerial officer for an insurance amount limited to USD10,000,000 annually.</p>	None

IX. Please explain the corrective action performed for the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and propose prioritized enhancements and measures for those that have not yet been corrected.

- (1) The company conducted a self-assessment on corporate governance and did not find any significant deficiencies that need to be improved.
- (2) The results of the 2024 corporate governance assessment indicate that the company ranks in the 6% to 20% tier among listed companies.



安侯建業聯合會計師事務所

KPMG

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- Addressee: CONTINENTAL HOLDINGS CORP.
- Subject: To declare that we are appointed to audit and certify your financial statements for 2024 strictly in accordance with the independence requirements defined in the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (hereinafter referred to as the "Norm").
- Descriptions: Our independence requirements cover the policies and procedures for all members' personal independence (financial interests, financing guarantee, and employment relationship, etc.), business relationships with customers, CPA's rotation system, and non-audit services. The important norms and compliance matters are stated as follows:
- I. Important independence requirements
 - (1) The Office and its personnel and any other personnel subject to the independence requirements (including associates' personnel) are required to maintain their independence pursuant to the Norm.
 - (2) All personnel are prohibited from engaging in insider trading (directly or indirectly), misusing internal messages, or any activities that might mislead the securities or paid-in capital markets. Meanwhile, a statement of compliance with independence policies and procedures will be obtained from the Office's personnel each year.
 - (3) Required to transfer the CPA, including the in-charge CPA, countersigning CPA, CPA retained for engagement quality control review, and CPA retained for audit on a subsidiary which satisfies specific conditions, who has undertaken the audit on a TWSE/TPEx-Listed and Emerging Stock Market company's financial statements for a specific time limit that reaches the period prescribed by the Norm or laws.
 - (4) Take appropriate actions to eliminate the effect posed by any circumstance that might affect the identification and evaluation of services rendered, or mitigate the effect to an acceptable extent; if necessary, terminate the appointment for the case.
 - II. Supervision on compliance with independence policy
 - (1) All audit individuals have completed the Declaration of Statement for Independence via the online system to ensure independence is maintained throughout the auditing and certification process from the moment cases are assigned until the day audit reports are issued. All members are required to complete the Declaration of Statement for Independence annually to reaffirm independence requirements, policies and rules are complied.
 - (2) Audit individual members' compliance with independence requirements by a random check is conducted periodically, and checked whether personnel serving as assistant managers and above declare any update on their personal investment pursuant to the relevant requirements, via the personal investment declaration system.
 - (3) Supervise and conduct a random check on the rotation of CPAs and adequacy of the non-audit services provided by them, including during CPAs certification period, prior approval of non-auditing services, and etc.
 - (4) Any member (or partner) in violation of the independence policy will be reported to the Risk and Independence Committee for resolution in accordance with the independence disciplines and policies, and be punished adequately subject to materiality of the case.

In conclusion, when we are entrusted by you to audit your 2024 financial statements, we maintain an attitude of rigor and impartiality and a detached and independent viewpoint, free from any violations of the Accountant Act and Professional Ethics Bulletin, and standards released by The International Ethics Standards Board for Accountants.

KPMG

CPAs:

Chung-Che Chen

Shu-Ying Chang

March 5, 2025

Continental Holdings Corp.
Evaluation Sheet for Independence and Suitability

(I) Evaluated certified accountants: Chung-Che Chen, and Shu-Ying Chang

(II) Audit Quality Index (AQI) Evaluation:

Facet	Evaluation Items	Comments																		
1. Expertise	Index 1-1 Experience in auditing This index evaluates whether the accountants/auditors possess sufficient audit experience to conduct the audit effectively.	Lead and concurring auditors have served as partners for a slightly more years compared to the firm and industry average, and have participated in professional accountant training for hours equivalent to the industry average. Therefore, they have adequate audit experience and expertise. Although the turnover rate is higher than the industry average, the case managers of the Company have more than 10 years' audit experience primarily in the construction and building industry. Therefore, the senior auditors of the audit team have adequate auditing and industry expertise.																		
	<table><tr><th>Item (2023)</th><th>Case Level</th><th>Firm level</th><th>Average in the Industry</th></tr><tr><td>Experience of Mr. Chen</td><td>13.0 years</td><td rowspan="2">12.4 years</td><td rowspan="2">11.4 years</td></tr><tr><td>Experience of Ms. Chang</td><td>19.3 years</td></tr><tr><td>EQCR accountant's audit experience</td><td>19.0 year</td><td>14.3 years</td><td>12.7 years</td></tr><tr><td>Audit experience of audit team manager or above (excluding accountants)</td><td>10.5 years</td><td>10.9 years</td><td>11.5 years</td></tr></table>		Item (2023)	Case Level	Firm level	Average in the Industry	Experience of Mr. Chen	13.0 years	12.4 years	11.4 years	Experience of Ms. Chang	19.3 years	EQCR accountant's audit experience	19.0 year	14.3 years	12.7 years	Audit experience of audit team manager or above (excluding accountants)	10.5 years	10.9 years	11.5 years
	Item (2023)		Case Level	Firm level	Average in the Industry															
	Experience of Mr. Chen		13.0 years	12.4 years	11.4 years															
	Experience of Ms. Chang		19.3 years																	
	EQCR accountant's audit experience		19.0 year	14.3 years	12.7 years															
	Audit experience of audit team manager or above (excluding accountants)		10.5 years	10.9 years	11.5 years															
	Index 1-2 Training hours (at firm level) This index assesses whether the accountants/auditors have received sufficient training to acquire professional knowledge and skills.																			
	<table><tr><th>Item</th><th>2023</th><th>Average in the Industry</th></tr><tr><td>Certified accountant's training hours</td><td>114.6 hours</td><td>112.5 hours</td></tr><tr><td>Training hours of audit team manager or above (excluding accountants)</td><td>105.5 hours</td><td>95.6 hours</td></tr></table>		Item	2023	Average in the Industry	Certified accountant's training hours	114.6 hours	112.5 hours	Training hours of audit team manager or above (excluding accountants)	105.5 hours	95.6 hours									
	Item		2023	Average in the Industry																
Certified accountant's training hours	114.6 hours	112.5 hours																		
Training hours of audit team manager or above (excluding accountants)	105.5 hours	95.6 hours																		
Index 1-3 Turnover (at firm level) This index evaluates whether the firm maintains an adequate number of senior human resources.																				
<table><tr><th>Item</th><th>2023</th><th>2022</th><th>Average in the Industry</th></tr><tr><td>Turnover of audit team manager or above (excluding accountants)</td><td>12.7%</td><td>17.0%</td><td>11.6%</td></tr></table>	Item	2023	2022	Average in the Industry	Turnover of audit team manager or above (excluding accountants)	12.7%	17.0%	11.6%												
Item	2023	2022	Average in the Industry																	
Turnover of audit team manager or above (excluding accountants)	12.7%	17.0%	11.6%																	
Index 1-4 Professional Support (at firm level) This index assesses whether the firm has sufficient non-audit professionals, including computer auditors and valuers, to support the audit team.																				
<table><tr><th>Item</th><th>2023</th><th>2022</th><th>Average in the Industry</th></tr><tr><td>Proportion of professionals supporting auditors in the audit department</td><td>6.9%</td><td>6.5%</td><td>5.9%</td></tr><tr><td>Proportion of working hours of professionals involved in cases concerning listed and OTC companies</td><td>8.5%</td><td>9.2%</td><td>7.9%</td></tr></table>	Item	2023	2022	Average in the Industry	Proportion of professionals supporting auditors in the audit department	6.9%	6.5%	5.9%	Proportion of working hours of professionals involved in cases concerning listed and OTC companies	8.5%	9.2%	7.9%								
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2. Quality Control	Index 2-1 Accountant's Workload This index examines whether the accountants have undertaken too many audit cases and worked on the audit for too many hours.	the firm and industry average. KPMG previously indicated that the number of public companies for which these two CPAs were responsible and the proportion of their available working time allocation would be reduced year by year. Currently, the number of public companies for which the lead auditor is responsible has reduced to 10, but that for which the concurring auditor is responsible has increased to 17. Therefore, the number of public companies for which these two CPAs are responsible is still relatively high, and we will continuously require KPMG to make corresponding improvements.																		
	<table><tr><th rowspan="2">Item</th><th colspan="2">At firm level</th><th rowspan="2">Average in the Industry</th></tr><tr><th>2023</th><th>2022</th></tr><tr><td>Number of public companies for which accountants acted as the principal</td><td>7.2</td><td>6.9</td><td>7.1</td></tr><tr><td>Proportion of working hours input by accountants</td><td>55.1%</td><td>56.1%</td><td>57.1%</td></tr></table>		Item	At firm level		Average in the Industry	2023	2022	Number of public companies for which accountants acted as the principal	7.2	6.9	7.1	Proportion of working hours input by accountants	55.1%	56.1%	57.1%				
	Item			At firm level			Average in the Industry													
			2023	2022																
	Number of public companies for which accountants acted as the principal		7.2	6.9	7.1															
	Proportion of working hours input by accountants		55.1%	56.1%	57.1%															
	<table><tr><th rowspan="2">Item</th><th colspan="2">Case Level</th></tr><tr><th>2023</th><th>2022</th></tr><tr><td>Number of public companies for which Mr. Chen acted as the principal accountant</td><td>10</td><td>12</td></tr><tr><td>Number of public companies for which Ms. Chang acted as the principal accountant</td><td>17</td><td>15</td></tr><tr><td>Proportion of working hours input by Mr. Chen</td><td>71.0%</td><td>111.9%</td></tr><tr><td>Proportion of working hours input by Ms. Chang</td><td>69.9%</td><td>110.7%</td></tr></table>		Item	Case Level		2023	2022	Number of public companies for which Mr. Chen acted as the principal accountant	10	12	Number of public companies for which Ms. Chang acted as the principal accountant	17	15	Proportion of working hours input by Mr. Chen	71.0%	111.9%	Proportion of working hours input by Ms. Chang	69.9%	110.7%	
	Item			Case Level																
			2023	2022																
	Number of public companies for which Mr. Chen acted as the principal accountant		10	12																
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Facet	Evaluation Items									Comments		
2. Quality Control	Index 2-2 Inputs to Audit This index assesses whether the audit team makes appropriate inputs to each stage.									<p>The number of public companies where lead and concurring auditors act as lead auditors and the proportion of their available working hours are higher than</p> <p>In 2023, the proportion of audit hours spent by CPAs and manager-level auditors decreased compared with the previous year, and was significantly lower than the industry average. KPMG explained that the CPAs and manager-level auditors had adequate audit experience, and the overall audit time spent by the entire audit team in 2023 was approximately 1,353 hours higher than in 2022, demonstrating a relative decrease in the proportion of audit hours spent by CPAs and manager-level auditors.</p> <p>The number of quality control personnel and the proportion of their support for the audit department were slightly lower than the industry average. However, the hours spent by EQCR auditors reviewing the Company were higher than the firm and industry average. Therefore, the audit quality of the Company could be maintained.</p>		
	Case level	Level	Proportion of auditing hours	2023				2022				
				Accountant	Manager	Auditor	Total	Accountant	Manager		Auditor	Total
		Planning stage	1.1%	2.1%	32.1%	35.3%	1.6%	3.3%	34.5%		39.4%	
	Firm level	Execution Stage	2.7%	6.2%	55.8%	64.7%	2.7%	6.0%	51.9%		60.6%	
		Total	3.8%	8.3%	87.9%	100.0%	4.3%	9.3%	86.4%		100.0%	
		Planning stage	2.2%	5.4%	25.5%	33.1%	2.5%	5.7%	25.1%		33.3%	
	Average in the Industry	Execution Stage	3.6%	12.0%	51.3%	66.9%	4.0%	11.3%	51.4%		66.7%	
		Total	5.8%	17.4%	76.8%	100.0%	6.5%	17.0%	76.5%		100.0%	
		Planning stage	2.6%	7.4%	32.6%	42.6%	2.9%	7.1%	32.4%		42.4%	
		Execution Stage	3.5%	9.0%	44.9%	57.4%	3.5%	8.9%	45.2%		57.6%	
		Total	6.1%	16.4%	77.5%	100.0%	6.4%	16.0%	77.6%		100.0%	
		Index 2-3 Case Quality Management Review This index evaluates whether the EQCR accountants input sufficient hours to the review of audit cases										
	Item					2023	2022	Average in the Industry				
	Proportion of hours input by EQCR accountants to review (at case level)					3.7%	3.4%	NA				
	Proportion of hours input by EQCR accountants to review (at the firm level)					1.3%	1.4%	1.29%				
	Index 2-4 Quality Control Support Capability (at firm level) This index examines whether the firm has adequate quality control resources, including risk management and audit consultants, to support its audit team											
	Item					2023	2022	Average in the Industry				
Number of full-time quality control staff					50.3	44.3	58.4					
Proportion of quality control staff to support the audit department					3.3%	3.1%	3.5%					
3. Independence	Index 3-1 Non-Audit Services (at case level) This index assesses whether the firm and its affiliates have charged the Group an excessively high amount of non-audit fees.											
	Item				2023	2022						
	Proportion of public fees for non-audit services in audit cases				42.5%	49.8%						
	Index 3-2 Familiarity with Client (at case level) This index evaluates whether the firm has provided audit services for the Company's financial statements for an excessively long period.											
	Item				2023							
	Cumulative years of auditing the annual financial reports by the firm				13 years							

(III) Independence and suitability evaluation:

No.	Evaluation Item	Evaluation Result	
		Yes / Approved	No / Rejected
Independence evaluation			
1	None of the accountants themselves or their family members (including spouse, cohabitant, and minor children) possess any direct or significant indirect financial interests in the Company.	✓	
2	The accountant has not, currently or in the last two years, held any position such as director, manager, or any other role in the Company that could have a significant impact on the audit case.	✓	
3	The CPA has no relationship with the Company's directors, managers, or personnel with positions that have a significant impact on audit cases, including spouses, direct blood relatives, direct relatives by marriage, or collateral blood relatives within the second degree of kinship.	✓	
4	None of the accountants, their affiliated firm, or any other affiliated company thereof has provided any non-audit services for the Company that may affect their independence.	✓	
5	The accountant has not provided audit services for the Company for seven consecutive years.	✓	
6	The accountant has only performed services permitted by law, and has not defended the Company in legal cases or other disputes as a representative of the Company.	✓	
7	Do CPAs maintain an unbiased and objective standpoint when performing professional services, and avoid prejudice, conflicts of interest or interests that affect professional judgment?	✓	
Suitability evaluation			
8	The accountant and their firm have the professional and management ability to perform audit services.	✓	
9	The accountant and their firm have sufficient ability to control audit quality.	✓	
10	The accountant has no record of disciplinary action by the CPA Disciplinary Committee in the last two years.	✓	
11	The accountant completes the review or audit of the Company's quarterly financial statements in a timely manner.	✓	

(VI) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Promotion tasks	Implementation Status (Note 1)			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board? (The TWSE/TPEX listed company shall report the implementation status. This is not a comply-or-explain provision.)	✓		In 2020, CHC established the ESG Committee as a dedicated unit to promote sustainable development. The ESG Committee serves as the highest governance body for sustainability affairs within CHC Group. The Committee led by the CEO is comprised of senior management from the three business sectors of the Group as well as the heads of functional units within CHC. The ESG Committee is composed of talented individuals from diverse cultures, backgrounds, expertise, and experiences. Each year, the Committee identifies ESG risks and opportunities based on the materiality principle. CHC Group holds regular committee meetings to discuss and develop sustainable development strategies. We also assess short-term, medium-term, and long-term ESG initiatives and goals, and evaluate the implementation of annual plans. These efforts actively propel the Group towards sustainable development. The ESG Committee is overseen by the Board of Directors and provides regular reports to the Board on the implementation of ESG promotion within the Group, as well as the future annual ESG promotion work plan. In 2024, reports on the Group's ESG management affairs were presented to the Board on March 8, May 10, July 31, November 1, and December 13.	None
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (The TWSE/TPEX listed company shall report the implementation status. This is not a comply-or-explain provision.)	✓		In accordance with the GRI Standards, CHC identifies the annual material topics through four key procedures: contextual analysis, impact identification, significance assessment, and review confirmation. CHC analyzes sustainability issues related to domestic and international construction engineering, real estate development, environmental project development & water treatment, as well as the concerns of industry peers and stakeholders. Based on this analysis, positive and negative impact risk assessments are conducted to determine the priority order for addressing ESG issues. The Chairman of the ESG Committee approves the sustainability reporting issues, and corresponding risk management strategies and action plans are formulated for these issues. In 2024, CHC Group identified a total of 18 sustainability issues and established 9 major sustainability topics. The risk assessment boundaries encompass CHC, CCLC, CEC, CDC, and HDEC. The scope of sustainability issue disclosure includes the upstream and downstream value chain as well as the community. Please consult CHC's website and Sustainability Report for the risk assessment results and risk management strategies.	None
III. Environmental Issues (I) Has the Company set an environmental management system designed to industry characteristics?	✓		(I) CHC has implemented suitable environmental management systems tailored to the specific characteristics of its three main business entities. These systems encompass energy-saving and environmental protection measures in office buildings, environmental technology management for construction engineering, as well as the adoption of ISO 14001 and ISO 50001 standards in operational plants. Third-party verification ensures the ongoing effectiveness of these systems. CHC conducts annual greenhouse gas inventories in compliance with ISO 14064-1. It also consistently monitors environmental management performance and publicly discloses this information on its website and in the Sustainability Report.	None
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?			(II) CHC continually optimizes its energy resource management strategy, which includes implementing green procurement, utilizing environmentally friendly and energy-efficient materials and high-efficiency equipment, investing in renewable energy projects, improving construction methods, on top of enhancing real-time monitoring of energy usage to maximize the efficiency of energy resource utilization.	

Promotion tasks	Implementation Status (Note 1)			Non-implementation Summary and Its Reason(s)															
	Yes	No	Summary																
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?			In 2024, the Group's green procurement amounted to NT\$170,503,000. The procurement includes construction engineering materials, operational equipment, and administrative supplies. The proportion of engineering projects utilizing system formwork method has steadily increased, achieving the goal of resource reuse. CHC Group uses electricity consumption per ton of wastewater treatment as an indicator for managing energy usage efficiency. In 2024, the average electricity consumption for wastewater treatment per ton was 0.33 kWh, representing an 11% improvement over the set target. Biogas recovery and reuse reached 763,122m ³ , achieving a rate of 138%. The utilization rate of renewable energy was 3.63%. For the energy management execution, please consult CHC's website and Sustainability Report for the energy management execution.																
(III) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?			(III) The ESG Committee reviews the Group's annual ESG plan and established goals, which include plans for managing climate change risks and opportunities as well as action plans. The ESG Committee reviews the implementation status of the Group's ESG plan and discusses future planning strategies and promotion directions. CHC adheres to the TCFD framework and employs a discussion mechanism across its business units and departments to identify and evaluate the potential risks and opportunities posed by climate change to CHC Group's current and future operations, as well as their magnitude of impact. Based on the findings, appropriate measures for climate change mitigation and adaptation are formulated and put into action, with regular reviews and updates. CHC Group has identified material climate risks, such as increased costs related to greenhouse gas emissions and raw materials, as well as rising average temperatures. For the results of the risk and opportunity assessment and the corresponding measures, please refer to Section VII, Other Important Information to facilitate better understanding of the company's promotion of sustainable development, and CHC's Sustainability Report.																
(IV) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		(IV) Since 2016, CHC has systematically collected and calculated greenhouse gas emissions, water usage, and total waste weight. Energy conservation, water reduction, and waste management measures were formulated in accordance with annual emission levels. Beginning in 2021, CHC Group progressively expanded the scope of the Group's greenhouse gas emissions inventory and verification in accordance with ISO 14064-1, and optimized related mechanisms. As of the publication date of this report, with the exception of overseas subsidiaries, CHC (standalone), CCLC (standalone), CEC (standalone), CDC (standalone) and HDEC (consolidated) have completed and obtained third-party Greenhouse Gas Emissions Verification Statement for the year 2023. The data for the 2024 greenhouse gas inventory is currently undergoing third-party verification, and the verification results will be updated on CHC's website and in CHC's Sustainability Report. A summary of environmental information for the past two years is provided below. For detailed descriptions of environmental management measures and performance, please refer to CHC's Sustainability Report. <table><tr><th>GHG Emissions (tCO₂e)</th><th>2023</th><th>2024</th></tr><tr><td>Scope 1</td><td>12,738</td><td>5,136</td></tr><tr><td>Scope 2</td><td>48,304</td><td>56,252</td></tr><tr><td>Scope 3 ^{Note}</td><td>292,987</td><td>22,177</td></tr><tr><td>GHG emissions per NT\$1 million in revenue (Sum of Scope 1 and Scope 2 GHG emissions)</td><td>1.99</td><td>2.00</td></tr></table>	GHG Emissions (tCO ₂ e)	2023	2024	Scope 1	12,738	5,136	Scope 2	48,304	56,252	Scope 3 ^{Note}	292,987	22,177	GHG emissions per NT\$1 million in revenue (Sum of Scope 1 and Scope 2 GHG emissions)	1.99	2.00	None
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<p>Note: Scope 3 information only covers other indirect emission sources within the inventory boundary with significant impact, including the procurement of construction materials and sales services, upstream emissions from purchased electricity, waste treatment services, and emissions from electricity use of downstream leased assets. This will continue to be expanded in the future.</p>																			

Promotion tasks	Implementation Status (Note 1)			Non-implementation Summary and Its Reason(s)																		
	Yes	No	Summary																			
(IV) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	✓		<p>The total greenhouse gas emissions from Scope 1 and Scope 2 for CHC Group primarily arise from electricity consumption associated with water treatment processes. Consequently, electricity consumption per ton of wastewater treated and reclaimed water supplied has been established as a quantitative management indicator. Through energy-saving initiatives such as optimizing high-energy-consuming equipment, implementing smart energy management systems, and enhancing operational practices, we aim to enhance the efficiency of water resource treatment. In 2024, the electricity consumption per ton of wastewater treatment was 0.33 kWh, representing an 11% improvement over the established target. Additionally, electricity consumption per ton of reclaimed water supply was 1.33 kWh, also reflecting an 11% improvement over the established target.</p> <table><tr><th>Water Resources (M³)</th><th>2023</th><th>2024</th></tr><tr><td>Water consumption</td><td>336,694</td><td>346,968</td></tr><tr><td>Water consumption per NT\$1 million in revenue</td><td>11.00</td><td>11.30</td></tr></table> <p>CHC Group actively implements water resource management through the use of water-saving equipment, regulation of water supply, water reclamation, and promotion of water conservation in order to improve water resource usage efficiency. The rate of reclaimed water reuse for 2024 has risen to 64%, surpassing the target completion rate by 108%.</p> <table><tr><th>Waste (ton)</th><th>2023</th><th>2024</th></tr><tr><td>Total weight of waste produced</td><td>45,219</td><td>41,484</td></tr><tr><td>Weight of waste produced per NT\$1 million in revenue</td><td>1.48</td><td>1.35</td></tr></table> <p>The Group does not operate in the manufacturing sector, and the types of waste generated from business activities are primarily categorized into office waste and industrial waste. Industrial waste encompasses construction waste, sludge and liquid acid waste generated from wastewater treatment processes. We ceaselessly leverage technologies to develop operational models that minimize resource consumption and maximize resource utilization efficiency, with an eye toward reducing resource consumption at the source and implementing measures for waste classification, reuse, and recycling. In 2024, the Group reduced 5,042 tons of waste, achieving 110% of the achievement target.</p>	Water Resources (M³)	2023	2024	Water consumption	336,694	346,968	Water consumption per NT\$1 million in revenue	11.00	11.30	Waste (ton)	2023	2024	Total weight of waste produced	45,219	41,484	Weight of waste produced per NT\$1 million in revenue	1.48	1.35	None
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Weight of waste produced per NT\$1 million in revenue	1.48	1.35																				
IV. Social Issues (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		<p>(1) CHC Group has developed a human rights policy that is based on internationally recognized human rights standards, including the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labor Organization Declaration on Fundamental Principles and Rights at Work. CHC Group conducts regular assessment of its management systems and effectiveness related to human rights to ensure the protection of its employees' basic human rights. CHC Group has adopted the following measures to mitigate human rights risks:</p> <p>1. CHC Group implements compliance policies and systems, labor-management meetings, and grievance channels to ensure equal opportunities and fair treatment for employees.</p> <p>2. CHC Group strives to create a diverse and inclusive working environment that is free from discrimination and harassment. In order to ensure a safe and respectful workplace, the CHC Group has implemented the Guideline for Sexual Harassment Prevention, Complaint Grievance and Punishment to govern the investigation and handling of harassment incidents.</p>	None																		

Promotion tasks	Implementation Status (Note 1)			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	
<p>IV. Social Issues</p> <p>(I) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p> <p>(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?</p> <p>(III) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?</p>	✓		<p>3. CHC Group ensures a working environment that respects the religious and cultural customs of international migrant workers and employs manpower agencies that treat international migrant workers fairly.</p> <p>Education and advocacy initiatives are organized regularly to enhance employees' understanding of human rights issues. The topics addressed include the prevention of sexual harassment, workplace bias, labor laws, and inter-generational communication. In 2024, CHC Group conducted a total of 4,772 hours of training on human rights-related courses for its employees, with a participation of 2,428 individuals at an 112% increase year-on-year. The coverage rate of human rights education training for all employees reached 99%.</p> <p>(II) CHC Group has implemented comprehensive employee benefit measures. The implemented compensation and benefits programs, as well as the leave policies, comply with regulatory requirements and maintain market competitiveness. Furthermore, the individual goals of employees are closely linked to the organizational objectives. CHC Group continuously aligns operational performance with employee compensation and bonus policies based on performance evaluations and annual performance bonus guidelines. Additionally, an annual salary adjustment assessment is conducted each year.</p> <p>CHC Group contributes 6% of eligible employees' salary to their individual labor pension accounts each month under the Labor Pension Act. Additionally, 2% of the total salary expenses are allocated to the retirement reserve fund in the retirement reserve fund account monthly. The retirement reserve fund account is under the supervision of the Supervisory Committee of Labor Retirement Reserve. CHC Group provides a comprehensive range of employee benefits that comply with regulatory requirements. These benefits include vacation time, labor insurance, health insurance, and retirement fund contributions. In addition, we go beyond industry standards by offering flexible working hours and scheduling practices in our construction engineering business. Furthermore, we have offered diverse group insurance options, health check-up programs, and subsidies for club activities, giving employees the freedom to choose according to their individual needs.</p> <p>In 2024, the proportion of female employees was 20%, with females holding 12.7% of management positions. Furthermore, salaries at all levels within the organization are not differentiated by gender; compensation is based on the requirements of the job position, individual work capabilities, and performance.</p> <p>(III) Regarding healthcare, CHC Group regularly organizes employee health check-ups, consultations on health examination reports, and health seminars. Additionally, it has implemented various initiatives to enhance the physical and mental well-being of employees, such as employee recognition and encouragement programs, work-life coaching services, as well as courses and promotions focused on physical and mental health. In 2024, the CHC Group had over 500 employees who participated in physical and mental health seminars. In terms of work safety, CHC Group has implemented various safety management measures, including site safety and health audits, publishing reports on occupational accident prevention and control, promoting occupational health and safety (OHS) pre-work education, conducting site inspections, and pre-inspection of high-risk operations. We are dedicated to ensuring the safety of our employees in the workplace. To ensure employees have a clear understanding of their work, potential environmental hazards, and how to prevent them, CHC Group regularly organizes occupational safety education training. In 2024, CHC Group conducted a total of 401 sessions of occupational safety education training, with a combined participation of 7,504 individuals.</p>	None

Promotion tasks	Implementation Status (Note 1)			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	
(III) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?			<p>CHC Group has obtained ISO/CNS 45001 management systems certification, and the Occupational Safety and Health Committee conducts regular reviews of occupational safety and health management issues and has established OHS Management Information Platform to improve the planning of targeted response measures for occupational safety and health risk management.</p> <p>The industry in which CHC Group operates is prone to three main categories of occupational injuries: tumble, and falling objects. In 2024, CHC Group reported a total of one occupational accident, resulting in an occupational accident rate of 0.04% based on 2,663 employees. CHC Group has promptly devised preventive measures and corrective actions to address the causes of the incident. We have also implemented safety and health-related management regulations, adjusted operational processes, and developed equipment and techniques for safety and health technology management to mitigate the risk of injury.</p> <p>In 2024, there were zero fire incidents in the CHC Group, with zero casualties and zero casualties as a percentage of the total number of employees. Fire incidents were reported, handled, and reviewed for improvement measures in accordance with the Group Emergency Management Guideline and Disasters Response Principles.</p>	
(IV) Has the Company established effective career development training programs for employees?	✓		<p>(IV) CHC Group places significant emphasis on developing employees' skills and potential, enhancing their ability to effectively carry out business operations through a range of education and training programs. In 2024, a total of NT\$7,371,554 was invested in both internal and external training courses, representing a 10% decrease year-on-year. The total training hours for all employees amounted to 30,929 hours, reflecting a 57% increase year-on-year.</p> <p>We provide professional compulsory courses, elective courses covering workplace soft skills, and leadership management courses internally to address the needs of employees in different positions, functions, and career stages. We also encourage our colleagues to acquire professional licenses and certificates utilizing external training resources to strengthen their personal skills and benefit the Company's professional competence. Talent development initiatives in 2024 included:</p> <ol style="list-style-type: none"> 1. New employee training: From onboarding guidance for new employees of the Company to new employee training provided by the Group for employees within their first month, the Human Resources Department leads employees to understand the history and culture of the Group and familiarize themselves with the corporate systems and environment through online/offline courses, thereby assisting new colleagues in quickly adapting to the workplace. In 2024, a total of 11 training sessions were held, with 312 trainees in attendance. 2. Digital empowerment courses: These courses are held by the Information Department. They can improve individuals' personal working efficiency, and also benefit the Company's overall production efficiency and quality. In 2024, a total of six M365 sessions were held, with 195 people trained. 3. Innovation lecture hall: In 2024, advocating and teaching how to use AI correctly and safely became necessary due to the digital transformation of the Group, the promotion of information security management, and the rise of AI application tools. In response to the needs of employees of the Group for courses on AI application skills, a total of three series of lectures were held, attended by 514 people. 4. Cross-generation communication: These courses aim to help employees from different generations understand each other's traits and differences for positive communication with colleagues across different generations and with different personalities through DISC, the learning of interpersonal communication styles. A total of six sessions have been held, attended by 179 employees. 	None

Promotion tasks	Implementation Status (Note 1)			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	
(IV) Has the Company established effective career development training programs for employees?			<p>The Company also reviews talent every year, and confirms key internal positions and the required competencies and characters of individuals according to the Group's future development strategies to identify potential internal and external candidates for the sustainable management of the organization. Furthermore, the Company has developed various talent training and development plans as follows to address organizational needs:</p> <ul style="list-style-type: none"> • Young Engineers Society: Formed as a platform for young engineers and distinguished senior professional to share their experiences in the field to advance young engineers. The society holds various activities such as visits to construction sites, and conferences on civil engineering, architecture and innovative constructions aimed expand and improve engineering capabilities. A total of 31 members attended the activities and conference held in 2024. The completion rate is 100%. • Leadership Enhancement Program: A four-month management course offered to management staff with potential covering concept, case studies, assignments, and practical exercises among other modules to deepen management knowledge and skills. In 2024, the completion rate for this program is 90%. • High Potential Successor Program: This program aims to identify and develop high-potential, high-performance talent through systematic training and the creation of personal development plans. The completion rate for 2024 is 100%. 	
(V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		<p>(V) CHC Group prioritizes the health and safety of our customers in relation to our products and services. We design and construct building products that comply with architecture relevant regulations to ensure the well-being of our customers. CHC Group has achieved ISO 9001:2015 Quality Management Systems certification, guaranteeing consistent compliance with international quality management standards. In 2024, CHC Group did not receive or incur any grievances or penalties related to customer health and safety.</p> <p>CHC Group places a high priority on protecting customer privacy and personal data. We are committed to complying with the Personal Data Protection Act and relevant information processing regulations. We also require our suppliers to adhere to these standards to ensure the security of customer privacy and personal data. CHC obtained the ISO 27001:2022 Information Security Management Systems certification to enhance our information and communication security system and ensure the effectiveness of information security protection. In 2024, CHC Group did not receive any grievances or experience any violations regarding the infringement of customer privacy.</p> <p>100% of CHC's marketing and labeling are subject to cross unit dual review and verification before they can be used externally to ensure compliance of promotional materials. In 2024, we received one complaint related to marketing and labeling. We have since enhanced the management of sales conduct by the outsourced advertising company towards clients. As of the end of 2024, there have been no penalties imposed for violations of marketing and labeling regulations.</p> <p>CHC Group has set up a customer service department to address customer grievances and requests for product repairs. In addition, proactive customer satisfaction surveys are conducted before, during, and after the sales and delivery process to safeguard customer rights. CHC Group provides convenient and efficient channels for customer grievances, such as the official website contact form, customer service hotline, community service app, etc., and implements response time management.</p>	None

Promotion tasks	Implementation Status (Note 1)			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	
(VI) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	✓		(VI) CHC Group has implemented a procurement policy and supplier management regulations that establish standards for environmental safety and health risks, labor management, prohibition of child labor, non-harmful labor rights, ethical standards, and integrity in operations. Additionally, suppliers are required to adhere to CHC Group's code of conduct, ethical behavior guidelines, and procurement execution standards. The Group manages supply chain risks through supplier selection criteria and a supplier evaluation system, actively managing and providing guidance for suppliers with higher risk levels. CHC Group organizes an annual selection event to recognize excellent suppliers. During this event, their performance in occupational safety, environmental management, engineering quality, and project schedule management is evaluated, aiming to encourage their proactive efforts.	None
V. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?		✓	CHC publishes the 2024 Sustainability Report according to the GRI Standards and TCFD. However, CHC has yet to obtain third-party assurance for this report.	CHC will obtain the relevant third-party assurance where necessary.
VI. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: Not applicable.				

VII. Other important information to facilitate better understanding of the company's promotion of sustainable development:

(I) Please refer to the Sustainability section on CHC's website.

(II) The member company of the Group, HDEC, participated in the Tainan Chengxi Incineration Plant BOT Project which had a total investment worth NT\$7.215 billion. Construction commenced in Q4 2023 to build and operation of a waste incineration plant capable of processing 295,650 tons of waste annually. The plant will utilize the thermal energy generated during the incineration process for electricity generation, achieving an electricity generation efficiency of more than 25%. The estimated annual electricity output is expected to reach 262.44 million kWh (please refer to CHC's website - Media Center for details). HDEC invested over NT\$3 billion in 2024 and the equipment installation project is currently in its final stages.

(III) The climate-related risks and opportunities identified by CHC are listed below:

Type	Climate-Related Risks	Financial Impact	Management Strategy	Opportunities
Transition Risks	Increase in costs of raw materials	• Increase in operating costs	• Improve research and advance planning related to raw material procurement, enhance raw material identification, management, and contingency plans, as well as optimize procurement and business strategies	• Value engineering
	Increase in costs arising from GHG emissions Costs and expenses arising from transition to low-carbon technologies	• Increase in operating expenses • Increase in capital expenditures	• Step up efforts to integrate technology into construction operations and develop digital tools, adjust product design and service models, as well as increase energy and resource utilization efficiency • Continue to develop products and service solutions in compliance with the principles of circular economy • Carry out R&D of innovative technologies and construction methods • Strengthen industry-government-academia collaboration to share technology, knowledge, and best practices	• Value engineering • Workforce evolution • Increased use of reclaimed water and renewable energy • Development of new sustainable services and products
	Enhancement of GHG emission reporting obligations	• Increase in operating expenses	• Continue to carry out GHG inventories according to ISO 14064-1 and regularly disclose information on greenhouse gas emissions	• Increase in positive feedback and recognition from stakeholders • Enhance monitoring of climate and energy risks and strengthen operational resilience
	Concerns or negative feedback from stakeholders	• Decrease in operating revenue • Increase in costs of capital	• Continue to integrate ESG issues into decision-making processes and business models to create sustainable value • Regularly disclose ESG management efforts and results, as well as reinforce communication and interaction with stakeholders on an ongoing basis	• Increase brand value and enhance company reputation • Increase positive feedback and recognition from stakeholders • Expansion of corporate influence
Physical Risks	Rising average temperatures	• Decrease in operating revenue • Increase in operating costs • Increase in operating expenses	• Continue to improve and implement heat hazard prevention measures and equipment investment, as well as enhance heat hazard awareness and response training among employees • Step up assessments of climate trends in CHC's operating locations and refine resource allocation and response planning • Bolster research on emerging building materials, as well as enhance performance verification and assessment	• Design and construction of green buildings • Construction of resilient infrastructure • Increase use of reclaimed water and renewable energy

(VII) Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
I. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	I. The ESG Committee serves as the central hub for managing and making decisions on climate-related issues within CHC Group. Its responsibilities include developing the Group's sustainable development strategy, evaluating ESG plans and objectives, and overseeing the management of climate risks and opportunities across all business entities. CHC Group convenes quarterly meetings of the ESG Committee to effectively manage climate risks and opportunities. These meetings facilitate cross-business and cross-departmental discussions and communication, enabling CHC Group to incorporate climate issues into the formulation of strategies and considerations for management decisions across all aspects. Each business entity identifies and evaluates climate risks and opportunities, as well as their impact on the business. Management action plans and annual goals are then formulated based on the assessment results. Under the supervision of the CEO, each business entity continues to monitor the effectiveness of plan implementation, optimize climate risk management mechanisms, and ensure that the management of climate issues remains aligned with the company's strategy and objectives. The Board of Directors is responsible for overseeing and guiding the corporate sustainability management, strategies, and actions (including climate change). The ESG Committee reports to the Board of Directors on the Group's ESG management affairs quarterly.
II. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	II. CHC Group's business, strategy, and finances are significantly impacted by climate risks in the short term (within the next 5 years) and medium term (within the next 5-10 years). Material climate risks identified by CHC Group include increased costs of raw materials and greenhouse gas emissions, strengthened obligations to report greenhouse gas emissions, expenditure on low-carbon technology transformation, increased concerns and negative feedback from stakeholders, and rising average temperatures. An assessment of the Group's current business strategies, business models, and contractual mechanisms indicates that some protection and mitigation can be provided for the aforementioned significant climate risk items. In the short term, businesses will face material climate risks that will impact various aspects of their operations, including raw material procurement, product design and service provision, and greenhouse gas emission management. The need for resource development in response to these risks will result in higher operating costs and expenses. However, value engineering, improved operational resilience, and the growing demand for green buildings, resilient infrastructure, and recycled water will help offset the cost increase and generate additional revenue for businesses. In the medium term, the adoption of low-carbon technology, innovative products and services will contribute to business growth. However, the increasing average temperature may pose challenges and raise costs for scheduling outdoor workforce. In terms of strategy, the Group is actively integrating ESG issues into decision-making and business models, optimizing procurement and business strategies, enhancing digital innovation, improving heat hazard prevention and equipment investment, and also regularly disclosing ESG management practices and results in order to strengthen communication and engagement with stakeholders.
III. Describe the financial impact of extreme weather events and transformative actions.	III. Extreme weather events, such as heavy rain and typhoons, can cause project delays and present challenges to construction operations, and can also impact the procurement of raw materials, thereby affecting revenue, operating costs, and operating expenses. Nevertheless, CHC Group did not encounter any significant negative financial impact as a result of extreme weather events in 2024. The transition action encompasses various aspects, including sustainable product design and service provision, construction technology and methods, material selection and usage, energy (including renewable energy) consumption, waste management, greenhouse gas management, and water resource recycling. This action will have both positive and negative financial implications on operating revenue, operating costs, and operating expenses.
IV. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	IV. The Group consistently monitors and manages climate risks and opportunities through four key processes: identification, assessment, confirmation, and execution. The Group thoroughly discusses potential climate risk issues and evaluates their relevance across departments and at different levels to establish a climate risk list. Every business entity conducts investigations and analyses of climate risks and opportunities, identifying the extent of business, strategic, and financial impacts caused by various climate risks. The evaluation includes factors such as severity, vulnerability, and likelihood of occurrence, taking into account elements like the Group's business development strategy and the financial impact of each business entity. Following adjustments, the priority response order and response strategies for each risk and opportunity item are established based on the decision of the ESG Committee. Each business entity will assign management responsibilities to corresponding units based on the evaluation results, develop appropriate management action plans, and integrate them into daily management and monitoring. Following the corporate risk management process, each business entity is required to submit quarterly reports to CHC, and report to the ESG Committee simultaneously.

Item	Implementation status
V. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	V. At present, CHC is giving priority to material climate risks and embarking on the development of a scenario analysis model. This model will assess the potential financial impact and integrate it into our daily management and monitoring processes.
VI. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	VI. CHC Group has developed management action strategies for significant climate risk projects and has established annual targets for the ongoing management and monitoring of risk changes. In addition, risk appetite is adjusted in a timely manner to ensure the continued effectiveness of risk control measures. CHC Group addresses the issue of rising average temperatures associated with physical risks by implementing heat hazard prevention measures, enhancing worker training, and increasing participation in green building and renewable energy initiatives. In response to the escalating costs related to raw materials, greenhouse gas emissions, and the transition to low-carbon technology, the Group employs value engineering, innovative solutions, and improved resource utilization efficiency as countermeasures. CHC Group's key indicators for measuring and managing climate-related risks and opportunities include sustainable product design and service provision, construction techniques and methods, material selection and usage, energy and renewable energy, waste management, greenhouse gas management, and water resource recycling and reuse. Each business entity chooses projects for promotion based on its industry characteristics and business model, establishing annual objectives for continuous management and improvement. For information regarding the short and medium-term goals and the implementation status of each key indicator, please refer to CHC's website and Sustainability Report.
VII. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	VII. At present, CHC Group does not employ internal carbon pricing. We will explore the possibility of implementing internal carbon pricing based on demand in the future, to enhance carbon reduction efficiency and provide a benchmark for evaluating carbon reduction-related expenses.
VIII. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	VIII. The Group currently is not utilizing carbon offsets or renewable energy certificates to achieve its carbon reduction goals. Instead, it focuses on climate risk management action plans and targets established by each business entity according to its industry characteristics. Specific measures include the establishment of a greenhouse gas emission quantification mechanism, research on carbon reduction solutions, participation in renewable energy projects, and enhancement of energy management efficiency. These actions encompass office buildings, business locations, as well as the process of product design and service provision, with a priority emphasis on emissions from purchased electricity (Scope 2), such as wastewater treatment electricity consumption, reclaimed water supply electricity consumption, and energy use intensity (EUI) as energy management indicators. The Group shall continue to monitor and make rolling adjustments for improvement. To boot, the Group is actively promoting the establishment and use of renewable energy, with a renewable energy usage rate of 3.63% for the year 2024 and a reduction of approximately 965 metric tons of CO ₂ e. For details regarding climate-related targets and progress, please refer to CHC's website and Sustainability Report.
IX. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	IX. Please refer to 1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years and 1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan for detailed information.

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

1-1-1 Greenhouse Gas Inventory Information

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

- The standalone parent company should commence its inventory assessment in 2025.
 - GHG inventory assessment of subsidiaries in the consolidated financial reports shall commence in 2026.
- CHC conducts its greenhouse gas inventory in accordance with ISO 14064-1, utilizing the operational control approach to establish the inventory boundary. The data scope encompasses CHC (standalone), CCLC (standalone), CEC (standalone), CDC (standalone) and HDEC (consolidated). For the year 2023, the total greenhouse gas emissions for Scope 1 (direct emissions) and Scope 2 (energy indirect emissions) amounted to 61,041.65 metric tons of CO₂e, with a greenhouse gas emission intensity of 1.99 metric tons of CO₂e per NT\$1 million in revenue (calculated for both Scope 1 and Scope 2). For the year 2024, the total for Scope 1 and Scope 2 is 61,387.49 metric tons of CO₂e, with a greenhouse gas emission intensity of 2.00 metric tons of CO₂e per NT\$1 million in revenue. Among these, the Scope 1 and Scope 2 emissions of the parent company, CHC (standalone), stands at 10.12 metric tons of CO₂e and 70.59 metric tons of CO₂e, respectively.

GHG Emissions (tCO ₂ e)	2023		2024	
	Total Emissions (tCO ₂ e)	Intensity (tCO ₂ e/ NT\$ million)	Total Emissions (tCO ₂ e)	Intensity (tCO ₂ e/ NT\$ million)
Scope 1	12,738	0.42	5,136	0.17
Scope 2	48,304	1.58	56,252	1.83
Scope 3 ^{Note (2)}	292,987	9.57	22,177	0.72
Total	354,029	11.57	83,565	2.72

Note (1): The greenhouse gas intensity for years 2023 and 2024 is calculated using the consolidated revenue of NT\$30,607 million and NT\$30,701 million, respectively.

Note (2): Other indirect emissions (Scope 3) encompass upstream emissions resulting from the procurement of construction materials and sales services, purchased electricity, waste treatment services, and the electricity use of downstream leased assets.

CEC (standalone) is currently conducting the 2024 Annual Scope 3 Inventory.

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

1-1-2 Greenhouse Gas Assurance Information

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

- The standalone parent company is scheduled to commence GHG assurance in 2027.
 - GHG assurance for subsidiaries in the consolidated financial reports shall commence in 2028.
- The total greenhouse gas emissions for the year 2023 have been verified by the certifying agency Bureau Veritas Certification (BV) in accordance with ISO 14064-3 standards. The verification levels for Scope 1 and Scope 2 refer to reasonable assurance, while the verification level for Scope 3 refers to limited assurance. For the data for total greenhouse gas emissions for the year 2024, CHC (standalone) (accounting for 0.1% of total emissions) and CCLC (accounting for 0.4% of total emissions) have obtained an assurance opinion from Bureau Veritas Certification (BV), with reasonable assurance for Scope 1 and Scope 2, and limited assurance for Scope 3. Meanwhile, CEC (standalone), CDC (standalone), and HDEC (consolidated) account for 11.0%, 2.7%, and 85.8% of total emissions, respectively. These companies are currently undergoing third-party verification by Bureau Veritas Certification (BV) in accordance with ISO 14064-3 standards, and complete verification information will be disclosed in the Sustainability Report and on CHC's website.

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

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

CHC Group has established the first year of greenhouse gas inventory for each base as the baseline year. An annual greenhouse gas inventory will be conducted, and based on the results, corresponding decarbonization strategies and action plans will be formulated. These plans will include targets for reducing electricity consumption per unit of wastewater treatment and reclaimed water supply, as well as targets for the production and use of renewable energy. The execution strategies is regularly reviewed and adjusted on a rolling basis. The group anticipates a quantifiable reduction in greenhouse gas emissions of approximately 965 metric tons of CO₂e for the year 2024. In the future, the Group will continue to monitor environmental management performance and greenhouse gas emissions according to the schedule specified by the Financial Supervisory Commission's sustainable development roadmap. The baseline year for conducting a comprehensive review, based on the boundary of consolidated financial reports, will be determined. Greenhouse gas reduction targets and specific action plans will be established based on the information obtained from the comprehensive review.

(VIII) Taiwan Corporate Conduct and Ethics Implementation as Required by the Taiwan Financial Supervisory Commission

Evaluation Item	Implementation Status			Causes for the Difference
	Yes	No	Summary	
<p>I. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures</p> <p>(I) Does the Company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?</p> <p>(II) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(III) Whether the Company has established relevant policies that stipulate implementation procedures, guidelines, consequences of violation, and complaint procedures and are duly enforced to prevent unethical conduct, and periodically reviews and revises such policies?</p>	✓		<p>(I) On November 5, 2020, the Board of Directors of the Company adopted the Code of Ethics and Business Conduct, which sets out the philosophy and principles of ethical corporate management and establishes a normative framework to be followed by all companies of the Group.</p> <p>(II) The Company has established the Code of Conduct, Code of Ethics and Business Conduct, Group Guidelines for Handling Whistleblowing Cases, and Group Guideline for Anti-Insider Trading Management among other relevant operating procedures or behavioral guidelines. These procedures and guidelines include the prohibition of providing or accepting improper benefits, criteria for identification, supervision and management of donation and sponsorship approval, ownership of intellectual property rights, confidentiality commitment, prevention, reporting, investigation, and disposal of dishonest acts, confirmation of the degree of honest business dealings with business partners, and avoidance and investigation of potential conflicts of interest. This covers preventive measures for the acts under Article 7, Paragraph 2, the Code of Ethics and Business Conduct for Listed Companies. According to the relevant internal operating procedures and regulations, the procedures, conduct guidelines, appeal system, and subsequent investigation and handling procedure against dishonest acts have been clearly defined. They are implemented and reviewed when individual cases occur.</p> <p>(III) In accordance with foregoing internal procedures and regulations, the procedures, guidelines, complaint system, and subsequent investigation and treatment to prevent unethical conduct have been expressly stated, and are implemented and reviewed whenever cases occur.</p>	None
<p>II. Ethic Management Practice</p> <p>(I) Whether the Company has assessed the ethics records of whom it has business relationships with and included business conduct and ethics-related clauses in the business contracts?</p> <p>(II) Whether the Company has set up a unit dedicated to promoting the Company's ethical standards, regularly (at least once a year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters and the program to prevent unethical conduct, and monitors their implementation?</p>	✓		<p>(I) In order to establish an ethical trading environment and avoid the violation of the Code of Conduct or the code of ethical conduct by the dealing parties, the suppliers of the Group are required to sign a statement of ethical operation and cooperate with a questionnaire survey on ethical business compliance and conflict of interest. The terms of ethical business are incorporated into the relevant contract template. Additionally, procurement specifications have been modified, and the commitment to ethical corporate operation is one of the evaluation items for supplier management.</p> <p>(II) In accordance with Article 17 of the Code of Ethics and Business Conduct, we have designated the Operation Management Team of the ESG Promotion Committee as the dedicated unit responsible for supervising ethical corporate operation in the Company. The team is convened by the Vice President of the Legal Department, responsible for promoting and supervising the Company's ethical business policies and reporting to the Board of Directors regularly. The dedicated unit for ethical operation reported on the implementation of ethical corporate operation at the 4th meeting of the 6th term of the Board of Directors on November 1, 2024.</p>	None

Evaluation Item	Implementation Status			Causes for the Difference
	Yes	No	Summary	
(III) Whether the Company has established policies to prevent conflicts of interest, provides appropriate communication and complaint channels, and implements such policies properly?			(III) Relevant regulations on the prevention of conflicts of interest have been expressly defined in the Company's Code of Ethical Corporate Management. Those who encounter with or participate in any situation with a conflict of interest shall proactively recuse themselves and handle such matters according to relevant regulations. The dedicated ethical corporate management unit urged all employees of the Group in Taiwan to sign a statement of compliance with ethical corporate management in 2024. Employees who are involved in any situation with an actual or potential conflict of interest shall proactively declare any such conflict. The signing of the aforesaid statement by employees from each company within the Group are listed as follows: Continental Holdings Corporation (including Continental Consulting Limited Company): A total of 120 employees signed the statement (signing ratio of 100%). Continental Engineering Corporation: A total of 1,220 employees signed the statement (signing ratio of 100%, not including two employees on maternity and parental leave). Continental Development Corporation: A total of 133 employees signed the statement (signing ratio of 100%). HDEC Corporation: A total of 472 employees signed the statement (signing ratio of 100%)	
(IV) To implement relevant policies on ethical conduct, has the Company established effective accounting and internal control systems, made audit plans based on the assessment of unethical conduct, and had its ethical conduct program audited by internal auditors or CPAs periodically?	✓		(IV) To implement ethical corporate management, the Company has established its accounting system and internal control system in accordance with the laws, regulations and rules promulgated by the competent authority. The financial statements of the Company are prepared in accordance with the International Accounting Standards, and CPAs are appointed to perform auditing and issue audit reports every year. For the internal control system of the Company, the quality function regularly carries out internal control and self-evaluation every year, and each department conducts self-evaluation according to each internal control cycle. The auditing unit also performs its duties in accordance with the annual audit plans developed based on the results of risk assessment, reports the audit results and improvement plans to the Board of Directors and management on a regular basis, and continually follows up on the progress of improvements.	None
(V) Does the Company provide internal and external ethical conduct training programs on a regular basis?			(V) The dedicated ethical corporate management unit regularly holds education and training on ethical corporate management every year. In 2024, it provided training on "A Brief Introduction to Laws, Regulations, and Risks That Corporate Executives and Employees Should Know" for employees of the Group in Taiwan in-person and online. The in-person course held 1.5 hour classes with 176 participants, totaling 264 hours of training time. The online course lasted 1 hour per class, with 1,735 participants and a total training time of 1,735 hours.	
III. Implementaion of the Company's whistle-blowing system				
(I) Does the Company establish specific whistle-blowing and reward system, set up conveniently channel for whistle-blowing, and assigned appropriate dedicated personnel to receive whistle-blowing reports?	✓		(I) The Company has maintained a whistleblowing mailbox on its website for employees and the general public to report wrongdoing, violation of the Code of Conduct, or the Code of Ethics and Business Conduct. These reports will be received by the Company's Chief Executive Officer, who will appoint an investigator to investigate the cases after reporting them to the Chairman of the Board. However, in cases that involves any board of director or the CEO, relevant communication shall be reported to and received by the secretariat of the Board of Directors, and the subsequent investigation procedure shall be handled by the Chairman of the Board or the Audit Committee.	None

Evaluation Item	Implementation Status			Causes for the Difference
	Yes	No	Summary	
(II) Has the Company established standard operating procedures for the investigation of reported cases, the follow-up measures to be taken after the completion of the investigation, and the related confidentiality mechanism? (III) Has the Company taken measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing?	✓		(II) The procedures for handling whistleblowing cases have been clearly defined in the aforementioned provisions, by real-name reporting means, or anonymously if relevant contents and evidence are specific and clear. The Company will maintain confidentiality and act with prudence regarding the reported cases and subsequent investigations involved; the investigation procedures also include confidentiality mechanisms and protective measures. (III) The Code of Ethics and Business Conduct stipulate that the identity of the whistleblower and contents of the whistleblowing case shall be kept confidential to prevent any person from attempting to retaliate or interfere with the discovery of facts. The Company shall not impose any punishment or arrangement unfavorable to the whistleblower because of his/her whistleblowing behavior, except if the case content is false and untrue.	None
IV. Enhancement of information disclosure Has the Company disclosed the contents and effectiveness of its ethical corporate management best practice principles on its website and the Market Observation Post System?	✓		The Company will disclose the Code of Ethics and Business Conduct and the Code of Conduct on the Company's website and establish an ethical corporate management section to disclose implementation status and effectiveness of these codes.	None

V. If the Company has its own ethical corporate management best practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please describe the differences between the operations and the best practice principles.
 The Company has established the "Code of Ethics and Business Conduct" and the operations are conducted accordingly without any differences.

VI. Other important information for understanding the operation of the Company's ethical corporate management: (e.g., the Company reviews and amends its ethical corporate management best practice principles)
 The Company upholds ethical corporate management and strives to manage all matters of concern to its stakeholders, and through the implementation of the Code of Ethics and Business Conduct and Code of Conduct, the Company ensures that all employees have consistent ethical standards from top to bottom and that the Company's stakeholders understand the Company's ethical standards.

(IX) Other Important Information for Further Understanding Implementation Status of Corporate Governance:

Besides publishing material information on the MOPS in accordance with laws and regulations. Further information on the implementation status of Corporate Governance can be found on CHC website "Investor Relations" and "Corporate Governance" section.

(X) Internal Control System Execution Status

1. Statement of Internal Control System

**Continental Holdings Corporation
Statement of Internal Control System**

March 5, 2025

Based on the findings of a self-assessment, Continental Holdings Corporation (CHC) states the following with regard to its internal control system during the year 2024:

1. CHC's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and CHC takes immediate remedial actions in response to any identified deficiencies.
3. CHC evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities.
4. CHC has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, CHC believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of CHC's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement was approved by the Board of Directors in their meeting held on March 5, 2025, with all seven attending directors present agreed to its content of this Statement.

Continental Holdings Corporation

Chairman: Nita Ing

Chief Executive Officer: Cindy Chang

2. If CPA Was Engaged to Conduct a Special Audit of Internal Control System, Provide Its Audit Report: None.

(XI) Major Resolutions of Shareholders' Meetings and the Board of Directors during current year and up to the publication date of the annual report:

(I) Important Resolutions of the Shareholders' Meeting and Implementation Status in 2024

The Company's 2024 Annual Shareholders' Meeting was held at B2, No.108, Sec. 1, Dunhua S. Rd., Taipei City (Fubon International Conference Center) on June 3, 2024. The important resolutions made at this meeting and their implementation status are as follows:

1. Approval items

1) 2023 Business and Financial Reports

Voting results: 531,727,983 votes in favor of this proposal, 138,657 votes against this proposal, and 25,842,873 votes abstained/unvoted. The number of votes in favor of this proposal accounted for 95.34% of the total number of voting rights of the attending shareholders.

Implementation status: Resolution passed.

2) Proposal for appropriation of 2023 earnings

Voting results: 534,185,723 votes in favor of this proposal, 703,657 votes against this proposal, and 22,820,133 votes abstained/unvoted. The number of votes in favor of this proposal accounted for 95.78% of the total number of voting rights of the attending shareholders.

Implementation status: Resolution passed. The date of July 10, 2024 was determined as the ex-dividend base date, and cash dividends were paid on July 31, 2024.

2. Directors Election

1) Election of 6th CHC Board of Directors

Election results: A list of elected directors for the Sixth Board of Directors is as follows:

Title	Name	Voting Results
Director	Wei-Dar Development Co., Ltd. Representative: Nita Ing	701,590,134 votes
Director	Wei-Dar Development Co., Ltd. Representative: Helena Kuo	470,133,072 votes
Director	Han-De Construction Co., Ltd. Representative: John Huang	457,258,767 votes
Director	Han-De Construction Co., Ltd. Representative: Hsiung Chiang	441,027,235 votes
Independent director	Frank Juang	537,940,597 votes
Independent director	Jolien Shu	527,788,299 votes
Independent director	Wilma Wei	510,000,852 votes

Implementation status: The change of registration and material information announcement was completed according to the provisions of the competent authority. In addition, the 6th Board of Directors was announced on CHC's website.

3. Discussed items

1) To release the Non-competition Restrictions on Members of the 6th Board of Directors

Voting results: 259,187,057 votes in favor of this proposal, 4,789,024 votes against this proposal, and 23,049,267 votes abstained/unvoted. The number of votes in favor of this proposal accounted for 90.30% of the total number of votes of the attending shareholders.

Implementation status: Resolution passed, effective immediately.

(II) Important resolutions of the Board of Directors and implementation status thereof

Date	Session	Important Resolutions	Implementation Status
March 8, 2024	5-16	<ol style="list-style-type: none"> 1. 2023 Internal Board Performance Evaluation Results Report 2. Distribution of Employees' remuneration and Directors' remuneration for 2023 3. 2023 Financial Statements and Business Report 4. 2023 Profit Distribution 5. 2023 Distribution of Cash Dividends with Surplus 6. Nomination of Director Candidates for the 6th Board of Directors of the Company 7. To Release Non-competition Restrictions on Members of the 6th Board of Directors 8. Convening 2024 Annual Shareholders' Meeting of the Company 9. Evaluation of the Independence and Suitability of the Company's CPAs 10. Appointment of the Company's 2024 CPAs 11. 2023 Statement on the Internal Control System of the Company 12. Liability Insurance for Directors and Important Managers of the Company 13. Amendments to the Organizational Procedure of the Audit Committee 14. Amendments to the Rules of Procedure of the Board of Directors 15. Appointment and remuneration of the Company's Accounting Officer 16. To release Non-competition Restrictions of Manager 	Approved by All Directors present
May 10, 2024	5-17	<ol style="list-style-type: none"> 1. Financial Reports for Q1 2024 2. Adjustments to Managers' Compensation in 2024 	Approved by All Directors present
May 30, 2024	5-18	<ol style="list-style-type: none"> 1. Personnel Changes of the Company's Corporate Governance Officer 	Approved by All Directors present
June 3, 2024	6-1	<ol style="list-style-type: none"> 1. Election of Chairman of the 6th Board of Directors 2. Election of the Convener of the 6th Audit Committee 3. Election of members and convener of the 6th Compensation Committee 	Approved by All Directors present
July 31, 2024	6-2	<ol style="list-style-type: none"> 1. Financial Reports for Q2 2024 2. Purchase of Equity of 950 Investment LLC by CDC and Capital Increase of CDC US Corporation per Purchasing Amount 3. Amendment to the Company's 2024 Audit Plan 4. Personnel Changes of the Financial Supervisor 5. Reassignment of the Spokesperson of the Company 6. The Principles for Paying Performance Bonuses to Managers 	Approved by All Directors present
August 30, 2024	6-3	<ol style="list-style-type: none"> 1. LTIP for CEO of the Company 	Approved by All Directors present
November 1, 2024	6-4	<ol style="list-style-type: none"> 1. Financial Reports for Q3 2024 2. Amendments the Group Risk Management Policy 3. Abolition of the Rules of Authority of the Board of Directors 	Approved by All Directors present
December 13, 2024	6-5	<ol style="list-style-type: none"> 1. Annual Business Plan for subsidiary company -Continental Engineering Corporation 2. Annual Business Plan for subsidiary company -Continental Development Corporation 3. Annual Business Plan for subsidiary company - HDEC Corporation 4. 2025 Annual Budget of the Company 5. 2025 Audit Plan of the Company 6. Lending of Funds to CDC 7. Formulation of Group Sustainability Information Management 8. Reelection of Directors and Supervisors of Subsidiaries - Continental Engineering Corporation, Continental Development Corporation, and HDEC Corporation 9. Appointment and remuneration of the Company's Financial Supervisor 10. 2024 Executives' performance evaluation 11. 2024 Executives' performance bonus 12. 2025 Executives' Performance Targets 	Approved by All Directors present

Date	Session	Important Resolutions	Implementation Status
March 5, 2025	6-6	1. 2024 Internal Board Performance Evaluation Results Report 2. Disposal of the Land on Linzi Section, Tamsui District by CDC 3. Cash Capital Increase of CDC US Corporation by Subsidiary CDC 4. Distribution of Employee remuneration and Director remuneration in 2024 5. 2024 Financial Statements and Business Report 6. 2024 Profit Distribution 7. 2024 Distribution of Cash Dividends with Surplus 8. Definition of Non-Executive Employees and Remuneration Appropriation 9. Amendments the Articles of Incorporation of the Company 10. To release Non-competition on a member of Board Directors 11. Convening the 2025 Annual Shareholders' Meeting of the Company 12. Evaluation of the Independence and Adequacy of the Company's CPAs 13. Appointment of the Company's 2025 CPAs 14. 2024 Statement on the Internal Control System of the Company 15. Liability Insurance for Directors and Important Managers of the Company 16. 2025 Financial Supervisor's Performance Targets	Approved by All Directors present

(XII) Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors during 2024 and as of the Date of this Annual Report: None.

III. Information on CPA Professional Fees

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remarks
KPMG Taiwan	Chung-Che Chen Shu-Ying Chang	2024.01.01~ 2024.12.31	2,270	253	2,523	Note 1

Note 1: Non-audit fees include : Tax Audit and Non-supervisory position salary information checklist.

- I. In the event of a change in accounting firm where the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amount of audit fees before and after said change and the reasons should be disclosed: None.
- II. In the event where audit fees paid for the current fiscal year are lower than those of the previous fiscal year by more than 10%, reductions in the amount of audit fees, reduction percentage, and reason(s) should be disclosed: None.

IV. Replacement of CPA: None.

V. CHC's Chairman, Chief Executive Officer, and Managers in Charge of Its Finance and Accounting Operations Did Not Hold Any Positions within CHC's Independent Audit Firm or Its Affiliates in the Most Recent Year.

VI. Net Change in Shareholding by Directors, Management and Shareholders with 10% Shareholdings or More

Unit: Shares

Title	Name	2024		As of Apr. 19, 2025	
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged
Chairman	Wei-Dar Development Co., Ltd.	0	750,000	0	6,000,000
	Representative: Nita Ing	0	0	0	0
Director	Wei-Dar Development Co., Ltd.	0	750,000	0	6,000,000
	Representative: Helena Kuo	0	0	0	0
Director	Han-De Construction Co., Ltd.	0	0	0	0
	Representative: Hsiung Chiang	0	0	0	0
Director	Han-De Construction Co., Ltd.	0	0	0	0
	Representative: John Huang	0	0	0	0
Independent Director	Frank Juang	0	0	0	0
Independent Director	Jolien Hsu	0	0	0	0
Independent Director	Wilma Wei	0	0	0	0
CEO	Cindy Chang	0	0	0	0
Chief Auditor	Charleen Chang	0	0	0	0
Vice President	Weifan Wang	0	0	0	0
Vice President	Chichi Chen	0	0	0	0
Vice President	Emily Liu	0	0	0	0
Vice President	Erwin Fei	16,000	0	3,000	0
Vice President	Jill Tung	0	0	0	0
Accounting Officer	Gary Hsieh	0	0	0	0
Secretariat Chief Secretary and Corporate Governance Officer	Peggy Lin	0	0	0	0
Asst. Vice President	Tuan Jen Wang	0	0	0	0
Asst. Vice President	David Wang	0	0	0	0
Asst. Vice President	Nanchyi Hsieh	0	0	0	0
Asst. Vice President	Jason Lin	0	0	0	0
Asst. Vice President	John Yeh	0	0	0	0
Major Shareholders	Wei-Dar Development Co., Ltd.	0	750,000	0	6,000,000
Major Shareholders	Tamerton Group Limited	0	0	0	0
Independent Director	Allen Lee (Relieved on 2024.6.3)	0	0	N/A	N/A
Corporate Governance Officer	Calvin Tsai (Relieved on 2024.6.30)	0	0	N/A	N/A
Finance Officer	Kris Lin (Relieved on 2024.8.10)	0	0	N/A	N/A
Finance Officer	Cindy Chang (Relieved on 2024.12.16)	0	0	N/A	N/A
Accounting Officer	Eva Lin (Relieved on 2024.3.11)	0	0	N/A	N/A

Shares Trading with related parties: None

VII. Relationship among the Top Ten Shareholders

Name	Current Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Wei-Dar Development Co., Ltd.	206,025,200	25.02%	0	0	0	0	Han-De Construction Co., Ltd. Oriens Corporation Tamerton Group Limited Miron Investment Cooperation Bunker Industry inc.	Substantive Related Party	
Chairman: Maoshi Corporation	0	0	0	0	0	0	Han-De Construction Co., Ltd.	Chairman of Han-De Construction Co., Ltd.	
Tamerton Group Limited	85,672,300	10.40%	0	0	0	0	Wei-Dar Development Co., Ltd. Han-De Construction Co., Ltd. Oriens Corporation Miron Investment Cooperation Bunker Industry Inc.	Substantive Related Party	
Han-De Construction Co., Ltd.	63,755,667	7.74%	0	0	0	0	Oriens Corporation Wei-Dar Development Co., Ltd. Miron Investment Cooperation Tamerton Group Limited Bunker Industry inc.	Substantive Related Party	
Chairman: Maoshi Corporation	0	0	0	0	0	0	Wei-Dar Development Co., Ltd.	Chairman of Wei-Dar Development Co., Ltd.	
Hao Ran Foundation	40,474,902	4.92%	0	0	0	0	None	None	
Chairman: Nita Ing	903,298	0.11%	0	0	0	0	None	None	
Oriens Corporation	25,517,844	3.10%	0	0	0	0	Wei-Dar Development Co., Ltd. Han-De Construction Co., Ltd. Miron Investment Corporation Tamerton Group Limited Bunker Industry Inc.	Substantive Related Party	
Chairman: Jade Fortune Enterprises Ins	0	0	0	0	0	0	Substantive Related Party	Substantive Related Party	
Miron Investment Corporation	22,984,642	2.79%	0	0	0	0	Wei-Dar Development Co., Ltd. Han-De Construction Co., Ltd. Oriens Corporation Tamerton Group Limited Bunker Industry Inc.	Substantive Related Party	
Bunker Industry Inc.	12,947,698	1.57%	0	0	0	0	Oriens Corporation Wei-Dar Development Co., Ltd. Han-De Construction Co., Ltd. Miron Investment Corporation Tamerton Group Limited	Substantive Related Party	
Formosan Rubber Group Inc.,	7,317,000	0.89%	0	0	0	0	None	None	
Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	6,581,000	0.80%	0	0	0	0	None	None	
Deutsche Bank AG Taipei Branch is entrusted ETF investment account of core MSCI of ISHARES in emerging market	6,114,600	0.74%	0	0	0	0	None	None	

VIII. The total number of shares and total equity stake held in any single enterprise by the company, its directors, supervisors, managers, and any companies controlled either directly or indirectly by the Company.

Unit: shares/ %

Investees (Note)	Investment by the Company		Investment by directors, managers and enterprises directly or indirectly controlled by the Company		Total investment	
	Shares	%	Shares	%	Shares	%
Continental Engineering Corporation	372,061,987	99.99998%	84	0.00002%	372,062,071	100%
Continental Development Corporation	666,733,726	99.99998%	113	0.00002%	666,733,839	100%
HDEC Corporation	400,799,852	99.99996%	148	0.00004%	400,800,000	100%
Continental Consulting Limited Company	-	100%	-	-	-	100%

Note: Investments made by the company with the equity method.

Capital Overview

I. Capital and Shares

(I) Capitalization

Month/ Year	Per Share (NT\$)	Authorized Share Capital		Capital Stock		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2010/4	10	1,000,000,000	10,000,000,000	841,158,076	8,411,580,760	CHC was established in 2010.4.8 by CEC as a holding company through a share-swap deal in a ratio of 1 to 1	-	-
2014/8	10	1,000,000,000	10,000,000,000	883,215,980	8,832,159,800	Stock dividends of Common Stock	-	-
2015/12	10	1,000,000,000	10,000,000,000	853,215,980	8,532,159,800	Treasury Stock Retired	-	-
2016/5	10	1,000,000,000	10,000,000,000	823,215,980	8,232,159,800	Treasury Stock Retired	-	-

Type of Stock	Authorized Capital						Remark
	Issued Shares			Treasury shares	Unissued Share	Total	
	Listed	Non-listed	Total				
Common share	823,215,980	-	823,215,980	0	176,784,020	1,000,000,000	-

Information for Shelf Registration: None.

(II) Major Shareholders

As of 2025.4.19 (Record date)

Shareholder's (Note)	Shareholding	Shares	Percentage
Wei-Dar Development Co., Ltd.		206,025,200	25.02%
Tamerton Group Limited		85,672,300	10.40%
Han-De Construction Co., Ltd.		63,755,667	7.74%
Hao Ran Foundation		40,474,902	4.92%
Oriens Corporation		25,517,844	3.10%
Mirton Investment Corporation		22,984,642	2.79%
Bunker Industry Inc.		12,947,698	1.57%
Formosan Rubber Group Inc.,		7,317,000	0.89%
Vanguard Total International Stock Index Fund , a series of Vanguard Star Funds		6,581,000	0.80%
Deutsche Bank AG Taipei Branch is entrusted with the ETF investment account of core MSCI of ISHARES in emerging market		6,114,600	0.74%

Note: Shareholders who rank in the top 10 in shareholding percentage

(III) Dividend Policy and Distribution of Earnings

Company's dividend policy and implementation thereof

The Company's dividend policy

The Company adopts a steady and balanced dividend policy. When it is determined that the Company has net profit for a fiscal year, the earnings shall firstly be appropriated to profit-seeking enterprise income taxes, offset its losses in previous years, set aside a legal reserve at 10% of the earnings, and set aside or reverse the special capital reserve in accordance with Article 41 of the Securities Exchange Act and applicable laws and regulations. The aforementioned ending balance plus unappropriated retained earnings of previous years shall be earnings available for distribution based on which a dividend distribution proposal shall be submitted. In the case when there is no accumulated loss in previous years, dividend shall be not less than 30% of net profit of that fiscal year.

The ratio of cash dividend shall be not less than 30% of total distributes.

The Company's distribution of dividends resolved by the meeting of Board of Directors 2025

Based on dividend policy, the proposed appropriation of 2024 earnings was approved by the Board of Directors on March 5, 2025. The distribution of cash dividend are NT\$864,376,779 (NT\$1.05 per share) this year.

		Distributed per share
Cash Dividend	Payout from Retained Earnings	NT\$1.05
	Payout from Capital Surplus	NT\$0
Stock Dividend	Stock Dividend from Retained Earnings	NT\$0
	Stock Dividend from Capital Surplus	NT\$0

(IV) Impact to 2024 Business Performance and EPS Resulting from Stock Dividend Distribution: Not applicable.

(V) Remuneration to Directors and Compensation to Employees

1. Percentage or range of the remuneration to employees/directors referred to in the Articles of Incorporation:
If there is profit for a specific fiscal year, the Company shall allocate 0.5% of the profit as employee's compensation and no more than 0.5% as remuneration to Directors

2. Basis of estimation for remuneration to employees/directors, basis of calculation for share-based compensation, and accounting treatment for any discrepancies between the amounts estimated and the amounts paid.
 - (1) Basis of estimation for remuneration to employees/directors: 2024 net income multiplied by the distribution percentage of employee bonus and remuneration to directors defined in the Company's Articles of Incorporation.
 - (2) Basis of calculation for share-based compensation: Subject to the closing price on the day prior to resolution made by the shareholders' meeting and the effect posed by ex-dividends and ex-rights.
 - (3) Accounting treatment for any discrepancies between the amounts estimated and the amounts paid: The discrepancies will be treated as changes in accounting estimate and stated as the 2024 income.
3. Proposed amount of stock for distribution approved by the Board of Directors and information about remuneration to directors
 - (1) The Compensation to employees and Remuneration to directors recognized in the 2024 financial statements was NT\$6,772 thousand and NT\$0, respectively.
 - (2) Proposed amount of employees' stock bonus as a percentage of the current period net profit after tax and the total amount of employees' bonus: N/A.
 - (3) Imputed EPS after distributing the remuneration to employees and directors: N/A.
 - (4) Actual distribution of Compensation to employees and remuneration to directors in the previous year: The Compensation to employees and the remuneration to directors, NT\$9,961 thousand and NT\$0, was distributed in cash in 2023. The actual distribution is found to be identical with the proposed distribution approved by the Board of Directors.

(VI) Buyback of Common Stock: None.

II. Corporate Bond

(I) Corporate bond operations

Type of Corporate Bond	First Secured Common Corporate Bonds in 2020
Issuance Date	January 11, 2021
Par Value	NT\$1 million
Place of Issuance and Trading	Issued domestically and listed on TPEX
Issue Price	100% of face value
Total Issue Amount	NT\$2 billion
Interest Rate	0.55% per annum (Fixed rate)
Term	5-Year, expiring on January 11, 2026
Guarantor	Mega International Commercial Bank
Trustee	Taiwan Shin Kong Commercial Bank, Trust Dept.
Underwriting Institution	Mega Securities Co., Ltd.
Certifying Attorney-at-Law	Chuan Jian International Law Office (CT Law), Jay Yue, Attorney-at-Law
External Auditor	KPMG, Chung-Che Chen, CPA
Method of Repayment	Repayment of the principal in full upon expiration of five years from the issuance date
Outstanding Balance	NT\$2 billion
Terms and Conditions for Early Redemption or Repayment	N/A
Restrictive Clause	N/A
Ratings Agency, Date of Rating, and Rating Awarded	N/A
Other Rights	Amount of common shares, global depository receipts, or other securities converted (exchanged or subscribed for) up to the publication date of the annual report
	N/A
	Regulations governing issuance and conversion (exchange or subscription)
Possible dilution of equity and impact on equity of existing shareholders due to the regulations governing issuance, conversion, exchange or subscription or issuance terms	Please refer to the Company's 2020 1st Secured Corporate Bond Prospectus.
Custodian of Exchanged Assets	N/A

(II) Corporate bonds undergoing private placement: N/A

III. Preferred Shares: None

IV. Issuance of Global Depositary Receipts: None

V. Status of Employee Stock Option Plan: None

VI. Status of Employee Restricted Stock: None

VII. Status of New Share Issuance in Connection with Mergers and Acquisitions: None.

VIII. Financing Plans and Implementation:

(I) Description of the plans:

For the period as of the quarter preceding the date of publication of the annual report, with respect to each uncompleted public issue or private placement of securities, and to such issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits: None

(II) Status of implementation: N/A

Operational Highlights

I. Business activities

(I) Business Scope

CHC provides expertise in investment, corporate governance structure and finance to assist member companies compete effectively in the global market. Member companies are currently involved in Construction Engineering, Real Estate Development, and Environmental Project Development & Water Treatment.

Main subsidiaries' business scope

Continental Engineering Corporation Business Scope

CEC focuses on general contracting of public/private sector civil and construction projects:

Projects and Services Currently in Progress:

Public sector:

Shield tunnels of Song-Hu~Da-An, Shen-Mei~Da-An 345kv Power Cable Transmission Lines Design and Build Project

Taoyuan International Airport MRT Extension to Zhongli Contract CM01

Contract CQ842 "Station LG02; LG02 to LG03, and LG02 to LG01 TBM Tunnels Civil Construction"

Taipei Metropolitan Area Rapid Transit System Wanda- Zhonghe- Shulin Line District Contract (Phase I) CQ840 Project

Taipei Metropolitan Area Rapid Transit System Wanda- Zhonghe- Shulin Line District Contract (Phase I) CQ850A Project

Contract C214 - South Tainan Station Southern section of the Tainan Railway Underground Project

Contract C211 - Tainan Northern section of the Tainan Railway Underground Project

Taoyuan MRT Green Line Contract GC01 - Elevated Viaduct Civil Turnkey Project

Taipei Nangang Depot Public Housing Design and Build Project

Taoyuan MRT Green Line Contract GC03 - Elevated Viaduct Civil Turnkey Project

Taipei Metro Mass Rapid Transit System North Circular Line CF680C Section/North Depot

N-WH Program Cross-Harbor Project for Ministry of National Defense

Contract CF670A for the Taipei MRT Circular Line South Section.

Jiantan MRT Transit Facility Multi-Purpose Design-Build Project

Taoyuan Railway Underground Project of Zhongli Station Section Contract CJ17

Taipei Metro Mass Rapid Transit System North Circular Line Contract CF690B

Taipei Nangang Depot Social Housing Zone 2

Taipei Metro Mass Rapid Transit System South Circular Line CF670 Project

Private Sector:

Grand River A7 Commercial Project

Truefull Green River Residential Project

Heming Xindian Residential Project

Truefull Bade Residential Project

Wunqi Beitou Project

Shendefu the One & Only Residential Project

Grand Wall Taipei M&E Project

NEXGEN Residential Building Project

Fubon Yiting Zhongxiao Huaishen Urban Renewal Project

Fubon Art Tree Residential/Commercial Building Project

Life with Books & Garden- Sheng Lian Residential Building Project in Tainan

BH Group Master Landmark Residential Project

Kuo Yang Jinlin Urban Renewal Project

Taipei Ambassador Hotel reconstruction project

Qingcheng Fuhua Urban Renewal Project
Huaku Daan Tower M&E Project
Huaku Casa Blanca M&E Project
Huaku Asia One M&E Project
Nangang Rail Yard Urban Renewal Project (Unit I)
Jean-Taichung Residential Building Project
Pujen Elite Residential and Commercial Complex Building
CMP Group Nangang Headquarters Urban Renewal Project

CDC:

Sensuous Garden-Hotel Residence in Taipei
Belle Époque- Residential Building Project in Taichung
Green Utopia- Residential Building Project in Taichung
Prologue Eternal- Residential Building Project in Taipei
Duan Mei- Residential Building Project in New Taipei City
Metropolitan Village- Residential Building Project in Taipei
Poetic Yard-Residential Building Project in New Taipei
Grove Mansion- Residential Building Project in New Taipei
Commercial Building Project in Taipei Daizhi

Planned New Products and Services:

Large-scale development projects
Condominium construction
Commercial office buildings
Hotels
Multi-Purpose Buildings
Public building turnkey project
Mass transit general contractor and system engineering
Railway viaduct/tunnel construction
Pier construction
Taipower power plant and power transmission projects
Fuel tank and LNG storage tank project

Continental Development Corporation Business Scope

Continental Development Corporation is mainly responsible for land development, urban renewal, community development, and real estate leasing management.

Current ongoing products and services:

Taipei residential/commercial buildings
New Taipei City residential buildings
Hsinchu County and City residential buildings
Taichung City residential buildings
Kaohsiung City residential/hotel
Malaysia residential/hotel
US residential/hotel

Products and services planned for development: residential and commercial building development projects in Taipei City, New Taipei City, Hsinchu, Taichung City, Kaohsiung City and other areas.

HDEC Corporation Business Scope:

HDEC Corporation is a professional environmental engineering contractor with a business scope covering construction, renovation, and operations in water treatment, waste (including biomass energy), and renewable energy sectors. Its main operations include the contracting, operation, and maintenance of water treatment projects. Based on its current water business, HDEC Corporation continues to accumulate experience in the treatment and operations of sewerage systems, water purification, industrial wastewater treatment, and reclaimed water to develop a diversified water-related business portfolio. For waste treatment, HDEC Corporation develops waste thermal treatment systems, sorting systems, exhaust gas treatment system, fly ash stabilization systems, and high-efficiency power generation technology. In addition, it participates in the public engineering biomass energy industries by utilizing its experience in treating organic waste with existing anaerobic digestion technology. In response to the government's promotion of Net Zero by 2050 and the development of perspective energy sources, HDEC Corporation continually evaluates business opportunities in the renewable energy market.

Projects and Services Currently in Progress:

There are currently nine projects in progress, including three sewer systems (Tamsui, Zhongli, and Puding systems), four reclaimed water treatment plants (Fengshan Plant, Linhai Plant, Anping Plant, and Ciaotou Plant), one industrial wastewater plant (Chaiyi) and one waste treatment plant (Chengxi Plant), as listed below:

Planning, design, construction and operation of New Taipei City Tamsui Area Sewerage System BOT Project

Planning, design, construction and operation of Taoyuan City Chungli Area Sewerage System BOT Project

Planning, design, construction and operation of Taoyuan City Puding Area Sewerage System BOT Project

Planning, design, construction and operation of Kaohsiung Linhai Wastewater Treatment Plant and Reclaimed Water BTO Project

Planning, design, construction and operation of Kaohsiung Fengshan River Wastewater Treatment Plant and Reuse BTO Project

Tainan City Anping Reclaimed Water Plant New Construction Turnkey Project

Planning, design, construction, and operation of a new operation transfer project for renovating furnace of Tainan City West District Waste Incineration Plant

Planning, design, construction, and operation of the construction and transfer operation of Qiaotou Reclaimed Water Plant in Kaohsiung City

Southern Taiwan Science Park Chiayi Wastewater Treatment Plant Turnkey Project

Planned New Products and Services:

In the future, HDEC Corporation will develop an advanced "Water Treatment" business and expand its operational scale. Based on existing water businesses, it will leverage its real-plant operational experience to implement robust control and management of high-standard reclaimed water production technology, including boron removal and urea removal, and develop technology for industrial wastewater treatment and high-tech water management.

HDEC Corporation is also exerting continual efforts to contract more waste treatment plant projects in the future as part of its waste (including biomass energy) market development, and foster incineration projects and operational capabilities, setting development goals with stricter air pollution emission standards. It is also enhancing waste treatment and operation efficiency and power generation capacity with new technology in response to future market demand. Furthermore, it will actively participate in the public engineering biomass energy industry and plan and apply for biomass energy projects involving food waste, organic sludge, food, and agricultural waste based on its anaerobic digestion technology and operational performance, thereby developing a dual-engine growth model in the water and waste markets.

(II) Industry Overview

Overview of the construction industry

Public Works Market

As for the demand of the public works market, the Executive Yuan continues to promote various construction and development projects in accordance with the approved National Development Plan (2025-2028). Local governments are also actively expanding metro networks and road construction works. In 2025, multiple construction targets have been planned. The Company pays continuous attention to the Grid Resilience Strengthening Construction Plan specified in the Green Growth and 2050 Net Zero Transition Policy, and considers this a key business field for its diversified engineering development. In 2024, the market continued to face challenges, including significant plant expansion in the wafer industry, and soaring construction prices and labor shortages, resulting in a substantial increase in costs. Additionally, due to the restrictions of procedures and budget management, rising costs could not have been promptly reflected in government bidding projects. Consequently, most bidding projects failed due to insufficient budgets. Actual construction costs are expected to be reflected in the budgets of bidding projects of public works in 2025. When maintaining its leading position in the metro shield tunneling and mountain tunnel projects within the public works sector, Continental Engineering Corporation (CEC) will continue to carefully select and invest in projects, and improve profit margins. It will also actively pursue business opportunities from special works such as power transmission and transformation tunnel engineering projects, and expand the flexibility for diversified development to enhance its corporate competitiveness and the leading position in the market.

Construction Market

As for demand in the construction market, CEC continues to deeply develop in the high-end residential market. Despite the impact of the Equalization of Land Rights Act and the slow-down in volume of residential projects, the overall downward market trend has not had a significant impact on CEC's construction projects. The number of construction projects currently contracted by CEC is still growing steadily. In the future, CEC will continually implement a strategy of steady growth, carefully select cooperative construction projects, and strengthen its profit margins. In addition to high-end residential projects, CEC will expand its business in hotels, commercial buildings, diversified large-scale buildings, and public building turnkey projects.

Mechanical and Electrical Engineering

Due to the synergies generated by the integration strategy of construction and civil engineering, Continental Engineering has established market recognition and performance in the mechanical and electrical (E&M) engineering areas. In the future, electromechanical engineering will still focus on building a brand, and strive for business opportunities in electromechanical engineering such as hotels, shopping malls, and commercial office.

With respect to public works projects, CEC secured several major projects in 2024, including CJ17 for the Taoyuan Railway Underground Project of Zhongli Station Section, the Taipei MRT North Circular Line CF690B Project, and the Taipei MRT South Circular Line CF670 Project, with a total contract amount of approximately NT\$ 48.3 billion.

With respect to civil construction projects, the volume of some residential projects of CEC was affected in 2024 in response to Equalization of Land Rights Act. In addition to the continual development of the residential market, CEC has also substantially increased the ratio of diversified markets, including commercial buildings, large development projects, and public works turnkey construction projects, to over 30%. In 2024, residential projects constructed by CEC included residential projects in Fuhe Section, Da'an District, Taipei City, Nangang Section, Nangang District, and Renping Section, Taichung. As for diversified markets, projects included the Nangang Headquarters Building Project, the Nangang Depot Social Housing Zone 2 Design & Build Project, and the Nangang Rail Yard Urban Renewal Project (Unit 1), contracting to approximately NT\$ 21 billion.

Overview of the real estate development industry

The real estate market in Taiwan has gradually heated up due to the government's promotion of the Preferential Housing Loans for the Youth. In 2024, both housing prices and transaction volumes increased; specifically, the total number of building property transactions reached 350,509 in 2024, presenting an annual growth rate of 14%. In the first three quarters, thanks to the booming stock market and the promotion of the Preferential Housing Loans for the Youth, residential housing prices and transaction volume grew significantly. However, in the fourth quarter of 2024, the seventh round of credit control implemented by the central bank and financial institutions' tightening of real estate mortgage loans contributed to the slow-down of capital inflow to the real estate market. The overall sales rate of residential properties therefore declined sharply. Specifically, the total number of building property transactions in Taiwan was only 79,381 in the fourth quarter, presenting an annual growth rate of -10%. Given the difficulty in reducing construction costs, the real estate residential market in Taiwan will remain weak in 2025, and a stable price trend and reduced transaction volume is expected.

Overview of the Environmental engineering industry

The business goals of HDEC Corporation focus on the Water Treatment and Waste Disposal (including biomass energy) markets. The Water Treatment business is primarily focused on reclaimed water and water treatment for high-tech industries, while the waste disposal is mainly aiming at projects for the promotion of civil participation in waste incineration plants, science park waste treatment centers, and biomass energy projects. The environmental protection industry remains a highlight of the government's future administration. Despite the conservative expectations for Taiwan's overall market and future economic growth, the government will continue to support the environmental engineering industry in the coming years, which benefits the development of the environmental engineering business.

In the Water Treatment, HDEC Corporation focuses on reclaimed water and water treatment for high-tech industries. With respect to reclaimed water projects, the Water Resources Agency is promoting diversified water resource development and reclaimed water projects in accordance with Taiwan's water resource development program plan. From 2025 to 2027, reclaimed water plans are expected to be implemented in Taoyuan, Hsinchu, Taichung, and Chiayi. The water treatment business for high-tech industries involves the National Science and Technology Council, the Department of Economic Development, and the semiconductor industry. From 2025 to 2027, several sewage plant and reclaimed water plant construction plans are expected to be promoted in Taichung, Chiayi, and Kaohsiung to satisfy the sewage treatment and reclaimed water utilization demand of various industrial parks and enterprises.

In the Waste Disposal, HDEC Corporation places emphasis on waste incineration plants, science park waste treatment centers, and biomass energy. There are currently 29 waste incinerators in Taiwan, 80% of which have been operational for more than 20 years. The Environmental Protection Administration and county governments have allocated budgets for the upgrade and replacement of these facilities. From 2024 to 2030, nine large urban incineration plants are expected to be renewed or replaced due to maturity of their contracts or demand for functional upgrades. In 2024, the renewal of the Kaohsiung Southern District Waste Management Plant was promoted under a BOT model, and renewal and replacement of plants in Keelung, Taipei, Taichung, and Yilan are expected to be promoted in 2025 under BOT and ROT models. The Ministry of Environment has also clearly stipulated the principle of treatment of waste generated by parks within the parks at the end of 2023. In 2025, new construction and expansion projects for waste treatment facilities in industrial parks and science parks are also expected. As for biomass energy, the Ministry of Environment will assist local governments in promoting livestock manure and urine collection and the treatment resource recycling plan prior to 2028. Furthermore, in combination with the sixth phase of the Sewage Sewer Development Program launched by the National Land Management Agency, HDEC Corporation will establish sustainable international energy (resource) circular utilization, continually promote the development of livestock manure, urine resource utilization, and joint treatment centers, and improve the water quality of rivers through the centralized treatment of livestock manure and urine.

(III) Overview of Technology and R&D

Continental Holdings Corporation (CHC) is an investment holding corporation, therefore has no research and development needs.

Research and Development of Continental Engineering Corporation

Research and development expenses in 2024 amounted NT \$27,701,360

NT \$27,101,360 from the Technology Department, and

NT \$600,000 from the Occupational Safety Department

Report on Research Results (Technology Department)

- Second development of an API program for BIM mechanical and electrical integration construction drawings.
- Applied research of design and management models in construction turnkey projects.
- Development of an API program for BIM in automatic conflict detection and risk costs statistics.
- Development of an API program for the application of BIM-assisted M&E system preassembly planning.
- Development of a carbon emission calculation tool in conflict detection.
- Development of a calculation tool for embodied carbon data (LEBR) output using the BIM model.
- Research on the top construction techniques used in architectural structures.
- Research on the construction technique of close-range excavation of shield tunnels.

Report on Research Results (Occupational Health and Safety Office)

- Research and development of automatic equipment for thermal hazard prevention - thermal hazard notifier.
- Research and development of thermal hazard prevention automation equipment - automatic controller.
- Setup of CCTV integration platform at headquarters.
- Connection of all on-site CCTV to headquarters and removal of obstacles.
- Research and development of an anti-collision warning device for riding equipment
- Development of an opening inspection system

Research and Development of HDEC Corporation

- Sludge reduction engineering construction and operational technology.
- Planning and construction of renewable water and energy recovery technology.
- Advanced oxidation process (AOP) combined with mixing technology to remove urea from water.
- Low pressure RO combined with high efficiency reverse osmosis technology used to remove boron ions from water.
- High conductivity wastewater treated by RO combined with evaporation, crystallization and heat exchange technology.
- Use of new biological carriers to improve ammonia nitrogen removal efficiency of traditional activated sludge process.
- Setup of remote monitoring, operation management information and automated management system in wastewater treatment/reclaimed water plants.

(IV) Long and Short-term Business Development Plans

CHC continually focuses on its investment holding in civil engineering, building construction, property development and environmental engineering to assist each subsidiary enhance their ability to engage in sustainable development.

Business development plan for key subsidiaries - Continental Engineering Corporation, Continental Development Corporation and HDEC Corporation

Long-term Construction Engineering Industry development strategy

Maintain high (quality) brand recognition.

Continue to improve product variety and scope.

Continuously evaluate and develop other highly specialized engineering projects, such as power plants and telecommunications server rooms.

Continuously improve the safety of the production site, and the health and physical and mental wellbeing of its staff.

Short-term Construction Engineering Industry development strategy

Vertical integration (civil/electromechanical, construction/electromechanical) business direction.

Train project management professionals.

We do not aim to expand project volume and profits by pursuing low-price bidding projects in civil engineering projects; instead, the accurate estimation of projects with high gross margins is our current operational direction in Taiwan.

Make good use of the advantages of brand and performance, in public project bidding cases to participate in the most advantageous tenders.

Improve the efficiency of construction project management, focus on contracting large-scale construction projects, in order to concentrate manpower and resources to obtain optimal management.

Long-term Real Estate Industry Development Strategy

In brand building, we take planning ability, construction quality, and after-sales service efficiency as our core values while striving toward maintaining our leading brand status.

Regarding land development, the rehabilitation of old buildings and urban renewal will be the long-term direction, which will hopefully expand the scale of case development and accumulate land stock.

In terms of product planning, we will strengthen product innovation and research and development capabilities, with safe, healthy, and environmentally friendly residential and commercial buildings as the main focus to meet the future trend of green building development.

In marketing planning, we will use a customer information knowledge management system to effectively manage sales channels and strengthen the ability to plan commercial facilities in order to create added value for products.

In terms of customer service, we will effectively utilize the customer complaint and maintenance management information system to provide customer construction history and combine external information to expand customer service functions, thereby building customer trust in the brand.

Short-term Real Estate Industry Development Strategy

In terms of brand building, we continue to promote projects in the central locations of Taipei City, New Taipei City, Hsinchu County/City, Taichung City, and Kaohsiung City, integrating the advantages of product planning, engineering management, and after-sales service to create a high-quality brand image.

Regarding case development, according to the existing land stock and market supply and demand conditions, we will focus on Taipei City, New Taipei City, Hsinchu County/City, and Taichung City as the main areas, primarily in the development mode of urban renewal or cooperative construction.

In terms of product planning, in line with market demand and location conditions, we plan safe and healthy residential buildings for self-occupancy and office buildings that meet green certification standards to enhance product added value.

In marketing planning, during the product planning process and considering the needs of the target customer, we will combine resources from domestic and foreign renowned architects, interior designers, lighting experts, landscape designers, and other third-party resources to apply them to product packaging planning to shape the product characteristics.

In terms of customer service, we will implement a feedback mechanism to improve the quality of product planning and construction while enhancing the efficiency of customer service to increase customer satisfaction.

Long-term Environmental Engineering Industry Development Strategy Water Treatment

Continually expand the reclaimed water treatment business in response to increasing demand for reclaimed water in Taiwan.

In recent years, due to the renewal and replacement of waste incineration plants in Taiwan, the government will release over NT\$20 billion in engineering projects and approximately NT\$4.2 billion of business opportunities annually over the next five years to continually develop the waste disposal.

Actively bid for biomass energy center projects from county and municipal governments, involving food waste, organic sludge, food, and agricultural waste, etc.

Evaluate and study the feasibility of entering new energy markets, including wind power, geothermal energy, hydrogen energy, and energy storage, and introduce carbon capture technology, applications, and energy-saving facilities to enhance energy efficiency and develop business opportunities.

Short-term Environmental Engineering Industry Development Strategy

Continually accumulate experience and performance in sewage systems, water purification, and sewage and reclaimed water treatment engineering and operations within the existing Water Treatment, and develop a diverse range of water-related businesses (e.g., industrial water recycling) in accordance with government policies to enhance competitive advantages and achieve continual operating revenue growth. Develop water utilization management technologies for high-tech industries, produce high-quality reclaimed water with the best energy consumption and chemical management technologies to continually expand the reclaimed water business. Further cultivate the industrial wastewater treatment market targeted at science parks and industrial parks, and collaborate with experienced wastewater treatment vendors to develop technologies for effluent zero-discharge and advantaged water treatment of technological industries. Additionally, pursue opportunities in integrated automatic management during the renewal and reconstruction of old plants to expand the business scale.

Implement standardization of the operational management system and strengthen information management system and control capabilities, including the implementation of standardized management system and verification mechanism, and the development of the remote monitoring and information management system. Integrate purchasing resources, establish civil engineering vendor resources, maintain and optimize the contract database, and build a procurement cost database.

Actively cooperate with experienced incinerator vendors to collaborate in bids for waste disposal tenders, prioritize bidding projects that comply with the Act for the Promotion of Private Participation in Infrastructure Projects, and plan more advanced systems aligned with international standards to improve power generation efficiency, reduce carbon emissions, and optimize air quality. Promote the cyclic utilization of energy (resources), participate in the biomass energy industry, and make plans for power generation through food waste digestion in accordance with the incentive of the Environmental Protection Administration for setting food waste recycling facilities in each county and city and the sixth phase of the Sewage System Development Program.

Evaluate potential business opportunities in renewable energy market and develop solar power plants to enhance competitiveness for industrial development.

Continually strengthen design and management functions, including the establishment of a system to submit main project equipment for review, continual enhancement of integration capabilities, BIM team integration capacity, and continuous integration of external construction and design subcontractors to establish long-term cooperative teams.

Rely on project management to improve document management quality, strengthen contract management capabilities, enhance civil engineering construction management capabilities, continually promote greenhouse gas inventory, and adopt countermeasures in response to extreme climate risks.

II. Market and Product Sale Overview

(I) Market Analysis

Continental Holdings Corporation (CHC) focuses on investment holding.

Market analysis of major subsidiaries

Market analysis of Continental Engineering Corporation (CEC)

To establish convenient and safe transportation, the government has responded to public demand to continue to expand the MRT system. The demand for civil engineering projects from the Taipei MRT, Taoyuan MRT, Taichung MRT, and Kaohsiung MRT has peaked in recent years. However, due to the impact of the COVID-19 pandemic and the Russia-Ukraine war, the costs of raw materials and labor have increased significantly. Many bidding

projects have failed to attract contractors due to insufficient budgets. This is expected to improve in coming years. CEC possesses strong competitive advantages in MRT civil engineering construction projects, and will actively participate in projects with the most favorable bid as the bid awarding model to maximize profits.

Due to the impact of the housing price control policy imposed by the government, the construction market has its good-and-bad times. However, as the CEC brand still holds a solid position in the market, in consideration of sales strategies, owners prefer to entrust construction projects to our company. As a result, our project volume and profits will not be affected.

Market Analysis of Continental Development Corporation (CDC):

Supply and demand for real estate

As for supply, statistics from the Ministry of the Interior showed that the floor area indicated in verified and issued building permits amounted to 33,900,000m² in 2024, presenting an annual growth rate of 6%; the floor area of residential properties indicated in verified and issued building permits totaled 19,340,000m², presenting an annual growth rate of 13%. This marks the highest growth rate since 2019, demonstrating gradual recovery of the housing market over the past few years. Although the number of housing projects completed in 2024 increased significantly, most of the presold housing properties expected to be completed have already been sold due to a market boom in the previous year, resulting in a limited number of remaining housing properties.

However, the floor area of commenced projects totaled 32,610,000m² in 2024, equivalent to that in 2023. The floor area of commenced residential projects reached 17,190,00m², presenting an annual decline of 3%, mainly due to developers' low expectations of the real estate market, rising costs, and labor shortages, which contributed to a reduction in projects. Consequently, the supply will decline three years later. However, the floor area of commenced residential projects reached 18,790,000m² in 2022, up by 11% compared to 2021. These residential projects are expected to be completed in 2025. It is worth noting that the unsold portion of these housing projects could create downward pressure on the market.

As for demand, despite challenges such as the downturn in the real estate market, rising mortgage interest rates, and reduced loan-to-value ratios, rigid demand for first-time homes and self-occupied housing still exists, and the housing mortgage loan interest rates are still manageable. Self-occupied demand is expected to support the housing market to a certain extent.

Main Strategic Direction

- Develop new market areas and expand product forms to strengthen our core business and sustain growth momentum.
- Continue to develop composite housing products and develop intelligent and low-carbon energy-saving office products to create added value

Competitive Niche

- With the construction base of an excellent location, use the brand image to expand land development.
- Based on the proper product positioning, combine with the international trend of design integration ability.
- With good planning and construction quality, establish customer trust in the brand.
- Relying on a professional service team, provide sustainable after-sales service.
- With sound financial capacity, ensure capital liquidity.

Construction Business

Development of individual project

The company's development scope focuses on the Greater Taipei Region, Taichung, and Hsinchu, and evaluates the possibility of expanding the business into the Taoyuan metropolitan area. CDC will continue to sell completed residential projects such as "Treasure Garden", "La Bella Vita", "55Timeless", and "SERIF" (a housing project in San Francisco), as well as presold housing projects like "Sensuous Garden", "Belle Époque", "Duan Xu", "Metropolitan Village", "Green Utopia", "Poetic Yard", and "The Lantern Bangsar" (a housing project in Kuala Lumpur) this year. CDC is also expected to launch residential projects in Nangang Section, Nangang District, Yaiang Section, Xinyi District, Xuefu Section, Da'an District at Taipei city, a residential project in Daxue Section, Zhubei District at Hsinchu, and a residential project in Fengxi Section, Nantun District at Taichung.

Future advantageous and disadvantageous factors of the real estate market and countermeasures

Advantageous factors

- In the context of the U.S-China confrontation, the rise of AI applications, and due to factors like increased investments by Taiwanese and foreign companies in Taiwan, the demand for commercial real estate is increasing, especially for green buildings.
- The rise of the rail economy, including the MRT, Taiwan Railway, and Taiwan High Speed Rail, and the establishment of science parks is driving demand for self-occupied housing upgrades.
- With decreasing household size, the demand for smaller homes grows.
- More than 70% of buildings in Taipei City are over 30 years old, and the incentive measures specified in the Statute for Expediting Reconstruction of Urban Unsafe and Old Buildings are continually adopted, which increases demand for the reconstruction of old houses.
- The continual and stable economic growth and the increase of people's income and wealth are jointly contributing to the increasing demand to purchase housing.

Disadvantageous factors

- The housing market faces downward risks, and consumers have become more conservative when making decisions to purchase houses.
- The seventh round of credit control measures of the central bank have resulted in tightened financing of developers and increased difficulty for consumers in obtaining loans.
- The increase in construction costs due to shortages of raw materials and labor have affected developers' investment profits.
- With high housing prices and rising interest rates, consumers' willingness to purchase houses has been affected.

Countermeasures

- Develop high-end housing and middle-class housing products.
- Continue to operate in the regional markets of Taipei City/New Taipei City, Taichung, and Hsinchu, and expand into the Taoyuan metropolitan area.
- Develop complex residential products and enhance product value through commercial real estate management.
- Introduce light decoration or fine decoration planning to residential products in response to changes in product types and target customer groups.
- Develop office products for high-end green buildings and smart buildings.

Market analysis of HDEC Corporation

The water treatment in the environmental engineering sector includes sewage sewer systems, water purification, wastewater, and reclaimed water treatment works, among which the reclaimed water treatment has a relatively considerable market share. Eleven reclaimed water plants were originally planned to be completed by 2031 in Taiwan. However, in response to the increasing demand for reclaimed water, this number has been increased to 16. The next round of water development will highlight advanced water treatment for technological industries and operational services in science parks. This aligns with Taiwan's plans for new or expanded science parks and environmental impact assessment commitments requiring certain proportions of reclaimed water usage by manufacturers. As a result, market demand for wastewater treatment and reclaimed water development in technological industries has emerged. The service life of several incineration plants in the waste market expired in recent years, and these plants will enter the commercial operation stage. County and municipal governments would typically handle the construction of new plants, or renovation and continued operation of old plants through BOT or ROT models. The promotion of a demonstration plant program is expected to be completed prior to 2028, with the operation method being a turnkey project or BOT. As for renewable energy, in coordination with the 2050 Net Zero Transition Plan, we will evaluate business opportunities in new energy sources like wind power, solar energy, geothermal energy, and hydrogen energy, to expand new environmental engineering projects and implement a diversified business structure to improve competitive advantages and achieve the continual operating revenue growth.

Business contracting status

The core business of HDEC Corporation includes the water treatment, waste disposal (including biomass energy), and renewable energy market. In the water treatment, HDEC Corporation develops and operates sewage sewer systems, reclaimed water treatment plants, industrial water from science parks and industrial parks, and other relevant projects. In the waste market, HDEC Corporation develops general and industrial waste treatment, and power generation. It also develops food waste treatment and conversion of agricultural waste to biomass energy for the biomass energy market. As for renewable energy, HDEC Corporation develops solar power plants and is evaluating prospective renewable energy sources. HDEC Corporation has accumulated more than 15 years' large project operation experience of sewage sewer systems and over five years' experience in the operation and management of reclaimed water programs, making it an integrated environmental engineering company with favorable construction planning and execution capabilities and profitability.

Completed works

Linkou North sewage treatment plant construction project, 23,000 CMD.

The first and second phase of the Tamsui sewage treatment plant expansion project, 42,000 CMD, laying a 56 km-length of sewage pipeline.

Baoshan water purification plant phase III expansion project, 340,000 CMD.

Qingzhou water purification plant, new project, 80,000 CMD.

Kaohsiung Fengshan Sewage recycling project, sewage recycling facilities, 45,000 CMD.

Kaohsiung Linhai sewage recycling project, sewage recycling facilities, 55,000 CMD.

Electrical conductivity treatment facility project for the sewage treatment plant in Tongluo Science Park

Contracted works in progress

Tamsui sewage sewer BOT

Chungli sewer BOT

Puding sewage sewer BOT

Fengshan Creek reclaimed water BTO

Linhai recycled water BTO

Anping reclaimed water plant project

Ciaotou Wastewater Reclamation Plant BTO Project

Tainan Chengxi Incinerator BOT project

Southern Taiwan Science Park Chiayi Wastewater Treatment Plant Project

(II) Important Uses and Manufacturing Processes of Main Products

Continental Holdings Corporation (CHC) focuses on investment holding

Major Subsidiaries**The Primary Product and Manufacturing Process of Continental Engineering Corporation****Main Products and Applications**

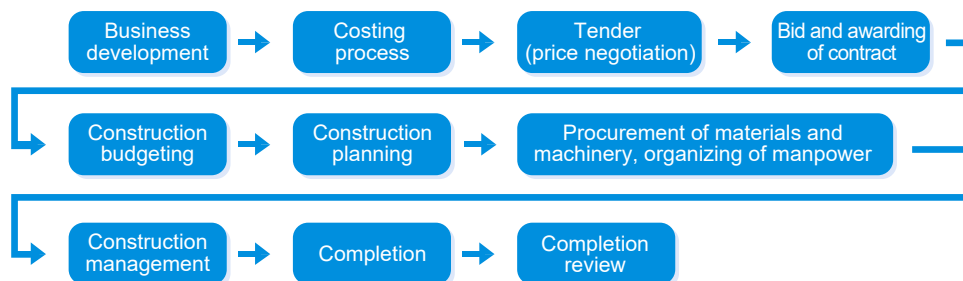
Civil engineering: roads, bridges, tunnels, harbors, rapid transit projects, oil tankers and liquefied natural gas storage tanks, power plant projects, environmental protection and other civil engineering projects.

Construction engineering: residential buildings, commercial buildings, factories, hospitals, hotels, telecommunications rooms and other construction projects.

Mechanical and electrical works: residential, commercial buildings, factories, hospitals, hotels and other electrical projects, water supply and drainage, fire and air conditioning equipment and other projects.

Product Production Procedure

Engineering contractor

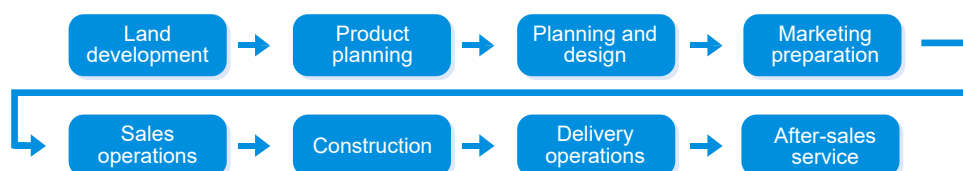


Main products and uses thereof of Continental Development Corporation:

Development of residential buildings, commercial office and communities.

Product Production Procedure:

Development process:

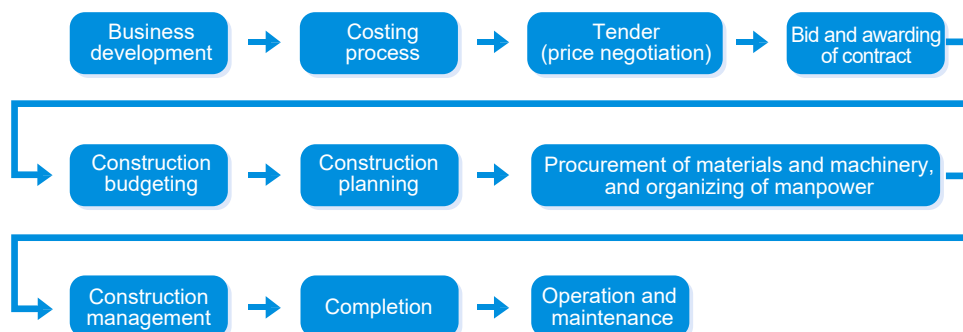


The Primary Product and Manufacturing Process of HDEC Corporation

Main Products and Applications:

Environmental engineering: construction and operation of sewage, clean water, reclaimed water, biomass energy, waste disposal and other environmental projects.

Product Production Procedure:



(III) Supply of Major Raw Materials

Continental Holdings Corporation focusing on investment holding

Main raw materials of major subsidiaries CEC and HDEC Corporation and their supply

From the first quarter of 2024 to the first quarter of 2025, the prices of steel plates increased by 0.93% (+NT\$ 300/t). In the first quarter of 2025, the prices of steel plates remained stable. The annual average growth rate of the construction cost index for steel plates reached +1.04% in 2024. Although global steel plate inventories and demand increased in 2025, uncertainty remains high due to the impact of tariffs imposed by the United States.

The annual average growth rate of the construction cost index for steel bars reached -4.24% in 2024. Despite the impact of international scrap steel fluctuations and exchange rates, demand for steel bar has slowed and therefore price fluctuations are expected to remain relatively stable in 2025.

The construction cost index for ready-mixed concrete increased by 0.92%, and the annual average growth rate of the construction cost index for ready-mixed concrete reached 3.29% in 2024, mainly due to the stable supply of cement and aggregates. In 2025, due to the slow-down of market business demand, prices are expected to remain relatively stable.

The supply of main bulk materials used in construction, such as steel plates and steel bars, is expected to remain stable, but the prices of such materials are still exposed to uncertain risks due to the impact of the prices of international materials like iron ore, coal, and steel scrap, and international tariff policies. Due to the stable supply of cement and aggregates, the prices of concrete slightly increased but remained nearly flat in 2024. Furthermore, labor shortages in Taiwan have also led to increased wages, accompanied by pressures from increased costs, therefore further observation is warranted.

(IV) Major customers in 2023 and 2024

Continental Holdings Corporation (CHC) focuses on investment holding

Major subsidiary - Continental Engineering Corporation

Unit : NT\$ thousands

2023				2024			
Name	Amount	Percentage of annual net share [%]	Relationship with the issuer	Name	Amount	Percentage of annual net share [%]	Relationship with the issuer
Department of Rapid Transit Systems, Taoyuan	3,300,728	16	Not related parties	Department of Rapid Transit Systems, Taipei City Government	3,055,333	14.56	Not related parties
Department of Rapid Transit Systems, Taipei City Government	3,093,560	15	Not related parties	Continental Development Corporation	3,024,783	14.41	Related parties
Continental Development Corporation	2,146,887	10.41	Related parties	Department of Rapid Transit Systems, Taoyuan	2,813,315	13.4	Not related parties
Others	12,083,401	58.59		Others	12,096,458	57.63	
Net sales	20,624,577	100		Net sales	20,989,889	100	

Major subsidiary – Continental Development Corporation

Unit : NT\$ thousands

2023				2024			
Name	Amount	Percentage of annual net sales [%]	Relationship with the issuer	Name	Amount	Percentage of annual net sales [%]	Relationship with the issuer
Others	6,435,551	100%		Others	3,849,419	100%	
Net sales	6,435,551			Net sales	3,849,419		

2023				2024			
Name	Amount	Percentage of annual net sales [%]	Relationship with the issuer	Name	Amount	Percentage of annual net sales [%]	Relationship with the issuer
Tainan City Government	1,336,566	27.93	Not related parties	Tainan City Government	3,811,114	48.41	Not related parties
Kaohsiung City Government	1,081,663	22.60	Not related parties	Kaohsiung City Government	2,633,164	33.45	Not related parties
Taoyuan City Government	631,610	13.20	Not related parties	Others	1,427,894	18.14	
CTCI-HDEC (Chungli) Corporation	595,884	12.45	Related parties				
Hsinchu Science Park Bureau	577,914	12.08	Not related parties				
New Taipei City Government	561,997	11.74					
Net sales	4,785,634	100		Net sales	7,872,172	100	

III. Employee Information

The following table summarize the makeup of CHC and the major subsidiaries' workforce

Year		2023	2024	As of 2025/4/24
Number of Employee		2,566	2,663	2,734
Average Age		44.02	43.76	44.36
Average Years of Service		4.97	5.18	4.68
Distribution of Education (%)	PhD	0.3%	0.3%	0.3%
	Master	15.9%	16.1%	15.5%
	Bachelor	38.5%	38.4%	37.2%
	College	12.2%	12.7%	12.7%
	Senior High School and Below	33.0%	32.4%	34.3%

Note: The above employee Information indirect labor and direct labor

IV. Environmental Protection Expenditure

(I) Environmental protection expenditure information of major subsidiary Continental Engineering Corporation

Total Sum of Losses and Penalty Fines Incurred due to Environmental Pollution in Recent Years as of April 24, 2025

Reason	Number of Cases	Amount of Fines	Handling Status
The construction noise violated the 'Noise Control Act' according to on-site measurements by the Environmental Protection Bureau	22	NT\$ 897,000	Immediate improvement and maintenance
Using power machinery for construction during prohibited working hours or holidays, causing disturbance and violating the 'Noise Control Act'.	20	NT\$ 78,000	Immediate improvement and maintenance
Construction machinery and vehicles were not cleaned when they traveled on paved roads and water ditches in violation of the Waste Disposal Act.	22	NT\$ 132,000	Immediate improvement and maintenance
Basements or other water-accumulating areas of the buildings were not properly cleaned, causing a risk of breeding of disease vector larvae.	1	NT\$ 1,200	Immediate improvement and maintenance
Total (As of 2025.4.24)	65	NT\$ 1,108,200	

(II) Environmental protection expenditure information of major subsidiary HDEC Corporation

Total Sum of Losses and Penalty Fines Incurred due to Environmental Pollution in Recent Years as of April 24, 2025

Reason	Number of Cases	Amount of Fine	Violator	Handling Status
The test results of effluent indicated that relevant water quality data including SS and coli-group exceeded effluent standards.	1	100,000	North Shore Corporation	1. Increase the frequency of cleaning the surface of the sand filter and remove float sludge when minimal to prevent a large amount of sludge from flowing into the sand filter tank, which could block the sand filter and compromise the filtering effect. 2. Improve the efficiency of defoaming the water pump to reduce float sludge on the surface of the filter.
Total (As of 2025.4.24)	1	100,000		

(III) Response Measures

Proposed implementation of improvement measures

- (1) During non-construction hours, power machinery must be controlled and not operated.
- (2) Use construction equipment with low pollution and low noise.
- (3) The Construction Management Office will purchase noise detectors and send personnel to conduct fixed-point measurements in the construction area.
- (4) Install noise reduction equipment at the noise source to reduce the noise level.
- (5) Purchase washing equipment and require vehicles entering and leaving the construction site to clean their tires, and increase personnel to clean the road surface soil.
- (6) Lay iron plates at the excavation location to reduce the mud content of construction vehicle tires.
- (7) The project team will increase the frequency of cleaning or washing the water ditches or roads in the vicinity and install dustproof nets on the ditch covers.
- (8) Implement the 5S clean-up movement (sort, set in order, shine, standardize, sustain) at the construction site to maintain the cleanliness of the surrounding environment.
- (9) The basements or other water-accumulating areas of the buildings will be regularly checked and cleaned and the environment kept dry.
- (10) Construction runoff water must be treated with sedimentation equipment before being discharged.
- (11) Waste generation, storage, and cleaning must be reported online in accordance with regulations.
- (12) Before waste is delisted, confirm that industrial waste has been properly disposed of.
- (13) The mechanical equipment for sewage treatment must be properly maintained and inspected and calibrated.

V. Labor Relations

Item	Continental Holdings Corporation																		
Employee-Employer Relationship	A harmonious employee-employer relationship is one of the keys to corporate growth. With an honest and responsible attitude, we are committed to creating the best well-being for employees, and, in addition to providing a variety of on-the-job improvement channels, always take care of our employees. In response to changes in the objective environment, we actively promote various measures to achieve the goal of sustainable operations, and create maximum benefits for both employees and shareholders.																		
Workplace diversity and gender equality policies	<p>In 2018, the Continental Group introduced its Human Rights Policy that acknowledges internationally recognized human rights standards, ensuring that all colleagues are treated fairly and with dignity. We comply with labor laws and regulations in all jurisdictions where we operate and continuously improve the working environment to promote the physical and mental health and safety of our employees. We have created an anti-discrimination, equal, and open working environment, where there is no discrimination based on gender, sexual orientation, marital status, race, nationality, religion, party, social and economic status, age, family status, appearance, physical and mental disorders, or any other factor.</p> <p>The Continental Group in recent years has been prioritizing diversity, equality, and inclusion in the workplace. To achieve this, the Company has implemented various management measures to promote a friendly, inclusive environment and ensure fair remuneration.</p> <p>In terms of commitment, we ensure there is fair opportunities during recruitment, and object to any form of employment discrimination, including gender, race, personal beliefs, political preferences, age, sexual orientation, marital status, or disability, and any other types of discrimination unrelated to professional expertise. Our basic principles are to develop a fair, transparent, and discrimination-free selection and recruitment process, promote equal opportunities for all employees, and improve diversity in the workplace.</p> <p>We encourage all employees to respect each other's individuality, and accept and make good use of the unique experiences and perspectives that arise from individual differences. We strive to promote fair treatment and opportunity to fully stimulate creativity of each team member so they can achieve their goals and values, integrate into the organization and maximize their potential. Through this benvolent and interactive cycle the organization will be more adaptable and successful.</p>																		
Compensation	<p>Continental Holdings Corporation is committed to providing an overall competitive salary system. We place great importance on internal fairness and external competitiveness, regularly conducting salary market surveys as an important reference for salary adjustments, and respond to changes in the external salary market in a timely manner. In addition, to ensure the equality of gender work rights, the salary of employee at all levels in Continental Holdings Corporation does not differ due to gender; salaries depend on the requirements of the job, and personal competency and performance, truly reflecting gender equality in the workplace.</p> <p>The Company has explicitly established performance bonus policies to encourage employees to continue pursue excellence. Performance bonuses are paid to employees based on performance evaluations that consider the Company's overall operating results and achievement rate of goals, as well as the performance of the departments and individuals in the given year. This creates a reasonable and fair reward system.</p> <p>In terms of the relationship between gender and salary, the basic salary ratio of men to women in 2024 is detailed below.</p> <table><tr><th>2024</th><th>Pay Ratio by Gender</th><th>Male (Multiple)</th><th>Female (Multiple is "1")</th></tr><tr><td rowspan="2">Supervisor</td><td>Base Pay Ratio</td><td>0.92</td><td>1.00</td></tr><tr><td>Pay Ratio</td><td>0.92</td><td>1.00</td></tr><tr><td rowspan="2">Non-Supervisor</td><td>Base Pay Ratio</td><td>1.04</td><td>1.00</td></tr><tr><td>Pay Ratio</td><td>1.06</td><td>1.00</td></tr></table> <p>Note 1: The statistics exclude working students, migrant workers, chairman of the board, and direct workers.</p> <p>Note 2: Supervisory positions refers to an officer who is in charge of one or more staff.</p> <p>Note 3: Non supervisory positions: refer to employees who do not hold supervisory positions.</p>	2024	Pay Ratio by Gender	Male (Multiple)	Female (Multiple is "1")	Supervisor	Base Pay Ratio	0.92	1.00	Pay Ratio	0.92	1.00	Non-Supervisor	Base Pay Ratio	1.04	1.00	Pay Ratio	1.06	1.00
2024	Pay Ratio by Gender	Male (Multiple)	Female (Multiple is "1")																
Supervisor	Base Pay Ratio	0.92	1.00																
	Pay Ratio	0.92	1.00																
Non-Supervisor	Base Pay Ratio	1.04	1.00																
	Pay Ratio	1.06	1.00																
Rationalization of management system	In accordance with Labor Standards Act and other relevant laws and regulations, and taking into account the needs of management and employees, we revise relevant management rules in a timely manner to ensure that the management system is up to date.																		
Enhancement of employee communication channels	<p>We provide an internal information portal, advocate the company's policies, systems, welfare measures, and activities, and have created a forum for staff discussion, so that staff members' opinions can be expressed. The following channels are also available for two-way communication with staff:</p> <ul style="list-style-type: none">· employee-management meetings organized regularly· employee reporting platform and an idea box on intranet· Employee engagement surveys, analysis reports, action plans for improvement projects, and follow-up tracking· Sexual harassment complaint channels (including a complaint hotline and mailbox)· Occupational Safety and Health Committee and Employee Welfare Committee																		

Item	Continental Holdings Corporation
Handle group insurance and employee medical examination	In addition to labor insurance and national health insurance, the Company also provides employees with group insurance, including life, accident, medical, and cancer prevention coverages, and provides employees with a medical examination program superior to the law so they may enjoy multiple protection.
Enhancement of staff education and training	The Company prepares an annual budget for employee education and training to improve their professional skills and develop careers.
Talent development and education training	<ul style="list-style-type: none"> - With regard to the selection, training, employment, and retention of employees, the Company has established relevant management systems to attract outstanding talent to join the enterprise, and actively invests more resources into talent cultivation. Different learning resources are provided for different job categories, including courses on professional skills, personal development, and management leadership, to enhance and activate the professional skills of our talent. - The Group places great importance on the development of employees' professional ability and potential, and is committed to planning complete education and training for each employee, and continuously developing different learning resources and channels based on job categories and positions, such as on-the-job training, job rotation, site visits, classroom training, seminars, forums, workshops, blended learning, and external certification and examinations. - In the era of digital transformation, the Group continues to set up more approaches and channels for internal experience and knowledge transmission by providing physical courses for simultaneous live broadcast so that colleagues from all over the world can participate in sessions. This approach also saves travel and transportation costs. In addition, after introducing the online learning platform iLearn, which breaks the learning restrictions of time and space, the Group also recognizes that in the age of information, how to help colleagues choose the right learning resource is crucial, so we focus on accelerating the expansion and screening of online learning resources. - In addition to building internal professional learning resources to promote the transmission of knowledge and experience, we have also selected a variety of well-known external learning resources at home and abroad, covering business information and trends, leadership and management, interpersonal relations and communication, technology and innovation, personal growth, and field expertise. To strengthen the professional, management, leadership, innovation, and other core skills of our staff members in line with different learning needs, these positive methods of constructing learning resources also allow us to ensure that our talent development plans are continuously and gradually implemented despite challenges, to further shape the learning culture of the enterprise, and create a win-win situation for the organization and employees. - The Company conducts an annual succession plan and continue to expand the implementation scope to identify potential candidates for key positions, not only helping with career development, but also planning talent allocation step by step to avoid gaps in key management positions within the Company. After the selection of talent, the supervisor helps each member to formulate a personal development plan using assessment reports, and provides different learning styles and resources, such as rotations, assignments, or projects, domestic and foreign learning resources, English courses, certification courses, or external coaches to strengthen and track the professional knowledge, skills, experiences, certifications, English skills, and leadership and management skills required by the individuals. - In a market where there is a serious talent gap, the selection and development of young talent is a key success factor for the sustainable development of an organization. As such, the Company conducted inventories of young potential talent for its subsidiaries, formulated personal development plans, and provided the necessary resources to nurture their potential.
A Complete retirement system	<p>The retirement pension system planned by the Company and its subsidiaries for their employees includes a defined benefit plan established according to the Labor Standards Act and a defined contribution plan established according to the Labor Pension Act. In addition to monthly deposits of a pension reserve required by law, the Company also hires professional actuarial consultants annually to conduct actuarial evaluations of pension reserves, ensuring that amounts set aside are sufficient and employees' rights and interests in applying for a pension in the future are guaranteed. When an employee applies for retirement, the Company prepares a retirement commemorative gold coin and a thank-you card to recognize the employee's contributions to the Company.</p> <p>Defined benefit plan:</p> <ul style="list-style-type: none"> - For each employee subject to the old pension system under the Labor Standards Act, the Company sets aside 2% of the employee's total monthly salary as a pension reserve and deposits it to a special pension reserve account to protect workers' rights and interests. When an employee applies for retirement, their pension will be calculated and paid according to their seniority and average salary in the six months prior to retirement. The Company has legally established a Labor Pension Reserve Supervision Committee which convenes meetings every quarter and supervises the implementation of appropriation and payment of pension. This committee is reelected once every four years according to the law to protect workers' rights and interests. <p>Defined contribution plan:</p> <ul style="list-style-type: none"> - For each employee subject to the new pension system under the Labor Pension Act, the Company sets asides 6% of the employee's monthly salary as a pension and deposits it into each employee's personal pension account. Employees may also deposit into their personal pension accounts within the scope of 6% of salaries set aside.

Item	Continental Holdings Corporation
Emphasis on employee benefits	<p>The Group places great importance on employee benefits. While providing statutory leave, labor insurance and health insurance as required by law, and setting aside pension reserves, we also provide a range of welfare measures as follows:</p> <ol style="list-style-type: none"> 1. Flexible working hours and leave without pay: Considering employees' diverse needs and job flexibility, the Group provides flexible working hour arrangements as well as abides by the law for leave without pay, including benefits for parental leave without pay, and has explicitly stipulated as such in the Administrative Measures for the Appointment and Dismissal of Employees. 2. Condolence subsidies and festival bonuses: The Company cares about its employees by providing subsidies for major disasters, condolence funds for hospitalization and funerals, and emergency relief funds. The Company also distributes festival bonuses and e-gift vouchers for Labor Day, the Mid-Autumn Festival, and the Lunar New Year so that employees may treat themselves on holidays. 3. Flexible insurance system: The Group provides flexible group insurance and employees may select applicable plans for themselves and their dependents based on their needs with insurance premiums are borne by the Company. Insurance coverage includes life insurance, accident insurance, medical insurance, cancer medical insurance, and others. 4. Health promotion and work-life coaching services: To promote employees' physical and mental health, the Company regularly arranges health check-ups, holds health lectures, and has established a health management platform where information on maternal protection, and overwork prevention and health is provided. Since February 2021, the Company has introduced professional "work-life coaching services" and hired external consultants to assist employees in dealing with various kinds of work and life issues and to hold lectures on work-life balance. 5. Club activities and leisure life: To promote employees' work-life balance, the Group encourages its employees to participate in a range of clubs and activities, e.g., the yoga club, art club, flower arrangement club, mountaineering club, badminton club, and golf club. In addition to the headquarters at Dun Hua Office Tower, subsidies for club activities have also been provided as needed at engineering offices in places beyond Taipei City and New Taipei City. 6. Comfortable working environment: The Group is committed to providing employees with a safe and comfortable working environment. It has established complete facilities including a conference center, negotiation areas, tea rooms, locker rooms, shower rooms, and nursing rooms, and provides amenities such as coffee and tea bags in the tea rooms free of charge, enhancing the convenience and comfort of employees' during their working day.
Employee incentive program	<p>Continental Holdings Corporation encourages employees and teams to pursue innovation and excellence and recognizes their contributions and efforts by offering various kinds of incentive programs.</p> <ul style="list-style-type: none"> - Employee recognition incentive program: To commend and recognize excellent employees, we collect and share achievements in the Group through a nomination system among colleagues as a mutual recognition mechanism, promote a friendly and appreciative atmosphere among peers, and encourage positive behavior. Achievements are also publicly shared in the Group, thereby further promoting a sharing culture of positive behavior. - CEC Star: Subsidiary Continental Engineering Corporation (CEC) has established three awards involving sustainable management strategy and performance, workplace health and safety and the mind-body connection, and customer services. The management team evaluates and selects candidates annually, and holds recognition activities. We not only reward selected employees, but also publicize their excellent achievements and success via interviews and story-sharing to motivate employees to grow together. - Seniority service award: The Company has established a seniority service award to publicly praise senior employees every year and express gratitude for their long-term contributions and efforts, recognizing their continuous creation of value for the Company. - CEC Idea Box: To further encourage innovation and employees' active participation, the Company not only shares award-winning proposals, but also selects an annual best idea award from among numerous proposals to praise innovation and excellent ideas, and promote the deepening and development of a creative culture.
Employee satisfaction survey	<p>CHC Group's satisfaction survey (the employee engagement survey) is conducted once a year, involving nine survey indicators, i.e., employer brand, leadership index, health and safety, growth and development, customer orientation, quality focus, innovation and participation, teamwork, and Group policies (mind-body connection, diversity, equity and inclusion, environment, social and governance).</p> <ul style="list-style-type: none"> - Frequency: once every year - Conducted by: Human Resources Department - Survey period: 2024.9.9~9.20 - Respondents: Full-time employees - Coverage rate: 1857 questionnaires were sent out and 1851 valid questionnaires were received (85% coverage rate). - Question types: 36 Likert scale questions and 5 open-ended questions

Item	Continental Holdings Corporation
Employee satisfaction survey	<ul style="list-style-type: none"> - Survey Results: Overall employee engagement reached 80% in 2024, up by 6% compared to the previous year; the engagement rate of the leadership index reached 81%, up by 5% compared to the previous year. Among them, two indicators, i.e., diversity, equity and inclusion (DEI) and environment, social and governance (ESG), improved the most significantly. In 2024, the engagement rate of the DEI indicator reached 87%, up by 11% compared to the previous year, while the ESG indicator reached 91%, up by 7% compared to the previous year. In 2024, a "sense of psychological security" was analyzed as a special subject for the first time in response to workplace trends. The index of employees' sense of psychological security reached 78%, with senior employees having a higher index than younger generations. The efforts and performance of the Group regarding the concept of occupational safety and measures therefor were highly recognized in the survey; during the survey, expectations were put forward regarding the Group's salary adjustments and cross-departmental communication and collaboration. Suggestions for system optimization, process improvement, and improvement of the working environment were also proposed. - Action plan: In response to nine indicators that should be strengthened based on survey results, the CEOs of subsidiaries of the Group will lead the management team and cooperate with relevant units to jointly establish concrete action plans and improvement strategies, including the strengthening of internal communication pipelines to make information transmission smoother. Action plans have also been consolidated with the organizational goals in 2025. We will regularly review and follow up on the progress and effect of these action plans and strive to improve employees' engagement and overall organizational performance. The overall coverage rate in 2024 slightly declined by 6% compared to the previous year. Therefore, in 2025 we will strengthen publicity and advocacy activities, extend survey period, help employees understand the purpose of plans through briefing sessions and encourage participation. We will also integrate improvements to psychological security in management training for supervisors and encourage them to establish a safe and secure work atmosphere. In various activities focusing on innovative participation, we will invite younger generations to speak out so their ideas and suggestions can be heard and recognized.

(I) **Losses from labor disputes in the most recent year: None**

(II) **Estimated loss amount from the occurrence of labor disputes now or in the future:**

1. Not applicable.
2. The Company has a harmonious management-employee relationship with the personnel decisions carried out lawfully. There is no sign of any possible occurrence of labor disputes now or in the future.

VI. Description of Personal Data Protection Policy

(I) Principles for Personal Data Protection

To safeguard the rights and interests of personal data holders, including board directors, managers and customers of the Company, cooperative vendor personnel, visitors, network users, investors, shareholders, employees, and job applicants, the Company established the Personal Data Protection Principles in 2022, with the scope of application covering the Company and its subsidiaries. These subsidiaries, including Continental Engineering Corporation, Continental Development Corporation and HDEC Corporation, also established a Plan for Maintaining the Security of Personal Data and Files and Regulations Governing the Processing of Personal Data after Business Termination in 2022 in accordance with the requirements of the competent authority, and revised its policies as required in 2024.

According to the Company's Personal Data Protection Principles, personal data may be collected, processed, and utilized only based on the following specific purposes:

(1) Business operations; (2) Commercial marketing; (3) Security management; (4) Website maintenance and communication; (5) Recruitment and interview of job applicants; (6) To fulfill statutory obligations; (7) As required to assist official authorities in fulfilling statutory obligations; (8) As necessary to claim, exercise, or protect the Company's legal rights; (9) As necessary to execute other corporate operation management measures.

The Company shall not collect, process, nor utilize special personal data that contains medical records, medical treatment, genetic information, sexuality, health examinations and criminal records except in the following circumstances: (1) where it is expressly stipulated by law; (2) where it is necessary to fulfill statutory obligations with appropriate safety protection measures; (3) where it is necessary to assist official authorities in fulfilling statutory obligations with appropriate security measures; or (4) where it does not exceed the necessary scope of the specific purposes and the owners of such data give written consent.

(II) Dedicated Department

To control personal data risks, the Company has assigned its legal department to plan, establish, correct, and execute plans related to personal data protection, and investigate the status quo of personal data stored by regularly conducting audits on the security maintenance of personal data to confirm the personal data protection of the Company and its subsidiaries.

(III) Implementation Status and Education & Training

1. In 2024, the Company conducted an annual inventory of personal data for specific departments to understand the collection, processing, and utilization of personal data by these departments. The inventory results indicated that relevant laws and regulations and the Company's Personal Data Protection Principles were not violated.
2. To strengthen colleagues' awareness of legal compliance, the Company has implemented education and training activities on personal data protection, including "A Brief Introduction to Laws, Regulations, and Risks Enterprise Supervisors and Employees Must Know", an education and training course held by the Group for employees in Taiwan in 2024, in which 1,911 employees participated with a total training time of 1,999 hours. Excluding two employees who were on maternity/parental leave, 100% of employees have participated in this training with a 100% pass rate.
3. In 2024, the Company was not subjected to any incidents in violation of the Personal Data Protection Act, nor did it receive any complaints.

VII. Information security risks

(I) Information security risk management framework

The Company's information security risk management shall be implemented according to the Group IT Emergency Management Guideline and Group Emergency Management Guideline. For information security incidents, the Information Technology Department director shall act as the response team leader responsible for disaster control, damage assessment, reporting window, and information system disaster recovery operation command. Based on the emergency level defined in the Group Emergency Management Guideline, the director shall also formulate an inter-departmental response team within the Company or Group to conduct handling and reporting operations.

(II) Information Security Policy

The Company's Information security policy is set out in the Group Information Technology Policy. The Company shall protect the security of its information resources based on the identified risks and security practices. Information security measures include, but are not limited to:

1. All information systems must be monitored for potential security vulnerabilities, to protect information resources from intrusion or attack by viruses or other malware.
2. Only authorized users may access or utilize the Company's information resources, and associated permissions shall be limited to what is required for the performance of the relevant duties.
3. Security of the Company's physical environment shall be maintained to prevent unauthorized access to the Company's buildings and server room.
4. An information security incident management plan shall be maintained to reflect and report information security-related incidents promptly and regularly.
5. Any information security-related authority regulations, corporate policies and contractual obligations shall be complied with.

(III) Specific management plan for information security

1. Planning and defining information system authority:
 - The Information Technology Department shall assist the user departments in formulating Job Roles for the information system authority based on the job authority and responsibility, to define job authority in line with job scope.
 - The user's supervisor shall confirm the authority and scope of authorization based on the definition of the Job Role for the approval of the permission applied.

2. Account and password security practices:

- Any authorized person shall change the default password immediately after obtaining the new password for the system registry account and shall keep it safe and not share it with anyone.
- Each department supervisor shall properly manage the authorized status of the shared account, and change the password immediately should there be a change in personnel or job scope, to ensure information security.
- For increased protection, systems where two-factor authentication is available must be used to log in to the system.

3. Information system data security management

- The Information Technology Department shall establish the following security mechanisms and procedures for the input, processing and output of information system data, to ensure security of information system data, and provide effective rescue measures in case of error alerts and system recovery.
- The Information Technology Department shall designate a dedicated person to the role of administrator for each information system. The dedicated person is responsible for the operation planning and authority management of the information system resource access, and act as the administrator of the system or custodian of the accounts and passwords of the system database.

4. Information system data security mechanisms shall include:

- A backup facility for information system data as a security mechanism for data recovery.
- A dedicated person designated by the Information Technology Department is responsible for the implementation of backup operations, including:
 - Backup planning;
 - Implementation and management of data backup;
 - Implementation and management of data recovery;
 - Annual system recovery drill.

5. Data Classification

- To ensure the proper processing, use, and storage of corporate data, any corporate data shall be categorized as follows: Confidential, Restricted, For Internal Use, and Public.
- Any data defined as Confidential must remain encrypted at all times.
- Regarding the implementation details of data classification, the Information Technology Department shall establish the relevant operating procedure.

6. Network communication security management

- The Information Technology Department shall establish group network operation specifications and management procedures to ensure the security of network communication and data transmission, and as an effective measure to control network access permissions.
- A firewall mechanism for the enterprise network that accesses the Internet shall be established to enhance enterprise network security and serve as a management mechanism for controlling access to online services. The network administrators shall regularly review and adjust the settings of the firewall and adjust system access rights as required and in accordance with the updates of the Company's information security policies and regulations, as well as changes in network equipment.
- Based on the enterprise network security considerations, the firewall for Internet access authorization shall by default only activate necessary and low-risk online services, and any specific online services required for business operations.

7. Email usage and management:

- The Information Technology Department shall establish group email usage guidelines to ensure the normal operation of emails, protect corporate assets, and safeguard individual rights and interests.
- The Information Technology Department shall establish a security protection mechanism for the email system to reduce information security risks.
- An email virus protection system shall be installed to protect employees' access to emails.
- An email spam-blocking system shall be installed to increase working efficiency.
- An email backup system shall be established to ensure system availability.

8. Server room security management:

- The server room shall be controlled by an access control security mechanism (magnetic card, IC card, electronic code lock or other protection means), and only authorized staff within the Company shall be granted access when performing business operations. Any unauthorized person shall be accompanied by an authorized staff member within the Company when entering or existing the server room, and the personal information, entry time, and purpose of the unauthorized person's visit shall be recorded in the server room log.
- The server room shall be equipped with: an uninterruptible power supply system, fire protection system, independent air conditioning, and other facilities to maintain a safe environment for the stable operation of the information system and data.
- Smoking, drinking, eating, and the use of unauthorized electrical appliances or articles are prohibited in the server room.

9. Protection against malware:

- The Information Technology Department shall consistently plan and install the proper protective means to detect, identify and exclude any malicious programs, and protect the operation of the Group's information system and equipment.
- Anti-virus devices or programs shall be installed and shall automatically provide the latest virus definitions to clients. The client computer must contain the client anti-virus software specified by the Information Technology Department in accordance with the regulations, which shall not be removed without prior authorization. The anti-virus program and its virus feature library installed on the client computer must be checked periodically to make sure it is up to date, to ensure the security of the computer system and data.
- Any abnormal execution of program found on any client computer shall be immediately reported to the Information Technology Department for cleaning, to avoid the malware replicating to the enterprise's internal network.
- Client computer users shall be conscious of information security and keep vigilant, not execute any unauthorized programs, and not click on links or files attached to emails from suspicious sources. In addition, when browsing the Internet, users must avoid browsing high-risk web pages not required for business purposes, such as pornographic or gambling websites.

10. Handling of abnormal information security incidents

- The director of the Information Technology Department shall submit suggestions and action plans to the superior in case of any key incidents regarding information security, including:
 - If an external intrusion into the enterprise network is detected.
 - Any violation of the regulations on the enterprise network that may affect the Company and its image.
 - Any deliberate violation of information security practices found on the enterprise network.
- Information security incident reporting process:
 - Any employee who receives or discovers an information security incident shall immediately report it to the service staff of the Information Technology Department, or contact the designated staff, who shall immediately handle the incident after confirming the scope and extent of the impact. Any member of the Information Technology Department staff who receives any information security incident notification shall inform the director as soon as possible.
 - Foreign office staff shall immediately inform the local Information Technology Department staff, and the local Information Technology Department staff shall handle the information security incident in the same manner. Any local Information Technology Department staff who receives any information security incident notification shall inform the director as soon as possible.
- Once the incident has been dealt with, the Information Technology Department staff shall report the process and results to the director of the Information Technology Department, and then inform the Group's CEO.

11. Disaster response and system recovery operations

- The Information Technology Department shall plan recovery operations against any unexpected disaster factors that may cause the information system to fail, to reduce any impact on the operation of the Company.
- Job responsibilities for the system recovery operation:

- Plan and build backup facilities required for system recovery operations.
- Manage and maintain the operation of backup facilities.
- Perform system recovery.

The Company has not maintained any security insurance but shall minimize the Company's security risks by implementing the following specific management plans

(IV) Resources invested in information safety management

1. Dedicated manpower: A dedicated security supervisor and a dedicated security manager shall be appointed to be responsible for the Company's information security planning, technology introduction, and related audit matters, to maintain and continuously strengthen information security.
2. Certification: The Company introduced the ISO 27001:2022 Information security management system standard in 2023, and has obtained a third-party certification regularly. The current certificate is valid from November 7, 2023 to November 7, 2026.
3. Education and training: To enable staff of the Group to obtain the latest information related to information security and enhance their awareness of information security, all staff shall participate in information security education and training for at least 2 hours per year, carry out at least one social engineering exercise per year, and implement an additional half-hour of education and training for staff who falls victim to social engineering attack drills.
4. An annual vulnerability report shall be conducted to identify the potential risks of the internal system and make remedies against the possible risks in the system.
5. Penetration tests shall be performed annually to simulate hacker attacks, find security vulnerabilities and make the proper patches for them.

Losses incurred in the recent years as of the date of the Annual Report due to major security incidents, and the possible impact thereof and response to them: None

VIII. Workplace safety

(I) Occupational Safety and Health Committee

The Group implements an occupational health and safety management policy, and its subsidiaries use Occupational Health and Safety Committees and employee-management meetings as communication and coordination platforms; the Occupational Health and Safety Committee comprises 12 members, among whom five are employee representatives. The number of members served by employee representatives accounts for over one-third of the total number of committee members, which is superior to that stipulated by law. The committee regularly convenes meetings each quarter to review management performance and adjust occupational health and safety policies. The committee also consults and communicates with workers in the monthly health and safety agreement organization meeting to provide workers with smooth communication channels.

(II) Occupational Safety and Health Certification and Management System

Continental Engineering Corporation (CEC), a subsidiary of the Company, has established an occupational health and safety management system, and obtained dual ISO45001:2018 and CNS45001:2018 certification on September 17, 2019, which will remain valid until June 1, 2027. Health and safety management system audits are conducted annually to ensure the effectiveness of each unit's health and safety management system. In 2024, 49 units were audited, involving 3,167 audit items in total. CEC also continues to apply and develop health and safety management technology; in 2024, it independently researched and developed an "Anti-collision Warning Device for Riding Equipment". When the riding equipment approaches a collision object, the "detection host machine" sends a distance warning to notify riders. At the same time, it transmits a wireless signal to the "receiving sub-machine" at the driver's seat, and an alarm is activated to remind the driver the status of the riding equipment to avoid overturning hazards caused by collisions.

In 2024, CEC earned several special honors, including the Accredited Healthy Workplace Badge (Administrative Building), the New Taipei City Occupational Safety Award – Excellent Unit - Excellent, and the Taipei City Occupational Safety Award – Excellent Unit.

(III) Occupational health and safety policy and training

The Company conducts comprehensive occupational health and safety hazard identification and risk assessments on all subsidiaries and branches annually in accordance with the Group Occupational Health and Safety Policy. Through hazard identification and risk assessment, all colleagues are expected to understand the potential hazards in the work environment and corresponding preventive actions. In 2024, a total of 49 units completed hazard identification and risk assessments.

Under the guidance of the Group's health and safety policy, health and safety implementation is an overall performance indicator of the Company; 91.07% of colleagues from CEC set at least one annual target related to health and safety in 2024. In addition, different appraisal standards and bases have been determined for different roles and customized reward regulations established so that all front-line workers, vendors, and engineers have the opportunity to receive rewards.

CEC comprehensively and continually improves its health and safety culture across four aspects: reinforcement of the leadership of senior supervisors, improvement of middle-level managers' management capabilities, enhancement of contractors' health and safety management, and participation of all front-line workers.

To improve colleagues' health, safety, and hazard awareness, the Group has established several construction site safety advocacy measures, and holds a range of health and safety educational sessions and training for office and construction site colleagues, including the Health and Safety Education and Training Course for New Employees. New employees are required to complete this training within a designated timeframe to ensure they have developed basic health and safety awareness before commencing work. Each engineering unit regularly handles health and safety training based on project progress to ensure that all colleagues from the engineering division understand engineering risks and hazard prevention measures. In 2024, a total of 371 education and training activities were held. To ensure that colleagues maintain hazard awareness and emergency response capabilities, engineering units also regularly implement emergency response drills every year. In 2024, a total of 41 units completed emergency response drills. In addition to the education and training activities mentioned above, the Group annually organizes Refresher Occupational Health and Safety Training Employees. In 2024, a total of 68 sessions were held and 435 employees completed the Taiwan OSH Card training (self-handled).

(IV) Personal safety and work environment protection measures of the Group

In the spirit of the Group's safety and security policy, personal health and safety and work environment protection measures are described below. SGS are regularly invited to monitor the office operating environment, including drinking water (quarterly), carbon dioxide (quarterly), air conditioning filter replacement (half a year), air conditioning room equipment maintenance (monthly, annually), cooling water treatment (monthly), drinking water (quarterly), and environmental FM200 monitoring (quarterly), and the monitoring results are reported to the Safety Committee. The office also handles fire self-management every year, including fire control seminars, drills, cardiopulmonary resuscitation, and AED operations.

Through daily safety and security inspections, the engineering unit understands the effectiveness of health and safety facilities and equipment in the work environment, and operators use and wear personal protective equipment and ensure any defects in health and safety are promptly remedied. All employees work together when it comes to health and safety. Safety inspection records are input in the DWB (Don't Walk By) safety proposal system. Monthly statistics of proposals of each engineering unit are listed in annual targets. Rewards or encouragement are offered quarterly to the engineering unit which provides positive proposals and remedies for defects. By the end of 2024, all engineering units (including manufacturers, labor, and migrant workers) participated in a total of 306,160 security proposals.

(V) Employee health promotion

The Group provides employee healthcare and management information services through the health management information platform, so that employees can choose medical examination programs based on their needs, and can also conduct self-health management through an analysis of medical examination results. A list of employees with a high health risk is also provided to improve and design annual health promotion activities and health education advocacy communications. In 2023, we will continue to upgrade the medical examination program, not only to improve the overall medical examination budget, but also collaborate with physicians to

design and optimize medical examination projects by age and job category based on the characteristics of the construction industry so employees are provided with more immediate and effective health programs. In 2024, the Group's medical examination ratio reached 98%, and the medical examination rate of direct workers of Chinese nationality was 100%, with investments totaling more than NT\$5.91 million.

In addition to regular employee medical examinations and consultations following examination results, the Group also issued 33 health promotion notices, and provided 5 health seminars, 7 oral cancer screening examinations, and COVID-19 case tracking for employees in 2024.

Since 2022, subsidiaries Continental Engineering Corporation, Continental Development Corporation, and HDEC Corporation have obtained the healthy workplace certification of the National Health Department of the Ministry of Health and Welfare, and in 2023, Continental Development Corporation obtained a sports enterprise certification from the Sports Administration of the Ministry of Education.

IX. Important Contracts

(1) Continental Engineering Corporation

(a) Major domestic project contract

Item	Project	Client	Award Date
1	Shield tunnels of Song-Hu~Da-An, Shen-Mei~Da-An 345kv Power Cable Transmission Lines Design and Build Project	Taiwan Power Company Northern Region Construction Office	2012.10.15
2	Taoyuan International Airport MRT Extension to Zhongli Contract CM01	Railway Reconstruction Bureau Northern Region office	2013.12.18
3	Contract CQ842 "Station LG02; LG02 to LG03, and LG02 to LG01 TBM Tunnels Civil Construction"	Department of Rapid Transit Systems, Taipei City Government, Second District Project Office	2014.10.15
4	Taipei Metropolitan Area Rapid Transit System Wanda-Zhonghe- Shulin Line District Contract (Phase I) CQ850A Project	Department of Rapid Transit Systems, Taipei City Government, Second District Project Office	2016.11.08
5	Taipei MRT CQ840 Wan-Ta Line Construction Project	Department of Rapid Transit Systems, Taipei City Government, Second District Project Office	2016.11.23
6	C214 South Tainan Station Section Underground Tunnel Construction Project	Railway Reconstruction Bureau Northern Region office	2017.01.03
7	Contract C211 - Tainan Northern section of the Tainan Railway Underground Project	Railway Reconstruction Bureau Northern Region office	2017.09.26
8	Grand River A7 Commercial Project	Grand River D. Limited	2018.06.14
9	Taoyuan MRT Green Line Contract GC01 - Elevated Viaduct Civil Turnkey Project	Department of Rapid Transit System, Taoyuan	2018.08.21
10	Taipei Nangang Depot Social Housing Turnkey Project	Department of Urban Development , Taipei City Government	2019.02.25
11	Truefull Green River Residential Project	Grand River D. Limited	2019.07.05
12	Taoyuan MRT Green Line Contract GC03 - Elevated Viaduct Civil Turnkey Project	Far Eastern Construction Company	2019.08.01
13	Heming Xindian Residential Project	Heming Development	2019.10.16
14	Sensuous Garden-Hotel Residence in Taipei	Continental Development Corporation	2019.11.01
15	Belle Époque- Residential Building Project in Taichung	Continental Development Corporation	2019.11.04
16	Truefull Bade Residential Project	Truefull Land	2020.03.06
17	Wunqi Residential Project	Wanqi Construction Ltd	2020.11.11
18	The One & Only- Residential Project	Sheng De Fu Construction Development Co., Ltd	2021.01.08
19	Grand Wall Taipei M&E Project	Liju Development Co., Ltd	2021.04.20
20	Furbon Art Tree Residential/Commercial Building Project	Fuban Development Co.,Ltd	2021.05.20
21	NEXGEN Residential Building Project	Jean Pacific Development Co.,Ltd	2021.07.27
22	Fubon Yiting Zhongxiao Huaishen Urban Renewal Project	Fuban Development Co.,Ltd	2021.08.02
23	Life with Books & Garden- Sheng Lian Residential Building Project in Tainan	Shen Lian Development Co., Ltd	2021.11.12
24	Taipei Metro Mass Rapid Transit System North Circular Line CF680C Section	Department of Rapid Transit Systems, Taipei City Government, Second District Project Office	2021.12.17
25	Prologue Eternal- Residential Building Project in Taipei	Continental Development Corporation	2021.12.19
26	BH Group Master Landmark Residential Project	BH Group	2022.04.19
27	Cross-Harbor Tunnel contract for N-WH projects	Ministry of National Defense	2022.05.04
28	Kuo Yang Jinlin Urban Renewal Project	Kuo Yang Contraction Co. Ltd	2022.07.19

Item	Project	Client	Award Date
29	Taipei Ambassador Hotel reconstruction project	Taipei Ambassador Hotel	2022.08.22
30	Qingcheng Fuhua Urban Renewal Project	Pujen Land Development and 5 Owners	2022.09.10
31	Huaku Daan Tower M&E Project	HuaKu Development Co., Ltd	2022.10.31
32	Duan Mei- Residential Building Project in New Taipei City	Continental Development Corporation	2022.12.02
33	Green Utopia- Residential Building Project in Taichung	Continental Development Corporation	2022.12.19
34	Metropolitan Village- Residential Building Project in Taipei	Continental Development Corporation	2022.12.19
35	Taipei MRT Circular Line Contract CF670A	Second District Project Office, Department of Rapid Transit Systems, Taipei City Government	2023.3.15
36	Jiantan MRT Transit Facility Utilized for Multi-Purpose Design Build Project	Taipei Rapid Transit Corporation	2023.8.29
37	Grove Mansion- Residential Building Project in New Taipei	Continental Development Corporation	2023.11.03
38	Huaku Casa Blanca M&E Project	HuaKu Development Co., Ltd	2023.11.13
39	Huaku Asia One M&E Project	HuaKu Development Co., Ltd	2023.11.13
40	Poetic Yard-Residential Building Project in New Taipei	Continental Development Corporation	2023.11.30
41	Commercial Building Project in Taipei Daizhi	Continental Development Corporation	2023.11.30
42	Taoyuan Railway Underground Project of Zhongli Station Section Contract CJ17	Northern Region Engineering Branch Office, Railway Bureau, Ministry of Transportation and Telecommunications	2024.02.20
43	Nangang Rail Yard Urban Renewal Project (Unit I)	CMG International One Co., Ltd	2024.05.08
44	Juyuan Nangang Residential/Commercial Building Project	Juyuan Construction Co., Ltd	2024.5.30
45	Jean-Taichung Residential Building Project	Jean Co., LTD	2024.06.04
46	Pujen Elite Residential and Commercial Complex Building	Pujen Chengmei Land Development Co.,Ltd	2024.07.25
47	CMP Group Nangang Headquarters Urban Renewal Project	Pujen Land Development Co.,Ltd	2024.10.28
48	Taipei Metro Mass Rapid Transit System North Circular Line Contract CF690B	First District Project Office, Department of Rapid Transit Systems, Taipei City Government	2024.12.03
49	Taipei Nangang Depot Social Housing Zone 2	Department of Urban Development, Taipei City Government	2024.12.04
50	Taipei Metro Mass Rapid Transit System South Circular Line CF670 Project	Second District Project Office, Department of Rapid Transit Systems, Taipei City Government	2024.12.09

(b) Major overseas project contracts

Contract Type	Project Main Contents	Client	Contract Term
Design & Construction	Mumbai MRT Line 3 UGC04 – Construction of Underground Sections	Mumbai Metro Rail Corporation	2016-2025

(c) Bank facilities

Contract Type	Counterparty	Term	Main Content	Restrictions
Bank facility	CTBC Bank	2023.11-2026.11	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Chang Hwa Commercial Bank	2024.07-2028.01	Long-term Loan, Due for Repayment	None
Bank facility	Taishin International Bank	2024.01-2029.01	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Far Eastern Int'l Bank	2024.10-2029.10	Long-term Loan, Amortization	Financial covenant

(2) Continental Development Corporation
(a) Major Contracts

Contract Type	Counterparty	Term	Main Content	Restrictions
Joint Construction	48 natural persons	2010.08-	Land transaction and Joint Construction in Daan District, Taipei City	None
Joint Construction	Wan Bao Assets Management Co., Ltd	2018.05-	Joint Construction in Beitun District, Taichung City	None
Joint Construction	Han-De Construction Co., Ltd and 4 natural persons	2019.01-	Joint Construction in Xindian District, New Taipei City	None
Joint Construction	Taipei Fullerton Hotel	2019.08-	Joint Construction in Songshan District, Taipei City	None
Joint Construction	19 natural persons	2021.09-	Joint Construction in Daan District, Taipei City	None
Joint Construction	Ambassador Hotel Formosan Rubber Group Incorporate	2021.11-	Joint Construction in Qianjin District, Kaohsiung City	None
Joint Venture Contract	Riant Capital Limited and 10 Natural persons	2015.10-	Land Development in Xinyi District, Taipei City	None
Joint Venture Contract	Daiwa House Industry Co., Ltd	2018.12-	Land Development in Qianjin District, Kaohsiung City	None
Joint Construction	62 natural persons	2022.03~	Joint Construction in Yonghe District, New Taipei City	None
Collaboration Contract	1 natural person	2022.06~	Joint Development in Bangqiao District, New Taipei City	None
Investment Contract	National Housing and Urban Regeneration Center	2022.11~	Public Led Urban Regeneration Project in Xinyi District, Taipei City	None
Joint Contract	CDC Commercial Development Corporation	2022.11~	Joint Construction in Chungshan District, Taipei City	None
Collaboration Contract	CNCK Ltd	2023/03	Land Development in Nangang District, Taipei City	None
Collaboration contract	CDC Commercial Development Corporation	2022.11~	Land Development in Chungshan District, Taipei City	None
Purchase Contract	CNCK Ltd	2023.03~	Land transaction in Naggang District, Taipei City	None
Joint Contract and Commission contract	Shu Kuang Construction Ltd	2023.06~	Land Development in Zhubei City	None
Collaboration Contract	Shu Kuang Construction Ltd	2023.10~	Land Development in Zhubei City (Transferable Development Right)	None
Investment Contract	National Housing and Urban Regeneration Center	2023.07~	Public-Led Urban Regeneration Project in District, Taipei City	None
Joint Construction	Ren Fu Construction Ltd and 4 natural persons	2024.05~	Land Development in Daan District, Taipei City	None
Purchase Contract	2 natural persons	2024.08~10	Land Purchase in Nantun District, Taichung City	None
Purchase Contract	Taichung City Government and 14 natural persons	2024.12~	Land Purchase in Beitun District, Taichung City	None

(b) Bank facilities

Contract Type	Counterparty	Term	Main Content	Restrictions
Bank facility	China Bills Finance Corp.	2024.01-2025.01	Secured loan , Due for Repayment	None
Bank facility	Chang Hwa Commercial Bank	2024.10~2025.06	Secured loan , Due for Repayment	None
Bank facility	CTBC Bank	2024.10~2025.10	Secured loan , Due for Repayment	None
Bank facility	China Bills Finance Corp.	2024.11-2025.11	Secured loan , Due for Repayment	None
Bank facility	Taishin International Bank	2021.09-2026.03	Secured loan , Due for Repayment	None
Bank facility	Bank of Taiwan	2020.04-2026.04	Secured loan , Amortization	None
Bank facility	First Commercial Bank	2021.08-2026.08	Secured loan , Amortization	None
Bank facility	E.SUN Bank	2023.02~2027.02	Secured loan , Due for Repayment	None
Bank facility	First Commercial Bank	2023.02-2027.11	Secured loan , Due for Repayment	None
Bank facility	CTBC Bank	2022.12~2027.12	Secured loan , Due for Repayment	None
Bank facility	Taiwan Cooperative Bank	2023.12~2027.12	Secured loan , Due for Repayment	None
Bank facility	Taishin International Bank	2023.10~2028.07	Secured loan , Due for Repayment	None
Bank facility	E.SUN Bank	2023.11~2029.11	Secured loan , Due for Repayment	None
Bank facility	Taishin International Bank	2022.08-2029.02	Secured loan , Due for Repayment	None
Bank facility	Chang Hwa Commercial Bank	2021.12~2041.12	Secured loan , Amortization	None

(3) HDEC Corporation

(a) Major Contracts

Contract Type	Counterparty	Term	Main Content	Restrictions
Construction	HDEC (Puding) Environment Corporation	2017-2028	Puding Area Sewerage System BOT Project- Design & Construction, Taoyuan City	None
Procurement	HDEC (Puding) Environment Corporation	2017-2028	Puding Area Sewerage System BOT Project- Material Purchase, Taoyuan City	None
Construction	CTCI-HDEC (Chungli) Corporation	2017-2039	Chungli Area Sewerage System BOT Project- Design & Construction, Taoyuan City	None
Procurement	CTCI-HDEC (Chungli) Corporation	2017-2039	Chungli Area Sewerage System BOT Project-Material Purchase, Taoyuan City	None
Construction	Tainan municipal government water conservancy bureau	2020-2025	Tainan City Anping Reclaimed Water Plant New Construction Turnkey Project	None
Operation and management	North Shore Corporation	2020-2026	New Taipei City Tamsui Area Sewerage System BOT Project, operation and management	None
Operation and management	Tainan municipal government water conservancy bureau/ Southern Taiwan Science Park Bureau, National Science and Technology Council	2020-2037	Tainan City Anping Reclaimed Water Plant New Construction Turnkey Project, operation and management	None
Construction	Hsinchu Science Park Bureau, National Science and Technology Council	2021-2024	Tongluo Science Park Wastewater Treatment Plant Phase II Project-Functional Enhancement of Conductivity Treatment Facilities Turnkey Project	None
Construction	HDEC (Puding) Environment Corporation	2021-2024	Puding Area Sewerage System BOT Project- Wastewater Treatment Plant Phase I, EPC, Taoyuan City	None
Construction	HDEC(Ciaotou) Corporation	2022-2025	Kaohsiung Ciaotou Wastewater Reclamation Plant (BTO) Turnkey Project	None
Operation and management	HDEC (Puding) Environment Corporation	2022-2027	Puding Area Sewerage System Project, operation and management, Taoyuan City	None

Contract Type	Counterparty	Term	Main Content	Restrictions
Construction	HDEC(Chengxi) Corporation	2023-2026	Tainan Chengxi Incineration Plant (BOT) Turnkey Project	None
Construction	North Shore Corporation	2024-2027	Tamsui wastewater plant equipment renovation project	None
Construction	Southern Taiwan Science Park Bureau, National Science and Technology Council	2024-2027	Chiayi Wastewater Treatment Plant Project	None
Investment (Note 1)	New Taipei City Government	2005-2040	New Taipei City Tamsui Area Sewerage System BOT Project	None
Investment (Note 2)	Taoyuan City Government	2021-2056	Taoyuan Puding Area Sewerage System BOT Project	None
Investment (Note 3)	Kaohsiung City Government	2016-2033	Kaohsiung Fengshan River Wastewater Reclamation and Reuse BTO Project	None
Investment (Note 4)	Kaohsiung City Government	2019-2036	Kaohsiung Linhai Wastewater Treatment Plant and Reclaimed Water BTO Project, Kaohsiung City	None
Investment (Note 5)	Kaohsiung City Government	2022-2040	Kaohsiung Ciaotou Wastewater Reclamation Plant BTO Project	None
Investment (Note 6)	Tainan City Government	2023-2048	Tainan Chengxi Incineration Plant BOT Project	None

Note 1: The contract of the subsidiary North Shore Corporation

Note 2: The contract of the subsidiary HDEC (Puding) Environment Corporation

Note 3: The contract of the subsidiary Blue Whale Corporation

Note 4: The contract of the subsidiary HDEC-CTCI (Linhai) Corporation

Note 5: The contract of the subsidiary HDEC(Ciaotou)Corporation

Note 6: The contract of the subsidiary HDEC(Chengxi) Corporation

(b) Bank facilities

Contract Type	Counterparty	Term	Main Content	Restrictions
Bank facility	Hua Nan Commercial Bank	2024.01-2025.01	Long-term Loan, Due for Repayment	None
Bank facility	Taishin International Bank	2022.04-2026.04	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	The Bank of East Asia	2022.11-2026.11	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	The Shanghai Commercial & Savings Bank	2023.02-2027.02	Long-term Loan, Amortization	None
Bank facility	EnTie Bank	2023.03-2027.03	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Taipei Fuban Commercial Bank	2023.08-2027.08	Long-term Loan, Amortization	Financial covenant
Bank facility	Bank Sinopac	2023.11-2027.11	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Cathy United Bank	2023.12-2027.12	Long-term Loan, Due for Repayment	None
Bank facility	Shin Kong Bank	2024.01-2028.01	Long-term Loan, Due for Repayment	None
Bank facility	Yuanta Commercial Bank	2024.02-2028.02	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Bank of Taiwan	2024.05-2028.05	Long-term Loan, Due for Repayment	None
Bank facility	KGI Bank	2024.08-2028.08	Long-term Loan, Amortization	Financial covenant
Bank facility	Bank of Kaoshiung	2024.09-2028.09	Long-term Loan ,Due for Repayment	None
Bank facility	Far Eastern International Bank	2024.11-2028.11	Long-term Loan, Amortization	Financial covenant
Bank facility	Mega Bank(Loan Arranger)	2024.05-2029.05	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Chang Hwa Bank	5 years from the date of first drawdown	Long-term Loan, Due for Repayment	None

Review of Financial Conditions, Financial Performance

I. Financial Status

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	%
Current Assets	55,023,723	46,332,680	8,691,043	18.76
Property, plant and equipment	10,421,498	9,530,234	891,264	9.35
Intangible assets	5,105,658	1,801,118	3,304,540	183.47
Other Assets	16,840,278	20,746,640	(3,906,362)	(18.83)
Total Assets	87,391,157	78,410,672	8,980,485	11.45
Current liabilities	43,709,831	34,911,917	8,797,914	25.20
Non-current liabilities	13,946,323	12,723,053	1,223,270	9.61
Total liabilities	57,656,154	47,634,970	10,021,184	21.04
Equity attributable to owners of parent	27,234,661	27,352,137	(117,476)	(0.43)
Ordinary shares	8,232,160	8,232,160	0	0.00
Capital surplus	6,884,015	6,817,198	66,817	0.98
Retained earnings	10,420,629	10,469,230	(48,601)	(0.46)
Other equity interest	1,697,857	1,833,549	(135,692)	(7.40)
Non-controlling interest	2,500,342	3,423,565	(923,223)	(26.97)
Total equity	29,735,003	30,775,702	(1,040,699)	(3.38)

(I) Analysis of differences over 20%:

1. The increase in intangible assets was mainly due to increase of service concession agreement.
2. The increase in current liabilities was mainly due to the increase in short-term borrowings and contract liabilities.
3. The decrease in non-controlling interests was mainly due to capital increase and reduction of subsidiaries.

(II) Effect of changes on the Group's financial condition: The Group's financial condition has not changed significantly.

(III) Future response actions: Not applicable.

II. Financial Performance

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	%
Operating revenues	30,701,377	30,606,844	94,533	0.31
Operating costs	26,973,804	26,330,971	642,833	2.44
Gross profit from operations	3,727,573	4,275,873	(548,300)	(12.82)
Operating expenses	2,478,752	2,103,274	375,478	17.85
Net operating income	1,248,821	2,172,599	(923,778)	(42.52)
Non-operating income and expenses	(235,552)	(462,329)	226,777	(49.05)
Income before tax	1,013,269	1,710,270	(697,001)	(40.75)
Income tax expenses	343,361	379,875	(36,514)	(9.61)
Net income	669,908	1,330,395	(660,487)	(49.65)

(I) Analysis of differences over 20%:

The decrease in net operating income, income before tax and net income were mainly due to increase of operating expenses.

(II) Sales Volume Forecast and Related Information: Please refer to page 61-64.

(III) Effect of changes on the Group's future business: The Group's business scope has not changed significantly.

(VI) Future response actions: Not applicable

III. Cash Flow, and Impact of Recent Years Major Capital Expenditures

(I) Analysis on Changes in the Most Recent Years

Unit: NT\$ thousands

Cash balance - beginning (1)	Annual net cash outflow from operating activities (2)	Annual net cash inflow from non-operating activities (3)	Cash balance (deficit) amount (1)+(2)+(3)	Remedial measures for cash insufficiency	
				Investment plan	Financial plan
\$6,878,141	(\$948,498)	\$1,154,624	\$7,084,267	N/A	N/A

Changes in cash flow in 2024 are analyzed as follows:

The net cash outflow from operating activities reached approximately NT\$948 million mainly due to cash inflow from operating activities was less than interest and income tax paid.

The net cash outflow from investing activities reached approximately NT\$2.927 billion, mainly due to acquiring intangible assets.

The net cash inflow from financing activities reached approximately NT\$4.039 billion, mainly due to the increase in loans from financial institutions.

Exchange rate changes on cash and cash equivalents resulted in a net cash outflow of approximately NT\$ 42 million.

(II) Analysis on Liquidity for the Coming Year: N/A

IV. Impact Posed by Material Capital Expenditure to Finance/Business in the Most Recent Year: N/A.

V. The investment policy for the most recent year, major causes for profits or losses thereof, corrective measures, and investment plans in the next year:

(I) Reinvestment policy

The Company is a professional investment holding company, the main sub-investment entities of which are Continental Engineering Corporation, Continental Development Corporation, and HDEC Corporation, which focus on construction engineering, real estate development, and environmental engineering and water resources treatment, respectively. At present, the Company's reinvestment policy is to strengthen the core competitiveness of the existing business, focusing on expanding the business scope and regional market.

(II) Main reason for profit or loss

Unit: NT\$ thousands

Reinvestment Companies \ Item	Profit / Loss in 2024	Main Reason for Profit/Loss
Continental Engineering Corporation	871,137	Continuous profits from construction engineering
Continental Development Corporation	144,942	Continuous profits from real estate development
HDEC Corporation	572,931	Continuous profits from environmental engineering and water treatment

(III) Improvement plan

The Company will continue to focus on managing reinvestment companies and improve and streamline the Group's business strategy and resource coordination.

(IV) Investment plan for the coming year

On the construction engineering side of the business, we will continue to compete for projects such as rail transit, and quality residential and commercial buildings, and carefully evaluate new business areas.

In the real estate development business, we will continue to develop the existing regional market in Taiwan, adjust the type of housing products, and develop office products.

For the environmental engineering and water treatment business, the Company will continue to improve its professional capabilities related to water resources and waste treatment, expand its operating scale, and evaluate the feasibility of expanding its core and existing capabilities in related business fields.

VI. Risk management and assessment

(I) The impact of interest rates, exchange rate, and inflation on the Company's profit and loss and future countermeasures:

The Company is an investment holding company, and subsidiaries are mainly engaged in construction engineering, real estate development, and environmental engineering and water resources treatment. In recent years and as of April 24, 2025, changes in interest rates, foreign exchange rates, and inflation had no material impact on the profit or loss of the Company or its subsidiaries.

The Company and its subsidiaries will continue to pay close attention to domestic and international regulations and changes in the financial market, maintain good relations with financial institutions, actively seek the most favorable financing rates, and effectively control the cost of capital through capital planning and allocation among Group companies. In addition, hedging transactions are conducted through appropriate financial instruments to reduce the risk of exchange rate fluctuations. We continue to monitor price and raw material price changes, maintain good interaction with customers and suppliers, and adopt appropriate business and purchasing strategies to reduce inflation risks.

(II) Policies for engaging in high-risk and highly leveraged investments, loans to others, endorsement guarantees and derivatives trading, the main reasons for profits or losses therefrom, and future countermeasures:

The Company and its subsidiaries focus on the development of their core businesses and have not engaged in high-risk, highly leveraged investments in recent years until April 24, 2025.

Due to business needs and industry characteristics of the Company and its subsidiaries, we provide necessary loan and endorsement guarantees for the subsidiaries and reinvestment companies. Derivative trading by the Company and its subsidiaries is limited to hedging purposes; the Company and its subsidiaries do not engage in non-hedging transactions, so they have no material impact on the profit and loss of the Company or its subsidiaries.

(III) Future R&D plans and expected R&D expenditure:

As an investment holding company, the Company has no R&D needs. The Company's subsidiaries also have no needs for material and current R&D expenditure, in consideration of their industrial characteristics.

(IV) Risk associated with changes in the political and regulatory environment:

No material impact was found posed by changes in policies and laws to the Company's finance in the most recent year until the date of publication of the annual report.

(V) Impact of New Technology and Industry Changes (Including Cybersecurity Risk) and Response Strategies: None

(VI) Changes in corporate image and impact on Company's crisis management: None

(VII) Risks associated with merger and acquisition: None

(VIII) Risks associated with facility expansion: None

(IX) Risks associated with purchase concentration and sales concentration: None

(X) Risks associated with sales of significant number of shares by the Company's directors and major shareholders who own 10% or more the Company's total outstanding shares: None

(XI) Risk associated with the change in management: None

(XII) Litigation or non-litigation event: the Company: None

Major Subsidiary – Continental Engineering Corp. (hereinafter referred to as “CEC”):

1. Continental Engineering had undertaken Project E802~E806 East-West Expressway Kaohsiung-Chaozhou Line 0K+500~8K+950 Wuchia-Sunliao Section Project (hereinafter referred to as the “major engineering”) from the East-West Expressway Kaohsiung-Tainan District Engineering Office of the Directorate General of Highways, MOTC (hereinafter referred to as the “project owner”), and Project E802~E806 East-West Expressway Kaohsiung-Chaozhou Line 0K+500~8K+950 Wuchia-Sunliao Section Project (entrusted with telecommunications, Taipower pipelines, Taipower power transmission and transformation, Guopi Road water pipelines, water pipelines, etc., hereinafter collectively referred to as “entrusted works”) for a total of six contracts. Continental Engineering sued the project owner in 2006, to have the major engineering contract and entrusted engineering contract adjusted for an amount of NT\$466,670,704 (same currency hereinafter) plus 5% per annum deferred interest for the period starting from April 6, 2005, due to the price increase of sand and gravel, the extension of the construction period, the design change, the development of the situation, etc., which were not attributable to Continental Engineering. Taiwan High Court - Kaohsiung Court had ruled in the 2nd instance that the project owner was obliged to pay NT\$169,247,213 (same currency hereinafter) to Continental Engineering plus deferred interest calculated at 5% per annum. Continental Engineering and the project owner had an appeal filed in January 2014, which was ruled by the court in the 3rd instance with the ruling of the 2nd instance overturned on June 3, 2014, and had it remanded to the 2nd instance court of Taiwan High Court - Kaohsiung Court for re-trial. Taiwan High Court - Kaohsiung Court ruled on September 26, 2018, that the project owner should pay NT\$318,498,306 to Continental Engineering plus deferred interest incurred at 5% per annum on the principal of NT\$238,863,790 for the period starting from April 6, 2005; and deferred interest incurred at 5% per annum on the principal of NT\$79,634,516 for the period starting from the day when the judgment was determined. Both parties of this lawsuit appealed to the court for the 3rd instance. The Supreme Court ruled on March 19, 2020. The principal of NT\$85,833,083 (interest not included) out of the total amount claimed was ruled for the Company by the court with the rest of the claims remanded for retrial. The lawsuit is currently in the process of the 2nd instance by Taiwan High Court - Kaohsiung Court.
2. CEC and Huayi Construction Co., Ltd. (hereinafter referred to as “Huayi Company”) signed a construction contract in December 2011 to undertake the new project of Banqiao Yuandi (Building No. 99 Ban-Jen-Tzi No. 0491 Construction Project). This construction project was originally jointly built by Huayi Company and the landowner. The said project was suspended in August 2012 due to the failure of Huayi Company in making payment on time. East Asia Construction Co., Ltd. (hereinafter referred to as “East Asia Company”) then replaced Huayi Company to continue this construction project, and signed a construction contract with Continental Engineering in August 2014 to have the construction resumed. East Asia Company and CEC successively signed a tripartite agreement with the original home buyers and agreed to the construction completion date on May 30, 2017. However, East Asia Company had the said construction completion date postponed due to the reasons of reinforcing structural safety, a design change in response to regulatory requirements, etc. The project was awarded the use license on April 28, 2019, the inspection, acceptance, and transfer of the project were also completed. East Asia Company had confirmed to CEC the completion of inspection, acceptance, and transfer of assets on time. However, 18 buyers claimed that Huayi Company, East Asia Company and CEC should assume liabilities for a delay of 697 days, and interest for delay should be calculated as 0.05% of the house prices already paid in accordance with the aforesaid tripartite agreement and “Matters to Record Regarding Real Estate Presales” of the Ministry of the Interior. Therefore, the buyers filed a lawsuit with Taiwan Taipei District Court in 2020. They required Huayi Company and East Asia Company to pay interest for delay. They also requested a payment of NT\$ 80,229,579 from CEC as interest for delay. CEC had retained an external lawyer to actively defend the lawsuit. Taiwan Taipei District Court had ruled in favor for CEC in the first instance. However, the plaintiff had filed an appeal and the lawsuit is currently in the process of the 2nd instance by Taiwan High Court

3. In October 2014, CEC signed an engineering contract with Senda Development Co., Ltd. (hereinafter referred to as "Senda") for the construction of the "Sunland 41 Residential Building" in Linkou District, New Taipei City. The project was jointly subcontracted to Chuang Kuan Curtain Wall Engineering Co., Ltd. (hereinafter referred to as "Chuang Kuan") as designated by Senda for the tower project. During the final settlement of the project payment, due to delays in completing the project by Chuang Kuan, Senda requested a penalty and deducted it from the project payment. Chuang Kuan then sued CEC and Senda for payment of engineering fees in 2022. The claim amount after addition is NT\$325,897,324. The case is currently being heard at first instance by Taiwan Taipei District Court.
4. CEC had a dispute with Jaipur Metro Rail Corporation Limited (hereinafter referred to as "JMRC") regarding the repair warranty and other contract-related compensation claims in the Indian "Design and construction of TBM tunnel and underground stations bw chandpole, Badi chouper and reversal line" Metro project. On April 5, 2024, JMRC requested the bank to cash out the performance bond of CEC guaranteed by the bank for this project. This metro project already began operation in September 2020. Since CEC believed that this project was already completed and delivered as stipulated in the contract and it already performed its repair warranty responsibilities, it refused to accept the reason for JMRC to request the cashout of the project performance bond. CEC is now requesting JMRC to refund the project performance bond and compensate for damages in accordance with ICC international arbitration procedures.
5. CEC signed a project contract with Grand River D. Limited (hereinafter referred to as "Grand River Company") regarding "Grand River Xinyi A7 Construction Project". The curtain wall works of this project were subcontracted to Lead-Fu Industrials Corporation (hereinafter referred to as "Lead-Fu Company") on December 31, 2020, as designated by Grand River Company. Lead-Fu Company claimed delay payments in the project and an incentive bonus of NT 40,000,000 allegedly agreed by Grand River Company for expedited work. In this case, it filed a lawsuit, requesting CEC to pay the interest for the delay and the aforesaid incentive bonus, totaling NT\$ 43,201,703. This case is now under review at first instance with the Taiwan Taipei District Court.

Major Subsidiary – Continental Development Corp. (hereinafter referred to as "CDC"):

1. CDC signed a pre-sale and purchase agreement for a house and land with a consumer surnamed Chen (hereinafter referred to as "Chen") on January 25, 2018, to purchase one house. However, Chen subsequently filed a lawsuit requesting the cancellation of the contract, restoration of the original state, and compensation for damages, with a total claim amount of NT\$56,126,978. This case was settled through mediation on May 7, 2024, and the litigation concluded.

(XIII) Other material risks and responsive measures: None

VII. Other important Matters: None

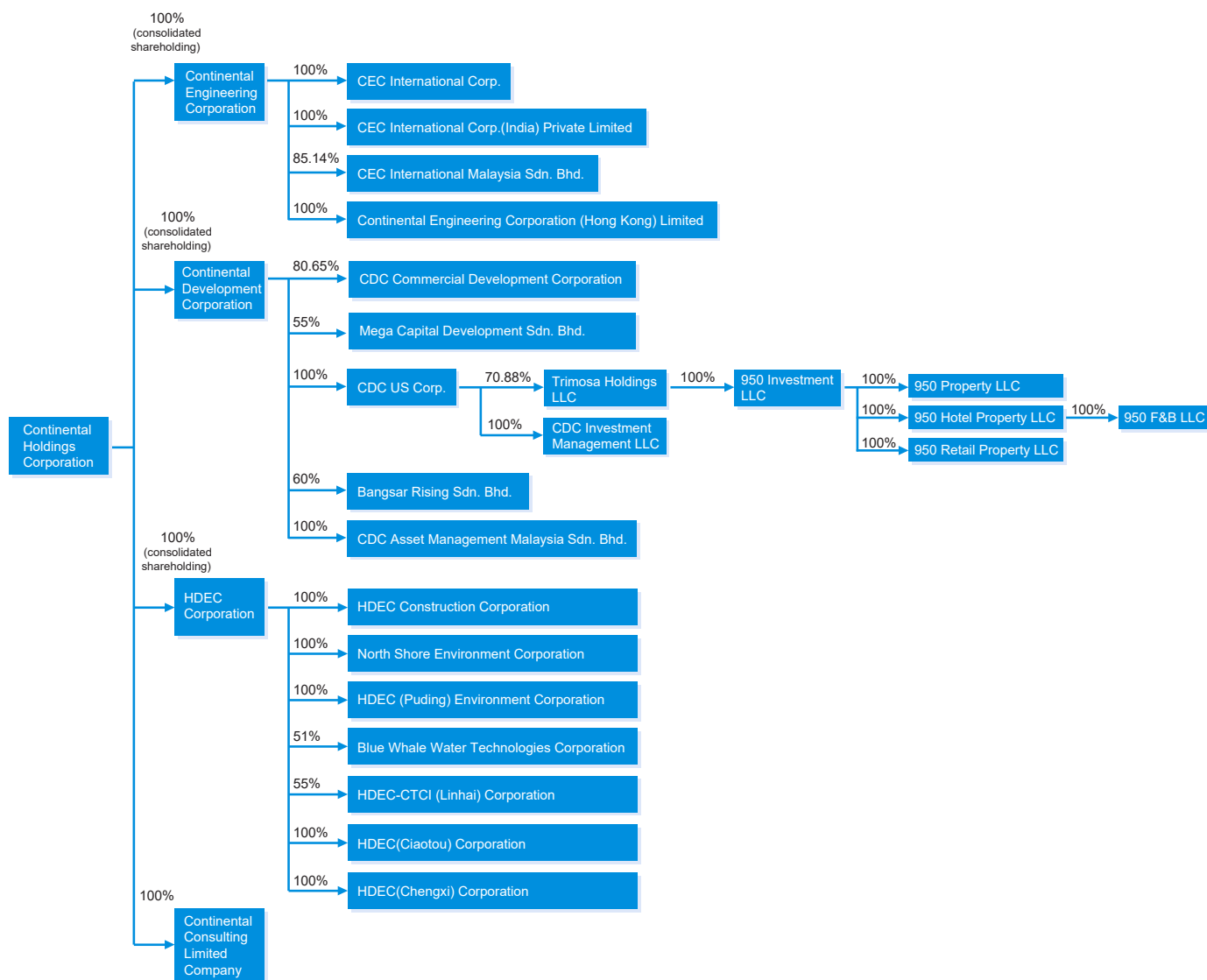
Special items to be included

I. Summary of affiliated companies

(I) Consolidated business report of affiliates

1. Organizational chart of the affiliates

(1) Organizational chart of the affiliates



(2) Profiles of the affiliates

December 31, 2024

Company	Date of incorporation	Address	Paid-in capital	Major business
Continental Engineering Corporation	1945.12	No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 3,720,621 thousand	Civil, Building and M&E engineering
CEC International Corp.	2003.12	BVI	-	Investment and holding
CEC International Corp. (India) Private Limited	2005.12	India	INR 739,815 thousand	Civil and Building engineering
CEC International Malaysia Sdn. Bhd.	2012.05	Malaysia	MYR 26,240 thousand	Civil and Building engineering

Company	Date of incorporation	Address	Paid-in capital	Major business
Continental Engineering Corp. (Hong Kong) Limited	2018.02	Hong Kong	HKD 3,000 thousand	Civil and Building engineering
Continental Development Corporation	2010.06	12F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 6,667,338 thousand	Real estate development on residential, commercial, hotels and communities
CDC Commercial Development Corporation	2003.10	13F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 597,676 thousand	Real estate lease
MEGA Capital Development Sdn. Bhd.	2013.09	Malaysia	MYR 1,500 thousand	Real estate development on hotels
Bangsar Rising Sdn. Bhd.	2018.11	Malaysia	MYR 1,000 thousand	Real estate development on residential
CDC Asset Management Malaysia Sdn. Bhd.	2019.09	Malaysia	MYR 1,000 thousand	Management consulting
CDC US Corp.	2017.09	U.S.A.	USD 500	Investment and holding
CDC Investment Management LLC	2017.10	U.S.A.	USD 10 thousand	Investment management
Trimosa Holdings LLC	2017.10	U.S.A.	USD 202,337 thousand	Investment and holding
950 Investment LLC	2017.09	U.S.A.	USD 223,318 thousand	Investment and holding
950 Property LLC	2017.09	U.S.A.	USD 228,903 thousand	Real estate development on residential
950 Hotel Property LLC	2019.11	U.S.A.	USD 104,290 thousand	Hotel industry
950 Retail Property LLC	2020.03	U.S.A.	USD 4,813 thousand	Real estate lease and management
950 F&B LLC	2023.03	U.S.A.	USD 169 thousand	Liquor sale
HDEC Corporation	2006.05	15F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 4,008,000 thousand	Environmental project development & Water treatment
North Shore Environment Corporation	2005.05	15F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 1,660,000 thousand	Sewer system design and construction in Danshui area, New Taipei City
HDEC Construction Corporation	2006.07	15F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 30,000 thousand	Construction of underground pipeline and environmental protection project, plumbing
Blue Whale Water Technologies Corporation	2016.08	13F., No.366, Bo'ai 1st Rd., Sanmin Dist., Kaohsiung City 807373, Taiwan	TWD 740,000 thousand	Feng Shan River wastewater reclamation and reuse BTO project in Kaohsiung City
HDEC (Puding) Environment Corporation	2016.09	15F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 630,260 thousand	Pu Ding area sewerage construction in Taoyuan City
HDEC-CTCI (Linhai) Corporation	2018.10	13F., No.366, Bo'ai 1st Rd., Sanmin Dist., Kaohsiung City 807373, Taiwan	TWD 720,000 thousand	Feng Shan River wastewater reclamation and reuse BTO project in Kaohsiung City
HDEC (Ciaotou) Corporation	2022.09	6F.-1, No. 80, Minzu 1st Rd., Sanmin Dist., Kaohsiung City 807413, Taiwan	TWD 850,000 thousand	Ciaotou wastewater reclamation and reuse BTO project in Kaohsiung City
HDEC (Chengxi) Corporation	2022.11	15F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 1,528,910 thousand	Aninan area incineration plant construction in Tainan City
Continental Consulting Limited Company	2021.11	23F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 20,000 thousand	Management consulting

(3) Companies presumed to have a relationship of control and subordination: None.

(4) Industries covered by Affiliates' Business Operation

The Company is the holding company to integrate Construction Engineering, Real Estate Development and Environmental Project Development & Water Treatment businesses.

(5) Profiles of Directors, Supervisors and Presidents of the affiliates

December 31, 2024

Company	Title	Name or Representative	Shareholding	
			Shares	%
Continental Engineering Corporation	Chairman Supervisor CEO	Continental Holdings Corporation Continental Consulting Limited Company Simon Blaine Scott Buttery	372,061,987 84	99.99998% 0.00002%
CEC International Corp.	Director Director Director	Continental Engineering Corporation Simon Blaine Scott Buttery Mark Thomas Smith Hsiung Chiang	-	100.00%
CEC International Corp.(India) Private Limited	Director Director Director	Continental Engineering Corporation Simon Blaine Scott Buttery Rajiv Kumar Stephen Mathew Thompson	73,981,492	100.00%
CEC International Malaysia Sdn. Bhd.	Director Director Director	Continental Engineering Corporation Hsiung Chiang Simon Blaine Scott Buttery Marlina Binti Budin	22,340,476	85.14%
Continental Engineering Corp. (Hong Kong) Limited	Director Director Director	Continental Engineering Corporation Stephen Mathew Thompson Simon Blaine Scott Buttery Mark Thomas Smith	3,000,000	100.00%
Continental Development Corporation	Chairman Supervisor CEO	Continental Holdings Corporation Continental Consulting Limited Company Tsun-Sen Liao	666,733,726 113	99.99998% 0.00002%
CDC Commercial Development Corporation	Chairman Director Director Supervisor	Continental Development Corporation Representative: Tsun-Sen Liao Representative: Cindy Chang Representative: John Huang Richard Huang	48,198,292 -	80.65% -
MEGA Capital Development Sdn. Bhd.	Executive Director Director Director	Continental Development Corporation Tsun-Sen Liao Cindy Chang Moderate Investment Chao-Chien Chang	825,000 675,000	55.00% 45.00%
Bangsar Rising Sdn. Bhd.	Executive Director Director Director	Continental Development Corporation Tsun-Sen Liao Cindy Chang Foremost Asset Co., Ltd. Chao-Chien Chang	600,000 400,000	60.00% 40.00%
CDC Asset Management Malaysia Sdn. Bhd.	Director Director Director	Continental Development Corporation Tsun-Sen Liao Cindy Chang Chao-Chien Chang	1,000,000	100.00%
CDC US Corp.	Director and CEO Director	Continental Development Corporation Tsun-Sen Liao Cindy Chang	5,000,000	100.00%
CDC Investment Management LLC	Manager	Tsun-Sen Liao	CDC US Corp. investment USD 10 thousand	100.00%
Trimosa Holdings LLC	Manager	Tsun-Sen Liao	CDC US Corp. investment USD 143,267 thousand	70.65%
950 Investment LLC	Manager	Tsun-Sen Liao	Trimosa Holdings LLC investment USD 223,318 thousand	76.55%

Company	Title	Name or Representative	Shareholding	
			Shares	%
950 Property LLC	Manager	Tsun-Sen Liao	950 Investment LLC investment USD 228,903 thousand	100.00%
950 Hotel Property LLC	Manager	Tsun-Sen Liao	950 Investment LLC investment USD104,290 thousand	100.00%
950 Retail Property LLC	Manager	Tsun-Sen Liao	950 Investment LLC investment USD 4,813 thousand	100.00%
950 F&B LLC	Manager	Tsun-Sen Liao	950 Hotel Property LLC investment USD 169 thousand	100.00%
HDEC Corporation	Chairman Supervisor CEO	Continental Consulting Limited Company Continental Holdings Corporation Jerry Chou	148 400,799,852	0.00004% 99.99996%
North Shore Environment Corporation	Chairman and President Director	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen	166,000,000	100.00%
HDEC Construction Corporation	Chairman and President Director	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen	3,000,000	100.00%
Blue Whale Water Technologies Corporation	Chairman Director Director	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen Representative: Ray Huang CTCI Corporation	37,740,000	51%
		Representative: Jeffrey Hsu Representative: Chih-Chun Liu	36,260,000	49.00%
	Director	Vicky Yang	-	-
	Supervisor	Gino Tsai	-	-
	Supervisor President	Wen-Chang Hsieh		
HDEC (Puding) Environment Corporation	Chairman and President Director	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen	63,026,000	100.00%
HDEC-CTCI (Linhai) Corporation	Chairman Director Director	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen Representative: Ray Huang CTCI Corporation	39,600,000	55.00%
		Representative: Kuo-Long Tsai Representative: Chih-Chun Liu	32,400,000	45.00%
	Director	Vicky Yang	-	-
	Supervisor	Gino Tsai	-	-
	Supervisor President	Wen-Chang Hsieh		
HDEC (Ciaotou) Corporation	Chairman Director President	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen Wen-Chang Hsieh	85,000,000	100.00%
HDEC (Chengxi) Corporation	Chairman Director President	HDEC Corporation Representative: Jerry Chou Representative: Ray Huang Gordon Chiu	152,891,000	100.00%
Continental Consulting Limited Company	Director	Continental Holdings Corporation	Investment TWD 20,000 thousand	100.00%

(6) Overview of the operations of the affiliates

Unit: NT\$ thousands

Company	Ordinary Stock	Total assets	Total liabilities	Total equity	Operating revenues	Net operating income (loss)	Net income (loss)	Earnings per share (NT\$)
Continental Engineering Corporation	3,720,621	19,340,376	12,287,387	7,052,990	21,108,388	512,538	1,033,977	2.34
CEC International Corp.	-	-	-	-	-	(5,252)	(5,227)	-
CEC International Corp. (India) Private Limited	283,275	23,799	10,864	12,935	(128,242)	24,507	23,410	0.32
Continental Engineering Corp. (Hong Kong) Limited	11,008	918	51	867	-	(95)	(95)	(0.03)
CEC International Malaysia Sdn. Bhd.	192,576	6,967	187	6,780	-	(535)	(499)	(0.02)
Continental Development Corporation	6,667,338	41,847,599	25,100,288	16,725,379	3,849,419	949,138	144,942	0.22
CDC Commercial Development Corporation	597,676	4,965,206	2,296,061	2,669,145	-	(18,195)	(64,189)	(1.07)
MEGA Capital Development Sdn. Bhd.	11,008	2,087,077	2,397,013	(309,936)	275,207	61,875	(4,769)	(3.18)
Bangsar Rising Sdn. Bhd.	7,339	821,000	877,383	(56,383)	-	(15,354)	(19,804)	(19.80)
CDC Asset Management Malaysia Sdn. Bhd.	7,339	11,839	2,022	9,817	18,739	674	375	0.38
CDC US Corp.	16	3,256,439	1,246	3,255,193	-	(712,004)	(711,971)	(142.39)
CDC Investment Management LLC	328	1,868	27,860	(25,992)	15,257	13,032	13,006	-
Trimosa Holdings LLC	6,633,631	4,626,545	9,456	4,617,089	-	(990,159)	(990,135)	-
950 Investment LLC	7,321,482	4,763,748	146,665	4,617,083	-	(1,242,816)	(1,249,115)	-
950 Property LLC	7,504,594	4,282,873	1,829,265	2,453,608	379,643	(569,647)	(643,624)	-
950 Hotel Property LLC	3,419,145	5,192,586	2,977,154	2,215,432	433,001	(329,869)	(561,717)	-
950 Retail Property LLC	157,802	237,091	143,186	93,905	1,667	(15,938)	(27,494)	-
950 F&B LLC	5,542	5,322	197	5,125	-	-	(340)	-
HDEC Corporation	4,008,000	10,604,921	4,922,548	5,682,373	4,563,173	97,931	572,931	1.43
North Shore Environment Corporation	1,660,000	4,708,329	1,863,529	2,844,800	587,337	246,013	166,415	1.00
HDEC Construction Corporation	30,000	125,902	77,560	48,342	300,555	12,466	10,043	3.35
Blue Whale Water Technologies Corporation	740,000	968,888	100,798	868,090	368,656	78,208	77,298	1.04
HDEC (Puding) Environment Corporation	630,260	1,839,691	1,183,066	656,625	351,677	39,192	16,328	0.26
HDEC-CTCI (Linhai) Corporation	720,000	865,909	36,789	829,120	286,876	80,964	67,894	0.94
HDEC (Ciaotou) Corporation	850,000	2,659,185	1,786,714	872,471	1,977,633	46,348	22,279	0.26
HDEC (Chengxi) Corporation	1,528,910	4,704,725	3,018,942	1,685,783	3,419,078	192,596	153,653	1.00
Continental Consulting Limited Company	20,000	175,445	150,445	25,000	262,677	5,276	2,660	-

(II) Consolidated Financial Statements of the Affiliates

Please refer to Consolidated Financial Statements with Independent Auditors' Report.

(III) Affiliation Report

Statement

This is to state that the Company's Related Company Report in 2024 (from January 1, 2024 to December 31, 2024) was prepared in accordance with Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises, and information disclosed and the related information disclosed in the Notes to Financial Statements in the aforementioned period do not contain material discrepancies.

Hereby declare by

Company: CONTINENTAL HOLDINGS CORPORATION

Chairman: Nita Ing

Date: March 5, 2025

安侯建業聯合會計師事務所
KPMG

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CPA' Review Opinion on the Affiliation Report

To the Board of Directors of CONTINENTAL HOLDINGS CORPORATION:

The 2024 Affiliation Report of CONTINENTAL HOLDINGS CORPORATION was prepared in accordance with "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises". The relevant financial information was reviewed according to the information disclosed in the notes of the consolidated financial statements during the aforementioned period by the accountants.

Our review result shows that no significant inconsistencies between the information disclosed in the 2024 Affiliation Report of CONTINENTAL HOLDINGS CORPORATION and the supplementary information disclosed in the notes to financial statements for the above period. And no violation of the "Criteria Governing Preparation of Affiliation Reports, Affiliated Business Consolidated Business Report and Consolidated Financial Statements of Affiliated Enterprises".

KPMG Taiwan

CPA: Chung-Che Chen and Shu -Ying Chang

Date: March 5, 2025

1. Relation between the controlling company and its subordinates:

Name of controlling company	Controlled reason	Shareholdings and pledges of the controlling company			Employees sent by controlling company as directors, supervisors or managers	
		Shareholdings	Shareholding ratio	Pledged shares	Position	Name
Wei-Dar Development Co., Ltd.	Jointly control subordinate company with over half of the board	206,025,200	25.02%	78,300,000	Chairman	Nita Ing
Han-De Construction Co., Ltd.		63,755,667	7.74%	31,677,000	Director	Helena Kuo
Maoshi Corporation	Controlling company of Wei Dah Development Co., Ltd. and Han-De Construction Co., Ltd.					John Huang
Jade Fortune Enterprises Inc.	Controlling company of Maoshi Corporation					Hsiung Chiang
Palmy Corporation	Controlling company of Jade Fortune Enterprises Inc.					
Pan Asia Corporation	Controlling company of Palmy Corporation					
Vanteva Corporation	Controlling company of Pan Asia Corporation					
Montrion Corporation	Controlling company of Vanteva Corporation					

2. Purchase and sale of goods: None.
3. Property transaction: None.
4. Capital financing: None.
5. Asset leasing: None.
6. Other significant transactions: None.
7. Endorsement and guarantee: None.

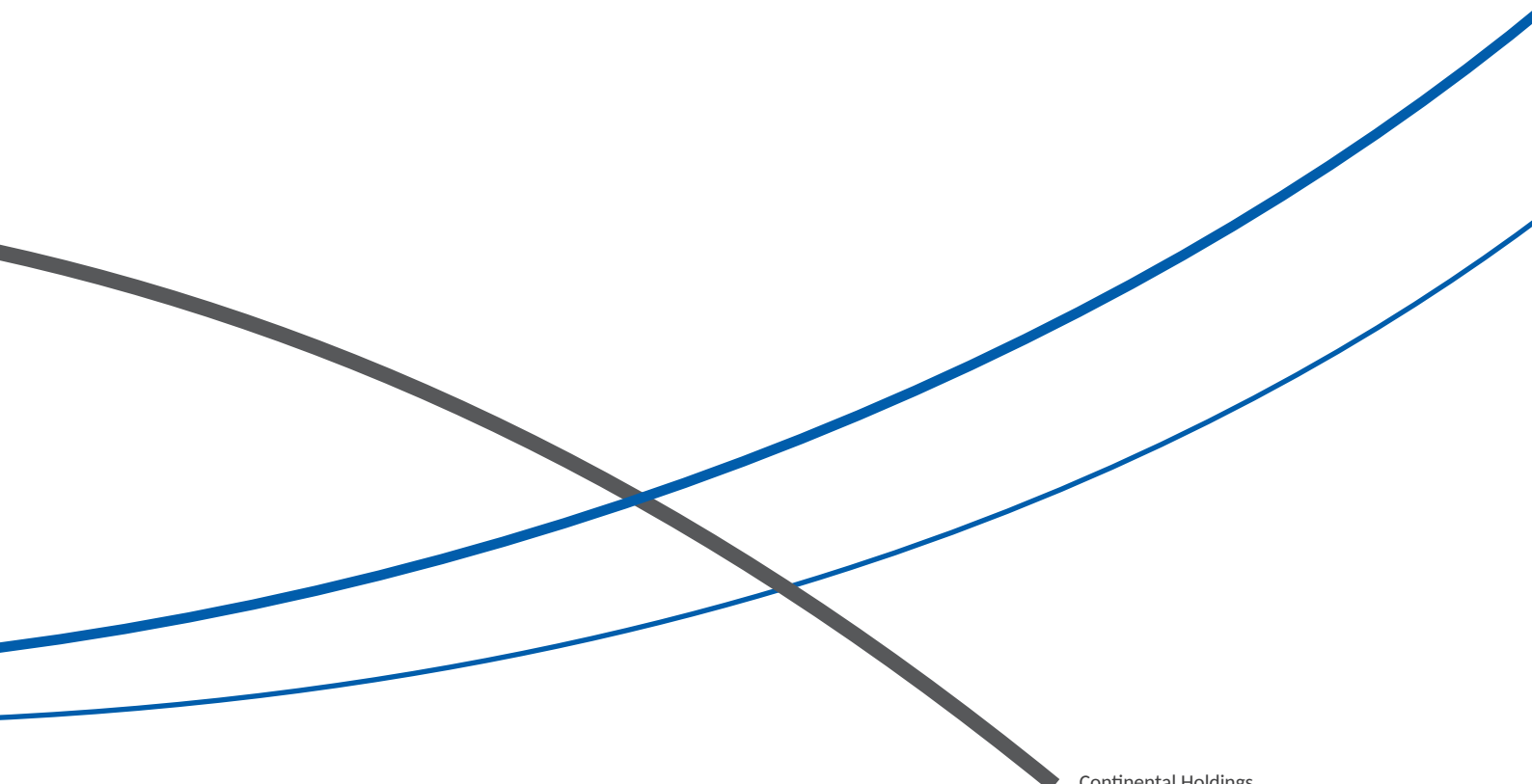
II. Private Placement Securities in 2024 and as of the Date of this Annual Report: None.

III. Other Necessary Supplement: None

Any Events in 2024 and as of the Date of this Annual Report that Had Material Impacts on Shareholders' Interests or Securities Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Law of Taiwan: None

CONTINENTAL HOLDINGS CORPORATION

Chairman: Nita Ing



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