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# CONTINENTAL HOLDINGS CORPORATION

## Annual Report 2025



Taiwan Stock Exchange Market Observation  
Post System: [mops.twse.com.tw](https://mops.twse.com.tw)  
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Website: [http:// www.hdec-corp.com](http://www.hdec-corp.com)

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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.

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**Certified Public Accountants**

Auditors: Chung-Che Chen, Yi-Lien Han

Auditors Company: KPMG

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

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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

Looking back on 2025, despite significant challenges around inflation, funding, and housing market regulation, CHC Group's subsidiaries still navigated these challenges and continued to advance public infrastructure projects and major private sector projects. The Group maintained steady growth in its scale of operations.

The consolidated revenue reached NT\$34.378 billion in 2025, up by 12% compared with the previous year; net operating profit reached NT\$1.653 billion, up by 32% compared with the previous year; net profit after tax reached NT\$1.481 billion; and earnings per share was NT\$1.80, up by 26% compared with the previous year.

Continental Engineering Corporation (CEC) undertook and executed civil engineering projects and mixed-use developments in 2025, including public sector rail transit and private residential construction. Ongoing projects include the Nangang Rail Yard Urban Renewal, the Taipei MRT Circular Line and the Wanda Line, the Taoyuan MRT Green Line, and the Taoyuan Railway Underground projects. In pursuing progress, CEC continued to enhance its engineering capabilities and strengthen supply chain resilience.

In 2025, Continental Development Corporation (CDC) completed and commenced delivery of the Sensuous Garden Project in Taipei City and the Belle Époque Project in Taichung City. The existing pre-sold projects have also delivered solid performance, such as the Metropolitan Village Project in Taipei City and the Poetic Yard Project in New Taipei City, which achieved full sell-out in 2025. Looking forward to 2026, in addition to the expected profit recognition from multiple projects, CDC will continue to expand its project pipeline in target markets by diversified means such as urban renewal, joint construction, and land acquisition to maintain its stable profits basis.

HDEC Corporation was focused on the construction of the Tainan Chengxi Incineration Plant and Kaohsiung Ciaotou Wastewater Reclamation Plant in 2025, which were scheduled to commence operations in 2026. With respect to business development, HDEC Corporation also secured its first water treatment project for a private sector client in the Hsinchu Science Park. Furthermore, in January 2026, HDEC Corporation was awarded the EPC contract for the new wastewater treatment plant at the Phase 2 base of the Chiayi Science Park, Southern Taiwan Science Park of the National Science and Technology Council, thereby continuing expanding its market share in the water treatment market.

In the area of technological applications, CHC Group is mainly focused on construction and operation developments. With respect to construction, CHC Group has continually invested in technological application tools and introduced innovative technologies and new construction methods, aiming to improve construction safety and efficiency. In operations, CHC Group has promoted the application of digital management platforms to improve information transparency and timeliness in order to enhance operational management efficiency. In 2025, CHC Group not only deepened the technological applications of the Building Information Modeling (BIM) and developed a LEBR embodied carbon management tool to support decision-making in the design stage, but also continues to enhance the analytical capabilities and applications of its operational management platforms.

CHC Group has long adhered to ESG principles and remains steadfast in its commitment to improving energy efficiency, promoting green buildings and energy-saving buildings, investing in the utilization of water resources and renewable energy sources, emphasizing talent development, and implementing ethical management policies. Looking ahead, we will continue to strengthen our operational resilience, develop our core business areas, and strive to enhance our long-term corporate value.

Chairman



# Corporate Governance Report

## 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 61~70	2024.6.3	3	2021.7.30	-	-	-	-	
Independent Director	R.O.C	Wilma Wei	Female 61~70	2024.6.3	3	2024.6.3	-	-	-	-	

Note 1: Directors as the legal representative, the major shareholder of institutional shareholder on page. 6

Note 2: The shares currently held is based on 2026.3.29 book closure date

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

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

	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 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 Adjunct Lecturer, School of Business, Soochow University	Adviser, Taiwan Depository & 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 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	Independent Director of Primasia Securities.	None			None
	-	-	-	-	MBA, University of Washington Bachelor of Art in Business Administration with concentration on International Trade, National Taiwan University Director, Raycore Biotech Co., Ltd. Independent Director,SYNergy ScienTech Corp. Director, Raycore Biotech Co., Ltd. Director, Zheng Ying Electronics(Chongqing) Co., Ltd. President/Compal Ruifang Health Assets Development Corporation 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 Vison Inc. Senior vice president of Corporate Development Office, Compal Electronics Inc.	None			None

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 Inc. (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"> <li>With a career spanning more than 30 years in business, 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.</li> <li>Not a person of any conditions defined in Article 30 of the Company Act</li> </ul>	<ul style="list-style-type: none"> <li>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 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</li> </ul>	0
Helena Kuo Director	<ul style="list-style-type: none"> <li>Having extensive experience in the financial sector, including business, finance, and banking, Helena Kuo concurrently serves as Consultant to Taiwan Depository &amp; 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 &amp; 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.</li> <li>Not a person of any conditions defined in Article 30 of the Company Act</li> </ul>	<ul style="list-style-type: none"> <li>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 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</li> </ul>	0
John Huang Director	<ul style="list-style-type: none"> <li>With business, 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 Chief Auditor of Taiwan High Speed Rail Corporation, General Manager of Suzhou Standard Foods (China), and Head Auditor of Phillips Companies in Taiwan.</li> <li>Not a person of any conditions defined in Article 30 of the Company Act</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>	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"> <li>With a business 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 Continental Engineering Corporation (CEC)'s overseas subsidiary. He once acted as General Manager of Construction Division, CEC as well as General Manager of CEC's subsidiary in India.</li> <li>Not a person of any conditions defined in Article 30 of the Company Act</li> </ul>	<ul style="list-style-type: none"> <li>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 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</li> </ul>	0
Frank Juang Independent Director	<ul style="list-style-type: none"> <li>With law, business, 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 &amp; Service Corporation, Independent Director, Browave Corporation, Chairman, Young Optics Inc., and Chairman, CEO, or Director for a number of hightech companies and he also served as head of the finance department at several companies.</li> <li>Not a person of any conditions defined in Article 30 of the Company Act</li> </ul>	<ul style="list-style-type: none"> <li>Complying with requirements for independence as defined in the checklist (during term of office)</li> <li>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</li> </ul>	1
Jolien Shu Independent Director	<ul style="list-style-type: none"> <li>With business and finance background, Jolien Shu possesses more than 25 years' profound experience in financial practices. As a CPA charterholder of California. Currently, she also serves as Independent Director of Primasia Securities. She previously held the positions of a consultant in finance for Womany network Co., Ltd, Independent Director of ViewSonic Corporation, Senior Vice President of Group Finance, GigaMedia Limited, Asia-Pacific Vice President &amp; Controller, ViewSonic Corporation, and Director of Finance Department, Far EasTone Telecommunications Co., Ltd. apart from financial officers in many other companies.</li> <li>Not a person of any conditions defined in Article 30 of the Company Act</li> </ul>	<ul style="list-style-type: none"> <li>Complying with requirements for independence as defined in the checklist (during term of office)</li> <li>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</li> </ul>	1

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 Independent Director	<ul style="list-style-type: none"> <li>With business, finance and banking background, Wilma Wei has over 25 years experience in finance and investment planning. She is currently Senior Vice President of Corporate Development 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.</li> <li>Not a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>Complying with requirements for independence as defined in the checklist (during term of office)</li> <li>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</li> </ul>	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 industr 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; at least 4 members of the Board of Directors should have experience in various professional fields such as investment holding, business, construction and construction, financial accounting, etc., and has set specific objects as follows:

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

In the future, the Diversity policy of the board will be extended based on the existing structure, in addition to the original professional background, and expertise in the business planning and business, the Company's strategic development needs will be taken in to consideration when selecting 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. Board members come from a range of different professional backgrounds including academia, accounting, business, 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 less than 3 terms.

- In terms of age distribution, Board members aged between 61 and 70 respectively accounted for 57% (4 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, 2 of whom were Independent Directors, one more female member than previous Board of Directors. The number of female directors account for 57% of the total board seats, which exceeds the percentage of female directors of TWSE listed companies, demonstrating our Board's commitment to gender equality through concrete actions. Members of any gender shall account for no less than one-third of the total seats on the Board of Directors.
- No member of the Board was also an employee of the Company.

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

#### 4. Implementation of Board Diversity Policy

Name	Diversity		Independent Directors' Tenure			Professional Background and Ability											
	Gender	Nationality	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	-	-	-	-	
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	43,000	0.01%	-	-	
Accounting Officer	R.O.C.	Gary Hsieh	Male	2024.3.11	-	-	-	-	
Secretariat Chief Secretary and Corporate Governance Officer	R.O.C.	Peggy Lin	Female	2021.1.21	-	-	-	-	
Internal Auditing Office Manager	R.O.C	Jay Chou	Male	2026.1.1	-	-	-	-	
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: Chief Auditor Ms. Charleen Chang resigned on 2025.12.31, and the position is assumed on an acting basis by Mr. Jay Chou, Manager of Internal Auditing Office on 2026.1.1.

Note 2: The management team did not hold any positions within the Company's independent audit firm or its affiliates.

Note 3: The 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	
	-	-	MBA, Cornell University	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
	-	-	MBA, Finance, National Taiwan University	Director, CDC Commercial Development Corporation	None	None	None	None
	-	-	LL.M., University of California, Davis	Vice President, Legal Dept., Continental Engineering Corporation Vice President, Legal Dept., HDEC Corporation Vice President, Legal Dept., Continental Development Corporation Vice President, Legal Dept., Continental Consulting Limited Company Director, Grand River D. Limited	None	None	None	None
	-	-	Master of Teaching and Learning, New York University	Vice President, Human Resources Dept., Continental Consulting Limited Company	None	None	None	None
	-	-	MS, Public Relations, Boston University	None	None	None	None	None
	-	-	MS, Electrical Engineering, National Tsing Hua University	Vice President, IT Dept., Continental Consulting Limited Company	None	None	None	None
	-	-	Master of Accounting, Providence University	None	None	None	None	None
	-	-	Master of Laws, Soochow University	None	None	None	None	None
	-	-	Bachelor of Accounting, Feng Chia University	None	None	None	None	None
	-	-	MA, Political Science, Chinese Culture University	None	None	None	None	None
	-	-	BA, Public Administration Tamkang University	Asst. Vice President, General Affairs Dept., Continental Consulting Limited Company	None	None	None	None
	-	-	MS, Advanced Architecture Studies, University of Sheffield	Asst. Vice President, Quality Management Dept., Continental Consulting Limited Company	None	None	None	None
	-	-	MBA, University of Wisconsin	None	None	None	None	None
	-	-	MS, Oceanography, 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	0.08%	0.08%	
Chairman	Representative: Nita Ing	15,000	15,000	0	0	0	0	0	0	1.01%	1.01%	
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	0.09%	0.09%	
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	0.13%	0.13%	
Independent Director	Jolien Hsu	1,500	1,500	0	0	0	0	400	400	0.13%	0.13%	
Independent Director	Wilma Wei	1,500	1,500	0	0	0	0	300	300	0.12%	0.12%	

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 operation and their contribution value, and industry standards. The Articles of Incorporation also provide that if there is profit for the fiscal year, the Company shall allocate 0.5% as remuneration to employees and no more than 0.5% as remuneration to Directors. According to CHC's Compensation Committee Charter, the Committee shall regularly review the annual and long-term performance targets, the compensation policies, procedures, standards and packages of the Directors, and regularly evaluate the performance of the Company's directors and set the contents and amount of their individual remunerations accordingly.
- The Company's Directors compensation policies, procedures, standards, and packages are determined according to CHC's Articles of Incorporation and Compensation Committee Charter. The Compensation Committee and the Board of Directors regularly review the directors' compensation procedures, taking into consideration the directors' level of participation in the Company's operations, the results of performance evaluations, and benchmarking against domestic and international compensation structures and trends. The 5<sup>th</sup> meeting of the 5<sup>th</sup> Board of Directors session resolved that directors' compensation will be paid as fixed compensation. A distinction shall also be made between Independent Directors and non-independent Directors. All independent directors of the Company serve as members of the Audit Committee and the Compensation Committee, and are responsible for participating in discussions and resolutions of such committees. Their compensation is determined in accordance with the relevant committee charters, taking into account their level of participation, performance evaluation results, the Company's operating performance, and industry standards. As a result, compensation for independent directors is higher than that of non-independent directors.

### 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	23,250	37,868	2,165	2,165	6,351	10,702	
Vice President	Jill Tung							
Vice President	Weifan Wang							
Vice President	Chichi Chen							
Vice President	Emily Liu							
Vice President	Erwin Fei							
Chief Auditor	Charleen Chang (Resigned 2025.12.31)							

Note 1: For business use, 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 2025 was NT\$1,481,364 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 0.08%	1,200 0.08%	None
	0	0	0	0	0	0	0	0	15,000 1.01%	15,000 1.01%	None
	0	0	0	0	0	0	0	0	0	0	None
	0	0	0	0	0	0	0	0	1,400 0.09%	1,400 0.09%	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 0.13%	1,900 0.13%	None
	0	0	0	0	0	0	0	0	1,900 0.13%	1,900 0.13%	None
	0	0	0	0	0	0	0	0	1,800 0.12%	1,800 0.12%	None

Note 2: No directors' compensation was allocated in 2025.

Note 3: 3 company vehicles were allocated for business use, which were purchased outright for NT\$7,610 thousand.

Note 4: Net income for 2025 was NT\$1,481,364 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	3,644	0	37,382 2.52%	50,735 3.42%	None

### 3. Compensation range table

Range of Compensation	Name	
	From CHC	From All consolidated Entities
NT\$0~ NT\$1,000,000	Weifan Wang	
NT\$1,000,000 ~ NT\$ 2,000,000	Erwin Fei, Chichi Chen	
NT\$2,000,000 ~ NT\$3,500,000		
NT\$3,500,000 ~ NT\$5,000,000		
NT\$5,000,000 ~ NT\$10,000,000	Charleen Chang, Emily Liu, Jill Tung	Weifan Wang, Erwin Fei, Chichi Chen, Charleen Chang, Emily Liu, Jill Tung
NT\$10,000,000 ~ NT\$15,000,000	Cindy Chang	
NT\$15,000,000 ~ NT\$30,000,000	Cindy Chang	
NT\$30,000,000 ~ NT\$50,000,000		
NT\$50,000,000 ~ NT\$100,000,000		
Over NT\$100,000,000		
Total	7	7

Note: Chief Auditor Ms. Charleen Chang resigned on 2025.12.31.

### 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	4,992	4,992	0.34%
Vice President	Jill Tung				
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	Nanchyi Hsieh				
Asst. Vice President	Tuan Jen Wan				
Asst. Vice President	David Wang				
Asst. Vice President	Jason Lin				
Asst. Vice President	John Yeh				

Note: The aforementioned Employees' Compensation for 2025 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	2025				2024			
	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	23,200	23,200	1.56%	1.56%	23,205	23,205	1.97%	1.97%
CEO and Vice President	37,382	50,735	2.52%	3.42%	24,176	43,616	2.06%	3.71%

**(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 6 times (A) in 2025. Attendance of the 6th term of the Board of Directors is as follows:

Term of office (6<sup>th</sup>): 2024.6.3~2027.6.2

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (B/A)	Remark
Chairman	Wei-Dar Development Co., Ltd. Representative: Nita Ing	6	0	100%	
Director	Wei-Dar Development Co., Ltd. Representative: Helena Kuo	6	0	100%	
Director	Han-De Construction Co., Ltd. Representative: Hsiung Chiang	6	0	100%	
Director	Han-De Construction Co., Ltd. Representative: John Huang	6	0	100%	
Independent Director	Frank Juang	6	0	100%	
Independent Director	Jolien Shu	6	0	100%	
Independent Director	Wilma Wei	6	0	100%	

Other matters required to be recorded:

In 2025, the Board of Director's meeting was held 6 times, the meetings were attended by all Independent Directors in person and their attendance rate was 100%.

As of the publication date of the annual report, the Board of Directors meeting was held once in 2026, 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
2025.3.5	6-6	1. Disposal of the Land in Linzi Section, Tamsui District by Subsidiary CDC 2. Cash Capital Increase of CDC US Corporation by Subsidiary CDC 3. To Release Non-Competition Restriction on a Member of the Board of Directors 4. Appointment of the Company's CPAs in 2025	Approved by all Independent Directors present	Approved by all Directors present
2025.5.9	6-7	Lending of Funds to Continental Development Corporation	Approved by all Independent Directors present	Approved by all Directors present
2025.8.8	6-8	1. Cash capital Increase of the Subsidiary Continental Engineering Corporation 2. The Company's Subscription to the Cash Capital Increase of its Subsidiary Continental Engineering Corporation	Approved by all Independent Directors present	Approved by all Directors present
2025.11.7	6-9	Lending of Funds to Continental Development Corporation	Approved by all Independent Directors present	Approved by all Directors present
2025.12.12	6-10	1. The Change of Accounting Firm and CPA for 2026 2. Personnel Change of the Company's Audit Supervisor	Approved by all Independent Directors present	Approved by all Directors present
2026.3.10	6-12	Cash Capital Increase of CDC US Corporation Raised by Continental Development Corporation	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 were no motions involving conflicts of interest at Board meetings in 2025.
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 2025, please refer to page 25~27 regarding the implementation of corporate governance and its differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof.

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Methods	Evaluated Contents
External evaluation (Taiwan Institute of Ethical Business) conducted once every three years	September 1, 2024 to August 31, 2025	1. Board of Directors 2. Functional committees	1. Written document review 2. Self-evaluation questionnaires for Board members and functional committees 3. On-site interview with directors	Board of Directors' Performance Evaluation: 1. Professional functions of the Board of Directors • Composition and structure of the Board of Directors • Election and continuous training of directors 2. Decision-making efficiency of the Board of Directors • Level of participation in business operations • Improvement of the Board of Directors' decision-making 3. Board of Director's focus on and supervision of internal control 4. Board of Directors' stance on sustainable management  Functional Committees' Performance Evaluation: 1. Level of participation in business operations and the manager compensation system 2. Improvement of functional committees' decision-making 3. Composition and structure of functional committees and understanding of responsibilities 4. Election and continuous training of committee members 5. Internal control
Internal evaluation conducted once a year	January 1, 2025 to December 31, 2025	1. Board of Directors 2. Individual Board Members 3. Functional committees	Self-evaluation questionnaires for Board members	Board of Directors' Performance Evaluation: • Involvement in the Company's operation • Enhancement of the quality of the Board's decision-making • Composition and structure of the board and understanding of responsibilities • Election of board members and continuous training • Internal Control  Board Members' Performance Evaluation: • Understanding of the Company's goals and tasks • Understanding of directors' responsibilities • Involvement in the Company's operations • Internal relationship management and communication • Director's expertise and continuing education • Internal Control  Functional Committees' Performance Evaluation: • Involvement in the Company's operations • Enhancement of the quality of functional committee decision-making • Understanding of the functional committee's responsibilities • Election of functional committee members and continuous training • Internal Control

4. Evaluation of Objectives and Implementation of Initiatives to Strengthen Board Functions in the Current and Recent Years:
- (1) The convene, meetings, proceedings and resolutions of the Board of Directors all adhere to the relevant laws and regulations promulgated by the competent authorities. The Company has also formulated Rules of Procedure for Board of Directors Meetings and internal rules pertaining to roles and responsibilities of the board of directors.
- (2) An Audit Committee and a Compensation Committee were established by the Company on May 22, 2015. Both 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 2025

Name	Date	Organizer	Course/Seminar	Number of Hours
Nita Ing	2025.11.28	Securities and Futures Institute	New AI Trends and Enterprise AI Transformation	3
	2025.11.28	Securities and Futures Institute	New AI Developments and Applications	3
Helena Kuo	2025.9.17	Taiwan Depository and Clearing Corporation	Education and Training for Directors and Supervisors on Anti-Money Laundering, Counter-Terrorist Financing, Whistleblowing, and Ethics	1
	2025.11.28	Securities and Futures Institute	New AI Trends and Enterprise AI Transformation	3
	2025.11.28	Securities and Futures Institute	New AI Developments and Applications	3
John Huang	2025.11.28	Securities and Futures Institute	New AI Trends and Enterprise AI Transformation	3
	2025.11.28	Securities and Futures Institute	New AI Developments and Applications	3
Hsiung Chiang	2025.11.13	Securities and Futures Institute	Shareholders' Meeting, Managing Rights, and Equity Strategies	3
	2025.11.14	Securities and Futures Institute	Legal Obligations and Responsibilities of Directors and Supervisors: "Financial Friendliness, Convention on the Rights of Persons with Disabilities, and Prevention of Workplace Sexual Harassment and Bullying"	3
Frank Juang	2025.11.28	Securities and Futures Institute	New AI Trends and Enterprise AI Transformation	3
	2025.11.28	Securities and Futures Institute	New AI Developments and Applications	3
Jolien Shu	2025.7.9	Taiwan Securities Association	Adoption of IFRS Sustainability Disclosure Standards and Sustainability Information Internal Control	3
	2025.10.15	Taiwan Securities Association	International Anti-Corruption Trends, Legal Liabilities and Case Studies of Financial Statements Misrepresentation	3
Wilma Wei	2025.11.28	Securities and Futures Institute	New AI Trends and Enterprise AI Transformation	3
	2025.11.28	Securities and Futures Institute	New AI Developments and Applications	3

**(II) Audit Committee Meeting Status**

1. An Audit Committee was established by the Company beginning 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 professional qualifications and experience of the independent directors are detailed on page 4~5 and 7. 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
2. 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 pursuant 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) The annual financial statements signed or sealed by the Chairman, managers, and accounting officers, and the second-quarter financial statements subject to audit and certification by a certified public accountant.
  - (11) Any other material matter so required by the Company or the competent authority.
3. The main matters reviewed and discussed in 2025 are presented below:
- (1) 2024 Business Report, Financial Statements, and Internal Control Statement
  - (2) 2024 Earnings Distribution and Cash Dividend Distribution Plan
  - (3) Financial Statements for 2025 Q1 through Q3
  - (4) To Release Non-Competition Restrictions on a Member of the Board of Directors
  - (5) To Release Non-Competition Restrictions on the Company's Executive
  - (6) Appointment of the Company's 2025 CPAs
  - (7) The Change of Accounting Firm and CPA for 2026
  - (8) Group Risk Management Performance Report
  - (9) Review of the 2026 Budget
  - (10) Review of the Amendments to the Audit Plan for 2025 and 2026 Audit Plan
  - (11) Personnel Change of the Company's Audit Supervisor
  - (12) Disposal of the Land on Linzi Section, Tamsui District by Subsidiary Company, Cash Capital Increase of CDC US Coporation and Lending of Funds to Subsidiary
  - (13) Cash Capital Increase of its Subsidiary and Subscription to the Cash Capital Increase of its Subsidiary

The Audit Committee convened 5 times (A) in 2025. Attendance of the 6<sup>th</sup> term of Independent Directors is as follows:

Term of office (6<sup>th</sup>): 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%	
Member	Frank Juang Independent Director	5	0	100%	
Member	Wilma Wei Independent Director	5	0	100%	

Other matters that require reporting:

1. (1) The Meeting Status in 2025~2026.3 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
2025.3.5	6-4	1. Disposal of the Land on Linzi Section, Tamsui District by Continental Development Corporation	✓	Approved by all members present and submitted to the Board of Directors for resolution
		2. Cash Capital Increase of CDC US Corporation Raised by Continental Development Corporation	✓	
		3. 2024 Business Report and Financial Statements	✓	
		4. 2024 Earnings Distribution		
		5. 2024 Distribution of Cash Dividends		
		6. To Release Non- Competition Restrictions on a Member of the Board of Directors	✓	
		7. Evaluation of the Independence and Adequacy of the Company's CPAs		
		8. Appointment of the Company's 2025 CPAs	✓	
		9. 2024 Statement on the Internal Control System of the Company	✓	
2025.5.7	6-5	1. Financial Report of the Company for Q1 2025		Approved by all members present and submitted to the Board of Directors for resolution
		2. Lending of Funds to Continental Development Corporation	✓	
2025.8.6	6-6	1. Financial Reports for Q2 2025	✓	Approved by all members present and submitted to the Board of Directors for resolution
		2. Cash Capital Increase of the Subsidiary Continental Engineering Corporation		
		3. The Company's Subscription to the Cash Capital of its Subsidiary Continental Engineering Corporation	✓	
		4. Amendments to the Audit Plan for 2025		
		5. To Release Non-Competition Restrictions on the Company's Executive		
2025.11.5	6-7	1. Financial Report for Q3 2025		Approved by All members present and submitted to the Board of Directors for resolution
		2. Lending of Funds to Continental Development Corporation	✓	
2025.12.10	6-8	1. 2026 Annual Budget of the Company		Approved by All members present and submitted to the Board of Directors for resolution
		2. The Change of Accounting Firm and CPA for 2026	✓	
		3. 2026 Audit Plan of the Company		
		4. Personnel Chnage of the Company's Audit Supervisor	✓	
2026.3.9	6-9	1. Cash Capital Increase of CDC US Corporation Raised by Continental Development Corporation	✓	Approved by All members present and submitted to the Board of Directors for resolution
		2. 2025 Business Report and Financial Statements	✓	
		3. 2025 Earnings Distribution		
		4. 2025 Distribution of Cash Dividends		
		5. Evaluation of the Independence and Adequacy of the Company's CPAs		
		6. 2025 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 requiring independent director recusal in 2025

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:

(1) The Chief internal audit attends the Audit Committee and the Board of Directors' meeting and reports to the Audit Committee and the Board of Directors on the execution of the audit. In addition to the audit office main activities and tracking report on a regular basis, the internal audit supervisor also delivers audit reports to the members of the Audit Committee immediately after each audit report has been approved, so that they can stay informed of the internal controls of the Company and its subsidiaries. Members of the Audit Committee are free to contact the of internal audit supervisor by e-mail and telephone if they have any inquiries. The communication is excellent.

(2) The Company regularly holds separate meetings between the independent directors and the internal audit supervisor each year. During these meetings the internal audit supervisor reports to the independent directors on the execution of audit activities and the annual audit plan.

Communications between Independent Directors and Chief Internal Auditor is as follows:

Date	Method of Communication	Subjects of Communication with Chief Internal Auditor	Communication Situation and Results
2025.1~2025.12	Direct reporting to Independent Director by the internal audit supervisor	1. Audit report 2. Main activities of the audit office and follow-up reports	1. Internal audit supervisor communicates with the independent directors once or twice a month, without the presence of non-independent directors or management personnel 2. Internal audit supervisor responds in a timely manner to inquiries from the independent directors regarding deficiencies in internal controls and reports issued by the audit office.
2025.3.5	6-4 Audit Committee	1. Audit Report and 2024 Annual Summary Report 2. 2024 Statement on the Internal Control System of the Company	1. Audit report and 2024 Annual Summary Report were approved by all Audit Committee members present and submitted to the Board of Directors. 2. 2024 Statement of Internal Control of the Company has been discussed and approved by the Audit Committee and submitted to the Board of Directors for approval, and then filed to the competent authority with the assistance of the Audit Office.
2025.5.7	6-5 Audit Committee	Audit Report	Audit report was approved by all Audit Committee members present and submitted to the Board of Directors.
2025.8.6	6-6 Audit Committee	1. Audit Report 2. Amendments to the Audit Plan for 2025	1. Audit report was approved by all Audit Committee members present and submitted to the Board of Directors. 2. Amendments to the 2025 Audit Plan was discussed and approved by the Audit Committee and submitted to the Board for approval.
2025.11.5	Internal audit supervisor reported separately to Independent Directors	1. Summary of the Implementation of Audit plan in 2025 2. Audit personnel management in 2025 3. Report on the planning of 2026 Audit Plan	1. Internal audit supervisor reported separately to Independent Directors. Non-independent Directors or management personnel were not present the meeting 2. No comments were made at the meeting.
	6-7 Audit Committee	Audit Report	Audit report was approved by all Audit Committee members present and submitted to the Board of Directors.
2025.12.10	6-8 Audit Committee	1. Audit Report 2. 2026 Audit Plan of the Company	1. Audit report was approved by all Audit Committee members present and submitted to the Board of Directors. 2. 2026 Audit plan was discussed and approved by all Audit Committee members present and submitted to the Board for approval.

(3) The CPAs of the Company reported to the Audit Committee on the audit of the annual financial statements, review of the Q1, Q2, and Q3 financial statements, recommendations from the corporate governance unit, and items that they are required to communicate by law. The Audit Committee engaged in constructive two-way communication and consultation with the CPAs.

(4) Every year, the Company regularly holds a separate meeting between the Independent Directors and the CPAs where the CPAs report to the Independent Directors on the audit of financial statements and clarify the issues raised by the Independent Directors.

Communications between Independent Directors and CPAs is as follows :

Date	Method of Communication	Subject of Communication with CPAs	Communication Situation and Results
2025.3.5	6-4 Audit Committee	1. Discussion of the audit outcome for 2024 Business Report and Financial Statements 2. Financial performance and operating results 3. Explanation of key audit matters 4. Recent audit issue and key regulation updates 5. Communication and clarification of issues raised by the Audit Committee	Approved by all Audit Committee members present and submitted to the Board for approval
2025.5.7	6-5 Audit Committee	1. Discussion of the review of 2025 Q1 Financial Statements 2. Financial performance 3. Key regulation updates 4. Communication and clarification of issues raised by the audit committee	Approved by all Audit Committee members present and submitted to the Board for approval
2025.8.6	CPAs' audit report (Separate reporting by CPAs to Independent Directors)	1. Audit outcomes of Financial Statements 2. Explanation of regulation updates	Acknowledged by Independent Directors

Date	Method of Communication	Subject of Communication with CPAs	Communication Situation and Results
2025.8.6	6-6 Audit Committee	1. Discussion of the review of 2025 Q2 Financial Statements 2. Financial Performance 3. Key Regulation updates 4. Explanation of the amendment to the plan for introducing IFRS Sustainability Disclosure Standards 5. Communication and Clarification of Issues Raised by the Audit Committee	Approved by all Audit Committee members present and submitted to the Board for approval
2025.11.5	6-7 Audit Committee	1. Discussion of the review of 2025 Q3 Financial Statements 2. Financial performance 3. Annual audit plan 4. Key regulation updates 5. Communication and clarification of issues raised by the Audit Committee	Approved by all Audit Committee members present and submitted to the Board for approval

5. To enhance the performance of the functional committees, the Company conducts internal performance evaluations of functional committees annually and evaluations by external independent institutions at least once every three years. In 2025, the Audit committee's internal performance evaluation results were reported to the 12<sup>th</sup> meeting of the 6<sup>th</sup> term of the Board of Directors on March 10, 2026, and the External performance evaluations were reported to the 10<sup>th</sup> meeting of the 6<sup>th</sup> term of the Board of Directors on December 12, 2025. For details on evaluation duration, method, standards, and results, please refer to page 17 and 25~27.

### (III) Information on Compensation Committee Members

As of 2026.3.29

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, all of whom are Independent Directors. Independent Director Frank Juang was elected by the 6<sup>th</sup> 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. 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 compensation 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 compensations accordingly.
- The main matters reviewed and discussed in 2025 are as below:
  - 2024 Internal Board Performance Evaluation Results Report
  - Commission of External Organization to Conduct Performance Evaluation of the Board of Directors, External Board Performance Evaluation Report
  - Distribution of 2024 Employees' Compensation and Directors' Remuneration

- (4) Definition of Non-Executive Employees and Remuneration Appropriation, Amendment to the Company's Definition of Non-Executive Employees
  - (5) Implementation Status of LTIP for CEO of the Company
  - (6) Director Remuneration Market Survey Report
  - (7) Personnel Changes of the Company's Audit Supervisor
  - (8) Executive Compensation
  - (9) Executives Performance Goals, Evaluations and Bonuses
3. Term of office (6<sup>th</sup>): 2024.6.3~2027.6.2. The Compensation Committee convened 6 meetings (A) in 2025. The Compensation Committee members' qualifications and attendance are as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (B/A)	Remark
Convener and Member	Frank Juang Independent Director	6	0	100%	
Member	Jolien Shu Independent Director	6	0	100%	
Member	Wilma Wei Independent Director	6	0	100%	

Other matters that require reporting:

1. The Compensation Committee's meetings and resolutions and the Company's responses to Compensation Committee members' opinions from 2025 to March 2026

The Compensation Committee was held once in 2026 as of the publication date of the annual report. The meeting was attended by all Independent Directors in person and their attendance rate was 100%.

Date	Session	Proposal	Resolutions of the Compensation Committee
2025.3.5	6-4	1. 2024 Internal Board Performance Evaluation Results Report 2. Distribution of 2024 Employees' Compensation and Directors' Remuneration 3. Definition of Non-Executive Employees and Remuneration Appropriation 4. Financial Supervisor's 2025 Performance Targets	Approved by all members present and submitted to the Board of Directors for resolution
2025.5.7	6-5	1. Commission of External Organization to conduct the performance evaluation of the Board of Directors 2. Adjustments to Executives' Compensation in 2025	
2025.8.6	6-6	1. Implementation status of LTIP for CEO of the Company	
2025.11.5	6-7	1. Directors' Remuneration Market Survey Report	
2025.12.10	6-8	1. External Board Performance Evaluation Results Report 2. Personnel Change of the Company's Audit Supervisor 3. 2025 Executives' Performance Evaluation 4. 2025 Executives' Performance Bonus 5. 2026 Executives' Performance Targets	
2025.12.26	6-9	1. Amendment to the Company's Definition of Non-Executive Employees	
2026.3.9	6-10	1. 2025 Internal Board Performance Evaluation Results Report 2. Distribution of 2025 Employees' Compensation and Directors' Remuneration 3. Audit Supervisor's Performance Targets	

2. Recommendations from the Compensation Committee rejected or amended by the Board of Directors: None.
3. Resolutions passed by the Compensation Committee where objections or reservations are registered by members: None.
4. The Company's handling of the Compensation Committee opinions: All meeting items were unanimously approved by all Compensation Committee members present, and subsequently approved by all Board Directors in accordance with the Committee's recommendations.
5. To enhance performance of the functional committees and in accordance with Guidelines for Performance Evaluation of Board of Directors (including functional committees), the Company conducts performance evaluations annually and engages an external independent institute to perform evaluations at least once every three years. The 2025 Compensation Committee's internal performance evaluation results were reported at the 12th meeting of the 6th term of the Board of Directors on March 10, 2026, and the 2025 external performance evaluations were reported at the 10th meeting of the 6th term of the Board of Directors on December 12, 2025. For details on evaluation period, method, standards, and results, please refer to page 17 and 25~27.

**(V) The Implementation of Corporate Governance, Differences and Cause of Differences from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”**

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?”	✓		To strengthen functions of the Board, protect shareholder’s rights, and respect the rights of stakeholders, the Company’s Corporate Governance Principles was formulated and approved at the 19th meeting of the 4th Board of Directors, to enhance Company’s corporate governance system. The Company’s Corporate Governance Principles is 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 process them 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) Relevant procedures have been established, and a designated department is responsible for handling shareholders suggestions and inquires. (II) The Company closely monitors trading of its shares, and requests relevant information from the stock affairs agent, when necessary, in order to keep track of any changes. (III) The Company has established a group internal control system and regularly conducts self-inspections, and has formulated the “Guidelines for Supervision and Management of Subsidiaries”, with the relevant measures implemented by the internal audit office to ensure and effective risk control mechanism. (IV) The Company has formulated the “Codes of Conduct”, “Code of Ethics and Business Conduct” “Group Guideline for Anti-Insider Trading Management,” and “Procedures for Handling Material Internal Information” to prevent insiders from trading securities based on undisclosed material information. . Relevant regulatory training and awareness programs are conducted regularly each year.	None
III. Composition and responsibilities of the Board of Directors (I) Does the Board of Directors formulate diversity policies, specific management objectives, and implement them effectively? (II) Is the company willing to set up other functional committees in addition to the Compensation 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 take the results into consideration when determining director compensation and nominating directors for another term?	✓		(I) The Company’s board of directors diversity policy is stated in Article 21 of the “Corporate Governance Guidelines,” which provides that the composition of the board of directors should take diversified into consideration, and that an appropriate diversity policy should be formulated based on the Company’s operation, business model, and development needs. Please refer to page 8~9 of the annual report for the specific management objectives and implementation of the board of directors diversity policy in detail. (II) The Company has Compensation Committee and Audit Committee established according to applicable laws and regulations. These committees carefully review major financial and business matters, internal control system, related party transactions, and reasonable compensation of directors and managers, and provide appropriate recommendations. (III) The Company conducts an internal performance evaluation of the board of directors every year in accordance with the Guidelines for Performance Evaluation of Board of Directors. At least once every three years, the Company engages 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 performance 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 take the results into consideration when determining director compensation and nominating directors for another term?	✓		<p>The internal performance evaluation for the year 2025 was completed in the first quarter of 2026 and submitted to the 12th board meeting of the 6th Board of Directors. Please refer to page 17 of the annual report for the evaluation period, scope, method, and contents of performance evaluation. A summary of the internal performance evaluation results is provided below:</p> <p>Evaluation of the overall performance of the Board of Directors: meet expectations</p> <p>All directors have a full understanding of the Company's business philosophy and core value and express strong recognition of meeting arrangements and the Board's operation. Furthermore, they highly recognize the commitment of the Board of Directors to the improvement of decision-making, and that resolutions are reached following full discussions and exchange of opinions, which enhances decision-making quality. The Board of Directors is able to provide timely and appropriate recommendations and guidance to the management team on matters needing to be improved and risks to be noted. All directors highly recognize the composition of the Board of Directors and the functional committees satisfy the operational needs of the Board of Directors. Independent directors are able to freely express their opinions and independently exercise their authorities without improper intervention, influence, or potential pressure or concerns.</p> <p>Overall, the Board of Directors of the Company has a sound structure, with transparent information, complies with regulations, and is composed of diverse and complementary members, which facilitates effective functioning of the Board. The overall performance of the Board of Directors meet directors' expectations.</p> <p>Evaluation result of the performance of functional committees:  Evaluation result of the Audit Committee: meet expectations  Evaluation result of the Compensation Committee: meet expectations</p> <p>Independent directors recognize that the Audit Committee and the Compensation Committee are well-operated and their performance meet the expectations of members of the functional committees. All committee members reach a high degree of consensus on the Company's current development and strategic direction and recognize the functional committees' overall operation, including decision-making quality, composition, understanding of responsibilities, and oversight of the internal control and compensation system, and their emphasis on the continuing education of their members. This demonstrates that the functional committees have fully and effectively performed their pre-review function for the Board of Directors.</p> <p>Evaluation result of the performance of individual directors: meet expectations</p> <p>All directors highly recognize the duties they are expected to perform and regulations they need to comply with, as well as their supervisory responsibilities of all aspects of the internal control system. Furthermore, they pay close attention to the issues related to the Company's operation and risks, and provide appropriate and timely recommendations. All directors also recognize that the Board of Directors has a sound operation system with transparent information, and agree that all directors fully comply with applicable laws and regulations during the exercise of their authorities. The evaluation result is "meet expectations".</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	
(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 take the results into consideration when determining director compensation and nominating directors for another term?	✓		<p>The most recent external performance evaluation of the Company's Board of Directors was conducted in September 2025 by the Taiwan Institute of Ethical Business (hereinafter referred to as the "Institute"). Assessors assigned by the Institute as well as their spouses and dependents were independent, having no business contact with the Company and no circumstances that would affect their independence. The Institute issued an evaluation report on the performance of the Board of Directors on November 20, 2025, and the evaluation result was also submitted to the 10th meeting of the 6th Board of Directors on December 12, 2025. Please refer to page 17 of the Annual Report for the evaluation period, scope, method, and content of the performance evaluation. The overall observations and recommendations provided by the external evaluation organizations regarding the operation of the Board of Directors are as follows:</p> <p><b>Overall Observations</b></p> <ul style="list-style-type: none"> <li>Board members generally recognize the meeting procedures and atmosphere of the meetings. Through active information exchange and sufficient preparation time, directors are able to thoroughly understand the Company's operation policies and provide well-informed business recommendations; the management team can also take feedback from directors into consideration when making decisions, and communicate with the directors; the Board of Directors also continually discusses ways to improve diversity of its composition.</li> <li>All directors are aware of the importance of implementing and tracking the internal control system and risks as well as establishing a whistleblowing system to prevent and reduce risk factors and the negative effects of unethical business practices; the Company has also established an emergency response team to facilitate the timely and effective handling of major risk events.</li> <li>All directors recognize the importance of sustainable management and specifically implemented it into product manufacturing processes to plan long-term environmental sustainability goals; additionally, evaluated directors also affirm talent cultivation as a key element of sustainable operation, urging the Company to maintain competitive in recruiting and retaining professional talent.</li> <li>The Company's growth and development benefit significantly from professional managers, and Board directors have also noticed the challenges of talent succession. It is an important issue for the Company and will be continually discussed in depth.</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>Strengthening the nomination policy of the Board of Directors</li> </ul> <p>It is suggested that the Company should continuously review director nomination policy and where appropriate, plan for successors to comply with regulations and maintain governance stability. The policy should take into account diversity in gender, age, and professional background. The Company may consider establishing a nomination committed to regularly review whether the policy is consistent with market changes and corporate needs. Furthermore, a director talent pool may be established to support long-term development.</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	
(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 take the results into consideration when determining director compensation and nominating directors for another term?	✓		<ul style="list-style-type: none"> <li>Reinforce the independence of whistleblowing channels for receiving and handling reported cases The Company may consider further reinforcing the independence of its whistleblowing system. In addition to existing channels, methods to directly file reports to the Audit Committee or independent directors may be added, or relevant external organization may be engaged to provide a dedicated whistleblowing hotline and email address, to protect anonymous reporting, reduce the risk of retaliation, and enhance trust in and willingness to use the system.</li> <li>Establish a functional committee for risk management to strengthen governance supervision mechanism Given that the current risk management is mostly implemented by individual business units, it is recommended that the Company evaluate the feasibility of establishing a risk management committee at the level of the Board of Directors to oversee group-wide risk management policy, identify major risks, and coordinate mechanisms among Group subsidiaries, and regularly report to the Board of Directors, to improve governance resilience and decision-making integration.</li> </ul> <p>According to the results of the comprehensive evaluation conducted by the Institute, the overall operation of the Board of Directors of the Company is favorable, mature and efficient, with transparent decision-making processes and complete supervision over internal control. The Board of Directors continues to promote sustainability issues related to the Company's industry. In the future, the Company may continue to enhance its governance structure and improve the Board of Directors' governance resilience and decision-making integration across the Group's strategies, risks, and sustainability.</p> <p>The Company's response to and future implementation plans regarding the evaluation report issued by the external evaluation organization and their recommendations are as follows: Regarding the Institute's recommendations on strengthening the nomination policy of the Board of Directors, reinforcing the independence of whistleblowing channels for receiving and handling reported cases, and establishing a functional committee for risk management to further improve the currently well-functioning Board of Directors, the Company will take these recommendations into consideration based on needs of Board operations, and evaluate the establishment of additional functional committees beyond those required by law.</p>	None
(IV) Does the company regularly evaluate the independence of the independent auditors?			<p>(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 9th Audit Committee meeting of the 6<sup>th</sup> term on March 9, 2026 and the 12<sup>th</sup> Board meeting of the 6<sup>th</sup> term. Please refer to Note 1 for the statement issued by CPA Chung Che Chen and CPA Yi-Lien Han of KPMG Taiwan. CPA Chung Che Chen and CPA Yi Lien Han 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.</p>	

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 TWSE/TPEX listed company have a sufficient number of competent and appropriate corporate governance personnel and a corporate governance officer appointed to be responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information necessary to perform their duties, assisting directors and supervisors in complying with law and regulations, handling matters related to the board meetings and shareholders meetings accordingly to applicable laws and regulations, preparing minutes of board meetings and shareholders meetings, etc.)?	✓		<p>The Company has established Secretariat responsible for the administrative affairs of the Board of Directors and its functional committees, as well as matters related to shareholders' meetings. The Company passed a resolution at the 18<sup>th</sup> board meeting of the 5<sup>th</sup> Board of Directors that appointed Peggy Lin, Chief Secretary of Secretariat, as the Corporate Governance Officer of the Company reporting directly to the Chairman. 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 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 evaluation 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 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 border="1"> <thead> <tr> <th>Organizer</th> <th>Courses</th> <th>Hours</th> </tr> </thead> <tbody> <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> <tr> <td>Securities &amp; Futures Institute</td> <td>New AI Trends and Enterprise AI Transformation</td> <td>3</td> </tr> <tr> <td>Securities &amp; Futures Institute</td> <td>New Artificial Intelligence Developments and Applications</td> <td>3</td> </tr> </tbody> </table>	Organizer	Courses	Hours	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	Securities & Futures Institute	New AI Trends and Enterprise AI Transformation	3	Securities & Futures Institute	New Artificial Intelligence Developments and Applications	3	None
Organizer	Courses	Hours																	
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																	
Securities & Futures Institute	New AI Trends and Enterprise AI Transformation	3																	
Securities & Futures Institute	New Artificial Intelligence Developments and Applications	3																	
V. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers, and etc.), set up dedicated sections, especially for stakeholders on the company's website, and appropriately responded to the important corporate social responsibility issues of concern to stakeholders?	✓		<p>The Company, in respect of stakeholders rights and interests, regularly identifies stakeholders in accordance with the GRI Sustainability Reporting Standards every year, and establishes contact windows and communication channels with the stakeholders. The Company strives to maintain a good interactive relationship with each and all stakeholders through a smooth and diversified communication channel; and adjust operational decisions and daily business activities in a timely manner through feedback, and regularly report the status of communication with each and all stakeholders to the Board of Directors. The communication status with each and all stakeholders in 2025 was reported to the Board of Directors on December 12, 2025. A "stakeholder" section is available on the Company's website that fully disclose relevant information regarding stakeholders. Please refer to the "Stakeholder" section on the Company's website and in the Company's corporate social responsibility report for detailed communication status.</p>	None															
VI. Does the company contract a professional stock affairs agency to handle affairs of the shareholders meeting?	✓		<p>The Company has appointed the Shareholder Affair Department of Taishin Securities as the Company's stock affair agency to help the Company handle matters related to shareholders meetings.</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	
<p>VII. Information disclosure</p> <p>(I) Does the company set up a website to disclose financial, business and corporate governance information?</p> <p>(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, announcing investor relations information on the company website, etc.)?</p> <p>(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 results of each month before the specified deadline?</p>	✓		<p>(I) "Financial Information," "Investor Relations" and "Corporate Governance" sections are available on the Company's website to disclose the information of the Company's finance, corporate governance, and others with regular updates.</p> <p>(II) The Company has a website in both Chinese and English with a dedicated department responsible for information disclosure and update, and has implemented a spokesperson system. Materials from investor conferences are also made available on the Company's website under the Investor Relations/ Shareholder Services/Events &amp; Presentations.</p> <p>(III) The Company has the annual financial report announced and reported before the end of March each year as required by law; also, has the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> quarter financial reports signed or sealed by the Chairman, management, and chief accountant announced and reported within 45 days at the end of each quarter of the fiscal year; reviewed by the independent auditors and reported to the Board of Directors in accordance with Article 36 of the Securities and Exchange Act.</p>	None
<p>VIII. Does the company have other important information that is helpful to understand the implementation of corporate governance (including but not limited to employee interests, employee care, investor relations, supplier relations, stakeholders' rights, advanced training of directors and supervisor, 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>	✓		<p>(I) Employee interests and care: The Company and its member companies are committed to creating the best well-being of employees, establishing a people-oriented management system, focusing on employee communication and management, providing health and welfare information at any time, providing group insurance and health checkups, conducting trainings to enhance employees' professional skills and career development, and organizing welfare committees and various clubs to promote interaction among employee.</p> <p>(II) Investor relations: The Company discloses material information and reports corporate governance and related financial information on the Market Observation Post System according to laws and regulations that enable investors to obtain information at all times. The Company also provides a "Investors Relations" section on its website to facilitate effective communication.</p> <p>(III) Supplier relationship: All members of the Group strictly abide by the Group's 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 requires all suppliers to comply with the Group's Code of Ethics and Business Conduct, Code of Conduct, and procurement policies, as well as relevant domestic and foreign regulations regarding environmental protection, occupational safety and health, and human and labor rights. Leveraging its business influence, the Group works together with supply chain partners to fulfill corporate social responsibilities. The audit results for the implementation of the Group's procurement policy in 2025 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 corporate sustainability report.</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	
VIII. Does the company have other important information that is helpful to understand the implementation of corporate governance (including but not limited to employee interests, employee care, investor relations, supplier relations, stakeholders' rights, advanced training of directors and supervisor, 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>(IV) Stakeholders' rights: Please refer to the "Stakeholder" section on the Company's website for details.</p> <p>(V) Training for the board of directors: All board directors of the Company participate in more than 6 hours of training every year. Please refer to Page 18 for information on board of directors training in 2025.</p> <p>(VI) The Company's "Group Risk Management Policy" was established and approved by the Board of Directors in 2020, serving as the highest guiding principle for risk management across the Company and its subsidiary entities. The policy aims to address uncertainties in achieving business objectives and to ensure that all employees adopt consistent judgment and response principles when facing potential threats and opportunities. The policy is integrated with the Company's corporate governance and compliance systems to continuously create corporate value and meet stakeholders' expectations. Through various management and internal control systems, the Company has established a risk management framework and culture, requiring all employees to incorporate risk management in both decision-making and daily actions. In accordance with the principle of cost-effectiveness, appropriate control mechanisms and procedures are adopted to minimize uncertainties to the greatest extent possible. The risk management process primarily consists of the following steps: objective setting and risk identification, risk assessment and forecasting, risk control and monitoring, and risk reporting and disclosure. Please refer to the "Risk Management" page on the Company's website for the 2025 Group's risk management operation in detail.</p> <p>(VII) The Company is an investment holding company without the implementation of customer policies available. For implementation of customer relationship management and communication by its subsidiaries, please refer to the Stakeholder section on the Company's website.</p> <p>(VIII) In terms of acquiring liability insurance for directors and supervisors, the Company provides liability insurance for its directors and key employees for an annual coverage amount USD10,000,000.</p>	None

IX. Please explain improvements made in response to the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and indicate priority areas and measures for issues that have not yet been addressed.

The Company conducted a self-assessment on corporate governance and did not find any material deficiencies that need to be improved.



安侯建業聯合會計師事務所

KPMG

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68F., TAIPEI 101 TOWER, No. 7, Sec. 5,  
Xinyi Road, Taipei City 11049, Taiwan (R.O.C.)

Telephone 電話 + 886 2 8101 6666  
Fax 傳真 + 886 2 8101 6667  
Internet 網址 kpmg.com/tw

- 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  
Yi-Lien Han

March 10, 2026

Continental Holdings Corp.  
Evaluation Sheet for Independence and Suitability

(I) Evaluated certified accountants: Chung-Che Chen, and Yi-Lien Han

(II) Audit Quality Index (AQI) Evaluation:

Facet	Evaluation Items	Comments																		
1. Expertise	<p><b>Index 1-1 Experience in auditing</b> This index evaluates whether the accountants/auditors possess sufficient audit experience to conduct the audit effectively.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Item (2024)</th> <th style="text-align: center;">Case Level</th> <th style="text-align: center;">Firm level</th> <th style="text-align: center;">Average in the Industry</th> </tr> </thead> <tbody> <tr> <td>Experience of Mr. Chen</td> <td style="text-align: center;">14.0 years</td> <td rowspan="2" style="text-align: center;">11.6 years</td> <td rowspan="2" style="text-align: center;">11.0 years</td> </tr> <tr> <td>Experience of Ms. Han</td> <td style="text-align: center;">6.0 years</td> </tr> <tr> <td>EQCR accountant's audit experience</td> <td style="text-align: center;">20.3 year</td> <td style="text-align: center;">13.8 years</td> <td style="text-align: center;">12.6 years</td> </tr> <tr> <td>Audit experience of audit team manager or above (excluding accountants)</td> <td style="text-align: center;">6.5 years</td> <td style="text-align: center;">10.9 years</td> <td style="text-align: center;">11.5 years</td> </tr> </tbody> </table>	Item (2024)	Case Level	Firm level	Average in the Industry	Experience of Mr. Chen	14.0 years	11.6 years	11.0 years	Experience of Ms. Han	6.0 years	EQCR accountant's audit experience	20.3 year	13.8 years	12.6 years	Audit experience of audit team manager or above (excluding accountants)	6.5 years	10.9 years	11.5 years	<p>The number of years that the lead auditor has served as partner of the firm is higher than both firm-level and industry average, and the hours of professional training participated in is equivalent to the industry average. Therefore, the lead auditor is deemed as having adequate audit experience and expertise. Although the turnover rate is higher than the industry average, case managers for the Company have relevant audit experience primarily in the construction and building industry, and the number of hours of professional training totals more than the industry average. Therefore, the senior auditors of the audit team are deemed as having adequate auditing and industry expertise.</p>
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	<p><b>Index 1-2 Training hours (at firm level)</b> This index assesses whether the accountants/auditors have received sufficient training to acquire professional knowledge and skills.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Item</th> <th style="text-align: center;">2024</th> <th style="text-align: center;">Average in the Industry</th> </tr> </thead> <tbody> <tr> <td>Certified accountant's training hours</td> <td style="text-align: center;">114.3 hours</td> <td style="text-align: center;">121.6 hours</td> </tr> <tr> <td>Training hours of audit team manager or above (excluding accountants)</td> <td style="text-align: center;">122.1 hours</td> <td style="text-align: center;">111.5 hours</td> </tr> </tbody> </table>	Item	2024	Average in the Industry	Certified accountant's training hours	114.3 hours	121.6 hours	Training hours of audit team manager or above (excluding accountants)	122.1 hours	111.5 hours										
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<p><b>Index 1-3 Turnover (at firm level)</b> This index evaluates whether the firm maintains an adequate number of senior human resources.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Item</th> <th style="text-align: center;">2024</th> <th style="text-align: center;">2023</th> <th style="text-align: center;">Average in the Industry</th> </tr> </thead> <tbody> <tr> <td>Turnover of audit team manager or above (excluding accountants)</td> <td style="text-align: center;">13.6%</td> <td style="text-align: center;">12.7%</td> <td style="text-align: center;">9.8%</td> </tr> </tbody> </table>	Item	2024	2023	Average in the Industry	Turnover of audit team manager or above (excluding accountants)	13.6%	12.7%	9.8%												
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<p><b>Index 1-4 Professional Support (at firm level)</b> This index assesses whether the firm has sufficient non-audit professionals, including computer auditors and valuers, to support the audit team.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Item</th> <th style="text-align: center;">2024</th> <th style="text-align: center;">2023</th> <th style="text-align: center;">Average in the Industry</th> </tr> </thead> <tbody> <tr> <td>Proportion of professionals supporting auditors in the audit department</td> <td style="text-align: center;">6.1%</td> <td style="text-align: center;">6.9%</td> <td style="text-align: center;">5.3%</td> </tr> <tr> <td>Proportion of working hours of professionals involved in cases concerning listed and OTC companies</td> <td style="text-align: center;">8.8%</td> <td style="text-align: center;">8.5%</td> <td style="text-align: center;">7.9%</td> </tr> </tbody> </table>	Item	2024	2023	Average in the Industry	Proportion of professionals supporting auditors in the audit department	6.1%	6.9%	5.3%	Proportion of working hours of professionals involved in cases concerning listed and OTC companies	8.8%	8.5%	7.9%								
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2. Quality Control	<p><b>Index 2-1 Accountant's Workload</b> This index examines whether the accountants have undertaken too many audit cases and worked on the audit for too many hours.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: center;">Item</th> <th colspan="2" style="text-align: center;">At firm level</th> <th rowspan="2" style="text-align: center;">Average in the Industry</th> </tr> <tr> <th style="text-align: center;">2024</th> <th style="text-align: center;">2023</th> </tr> </thead> <tbody> <tr> <td>Number of public companies for which accountants acted as the principal</td> <td style="text-align: center;">7.6</td> <td style="text-align: center;">7.2</td> <td style="text-align: center;">7.2</td> </tr> <tr> <td>Proportion of working hours input by accountants</td> <td style="text-align: center;">50.8%</td> <td style="text-align: center;">55.1%</td> <td style="text-align: center;">56.6%</td> </tr> </tbody> </table>	Item	At firm level		Average in the Industry	2024	2023	Number of public companies for which accountants acted as the principal	7.6	7.2	7.2	Proportion of working hours input by accountants	50.8%	55.1%	56.6%	<p>The number of public companies where the lead and concurring auditors act as lead auditors and the proportion of their available working hours allocated are slightly higher than the firm-level and industry average. In recent years, KPMG has already reduced the number of public companies for which the lead and concurring auditors are responsible as well as the proportion of their available working hours allocated each year. The number of public companies for which the lead auditors are currently responsible is 10, but the proportion of the concurring auditor's available working hours allocated is still relatively high.</p>				
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2. Quality Control	<p><b>Index 2-2 Inputs to Audit</b> This index assesses whether the audit team makes appropriate inputs to each stage.</p> <table border="1"> <thead> <tr> <th rowspan="2">Level</th> <th rowspan="2">Proportion of auditing hours</th> <th colspan="4">2024</th> <th colspan="4">2023</th> </tr> <tr> <th>Accountant</th> <th>Manager</th> <th>Auditor</th> <th>Total</th> <th>Accountant</th> <th>Manager</th> <th>Auditor</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Case level</td> <td>Planning stage</td> <td>2.2%</td> <td>2.6%</td> <td>30.0%</td> <td>34.8%</td> <td>1.1%</td> <td>2.1%</td> <td>32.1%</td> <td>35.3%</td> </tr> <tr> <td>Execution Stage</td> <td>2.6%</td> <td>4.9%</td> <td>58.7%</td> <td>65.2%</td> <td>2.7%</td> <td>6.2%</td> <td>55.8%</td> <td>64.7%</td> </tr> <tr> <td>Total</td> <td>3.8%</td> <td>7.5%</td> <td>88.7%</td> <td>100.0%</td> <td>3.8%</td> <td>8.3%</td> <td>87.9%</td> <td>100.0%</td> </tr> <tr> <td rowspan="3">Firm level</td> <td>Planning stage</td> <td>2.0%</td> <td>5.7%</td> <td>26.6%</td> <td>34.3%</td> <td>2.2%</td> <td>5.4%</td> <td>25.5%</td> <td>33.1%</td> </tr> <tr> <td>Execution Stage</td> <td>3.4%</td> <td>11.8%</td> <td>50.5%</td> <td>65.7%</td> <td>3.6%</td> <td>12.0%</td> <td>51.3%</td> <td>66.9%</td> </tr> <tr> <td>Total</td> <td>5.4%</td> <td>17.5%</td> <td>77.1%</td> <td>100.0%</td> <td>5.8%</td> <td>17.4%</td> <td>76.8%</td> <td>100.0%</td> </tr> <tr> <td rowspan="3">Average in the Industry</td> <td>Planning stage</td> <td>2.6%</td> <td>7.8%</td> <td>32.3%</td> <td>42.7%</td> <td>2.6%</td> <td>7.4%</td> <td>32.6%</td> <td>42.6%</td> </tr> <tr> <td>Execution Stage</td> <td>3.4%</td> <td>9.2%</td> <td>44.7%</td> <td>57.3%</td> <td>3.5%</td> <td>9.0%</td> <td>44.9%</td> <td>57.4%</td> </tr> <tr> <td>Total</td> <td>6.0%</td> <td>17.0%</td> <td>77.0%</td> <td>100.0%</td> <td>6.1%</td> <td>16.4%</td> <td>77.5%</td> <td>100.0%</td> </tr> </tbody> </table>	Level	Proportion of auditing hours	2024				2023				Accountant	Manager	Auditor	Total	Accountant	Manager	Auditor	Total	Case level	Planning stage	2.2%	2.6%	30.0%	34.8%	1.1%	2.1%	32.1%	35.3%	Execution Stage	2.6%	4.9%	58.7%	65.2%	2.7%	6.2%	55.8%	64.7%	Total	3.8%	7.5%	88.7%	100.0%	3.8%	8.3%	87.9%	100.0%	Firm level	Planning stage	2.0%	5.7%	26.6%	34.3%	2.2%	5.4%	25.5%	33.1%	Execution Stage	3.4%	11.8%	50.5%	65.7%	3.6%	12.0%	51.3%	66.9%	Total	5.4%	17.5%	77.1%	100.0%	5.8%	17.4%	76.8%	100.0%	Average in the Industry	Planning stage	2.6%	7.8%	32.3%	42.7%	2.6%	7.4%	32.6%	42.6%	Execution Stage	3.4%	9.2%	44.7%	57.3%	3.5%	9.0%	44.9%	57.4%	Total	6.0%	17.0%	77.0%	100.0%	6.1%	16.4%	77.5%	100.0%	<p>In 2024, the proportion of audit hours spent by CPAs and manager-level auditors was equivalent to that in the previous year, but was lower than the industry average. KPMG explained that CPAs and manager-level auditors have adequate audit experience, and the overall audit hours spent by the entire audit team in 2024 were higher than in 2023. Therefore, the proportion of audit hours spent by CPAs and manager-level auditors dropped slightly.</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>
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<p><b>Index 2-3 Case Quality Management Review</b> This index evaluates whether the EQCR accountants input sufficient hours to the review of audit cases</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2024</th> <th>2023</th> <th>Average in the Industry</th> </tr> </thead> <tbody> <tr> <td>Proportion of hours input by EQCR accountants to review (at case level)</td> <td>2.5%</td> <td>3.7%</td> <td>NA</td> </tr> <tr> <td>Proportion of hours input by EQCR accountants to review (at the firm level)</td> <td>1.2%</td> <td>1.3%</td> <td>1.27%</td> </tr> </tbody> </table>	Item	2024	2023	Average in the Industry	Proportion of hours input by EQCR accountants to review (at case level)	2.5%	3.7%	NA	Proportion of hours input by EQCR accountants to review (at the firm level)	1.2%	1.3%	1.27%	<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>																																																																																											
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Proportion of hours input by EQCR accountants to review (at the firm level)	1.2%	1.3%	1.27%																																																																																																					
<p><b>Index 2-4 Quality Control Support Capability (at firm level)</b> This index examines whether the firm has adequate quality control resources, including risk management and audit consultants, to support its audit team</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2024</th> <th>2023</th> <th>Average in the Industry</th> </tr> </thead> <tbody> <tr> <td>Number of full-time quality control staff</td> <td>54.6</td> <td>50.3</td> <td>63.0</td> </tr> <tr> <td>Proportion of quality control staff to support the audit department</td> <td>3.6%</td> <td>3.3%</td> <td>3.8%</td> </tr> </tbody> </table>	Item	2024	2023	Average in the Industry	Number of full-time quality control staff	54.6	50.3	63.0	Proportion of quality control staff to support the audit department	3.6%	3.3%	3.8%		<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>																																																																																										
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3. Independence	<p><b>Index 3-1 Non-Audit Services (at case level)</b> This index assesses whether the firm and its affiliates have charged the Group an excessively high amount of non-audit fees.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Proportion of non-audit service fees in audit cases</td> <td>31.1%</td> <td>42.5%</td> </tr> </tbody> </table>	Item	2024	2023	Proportion of non-audit service fees in audit cases	31.1%	42.5%	<p>In 2024, the proportion of non-audit fees significantly decreased compared with the previous year, mainly as the greenhouse gas inventory consulting fee of Continental Development Corporation was mostly paid in 2023, and KPMG provided non-auditing services like tax certification and business registration in the current year. Furthermore, KPMG has provided audit services for the Company for 14 years, but none of the CPAs have provided audit services for the Company for more than seven consecutive years. Therefore, the CPAs and KPMG should be able to maintain independent when executing audits.</p>																																																																																																
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<p><b>Index 3-2 Familiarity with Client (at case level)</b> This index evaluates whether the firm has provided audit services for the Company's financial statements for an excessively long period.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Cumulative years of auditing the annual financial reports by the firm</td> <td>14 years</td> </tr> </tbody> </table>	Item	2024	Cumulative years of auditing the annual financial reports by the firm	14 years	<p>In 2024, the proportion of non-audit fees significantly decreased compared with the previous year, mainly as the greenhouse gas inventory consulting fee of Continental Development Corporation was mostly paid in 2023, and KPMG provided non-auditing services like tax certification and business registration in the current year. Furthermore, KPMG has provided audit services for the Company for 14 years, but none of the CPAs have provided audit services for the Company for more than seven consecutive years. Therefore, the CPAs and KPMG should be able to maintain independent when executing audits.</p>																																																																																																			
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## (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		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?	✓		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 2025, reports on the Group's ESG management affairs were presented to the Board on March 5, May 9, August 8, November 7, and December 12.	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?	✓		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 2025, CHC Group identified a total of 18 sustainability issues and established 8 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 (1) Has the Company set an environmental management system designed to industry characteristics?	✓		(1) CHC has established appropriate environmental management systems tailored to the industry characteristics of the three major business entities. 1. Real Estate Development Business—Integrates Green Building certification into the full life cycle of its projects and obtains Green Building Labels. These certifications cover nine indicators across four dimensions: "Ecology, Energy Saving, Waste Reduction, and Health." Furthermore, "Greening Area" and "Site Water Retention" are designated as key indicators for environmental management to ensure that buildings achieve environmental resilience and asset sustainability. 2. Environmental Project Development and Water Treatment Business—Complies with relevant regulations from the Ministry of Environment, including the Climate Change Response Act, Air Pollution Control Act, Water Pollution Control Act, Waste Disposal Act, and regulations related to reclaimed water. Concurrently, all water resource centers have implemented ISO 14001 and ISO 50001 management system certifications and continue to pass third-party verification to ensure continuous improvement of environmental management policies and systems.	None

Promotion tasks	Implementation Status			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	
(I) Has the Company set an environmental management system designed to industry characteristics?	✓		<p>3. Construction Engineering Business—Prior to commencement, each project submits relevant pollution prevention and control plans to the competent authorities in accordance with regulations such as Management Regulations for Construction Project Air Pollution Control Facilities, Water Pollution Control Act, Waste Disposal Act. Additionally, this business sector has proactively established the "Construction Waste and General Waste Management Guidelines," which exceed regulatory requirements, to strengthen internal management systems. During the construction process, in addition to ensuring the effective operation of pollution control facilities, this entity further implements precast components, system formwork method, and circular economy certifications to achieve waste reduction management at both the source and the end-of-pipe.</p> <p>Key Implementation Results for 2025 are summarized as follows:</p> <ol style="list-style-type: none"> <li>1. Real Estate Development Business: Current projects, including Sensuous Garden, Prologue Eternal, Metropolitan Village, Poetic Yard, Belle Époque, Green Utopia, Grove Mansion, Garden of Happiness, and Dazhi Commercial Building have all integrated greenery and water conservation designs. Among these, "Sensuous Garden" and "Dazhi Commercial Building" have obtained the Candidate Green Building Certificate at the Gold Level ; "Metropolitan Village", "Prologue Eternal", and "Green Utopia" have obtained the Candidate Certificate at the Silver Level; "Belle Époque" has obtained the Candidate Certificate at the Bronze Level. Other projects are proceeding with the applications as scheduled.</li> <li>2. Environmental Project Development and Water Treatment Business: This year, Puding Water Resources Center successfully obtained the ISO 14001 certification, bringing the total number of operating centers with this certification to five. Regarding environmental performance, the centers collectively achieved 5,225 metric tons of sludge reduction and a 60% reclaimed water reuse rate. Furthermore, the energy intensity for wastewater treatment was 0.35 kWh/m<sup>3</sup> and reclaimed water supply was 1.28 kWh/m<sup>3</sup> both performed significantly better than the annual targets, demonstrating exceptional efficiency in energy and resource management.</li> <li>3. Construction Engineering Business: In 2025, all projects strictly adhered to the pollution prevention and control plans approved by the competent authorities. In response to occasional deficiencies during the construction process, root cause assessments were conducted, and corrective actions were completed within the required timeframe. Furthermore, annual waste reduction KPIs have been established for each construction project, with implementation progress regularly tracked and reviewed. Through the rigorous execution of waste control, reduction, sorting, and recycling, construction waste has been reduced by 29% compared to the previous year. Headquarters and Office Environments promotes energy-saving management and prioritizes the procurement of operating equipment and office supplies with environmental and energy-saving labels. By implementing waste recycling and classification, the Group has effectively embedded energy-saving and waste-reduction measures into its daily management. Additionally, CHC conducts an annual greenhouse gas inventory in accordance with ISO 14064-1 or the GHG Protocol to continuously monitor environmental management performance, with disclosures made publicly available on CHC's website and in its Sustainability Report.</li> </ol>	None

Promotion tasks	Implementation Status			Non-implementation Summary and Its Reason(s)														
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(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?			(II) CHC continues to optimize its energy resource management strategy, including implementing green procurement, adopting environmentally friendly and energy-efficient materials and high-efficiency equipment, investing in renewable energy projects, improving construction methods, and enhancing real-time monitoring of energy usage to maximize energy resource efficiency. In 2025, CHC's group-wide green procurement amounted to NT\$216,265 thousand, covering engineering materials, operational equipment, and administrative supplies. The adoption rate of system formwork methods in engineering projects continued to increase, achieving the goal of resource reuse. The Group uses electricity consumption per ton of wastewater treated as the energy efficiency management indicator. In 2025, the average actual electricity consumption per ton of wastewater treated was 0.35 kWh, outperforming the target by 17%. Biogas recovery and reuse reached 924,616 m3, achieving 145% of the target. The utilization rate of renewable energy was 3.94%.	None														
(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 progressively systematized the collection and calculation of greenhouse gas emissions, water consumption, and total waste weight, using this data to develop energy-saving, water reduction, and waste management measures. Beginning in 2021, CHC has expanded the scope of its greenhouse gas emissions inventory and verification in phases, in accordance with ISO 14064-1, while optimizing related mechanisms. As of the date of this annual report's publication, CHC has completed the greenhouse gas inventory for the consolidated financial reporting companies for the year 2025 and is currently undergoing third-party verification. The verification results will be updated on CHC's website and in the Sustainability Report. Approximately 92.8% of the greenhouse gas emissions data for the consolidated financial reporting companies in 2024 have obtained third-party verification statements. Summaries of environmental information for the past two years are provided below. For detailed descriptions of environmental management measures and performance, please refer to CHC's Sustainability Report.  <table border="1"> <thead> <tr> <th>GHG Emissions (tCO<sub>2</sub>e)</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>10,685.41</td> <td>11,944.47</td> </tr> <tr> <td>Scope 2</td> <td>58,048.12</td> <td>58,636.35</td> </tr> <tr> <td>Scope 3 <sup>Note</sup></td> <td>274,134.66</td> <td>548,521.89</td> </tr> <tr> <td>Emissions per NT\$ Million of Revenue (Total Scope 1 and 2)</td> <td>2.24</td> <td>2.05</td> </tr> </tbody> </table>		GHG Emissions (tCO <sub>2</sub> e)	2024	2025	Scope 1	10,685.41	11,944.47	Scope 2	58,048.12	58,636.35	Scope 3 <sup>Note</sup>	274,134.66	548,521.89	Emissions per NT\$ Million of Revenue (Total Scope 1 and 2)	2.24
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<p>Note: To align with the Group's greenhouse gas inventory standards and the GHG Protocol framework, the scope and comprehensiveness of Scope 3 subcategory inventories have been expanded.</p>																		

Promotion tasks	Implementation Status			Non-implementation Summary and Its Reason(s)																		
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(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 Group's total Scope 1 and Scope 2 greenhouse gas emissions primarily originate from electricity consumption in water treatment processes. Therefore, CHC sets electricity consumption per ton of wastewater treated and reclaimed water supplied as key metrics for quantification and management. Through energy-saving measures such as optimizing high-energy-consuming equipment, implementing intelligent energy management systems, and refining operational procedures, CHC has improved water resource treatment efficiency. In 2025, electricity consumption for wastewater treatment was 0.35 kWh per ton, outperforming the target by 17%; electricity consumption for reclaimed water supply was 1.28 kWh per ton, outperforming the target by 6%.</p> <table border="1"> <thead> <tr> <th>Water Resources (M<sup>3</sup>)</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Water consumption</td> <td>346,968</td> <td>386,960</td> </tr> <tr> <td>Water Consumption per NT\$ Million of Revenue</td> <td>11.30</td> <td>11.26</td> </tr> </tbody> </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. The water reclamation rate for 2025 has risen to 60%, surpassing the target completion rate by 104%.</p> <table border="1"> <thead> <tr> <th>Waste (ton)</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Total weight of waste produced</td> <td>41,484</td> <td>37,820</td> </tr> <tr> <td>Weight of Waste Generated per NT\$ Million of Revenue</td> <td>1.35</td> <td>1.10</td> </tr> </tbody> </table> <p>CHC Group is a non-manufacturing entity. The types of waste generated from operating activities are primarily classified as office waste and industrial waste, including construction waste, sludge from wastewater treatment processes, and waste acidic liquids. CHC continues to leverage technology to develop low-consumption, high resource-efficiency operational models, aiming to reduce resource usage at the source and to implement waste classification, reuse, and recycling measures. In the year 2025, sludge reduction reached 5,225 tons, achieving 111% of the target.</p>	Water Resources (M <sup>3</sup> )	2024	2025	Water consumption	346,968	386,960	Water Consumption per NT\$ Million of Revenue	11.30	11.26	Waste (ton)	2024	2025	Total weight of waste produced	41,484	37,820	Weight of Waste Generated per NT\$ Million of Revenue	1.35	1.10	None
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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 aligns with the principles of internationally recognized human rights standards. By referencing internationally recognized human rights standards, including the UN Universal Declaration of Human Rights, the UN Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, CHC has established a Group Human Rights Statement applicable to CHC and all Group affiliates. CHC's Human Rights Policy covers the protection of fundamental human rights, compliance with labor laws to ensure physical health and safety, and a commitment to fostering a diverse, inclusive, and equitable work environment. The policy strictly prohibits discrimination based on gender, sexual orientation, religion, nationality, or physical and mental disabilities, with particular emphasis on respecting and safeguarding the equal rights of migrant workers. The Board of Directors, as CHC's highest governance body, is responsible for overseeing operations and risk management. In terms of human rights management, the Human Resources Department is dedicated to implementation and regularly evaluates the management system and its effectiveness to ensure the policy is integrated into daily operations and that employees' fundamental human rights are protected.</p>	None																		

Promotion tasks	Implementation Status			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>Since 2020, CHC has established and implemented a "Human Rights Due Diligence Process," centered on the annual Employee Engagement Survey as the core system. This process creates a standardized management cycle encompassing survey initiation, data collection, analysis, improvement plan formulation, and regular follow-up. In August 2025, CHC launched the annual survey covering 11 key indicators across all full-time employees, including health and safety, DEI, work-life balance, and ESG, achieving an overall response rate of 86%. To enhance the accuracy of risk identification, CHC introduced an AI-based qualitative sentiment analysis tool to process employee feedback, precisely identifying high-priority improvement issues and ensuring the continuous enhancement of human rights protection.</p> <p>The 2025 survey results indicate that overall employee engagement reached 83%, an increase of 3% compared to the previous year. Employees demonstrated strong approval of "Health and Safety" and "Occupational Safety Culture." In response to areas for improvement identified in the survey, CHC has implemented the following human rights risk mitigation measures:</p> <ol style="list-style-type: none"> <li>1. Equal Opportunity and Dialogue: CHC implements labor-management meetings and multiple grievance channels to ensure employees have equal opportunities and the right to voice their concerns;</li> <li>2. Zero Tolerance Policy: CHC is committed to fostering a diverse and inclusive work environment and has established the "Guidelines for Sexual Harassment Prevention, Complaint, Grievance, and Punishment," which clearly define the procedures for investigation and handling, thereby eliminating all forms of discrimination and harassment;</li> <li>3. Protection of Migrant Workers' Rights: CHC provides an environment that respects the religious beliefs and cultural customs of international migrant workers, and strictly selects employment agencies that implement fair treatment of migrant workers.</li> </ol> <p>To deepen all employees' understanding of human rights-related issues, CHC regularly conducts human rights education and awareness programs covering topics such as sexual harassment prevention, workplace bias, labor laws, and intergenerational communication. In 2025, a total of 2,938 participants attended the human rights training courses, representing a 21% increase over the previous year, with a total of 2,233 training hours completed.</p> <p>In addition, the Group introduced a self-produced short video education program to enhance supervisors' awareness of preventing unlawful workplace infringement and ensuring legal compliance. In 2025, a total of 1,500 participants accumulated 290.37 hours of viewing time, effectively leveraging digital technology to improve the effectiveness of the campaign.</p>	None
<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>(II) CHC's Articles of Incorporation explicitly establish a profit-sharing system. In profitable years, 0.5% of the annual profit is allocated for employee remuneration (after offsetting any accumulated losses), with 0.1% of the profit reserved for priority distribution to frontline employees, ensuring that business results are tangibly shared with staff. In 2025, the Board of Directors resolved to allocate 0.5% of the 2024 annual profit as employee remuneration. Additionally, CHC has established reasonable employee welfare measures, with compensation, benefit plans, and leave policies that comply with regulatory requirements while maintaining market competitiveness. By closely linking individual and organizational goals, the Company continues to integrate business performance with employee remuneration and bonus policy, through performance appraisals and annual bonus regulations. Annual salary adjustment evaluations are also conducted each year. In 2025, CHC completed the distribution of 2024 performance bonuses and the 2025 salary adjustment review on schedule, ensuring that compensation remains competitive in the market and equitable internally. For more details, please refer to pages 57~58, 75~77.</p>	

Promotion tasks	Implementation Status			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	
<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>CHC legally safeguards employees' retirement benefits. For those covered under the new labor retirement system, the company contributes 6% of monthly salary to individual accounts. For those under the old system, CHC allocates 2% of total salary to a retirement reserve account, which is overseen by CHC's Supervisory Committee of Labor Retirement Reserve to ensure stable post-retirement living for employees. Regarding employee welfare, in addition to statutory leave, labor insurance, health insurance, and retirement fund contributions, CHC offers flexible working hours. The operations department implements work schedules that are more favorable than industry standards. Furthermore, CHC provides diverse group insurance options, health examination programs, and subsidies for social club activities, allowing employees to choose according to their individual needs.</p> <p>The Group places great importance on workplace diversity and equality. In 2025, female employees accounted for 21% of the workforce, while women held 14% of management positions. CHC adheres to the principle of equal pay for equal work; salary payments do not vary based on gender and are determined according to job requirements, individual capabilities, and performance. For details on employee retirement system and benefits, please refer to pages 75~77</p> <p>(III) The Group has established an Occupational Safety and Health Committee to regularly review safety and health management matters and strengthens risk control through the OHS Management System. Group member companies CEC and HDEC have both obtained ISO/CNS 45001 occupational health and safety management system certification. The certificates are valid from June 2, 2024, to June 1, 2027, and from July 5, 2023, to July 4, 2026, respectively, ensuring that the operating environments comply with international safety standards.</p> <p>Regarding workplace safety, CHC has implemented multiple safety management measures, including site safety and health audits, publication of occupational injury prevention reports, pre-shift safety education and promotion, site inspections, and high-risk operation reporting, all aimed at ensuring employee safety in the workplace. To help operational staff understand the nature of their work, potential hazards in the environment, and preventive measures, CHC regularly conducts occupational safety training sessions. In 2025, a total of 439 sessions were held, with 8,699 participants. In terms of health care, CHC not only arranges regular employee health examinations, health report consultations, and health seminars, but also launched a series of initiatives to promote employees' physical and mental well-being. These include the Employee Recognition and Encouragement Program, Work-Life Coach Services, and physical and mental health courses and campaigns. In 2025, attendance at mental and physical health seminars exceeded 700 participants.</p> <p>The primary types of occupational injuries occurring within the industries in which the Group operates are falls (including rolling falls), falling objects, and collapses. In the year 2025, CHC achieved outstanding performance by attaining "zero employee occupational injuries" and "zero fire incidents." For any potential incidents, the Group has established the "Emergency Management Guideline" and "Disaster Incident Contingency Principles." Additionally, through the development and application of safety and health technology management equipment, CHC effectively implements improvement on flaws and risk prevention measures.</p>	None

Promotion tasks	Implementation Status			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?			To uphold the spirit of gender equality in the workplace and ensure a harassment-free environment for employees, job seekers, and visitors, CHC has revised its " Guideline for Sexual Harassment Prevention, Complaint Grievance and Punishment" Appropriate preventive, corrective, and disciplinary measures have been implemented to safeguard the rights and privacy of all parties involved. Furthermore, in promoting zero tolerance for workplace violence, all Group companies have publicly disclosed the "Written Statement on the Prevention of Unlawful abuse in Business Operations," which details reporting channels and procedures. In 2025, the Group produced short internal videos featuring employees to strengthen management's adherence to workplace violence prevention, sexual harassment prevention, and labor law compliance. These initiatives reached 1,500 participants with a cumulative total of 290.37 viewing hours.	None
(IV) Has the Company established effective career development training programs for employees?	✓		(IV) CHC places great importance on the development of employees' skills and potential. Through education and various training programs, CHC enhances the knowledge required for business execution. In 2025, the Group invested a total of NT\$12,190,273 in internal and external training courses, representing a 65% increase compared to the previous year. The total training hours for all employees amounted to 43,767 hours, a 42% increase from the prior year. CHC conducts an annual talent review to identify key internal positions, essential competencies, and personality traits in accordance with the Group's future development strategy. This process aims to identify potential internal and external successors to ensure the sustainable operation of the organization. CHC provides mandatory courses, external training and certification programs, as well as various professional and leadership management courses tailored to the requirements of each position, competency, and employee. These initiatives strengthen talent development and support the implementation of employees' career development plans. Talent development initiatives for 2025 include: <ul style="list-style-type: none"> <li>• Digital Empowerment Course: In 2025, the AI Empowerment Series consisted of 2 sessions, with a total of 199 training participants.</li> <li>• Potential Successor Program: For high-potential and high-performing talents, CHC implements systematic training to complete individual development plan setting. By 2025, all participants have completed the phased training according to the plan, with rolling revisions to ensure precise and effective talent development.</li> <li>• Young Engineers Conference: CHC provides employees with a cross-departmental platform to enhance professional skills, share knowledge, and express ideas. The conference is formed voluntarily by CHC's young engineers. Through the planning, execution, and participation in annual events, distinguished senior experts from various engineering fields are invited to teach courses and share their experience. This enables employees to quickly integrate into their work, learn effectively, and create value. In 2025, the conference had 40 active members who participated in cross-disciplinary technical exchanges, site visits, seminars, and one-day engineer experience programs. For details on employee career development, please refer to pages 75~79.</li> </ul>	
(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?			(V) The Company is committed to ensuring customer health and safety and safeguarding consumer rights. The specific management policies for protecting customer interests include: <ol style="list-style-type: none"> <li>1. Product and Service Health and Safety: Upholding the commitment to an excellence-driven quality policy, the Company fully incorporates Green Building and Smart Building design standards into its projects to ensure that products and services meet customers' high expectations for health, safety, and sustainability.</li> </ol>	

Promotion tasks	Implementation Status			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	
(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>2. Marketing and Labeling: The Company strictly adheres to the principle of integrity in marketing. All promotional materials, sales tools, and contracts undergo cross-departmental dual review and on-site verification to ensure all information is accurate and truthful. Concurrently, the Company actively promotes the digitalization of product information labeling to safeguard consumers' "right to know."</p> <p>3. Customer Privacy Protection: The Company has established the rigorous "Personal Data Protection Principles" and implemented the ISO 27001 Information Security Management System. From supplier management to internal employee training, the Company strictly controls the processes of personal data collection and utilization to safeguard customer privacy and security with the highest standards.</p> <p>CHC has established a comprehensive customer rights protection policy and grievance procedure. The after-sales service department is responsible for handling customer grievances and repair requests, and proactively conducts satisfaction surveys before, during, and after the sales process. CHC provides multiple channels for customer grievances, including an official website contact form, customer service hotline, and community service app, continuously ensuring the smooth operation of these channels and managing response time effectively. Upon receiving a customer grievance case, an investigation and resolution procedure is initiated, with regular follow-up on the case progress until closure. CHC is committed to proper handling to protect personal data. In 2025, there were no complaints or penalties related to violations of customer health and safety, customer privacy, or marketing and labeling.</p>	None
(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?			<p>(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.</p> <p>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.</p>	
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 has prepared the 2025 Sustainability Report in accordance with the GRI Standards, SASB industry guidelines, and TCFD disclosure recommendations. This report has not obtained assurance or verification from any third-party verification body.	CHC will obtain the relevant third-party assurance where necessary.
<p>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.</p>				

Promotion tasks	Implementation Status			Non-implementation Summary and Its Reason(s)
	Yes	No	Summary	

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 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	<ul style="list-style-type: none"> <li>Increase in operating costs</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Value engineering</li> </ul>
	Increase in costs arising from GHG emissions	<ul style="list-style-type: none"> <li>Increase in operating expenses</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Value engineering</li> <li>Workforce evolution</li> </ul>
	Costs and expenses arising from transition to low-carbon technologies	<ul style="list-style-type: none"> <li>Increase in capital expenditures</li> </ul>	<ul style="list-style-type: none"> <li>Continue to develop products and service solutions in compliance with the principles of circular economy</li> <li>Carry out R&amp;D of innovative technologies and construction methods</li> <li>Strengthen industry-government-academia collaboration to share technology, knowledge, and best practices</li> </ul>	<ul style="list-style-type: none"> <li>Increased use of reclaimed water and renewable energy</li> <li>Development of new sustainable services and products</li> </ul>
	Enhancement of GHG emission reporting obligations	<ul style="list-style-type: none"> <li>Increase in operating expenses</li> </ul>	<ul style="list-style-type: none"> <li>Continue to carry out GHG inventories according to ISO 14064-1 and regularly disclose information on greenhouse gas emissions</li> </ul>	<ul style="list-style-type: none"> <li>Increase in positive feedback and recognition from stakeholders</li> <li>Enhance monitoring of climate and energy risks and strengthen operational resilience</li> </ul>
	Concerns or negative feedback from stakeholders	<ul style="list-style-type: none"> <li>Decrease in operating revenue</li> <li>Increase in costs of capital</li> </ul>	<ul style="list-style-type: none"> <li>Continue to integrate ESG issues into decision-making processes and business models to create sustainable value</li> <li>Regularly disclose ESG management efforts and results, as well as reinforce communication and interaction with stakeholders on an ongoing basis</li> </ul>	<ul style="list-style-type: none"> <li>Increase brand value and enhance company reputation</li> <li>Increase positive feedback and recognition from stakeholders</li> <li>Expansion of corporate influence</li> </ul>
Physical Risks	Rising average temperatures	<ul style="list-style-type: none"> <li>Decrease in operating revenue</li> <li>Increase in operating costs</li> <li>Increase in operating expenses</li> </ul>	<ul style="list-style-type: none"> <li>Continue to improve and implement heat hazard prevention measures and equipment investment, as well as enhance heat hazard awareness and response training among employees</li> <li>Step up assessments of climate trends in CHC's operating locations and refine resource allocation and response planning</li> <li>Bolster research on emerging building materials, as well as enhance performance verification and assessment</li> </ul>	<ul style="list-style-type: none"> <li>Design and construction of green buildings</li> <li>Construction of resilient infrastructure</li> <li>Increase use of reclaimed water and renewable energy</li> </ul>

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

**1. Implementation of Climate-Related Information**

Item	Implementation status
<p>I. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</p>	<p>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.</p>
<p>II. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>II. CHC Group's business, strategy, and finances are significantly impacted by climate risks in the short term (within 5 years) and medium term (5-10 years). Material climate risks identified by CHC Group include increased costs of raw materials and greenhouse gas emissions, enhanced GHG reporting obligations, expenditure on low-carbon technology transition, 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, the group 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, enhanced operational resilience, and rising demand for green buildings, resilient infrastructure, and recycled water will mitigate the cost increases and contribute to operating revenue. 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 and implementing heat hazard prevention and equipment investment, and also regularly disclosing ESG management practices and results in order to strengthen communication and engagement with stakeholders.</p>
<p>III. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>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 2025. 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.</p>
<p>IV. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<p>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.</p>

Item	Implementation status
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>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.</p>
<p>VII. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>	<p>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, enhancing carbon reduction efficiency and providing a benchmark for evaluating carbon reduction-related expenses.</p>
<p>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.</p>	<p>VIII. Currently, CHC Group is not utilizing carbon offsets or renewable energy certificates to achieve its carbon reduction goals. Instead, it focuses on climate risk management solutions and GHG reduction targets established by each business unit according to its industry characteristics. Specific measures include the exploration and validation of carbon reduction solutions, participation in renewable energy source projects, enhancement of energy management efficiency, and conversion to low-carbon fuel sources. These actions encompass office buildings, business locations, as well as product design and service provision, with a priority emphasis on purchased electricity emissions (Scope 2), such as wastewater treatment electricity consumption, reclaimed water supply electricity consumption, energy use intensity (EUI), and Taiwan Building Energy-Efficiency Rating as energy management indicators. CHC Group shall continue to monitor and make iterative adjustments for improvement. CHC Group is actively promoting the establishment and use of renewable energy, with a renewable energy usage rate of 3.94% for the year 2025 and a reduction of approximately 975 metric tons of CO<sub>2</sub>e. For details regarding climate-related targets and progress, please refer to the Company's website and Sustainability Report.</p>
<p>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).</p>	<p>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.</p>

## 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 CO<sub>2</sub>e), intensity (metric tons CO<sub>2</sub>e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

- The standalone parent company shall commence its inventory assessment in 2025.
- CHC's consolidated subsidiaries shall commence GHG inventory in 2026.  
CHC conducts greenhouse gas (GHG) inventories in accordance with ISO 14064-1, using the operational control approach to define the inventory boundary. The scope of data for the 2024 and 2025 inventories covers companies included in the consolidated financial statements. In 2024, the total GHG emissions for Scope 1 (direct emissions) and Scope 2 (energy indirect emissions) amounted to 68,733.53 metric tons of CO<sub>2</sub>e, with emissions of 2.24 metric tons of CO<sub>2</sub>e per million in revenue (calculated as the sum of Scope 1 and Scope 2). For 2025, the combined Scope 1 and Scope 2 emissions totaled 70,580.82 metric tons of CO<sub>2</sub>e, with emissions of 2.05 metric tons of CO<sub>2</sub>e per million in revenue.

Greenhouse Gas Emissions (tCO <sub>2</sub> e)	2024	2025
Scope 1	10,685.41	11,944.47
Scope 2	58,048.12	58,636.35
Subtotal of Scopes 1 and 2	68,733.53	70,580.82
Intensity <sup>Note 1</sup> (tCO <sub>2</sub> e/NT\$ million)	2.24	2.05
Scope 3 <sup>Note 2</sup>	274,134.66	548,521.89
Total	342,868.19	619,102.71

Note 1: The greenhouse gas intensity for years 2024 and 2025 is calculated using the consolidated revenue of NT\$30,701 million and NT\$34,378 million, respectively.

Note 2: To align with the Group's greenhouse gas inventory standards and the GHG Protocol framework, the scope and comprehensiveness of Scope 3 subcategory inventories have been expanded.

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.

- Assurance of the standalone parent company shall commence in 2027.
- Assurance of consolidated subsidiaries shall commence in 2028.  
The 2024 greenhouse gas emissions have been verified and certified by the authorized inspection body, Bureau Veritas Certification (BV), in accordance with the ISO 14064-3 standard. The assurance scope covers CHC (standalone), CCLC (standalone), CEC (standalone), CDC (standalone), and HDEC Corp (consolidated). Using Scope 1 and Scope 2 calculations, the assured data represent 92.8% of the total emissions reported in the consolidated financial statements. The assurance level for Scope 1 and Scope 2 is reasonable assurance, while the assurance level for Scope 3 is limited assurance. For 2025, the assurance scope will expand to include foreign subsidiaries, covering up to 99.9% of the total emissions reported in the consolidated financial statements. Bureau Veritas Certification (BV) is currently conducting third-party verification under the ISO 14064-3 standard. Complete verification information will be disclosed in the ESG 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 has designated the year 2025 as the base year for greenhouse gas reduction. The reduction targets apply to all companies included in the consolidated financial statements. Considering the diverse industry characteristics, carbon reduction potential, and resource allocation efficiency, intensity-based reduction targets have been established for the investment holding, construction engineering, real estate development, and environmental project development & water treatment segments, respectively. The scope of the reduction targets covers the group's own operations, specifically Scope 1 and Scope 2 emissions. For 2026, the intensity reduction targets compared to the base year are 1% for the investment holding, construction engineering, real estate development segments, and 0.5% for the environmental project development & water treatment segments. By 2030, these targets increase to 5%, 5%, 5%, and 2.5%, respectively, relative to the base year intensity.

The Group's greenhouse gas reduction strategy focuses on improving energy efficiency, transitioning to low-carbon fuels, and implementing management mechanisms, supplemented by the development and use of renewable energy. Each business unit has established intensity reduction action plans to continuously advance reduction measures and achieve year-over-year improvements. The specific actions taken to reduce greenhouse gas emissions are summarized as follows:

- Improving Energy Efficiency: Upgrading and purchasing energy-efficient certified equipment for operation, such as air conditioners and refrigerators;
- Transition to Low-Carbon Fuels: CHC will gradually convert the energy sources used by construction machinery and equipment to low-carbon fuels or electrification.
- Implementation of Management Mechanisms: Established an electricity-saving management system, optimized operational control modes, and verified energy-saving performance;
- Renewable Energy Installation and Utilization: CHC evaluates its operational sites to develop and install renewable energy equipment, prioritizing self-generation and self-consumption. Additionally, CHC incrementally increases the proportion of green electricity procurement each year to achieve the annual green energy usage targets.

In fiscal year 2025, the group's quantifiable reduction of greenhouse gas emissions amounted to 1,361.41 metric tons CO<sub>2</sub>e, representing a 22.06% increase over the previous year's 1,115.36 metric tons CO<sub>2</sub>e.

**(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 approved 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.</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. Implementation of ethical corporate management</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 Ethics and Business Conduct by the dealing parties, suppliers of the Group are required to sign a statement of ethics and business conduct and complete a questionnaire survey on ethical business compliance and conflict of interest. The terms of ethical business are incorporated into the relevant contract template. Additionally, in the Company's procurement policies, the commitment to ethical corporate management is included as one of the evaluation criteria for supplier management and assessment.</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 management 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 management at the 9th meeting of the 6th term of the Board of Directors on November 7, 2025. Focused work areas of the dedicated unit in 2025:</p> <ul style="list-style-type: none"> <li>- Conduct training sessions on ethics and business conduct for the Group</li> <li>- Uphold the Company's commitment to ethical conduct and integrity</li> <li>- Investigate whistleblowing reports related to ethics and business conduct</li> </ul>	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 Ethics and Business Conduct. 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 2025. Employees who are involved in any situation with an actual or potential conflict of interest shall proactively report 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 125 employees signed the statement (signing ratio of 100%). Continental Engineering Corporation: A total of 1,323 employees signed the statement (signing ratio of 100%). Continental Development Corporation: A total of 138 employees signed the statement (signing ratio of 100%). HDEC Corporation: A total of 520 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 2025, the unit provided "Ethical Conduct, Integrity, and Corporate Anti-Corruption Case Advocacy" training courses for employees of the Group in Taiwan, and these courses were divided into in-person and online courses; 173 employees participated in the in-person course, and 1,906 participated in the online course, with a total participation rate of 100%.	
III. Implementaion of the Company's whistle-blowing system			Based on the Code of Ethics and Business Conduct and Group Guidelines for Handling Whistleblowing Cases, the Company has established the following whistleblowing 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 member of the 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	
<p>(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?</p> <p>(III) Has the Company taken measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing?</p>	✓		<p>(II) The procedures for handling whistleblowing cases have been clearly defined in the aforementioned provisions. In principle, cases should be filed under real names, however, anonymous reports may be accepted 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.</p> <p>(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.</p> <p>In 2025, two reports were received alleging matters related to ethics and business conduct. Following investigation in accordance with the Code of Ethics and Business Conduct and relevant guidelines, both reports were found to be unsubstantiated.</p>	None
<p>IV. Enhancement of information disclosure</p> <p>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?</p>	✓		<p>The Company has disclosed 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.</p>	None
<p>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.</p> <p>The Company has established the "Code of Ethics and Business Conduct" and all business operations are conducted accordingly without any differences.</p>				
<p>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)</p> <p>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.</p>				

**(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 " sections.

**(X) Internal Control System Execution Status**

1. Statement of Internal Control System

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

March 10, 2026

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 2025:

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, 2025, 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 10, 2026, 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 2025**

The Company's 2025 Annual Shareholders' Meeting was held at B2, No.108, Sec. 1, Dunhua S. Rd., Taipei City (Fubon International Conference Center) on June 17, 2025. The important resolutions made at this meeting and their implementation status are as follows:

**1. Approval Items**

**(1) Approval of 2024 Business Report and Financial Statements**

Voting results: 531,139,981 votes in favor of this proposal, 244,016 votes against this proposal, and 14,231,300 votes abstained/unvoted. The number of votes in favor of this proposal accounted for 97.35% of the total number of voting rights of the attending shareholders.

Implementation status: Resolution passed.

**(2) Approval of the proposal for appropriation of 2024 earnings**

Voting results: 531,140,180 votes in favor of this proposal, 301,147 votes against this proposal, and 14,173,970 votes abstained/unvoted. The number of votes in favor of this proposal accounted for 97.35% of the total number of voting rights of the attending shareholders.

Implementation status: Resolution passed. The date of July 26, 2025 was determined as the ex-dividend date, and cash dividends were paid on August 15, 2025.

**2. Discussion Items**

**(1) Amendments to "Articles of Incorporation"**

Voting results: 531,538,889 votes in favor of this proposal, 158,987 votes against this proposal, and 13,917,421 votes abstained/unvoted. The number of votes in favor of this proposal accounted for 97.42% of the total number of voting rights of the attending shareholders.

Implementation status: Resolution passed, effective immediately.

**(2) To release non-competition restrictions on a member of the Board of Directors**

Voting results: 490,072,015 votes in favor of this proposal, 41,582,303 votes against this proposal, and 13,960,979 votes abstained/unvoted. The number of votes in favor of this proposal accounted for 89.82% 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
2025.3.5	6-6	<ol style="list-style-type: none"> <li>1. 2024 Internal Board Performance Evaluation Results Report</li> <li>2. Disposal of the Land on Linzi Section, Tamsui District by Continental Development Corporation</li> <li>3. Cash Capital Increase of CDC US Corporation Raised by Continental Development Corporation</li> <li>4. Distribution of 2024 Employees' Compensation and Directors' Remuneration</li> <li>5. 2024 Business Report and Financial Statements</li> <li>6. 2024 Earnings Distribution</li> <li>7. 2024 Distribution of Cash Dividends</li> <li>8. Definition of Non-Executive Employees and Remuneration Appropriation</li> <li>9. Amendments to "Articles of Incorporation"</li> <li>10. To Release Non-Competition Restrictions on a Member of the Board of Directors</li> <li>11. Convening the 2025 Regular Shareholders' Meeting of the Company</li> <li>12. Evaluation of the Independence and Adequacy of the Company's CPAs</li> <li>13. Appointment of the Company's 2025 CPAs</li> <li>14. 2024 Statement on the Internal Control System of the Company</li> <li>15. Liability Insurance for Directors and Important Managers of the Company</li> <li>16. Financial Supervisor's 2025 Performance Targets</li> </ol>	Approved by all Directors present

Date	Session	Important Resolutions	Implementation Status
2025.5.9	6-7	<ol style="list-style-type: none"> <li>1. Financial Statements for Q1 2025</li> <li>2. Lending of Funds to Continental Development Corporation</li> <li>3. Commission of an External Organization to Conduct Performance Evaluation of the Board of Directors</li> <li>4. Adjustments to Executives' Compensation in 2025</li> </ol>	Approved by all Directors present
2025.8.8	6-8	<ol style="list-style-type: none"> <li>1. Financial Statements for Q2 2025</li> <li>2. Cash Capital Increase of the Subsidiary Continental Engineering Corporation</li> <li>3. The Company's Subscription to the Cash Capital Increase of its Subsidiary Continental Engineering Corporation</li> <li>4. Bank Facilities for the Company</li> <li>5. The Company's 2024 Sustainability Report</li> <li>6. Amendments to the Audit Plan for 2025</li> <li>7. Amendments to the Company's Level of Authority</li> <li>8. To Release Non-competition Restrictions on the Company's Executive</li> <li>9. Implementation Status of CEO LTIP</li> </ol>	Approved by all Directors present
2025.11.7	6-9	<ol style="list-style-type: none"> <li>1. Financial Reports for Q3 2025</li> <li>2. Lending of Funds to Continental Development Corporation</li> </ol>	Approved by all Directors present
2025.12.12	6-10	<ol style="list-style-type: none"> <li>1. External Board Performance Evaluation Report</li> <li>2. Annual Business Plan for Subsidiary Company-Continental Engineering Corporation</li> <li>3. Annual Business Plan for Subsidiary Company-Continental Development Corporation</li> <li>4. Annual Business Plan for Subsidiary Company-HDEC</li> <li>5. 2026 Annual Budget of the Company</li> <li>6. The Change of Accounting Firm and CPA for 2026</li> <li>7. Bank facility with Mega Bank</li> <li>8. 2026 Audit Plan of the Company</li> <li>9. Personnel Change of the Company's Audit Supervisor</li> <li>10. 2025 Executives' Performance Evaluation</li> <li>11. 2025 Executives' Performance Bonus</li> <li>12. 2026 Executives' Performance Targets</li> </ol>	Approved by all Directors present
2025.12.26	6-11	<ol style="list-style-type: none"> <li>1. Amendment to the Company's Definition of Non-Executive Employees</li> </ol>	Approved by all Directors present
2026.3.10	6-12	<ol style="list-style-type: none"> <li>1. 2025 Internal Board Performance Evaluation Results Report</li> <li>2. Cash Capital Increase of CDC US Corporation Raised by Continental Development Corporation</li> <li>3. Distribution of 2025 Employees' Compensation and Directors' Remuneration</li> <li>4. 2025 Business Report and Financial Statements</li> <li>5. 2025 Earnings Distribution</li> <li>6. 2025 Distribution of Cash Dividends</li> <li>7. Convening the 2025 Regular Shareholders' Meeting of the Company</li> <li>8. Evaluation of the Independence and Adequacy of the Company's CPAs</li> <li>9. 2025 Statement on the Internal Control System of the Company</li> <li>10. Liability Insurance for Directors and Important Managers of the Company</li> <li>11. Audit Supervisor's 2026 Performance Targets</li> </ol>	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 2025 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 Yi-Lien Han	2025.01.01~ 2025.12.31	2,270	260	2,530	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. Information on replacement of CPA

#### (I) About the former CPAs

Replacement Date	Replacement reasons and explanations	Describe if the Company terminated the CPA or if the CPA did not accept the appointment				Other issues (except for unqualified issues) in the audit reports within the last two years	Differences with the company					Other Disclosed Matters (According to Article 10, Paragraph 6, Item 1-4 to Item 1-7 of accounting standards)	
		Termination of appointment		No longer accepted (continued) appointment			Yes				None		Remarks/specify details:
		CPA	The Company	CPA	The Company		Accounting principles or practices	Disclosure of Financial Statements	Audit scope or steps	Others			
Approved by the Board of Directors on December 12, 2025	To meet management needs and enhance corporate governance, the accounting firm and signing accountant were replaced starting the first quarter of 2026.	-	-	-	✓	None					✓	None	None

#### (II) About the succeeding CPAs

Name of CPA firm	Name of CPA	Date of appointment	Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the Company's financial reports that the CPA might issue prior to the engagement.	Succeeding CPA's written opinion of disagreement toward the former CPA
Deloitte & Touche	CPAs Shih-Ran Cheng and Meng-Chieh Chiu	Approved by the Board of Directors on December 12, 2025 to succeed starting first quarter of 2026	None	None

- (III) The former CPAs' response to Article 10, Subparagraph 6, Item 1 and Item 2-3 of the accounting standards: The former CPAs has, in accordance with regulations, replied to the succeeding accountant and the Company that there are no dissents or matters requiring disclosure.

### 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	2025		As of March 29, 2026	
		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	13,000,000	0	0
	Representative: Nita Ing	0	0	0	0
Director	Wei-Dar Development Co., Ltd.	0	13,000,000	0	0
	Representative: Helena Kuo	0	0	0	0
Director	Han-De Construction Co., Ltd.	0	0	0	0
	Representative: John Huang	0	0	0	0
Director	Han-De Construction Co., Ltd.	0	0	0	0
	Representative: Hsiung Chiang	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
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	12,000	0	0	0
Finance Officer	Jill Tung	0	0	0	0
Accounting Officer	Gary Hsieh	0	0	0	0
Secretariat Chief Secretary and Corporate Governance Office	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	13,000,000	0	0
Major Shareholders	Tamerton Group Limited	0	0	0	0
Chief Auditor	Charleen Chang (Resigned 2025.12.31)	0	0	N/A	N/A

Shares Trading or Pledge 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 Mirtion Investment Limited Tamerton Group Limited 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 Mirtion Investment Limited 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. Mirtion Investment Limited 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. Mirtion Investment Limited Tamerton Group Limited Bunker Industry Inc.	Substantive Related Party	
Chairman: Jade Fortune Enterprises Inc.	0	0	0	0	0	0	Substantive Related Party	Substantive Related Party	
Mirtion Investment Limited	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. Mirtion Investment Limited Tamerton Group Limited	Substantive Related Party	
Formosan Rubber Group Inc.	7,317,000	0.89%	0	0	0	0	None	None	
Citibank(Taiwan) is entrusted ETF investment account of core MSCI of ISHARES in emerging market	6,889,600	0.84%	0	0	0	0	None	None	
Chen Chi-Yun	6,513,000	0.79%	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	502,061,987	99.99998%	84	0.00002%	502,062,071	100%
Continental Development Corporation	666,733,726	99.99998%	113	0.00002%	666,733,839	100%
HDEC Corporation	436,899,838	99.99996%	162	0.00004%	436,900,000	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 2026.3.29 (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 Limited		22,984,642	2.79%
Bunker Industry Inc.		12,947,698	1.57%
Formosan Rubber Group Inc.		7,317,000	0.89%
Citibank(Taiwan) is entrusted with the ETF investment account of core MSCI of ISHARES in emerging market		6,889,600	0.84%
Chen Chi-Yuan		6,513,000	0.79%

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 2026

Based on dividend policy, the proposed appropriation of 2025 earnings was approved by the Board of Directors on March 10, 2026. 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 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.

For employee compensation referred to above, an amount equivalent to 0.1% of the profits should be reserved and paid to non-executive employees.

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: 2025 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 2025 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 2025 financial statements was NT\$8,117 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\$6,772 thousand and NT\$0, was distributed in cash in 2024. 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. Status of Corporate Bond Issuance**

(I) Corporate Bonds Issued :

The 1st issuance of secured corporate bonds of the Company of Year 2020 in the total principal amount of NT\$2,000,000,000 matured on January 11, 2026 have been fully repaid in accordance with terms.

(II) Corporate Bonds in Process : None

## **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 Status:**

(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

Hong Juu – Xinyi Residential Building M&E Project

Fubon Yiting Zhongxiao Huaishen Urban Renewal 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)  
Juyuan Top Hills Residential and Commercial Complex Building  
Jean-Taichung Residential Building Project  
Pujen Elite Residential and Commercial Complex Building  
CMP Group Nangang Headquarters Urban Renewal Project  
UID Nangang Station Front Urban Renewal M&E Project  
Hua Hui the Bay Residential Building Project

CDC:

Sensuous Garden-Hotel Residence in Taipei  
Green Utopia- Residential Building Project in Taichung  
Duan Xu- 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  
Heng Mu- Residential Building Project in New Taipei  
Commercial Building Project in Daizhi in Taipei  
Heng Yue- Residential Building Project in Taipei  
Fengxi Section Residential Building Project, Taichung City  
Daan Fuxing Section, Residential Building Project, Taipei City

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  
Power plant and power transmission engineering

**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, Taoyuan City, Hsinchu, Taichung City, Kaohsiung City and other areas.

**HDEC Corporation Business Scope:**

HDEC Corporation is a professional construction enterprise engaged in environmental engineering covering the construction, renovation, and operation of the Water Market, Waste Market (including biomass energy), and Renewable Energy Market. HDEC Corporation mainly engages in water treatment project contracting, operation, and maintenance. Based on its current water business, HDEC Corporation has continually accumulated experience and contracts in the fields of sewage sewer systems, water purification, industrial wastewater, and reclaimed water treatment and operations, developed a diverse range of water services, and developed into the waste treatment market. The company has also participated in the waste treatment market and established a professional waste treatment brand through strategic alliances, and has played a role in the biomass energy public project industry through the utilization of existing anaerobic digestion technology and operational performance, including the treatment of food waste, organic sludge, food, and agricultural waste. In response to net-zero emissions goals and the development of advance renewable energy in recent years, the company has also been continually evaluating business opportunities in the renewable energy market.

**Projects and Services Currently in Progress:**

There are currently 10 projects in progress, including 3 sewer systems (Tamsui, Zhongli, and Puding systems), 5 reclaimed water treatment plants (Fengshan Plant, Linhai Plant, Anping Plant, Ciaotou Plant and Hsinchu Science Park Plant), 1 industrial wastewater plant (Chaiyi) and 1 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

Hsinchu Science Park Reclaimed Water Plant

**Planned New Products and Services:**

HDEC Corporation will develop into the high-end water market, expand the existing operational scale, continue to engage in the waste market (including biomass energy), and evaluate business opportunities in the renewable energy market.

**(II) Industry Overview****Overview of the construction industry****Public Works Market**

With respect to the demand of the public works market, the total budget for major public construction projects and the Forward-looking Infrastructure Development Program reached NT\$ 292.3 billion in 2025, including the official funds of NT\$ 240.5 billion which reached a record high over the past decade. In 2025, early-stage operating funds of public construction projects were mainly allocated to fields such as transportation construction, environmental resource construction, agriculture, watershed management and erosion control, and forward-looking infrastructure, given the government's continuous promotion of infrastructure investments to drive overall economic development. Continental Engineering Corporation (CEC) will continuously focus on the development of core rail transit projects (MRT/railways) and maintain its market share in the MRT shield

tunnel engineering market. In the future, in addition to the continuous prudent selection of projects to improve profitability, we will apply existing core technology and actively explore emerging engineering markets, including cable energy tunnel projects using shield tunneling construction and water storage tunnel projects for flood control in response to climate change. The corporation will also pay continuous attention to new monorail MRT engineering systems development trends and leverage its diversified engineering business structure to reinforce market competitiveness and leadership.

### **Construction Market**

With respect to construction market demand, CEC has continued to deepen its operations in the core high-end residential market. Although the growth of private residential projects slightly slowed in 2024 due to the impact of the seventh wave of credit control measures implemented by the central bank, CEC's overall operation was not significantly impacted, and the number of projects contracted by the company maintained stable growth. In the future, we will adopt steady growth strategies and continue to prudently select cooperative construction projects to strengthen profit margins. CEC will also gradually expand its turnkey projects for hotels, commercial office buildings, and a diverse range of buildings and public buildings to increase business sources.

### **Mechanical and Electrical Engineering**

Through the adoption of an integration strategy for architectural and civil engineering, CEC has gradually established performance and brand recognition in the M&E engineering market. The M&E engineering area of the business will continue to focus on brand establishment and engineering quality, and the company will actively pursue M&E engineering opportunities projects in hotels, malls, commercial office buildings, factories, and etc.

### **Business progress**

In public works, CEC implemented civil engineering projects in 2025, such as government rail transit projects including the Taipei MRT Circular Line and Wanda Line, the Taoyuan MRT Green Line, and the Taoyuan Railway Underground Project.

In private construction projects, CEC acquired new projects with a total contract value of approximately NT\$4.5 billion in 2025, including a residential-commercial building project in Nongang District, Taipei, a residential project in Fengxi Section, Taichung City, a construction project in Fuxing, Daan District, and The BAY Huahui residential building project.

### **Overview of the real estate development industry**

In recent years, Taiwan's real estate market has benefited from factors such as overall economic growth, relatively stable performance in the capital market, and the New Youth Affordable Housing Loan promoted by the government, which temporarily boosted market transactions. However, in September 2024, the central bank implemented the seventh wave of selective credit control measures and strictly controlled banks' real estate loan concentration, leading to a significant contraction of market liquidity and cooling of the transaction volume of the residential market.

Looking back on 2025, Taiwan's real estate market showed a correction trend, mainly due to selective credit control policies, loan restrictions on high-price residential properties, unchanging interest rate levels, and uncertainties in the overall domestic and international economic environments. Changes to economic, trade, and tariff policies following the U.S. presidential election also impacted export-oriented industries and investment confidence, thereby indirectly inhibiting real estate market demand. In accordance with data published by the Ministry of the Interior, the number of residential property sales transactions in Taiwan reached 261,308 units in 2025, down by approximately 25% compared to the previous year, indicating a significant contraction in the transaction volume of the real estate market overall.

In December 2025, the central bank announced an adjustment from "total bank-established quarterly mortgage volume targets" to "self-management by banks and monthly monitoring by the central bank", which indicated that the competent authority not only continuously inhibited speculation and maintained financial stability, but also retained moderate policy flexibility, allowing the real estate market to gradually enter the adjustment stage.

Future real estate market development will still seek a balance among the government's actions to inhibit speculation, support rigid demand for self-occupation, and sustain market momentum.

### **Overview of the Environmental engineering industry**

HDEC Corporation mainly operates business in the Water Market and Waste Market (including biomass energy). The Water Market focuses on reclaimed water and water treatment for high-tech industries, while the main development directions of the waste market include waste incineration plants projects through the promotion of private participation in infrastructure projects, waste treatment centers at science parks, and biomass energy. In the context of the continuous economic growth of Taiwan and substantial increase in demand for plant expansion in the global semiconductor and high-tech industries, the environmental protection industry has become an important focus of government policies and industrial development. The government has been actively promoting the construction of environmental infrastructure such as sewage sewer systems, reclaimed water plants, and biomass energy to bring stable development opportunities to the environmental engineering market based on industrial upgrades and sustainability policy promotion.

The Water Market focuses on reclaimed water and water treatment for high-tech industries. In accordance with the Program Plan for the Promotion of Water Resource Development of the Water Resources Agency, Ministry of Economic Affairs, the government continues to promote a diverse range of water resource development and reclaimed water projects. Multiple reclaimed water plans are expected to be promoted in Taoyuan, Hsinchu, Taichung, and Chiayi between 2026 and 2028. With respect to water treatment for high-tech industries, demand is mainly derived from the National Science and Technology Council, the departments of economic development, and the semiconductor industry. Given the continuous expansion of the Central Taiwan Science Park and Southern Taiwan Science Park, multiple sewage plant and reclaimed water plant construction plans are expected to be promoted in several places, such as Taichung, Chiayi, and Kaohsiung, to satisfy the demand of each park and industrial enterprises for sewage treatment and reclaimed water use.

The Waste Market mainly includes the renewal and replacement of waste incineration plants, waste treatment centers of science parks, and biomass energy. There are currently 29 waste incineration plants in Taiwan, and approximately 80% of them have been in operation for more than 20 years. The Environmental Protection Administration and local governments are gradually preparing budgets for equipment renewal and replacement. From 2025 to 2030, eleven large urban incineration plants are in need of renewal and replacement due to the expiration of contracts, functional improvements, or other requirements, including a renewal project for the Taichung Wenshan Incineration Plant which was promoted under the BOT model at the end of 2025. In the future, the incineration plants in Neihu, Houli, and Penghu will be renewed or replaced under the BOT or ROT models. Additionally, in accordance with the provisions of the Principles for the Installation and Disposal of Waste Treatment Facilities in the Ministry of Environment's Review of Park Development Projects published by the Ministry of Environment at the end of 2023, waste generated by the parks must be disposed of within the parks. Therefore, waste treatment facilities must be included in necessary development plans during new construction and expansion projects of industrial areas and science parks.

With respect to biomass energy, the government provides subsidies to local governments to promote demonstration projects for the collection, treatment, and utilization of livestock manure, with the relevant projects expected to be implemented by 2028. Meanwhile, in coordination with phase 6 of the sewer construction project launched by the National Land Management Agency, the government will construct international energy (resource) sustainable recycling plans and promote a centralized multi-purpose treatment center for livestock manure resource utilization to process livestock manure collectively to improve river water quality.

### (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 2025 amounted NT\$1,248,000

#### **Report on Research Results (Technology Department)**

- 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-top construction method used in architectural structures.
- Research on the construction technique of close-range excavation of shield tunnels.
- Analysis and Research on Building Physical Environments Simulation.
- Research on Planning and Application of BIM in the Prefabrication Construction Methods of M&E Systems.
- Research on the Application of BIM in the Construction Drawings of Retaining and Supporting Systems in Underground Excavation.
- Research on the Driving Rate and Wear Assessment of Tunnel Boring Machines in Hard and Complex Strata.

#### **Research and Development by Subsidiary HDEC Corporation**

- Sludge reduction engineering construction and operational technology.
- Planning and complementation 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.
- Establishment of Sewage/Reclaimed Water Plant Remote Monitoring, Electronic Inspections, Operation Management Information and Automated Management Systems.

### (IV) Long and Short-term Business Development Plans

CHC continually focuses on its investment holding in civil engineering, building construction, property development, environmental engineering and water treatment 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 data centers.

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 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.

### **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\$22.6 billion in engineering projects and approximately NT\$1.6 billion of business opportunities annually over the next five years to continually develop the waste disposal market.

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**

Water business: HDEC Corporation has continuously accumulated experience and achievements in the construction and operation of sewage sewer systems, water purification, sewage and reclaimed water treatment projects and, developed a diverse range of water-related business operations alongside promoting the government's water resources policy. As for large water resources, HDEC Corporation will continue to pay attention to large public construction projects with private participation promoted by the government in the second phase, such as the Chiayi and Northern Kaohsiung Seawater Desalination Plants planned by the Ministry of Economic Affairs.

With respect to high-tech industry water management, the company will continue to develop the best energy consumption and chemical management technologies to produce high-quality reclaimed water. In response to the revisions to the Reclaimed Water Resources Development Act, the company has seized the market opportunities arising from the mandatory use of a certain proportion of reclaimed water in newly established science parks and expanded the business scale. HDEC Corporation will also continue to explore the industrial wastewater treatment market for science parks and industrial parks, and develop Zero Liquid Discharge (ZLD) technology and high-end water treatment technologies for high-tech industries through cooperation with vendors with wastewater treatment experience. The company will pursue renewal and reconstruction of old plants as well, integrated with the development of automatic management, to expand its operational scale.

With respect to waste and resource recycling, the company has formed its recycling incentives and adopted stricter management of fuel quality and emission standards for solid recovered fuel in response to the revisions to the Resource Recycling Promotion Act and the Waste Disposal Act of the Ministry of Environment in 2025. In the future, the company will actively cooperate with partners with incineration plant experiences to jointly participate in tenders that aim to promote private participation in public construction. We will also plan advanced systems in line with international standards to improve power generation efficiency, reduce carbon emissions, and optimize air quality.

While coordinating with the government's promotion of the installation of food waste recycling and treatment facilities in each county and city, and phase six of the sewage sewer construction project, HDEC Corporation will promote the recycling of energy (resources), participate in biomass energy industries, utilize existing anaerobic digestion technology and operational performance, and develop the anaerobic digestion and power generation of food waste, organic sludge and agricultural waste. Furthermore, in response to global net-zero trends and the energy transition demonstration project, the company will actively explore the potential business opportunities in the biomass energy market, prioritize the development of solar photovoltaic power plants, and simultaneously evaluate the integration of energy storage systems to improve its industrial competitiveness.

In response to expected business growth in 2026 and expected operation of water facilities, HDEC Corporation will establish a core service team to effectively establish standard project management procedures, improve manpower mobilization efficiency at early project stages, and ensure the smooth promotion of engineering and operation projects.

## II. Market and Product Sale Overview

### (I) Market Analysis

Continental Holdings Corporation (CHC) primarily focuses on investment holdings.

#### **Market Analysis of Major Subsidiaries**

##### **Market Analysis of Continental Engineering Corporation (CEC)**

To establish a convenient and safe transportation system, the government has continued to respond to public demands and promoted the construction of the MRT network. Multiple civil engineering construction projects have been launched recently for the Taipei MRT, the Taoyuan MRT, the Taichung MRT, and the Kaohsiung MRT, driving demand for MRT-related projects to a record high. Global supply chains have, however, been impacted by the Russia-Ukraine war, resulting in a substantial rise in raw material prices and labor costs. Consequently, most engineering projects could not be smoothly promoted during the tender process because budgets have not been adjusted to reflect market costs. With gradual market adjustments and improvements to the project budget mechanism, this situation is expected to improve over the next few years.

In the field of MRT civil engineering, CEC boasts evident competitive advantages in its long-accumulated engineering experience and technical expertise. The company will continue to participate in engineering tender projects awarded based on the "Most Advantageous Tender" model to maximize profits in the future.

In the construction market, although market conditions have experienced periodic fluctuations due to the government's irregular housing market cooling policies, CEC has maintained its market position supported by its favorable brand image and engineering quality. For some construction projects, owners taking into account product positioning and sales strategies, prefer to entrust CEC as the contractor. As a result, the overall project pipeline and profitability outlook are expected to remain stable.

##### **Market Analysis of Continental Development Corporation (CDC):**

###### **Supply and Demand for Real Estate**

On the supply side, statistics from the Ministry of the Interior showed that the total floor area of real estate projects issued with user permits reached 34.35 million square meters in 2025, up by 1.4% compared to 2024; among them, the floor area of residential projects issued with user permits reached 19.47 million square meters, with an annual growth rate of 0.7%. Overall completed volume continued to grow, primarily driven by commercial offices and plants. The completed volume of residential projects still maintained positive growth,

albeit limited, indicating that the previous peak in residence handovers has slowed and that new market supply pressure slightly eased.

Relevant data indicated that the floor area of real estate projects reached 29.70 million square meters in 2025, down by 9% compared to 2024. The floor area of residential projects reached 16.04 million square meters, down by 7% on a year-on-year basis. These figures show that the volume of overall commenced real estate projects and residential projects is in decline, indicating that the speed of project launch in the market was more conservative compared with the previous year. Due to the impact of rising construction costs and a shortage of workers and materials in the industry, developers have adopted a more prudent approach towards project launch. Future supply momentum is expected to be relatively conservative.

On the demand side, the balance of housing mortgage loans reached NT\$11.58 trillion at the end of 2025, up by only 4% compared to 2024. Growth has slowed, indicating a certain degree of restrictions on housing purchase fund momentum and slowing transaction demand in the housing market due to the central bank's continual implementation of selective credit control policies. On the other hand, statistics from the Directorate-General of Budget, Accounting, and Statistics, Executive Yuan, indicated that the annual growth rate of the housing rent index reached 2.3% in 2025, showcasing the continual rise of residential costs. Furthermore, since the interest rate level throughout the year remained stable, and the central bank has provided several loosened loan policy measures targeting first-time homebuyers (for example, the New Youth Affordable Housing Loan, which were excluded from the quota calculation specified in Article 72-2 of the Banking Act), fundamental self-occupied demand in the residential market has been maintained.

### **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 smart and low-carbon energy-saving office products to create added value.
- Strengthen construction cost control mechanisms, establish key points for cost check controls, prudently evaluate joint procurement projects and mechanisms, and introduce new systems and materials to improve overall profitability and operational benefits.

### **Competitive Niche**

- Utilize building sites in prime locations and capitalize brand image to expand land development.
- With accurate product positioning, combined with the ability to integrate design with international trends.
- Establish customer confidence in the brand with good planning and construction quality.
- Provide sustainable after-sales service with a professional service team
- Maintain sound financial capabilities to ensure capital liquidity for development projects.

### **Construction Business**

#### **Development of individual project**

The company's development scope focuses on the Greater Taipei Region, Taichung, and Hsinchu. In consideration of factors such as regional housing prices, management resources, and brand effect, the company will evaluate the possibility of expanding into the Taoyuan metropolitan area. CDC will continuously sell completed residential projects including "Treasure Garden", "La Bella Vita", "Belle Époque", "Sensuous Garden", and "SERIF" (a residential project in San Francisco), as well as presold residential projects including "Duan Xu", "Green Utopia", "Garden of Happiness", and "The Lantern Bangsar" (a residential project in Kuala Lumpur). Furthermore, the company is expected to launch four presold projects in Fuxing Section, Daan District, Fengxi Section, Nantun District, Daxue Section, Zhubei City, and Xuefu Section, Daan District.

## **Future favorable and unfavorable factors in the real estate market and corresponding measures**

### **Favorable factors**

- Investments in artificial intelligence, high-efficiency computing, and semiconductor-related industries will continue. Enterprises will continuously expand their investments, and foreign investment in Taiwan will increase, driving an increasing demand for commercial real estate, particularly green commercial properties.
- The rise of the rail economy including the MRT, Taiwan Railway, and Taiwan High Speed Rail, and the establishment of science parks will drive demand for upgrades of self-occupied housing.
- In the third quarter of 2025, 77% of residential sales transactions in Taipei City were for residential properties with an area of below 35 pings, reflecting a decrease in household size and continual increase in demand for small residences.
- As of the third quarter of 2025, more than 70% of buildings in Taipei City were over 30 years old, and the incentive measures specified in the Statute for Expediting Reconstruction of Urban Unsafe and Old Buildings are being continuously adopted, increasing demand for the replacement and/or renovation of old houses.
- Continued stable economic growth and the increase of people's income and wealth jointly contribute to the increasing demand for homes.

### **Unfavorable factors**

- Adjustments to economic, trade, and tariff policies after the U.S. presidential election will increase uncertainties in the industry investment and export environment, thereby indirectly affecting the demand for real estate. As a result, consumers' attitude towards home purchasing will become increasingly prudent.
- The seventh wave of credit control measures of the central bank are ongoing with strict control over banks' real estate lending concentration, resulting in tighter funding for developers and greater difficulty for consumers in acquiring loans.
- Increasing raw material prices, labor shortages, and improved compliance requirements related to earthworks will increase construction costs and squeeze developers' profit margins.
- With high housing prices and rising interest rates, consumers' willingness to purchase houses will be affected.

### **Corresponding measures**

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

### **Market analysis of HDEC Corporation**

The water market of HDEC Corporation mainly covers sewage sewer systems, water purification and wastewater treatment, seawater desalination, and reclaimed water treatment works; the most prominent market scale and growth potential is the reclaimed water market.

In accordance with government planning, HDEC Corporation originally planned to complete the construction of 11 reclaimed water plants by 2031. However, with the demand for reclaimed water continuing to increase, the company currently plans to increase the number of reclaimed water plants to 16. Five reclaimed water plants are currently yet to be tendered (including reclaimed water plants in Zhongli, Hsinchu, Fengyuan, Taichung, and Chiayi County) with promising engineering and operation opportunities in the future.

The next wave of water development focuses on high-end water treatment for high-tech industries and operations in science parks. With the continual establishment or expansion of Taiwan's science parks, and in

accordance with the environmental assessment commitment mandates that companies settling in these parks use a certain proportion of reclaimed water, the demand for wastewater treatment of high-tech industries and development of reclaimed water has gradually increased, as had the relevant market scale.

In the field of seawater desalination, the government has initiated feasibility planning for second-stage seawater desalination plants in Chiayi, Tainan (phase II), and North Kaohsiung as of 2025. The subsequent third stage includes the planning and development of seawater desalination plants in Taoyuan and South Kaohsiung. There is still room for growth in seawater desalination engineering and operations markets. HDEC Corporation will continue to actively participate in the development of relevant projects.

In the waste market, many incineration plants have recently reached the end of their operational lifespans and are about to enter commercial operation. Local governments are largely adopting public-private partnership models such as BOT (Build-Operate-Transfer) or ROT (Rehabilitate-Operate-Transfer) for the construction of new plants or the renovation and continued operation of existing ones. Demonstration projects are expected to be completed by 2028, which may be implemented through turnkey or BOT approaches, so future market opportunities are expected to persist.

With respect to renewable energy, in line with the government's policy of promoting the net-zero transition by 2050, the new energy market involving fields such as wind power, solar energy, geothermal energy, and hydrogen energy will be continuously developed in the future. HDEC Corporation has also continued to evaluate business opportunities in the new energy market and expanded new environmental engineering projects to reinforce competitive advantages and long-term, stable growth of operating revenue through a diversified business layout.

#### **Business contracting status**

The core business of HDEC Corporation mainly includes water market, waste market (including biomass energy), and renewable energy market. In water market, HDEC Corporation mainly engages in engineering and operation of sewage sewer systems, reclaimed water treatment plants, industrial wastewater from science parks and industrial parks, and seawater desalination. In the waste market, HDEC Corporation develops general and industrial waste treatment and power generation. In the biomass energy field, HDEC Corporation develops food waste treatment and the conversion of agricultural waste into biomass energy. As for renewable energy, HDEC Corporation develops solar power plants and evaluates prospective renewable energy sources.

The company has accumulated more than 16 years of large sewage sewer systems project operation experience and over five years' experience in the operation and management of reclaimed water programs. The company has also developed complete construction planning, project execution, and operation management capabilities, making it an integrated environmental engineering company with engineering construction, long-term operation capabilities, and competitive advantages, including stable contracting and operational profitability.

#### **Completed works:**

Linkou north district sewage treatment plant turnkey construction project, 23,000 CMD.

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

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

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

Kaohsiung Fengshan sewage recycling project, sewage recycling capability 45,000 CMD.

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

Electrical conductivity treatment facility turnkey 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 reclaimed water BTO  
 Anping reclaimed water plant turnkey project  
 Ciaotou Wastewater Reclamation Plant BTO Project  
 Tainan Chengxi Incinerator BOT project  
 Chiayi Science Park Wastewater Treatment Plant Project New Construction Turnkey Project  
 Chiayi Science Park Phase II Wastewater Treatment Plant New Construction Turnkey Project  
 Hsinchu Science Park Reclamation Plant- Construction and Operation

**(II) Important Uses and Manufacturing Processes of Main Products**

Continental Holdings Corporation focuses on investment holding

**Major subsidiaries**

**The Primary Product and Manufacturing Process of Continental Engineering Corporation**

**Main Products and Applications:**

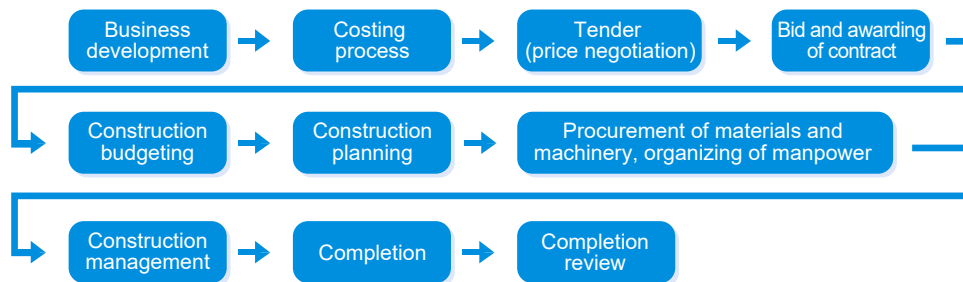
Civil engineering: roads, bridges, tunnels, harbors, MRT projects, oil tankers and liquefied natural gas storage tanks, power plant projects, environmental protection and other civil engineering projects.

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

Mechanical and electrical engineering: 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**

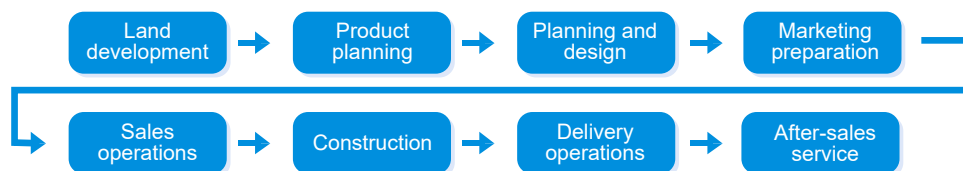


**The Primary Product and Manufacturing Process of Continental Development Corporation**

Main Products and Applications: Development of residential buildings, commercial office and communities.

**Product Production Procedure:**

**Development process:**

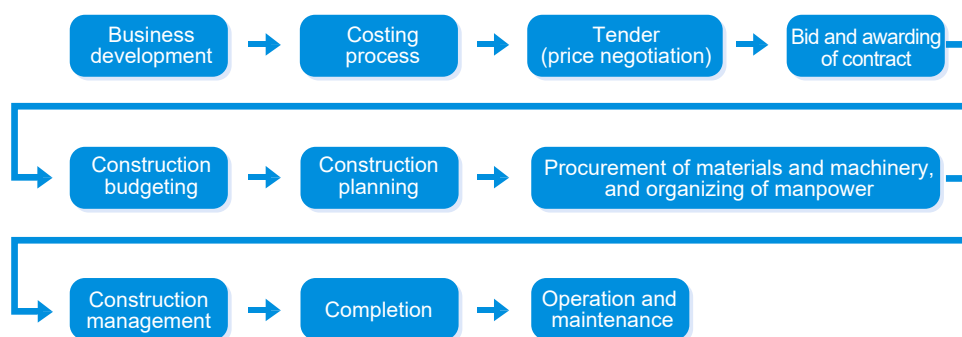


**The Primary Product and Manufacturing of HDEC Corporation**

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 focuses on investment holding

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

In 2025, the demand of the construction market mainly came from public works and construction of technology plants driven by the expansion of AI and semiconductor supply chains. The residential market however, significantly slowed due to the housing loan policy restrictions and developers postponing projects, resulting in the synchronous weakening of steel demand. The supply of the main bulk materials used for construction, such as steel plates and steel bars, remained stable, but their prices were affected by the decline of prices of international materials like iron ore, coal and steel scrap. Material prices generally declined, but the prices of concrete products remained generally unchanged due to the normal supply of cement and aggregates; on the other hand, long-term labor shortages in Taiwan's construction industry have not eased, and labor costs have continued to increase, putting pressure on overall construction costs.

In 2026, the demand for public works and technology plant construction will remain, but the recovery momentum of the residential market will still be relatively limited. Due to the impact of relatively high international raw material prices, the unresolved issue of labor shortages in the construction industry, and the earthwork control policy that may increase uncertainties in engineering costs and construction periods, the cost of construction materials is expected to remain high and volatile.

With respect to steel plate prices, China Steel Corporation maintained its steel plate list price flat at NT\$32,550 per ton in 2025. However, due to the weakened demand of the construction market, the annual growth rate of the steel plate index for construction project prices was -4.28%, showing weaker market prices. In 2026, steel plate prices are expected to gradually increase or remain at a high level due to the gradual recovery of global demand for steel plates and the maintenance of high prices of raw materials like iron ore and coking coal. The market will mainly be supported by a mild recovery in demand as well as cost factors.

For steel bars, the price of SD280 steel bar fluctuated significantly in 2025, with its highest price reaching NT\$18,500 per ton in the first half of the year and the lowest price NT\$16,200 per ton in the second half of the year. The annual growth rate of the steel bar index for construction project prices was -9.37%, reflecting relevant weak overall market demand. In 2026, the steel bar prices are expected to show a mild recovery, supported by the rising costs of steel scrap and steel billets. However, due to the relatively weak demand of the residential market, the extent of recovery of overall steel bar demand will be limited.

In 2025, the prices of ready-mixed concrete remained largely flat. The average construction project price index declined only slightly (-0.06%) throughout the year, showing limited market price changes. In 2026, in consideration of the weak demand of the residential market and stable demand for public works and technology plant construction, the supply of ready-mixed concrete is expected to remain stable with limited extent of price fluctuations, and the overall market will remain stable.

**(IV) Suppliers and Customers accounting for at least 10% of the Company's total procurement (sales) amount in any of the two recent fiscal years, the amount and of procurements (sold to) from each, the percentage of total procurement (sales) accounted for by each, and reason for any increase or decrease.**

Continental Holdings Corporation (CHC) focuses on investment holding

Major subsidiary - Continental Engineering Corporation

Major Customers:

Unit : NT\$ thousands

2024				2025			
Name	Amount	Percentage of annual net sales [ % ]	Relationship with the issuer	Name	Amount	Percentage of annual net share [ % ]	Relationship with the issuer
Department of Rapid Transit Systems, Taipei City Government	3,055,333	14.56	Not related parties	Continental Development Corporation	3,913,847	16.87	Related parties
Continental Development Corporation	3,024,783	14.41	Related parties	Department of Rapid Transit Systems, Taipei City Government	3,468,475	14.95	Not related parties
Department of Rapid Transit Systems, Taoyuan	2,813,315	13.4	Not related parties	CMG INTERNATIONAL ONE CO. LTD	2,764,987	11.92	Not related parties
Others	12,096,458	57.63	-	Others	13,056,350	56.26	-
Net sales	20,989,889	100		Net sales	23,203,659	100	

Reason for increase or decrease: the amount of revenue recognized is based on the progress of projects, therefore, any variation of amount recognized for each client depends on the progress of projects.

Major Suppliers: No suppliers account for more than 10% of total procurement in 2 most recent fiscal years.

Major subsidiary - Continental Development Corporation

Major Customers:

Unit : NT\$ thousands

2024				2025			
Name	Amount	Percentage of annual net sales [ % ]	Relationship with the issuer	Name	Amount	Percentage of annual net sales [ % ]	Relationship with the issuer
Others	3,849,419	100%	-	Others	6,152,488	100%	-
Net sales	3,849,419			Net sales	6,152,488		

Reason for increase or decrease: Revenue recognized depends on progress of land and house sales. As progress of projects and customers vary each year, the amount of revenue recognized as a result differ each year.

Major Suppliers:

Unit : NTD thousands

2024				2025			
Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer
Continental Engineering Corporation	1,522,431	70	Related parties	Continental Engineering Corporation	2,745,149	61	Related parties
Others	637,947	30	-	Others	1,759,936	39	-
Net purchases	2,160,378	100		Net purchases	4,505,085	100	

Reason for increase or decrease: Percentage vary each year due to scale of projects recognized. There is no significant change of major suppliers.

Major subsidiary – HDEC Corporation

Major Customers:

Unit: NT\$ thousands

2024				2025			
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	3,811,114	48.41	Not related parties	Tainan City Government	3,134,902	40.59	Not related parties
Kaohsiung City Government	2,633,164	33.45	Not related parties	Kaohsiung City Government	2,211,997	28.64	Not related parties
Others	1,427,894	18.14	-	Others	2,376,740	30.77	-
Net sales	7,872,172	100		Net sales	7,723,639	100	

Reason for increase or decrease: The changes in sales amounts from major customers were primarily due to two projects with the Tainan City Government and the Kaohsiung City Government reaching their construction completion phase in 2025. Although both projects remained at peak construction stages, contributing 40.59% and 28.64% of total revenue respectively, these figures were slightly lower compared to 2024. Other projects with percentage of net sales less than 10% are not listed.

Major Suppliers: No suppliers account for more than 10% of total procurement in 2 most recent fiscal years.

### III. Employee Information

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

Year	2024	2025	As of 2026.3.29
Number of Employee	2,663	2,862	2,900
Average Age	43.76	44.04	44.14
Average Years of Service	5.18	4.92	5.09
Distribution of Education (%)	PhD	0.3%	0.3%
	Master's	16.1%	16.1%
	Bachelor's	38.4%	38.5%
	College	12.7%	12.0%
	Senior High School and Below	32.4%	33.1%

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 March 29, 2026

Unit : NT\$

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	50	NT\$ 2,130,000	Immediate improvement and maintenance
Using power machinery for construction during prohibited working hours or holidays, causing disturbance and violating the 'Noise Control Act'.	30	NT\$ 138,000	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.	38	NT\$ 228,000	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\$ 2,400	Immediate improvement and maintenance
The sediment-laden water in the construction area was not properly treated and flowed into the side ditches of the roads.	1	NT\$ 67,500	Immediate improvement and maintenance
No proper prevention and control measures were taken during the transportation of building materials, resulting in dust blowing or air pollution.	3	NT\$ 335,000	Immediate improvement and maintenance
<b>Total (As of 2026.3.29)</b>	<b>123</b>	<b>NT\$ 2,900,900</b>	

### (II) Response 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.

## V. Labor Relations

Item	Continental Holdings Corporation
Employee-Employer Relationship	<p>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.</p>
Workplace Diversity and Gender Equality Policies	<p>The Group has long been committed to promoting workplace diversity, equality, and inclusion. By establishing human resources policies, the Group promotes workplace diversity and equal employment and comprehensively implements relevant principles in corporate management systems with the aim of building a friendly and inclusive work environment for all employees and ensuring that they receive fair compensation.</p> <p>With respect to employment commitments, the Group is dedicated to providing equal employment opportunities and strictly prohibits any form of employment discrimination, including different treatment based on gender, race, religious belief, political tendency, age, sexual orientation, marital status, physical or mental disabilities, and any inappropriate restrictions unrelated to professional competence. The Group has established fair, transparent and non-discriminatory talent screening and recruitment processes to ensure that all job applicants and employees have equal opportunities. Strengthening employee diversity is also an important talent development principle adopted by the Group; we respect different cultural backgrounds and customs and continue to safeguard human rights. As of the publication date of the annual report, no incidents in violation of employment rights or human rights have occurred in the Group.</p> <p>In 2025, employees from diverse groups accounted for more than 30% of the Group's total employees, including foreign employees, indigenous people, and those with disabilities. The number of these three types of employees hired increased by 4%, 12%, and 5% respectively compared to the previous year; with emphasis on age and gender equality, the overall age structure of the workforce is well-balanced at present. The number of female employees accounts for 21%, and female supervisors account for 14%, both up by 1% compared to the previous year. The Group will continue to recruit talent from diverse backgrounds and strengthen partnerships with educational institutions and launch internship programs to increase student internship opportunities and enhance the diversity of the talent pool.</p> <p>Group employee compensation is determined based on job requirements, individual capabilities, and performance, and does not differ on the basis of gender. To encourage employees to continually improve their professional performance, the Company has established performance-based bonus guidelines, and award bonuses based on its overall operating results and each employee's annual performance. In 2025, statistics on the basic pay ratio of male and female employees (with females as the baseline) showed that male supervisory employees received approximately 1.05 times the compensation of female supervisory employees, and male non-supervisory employees received approximately 1.04 times the compensation of female non-supervisory employees, respectively; the overall compensation ratios were 1.02 times and 1.06 times, respectively.</p> <p>The Group has had its Diversity &amp; Inclusion (D&amp;I) program in place since 2020 and further included a section on "Equality" since 2022 to implement a people-centric management strategy. While pursuing revenue growth and improved profitability, the Group continues to advance various initiatives for talent sustainability. In 2023, a dedicated Diversity, Equality &amp; Inclusion (DEI) section was established in the Group's online learning platform (iLearn), and a series of courses on psychological safety were launched to promote the concept and spirit of DEI. Employees were encouraged to shift their roles from bystanders to upstanders to establish a workplace culture of mutual trust and respect and build positive partnerships. In 2024, the Group held "DEI Month" and planned a series of interactive activities focusing on the five senses, including daily DEI-themed readings, lectures on unconscious bias, foreign culture week, and DIY poster painting, to improve employees' understanding of and sensitivity to cross-cultural differences and to demonstrate its support for diversity and inclusion. In 2025, the Group further expanded the scope of DEI by extending care to foreign migrant workers and held the first "CHC Group DEI Film Festival". This film festival was held in the Group's headquarters, and the film watching area was moved to the construction site for the first time where the dining space of frontline employees was transformed into a cinema, complete with snacks from migrant workers' home countries. The event epitomized cross-cultural understanding and emotional connection regardless of nationality, and attracted the passionate participation of more than 250 foreign migrant workers, marking a new milestone in the Company's DEI efforts.</p> <p>To ensure gender equality in employment and provide employees, job applicants, and contractors with a safe work environment free from sexual harassment, the Group has established the Guideline for Sexual Harassment Prevention, Complaint Grievance and Punishment, and taken appropriate preventive, corrective, disciplinary, and responsive measures to deal with various incidents properly and safeguard the interests and privacy of parties involved. When the dedicated sexual harassment handling unit of the Group receives a complaint, the sexual harassment complaint handling unit shall conduct an investigation in accordance with the principles of objectivity, fairness, and professionalism, and safeguard the privacy and personal legal rights of the parties involved. The Group duly maintains accessible complaint channels and provides diverse complaint and reporting channels.</p>

Item	Continental Holdings Corporation																		
Compensation	<p>Continental Holdings Corporation provides competitive compensation to attract and retain talent. The Company regularly reviews employees' overall compensation and benefits, and conducts market salary surveys every year as the basis for annual compensation adjustments in response to changes to the external compensation market. To safeguard equal employment rights regardless of gender, compensation provided by the Company to employees at all levels does not vary by gender. Compensation is determined based on job requirements, individual capabilities and performance, thereby upholding the principle of gender equality in the workplace.</p> <p>To encourage employees to continually pursue excellence, grow with the Company, while maintaining a reasonable and fair reward and compensation system, the Company has also established a performance bonus scheme. Performance bonuses are determined and awarded according to the overall operating results of the Company, the achievement rate of goals, the performance of departments, and the annual comprehensive evaluation and review of individual performance. The performance evaluation indicators include individuals' annual work highlights and achievements of their goals. Through the performance calibration procedure, we ensure the consistency of evaluation and review standards, link the evaluation results and compensation system, and award employees who contribute positively to corporate development.</p> <p>In terms of the relationship between gender and salary, the basic salary ratio of men to women in 2025 is detailed below.</p> <table border="1" data-bbox="448 685 1434 891"> <thead> <tr> <th data-bbox="448 685 683 727">2025</th> <th data-bbox="683 685 956 727">Pay Ratio by Gender</th> <th data-bbox="956 685 1185 727">Male (multiple)</th> <th data-bbox="1185 685 1434 727">Females (multiple = 1)</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 727 683 810" rowspan="2">Supervisor</td> <td data-bbox="683 727 956 768">Base Pay Ratio</td> <td data-bbox="956 727 1185 768">1.05</td> <td data-bbox="1185 727 1434 768">1.00</td> </tr> <tr> <td data-bbox="683 768 956 810">Pay Ratio</td> <td data-bbox="956 768 1185 810">1.02</td> <td data-bbox="1185 768 1434 810">1.00</td> </tr> <tr> <td data-bbox="448 810 683 891" rowspan="2">Non-Supervisor</td> <td data-bbox="683 810 956 851">Base Pay Ratio</td> <td data-bbox="956 810 1185 851">1.04</td> <td data-bbox="1185 810 1434 851">1.00</td> </tr> <tr> <td data-bbox="683 851 956 891">Pay Ratio</td> <td data-bbox="956 851 1185 891">1.06</td> <td data-bbox="1185 851 1434 891">1.00</td> </tr> </tbody> </table> <p>Note 1: The statistics exclude working students, migrant workers, chairman of the board, and direct workers.  Note 2: Supervisory positions refers to an officer who is in charge of one or more staff.  Note 3: Non-supervisory employees: Refers to professional, engineering, and general administrative employees who are not defined as supervisory employees.  Note 4: The median is used for comparison to avoid the impact of extreme values.</p>	2025	Pay Ratio by Gender	Male (multiple)	Females (multiple = 1)	Supervisor	Base Pay Ratio	1.05	1.00	Pay Ratio	1.02	1.00	Non-Supervisor	Base Pay Ratio	1.04	1.00	Pay Ratio	1.06	1.00
2025	Pay Ratio by Gender	Male (multiple)	Females (multiple = 1)																
Supervisor	Base Pay Ratio	1.05	1.00																
	Pay Ratio	1.02	1.00																
Non-Supervisor	Base Pay Ratio	1.04	1.00																
	Pay Ratio	1.06	1.00																
Rationalization of Management System	<p>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.</p>																		
Strengthening of Employee Communication Channels	<p>The Company promotes its policies, systems, welfare measures, and activities via its internal website, and has established a discussion forum for employee so that opinions can be fully expressed. The Company provides the following channels for two-way communication with employees:</p> <ul style="list-style-type: none"> <li>· Regularly convene labor-management meetings.</li> <li>· Regularly conduct an annual employee engagement survey, propose improvement action plans, and conduct follow-ups based on survey results.</li> <li>· Hold the Lunch with CEO event by offering employees the opportunity to directly interact and communicate with the CEO of the Group.</li> <li>· Establish an employee feedback platform and idea box on the internal website, including a complaint hotline and email (for reporting cases of sexual harassment, illegal, unethical, and dishonest behavior).</li> <li>· Establish the Occupational Safety Organization and Employee Welfare Committee</li> </ul>																		
Group Insurance and Employee Medical Examination	<p>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, along with medical examination program exceeding legal requirements so employees receive multiple protection.</p>																		
Talent Development and Education Training	<ol style="list-style-type: none"> <li>1. The Group places great importance on talent cultivation, use, and retention, and continually allocates resources to talent development. As well as focusing on developing professional skills and potential of its employees, the Group also provides comprehensive education and training programs for employees at different levels. Training methods include on-the-job training, job rotation, site visits, classroom-based training sessions, seminars, forums, workshops, blended learning, external certifications, and examinations. With respect to learning resources, the Group provides wide ranges of courses covering professional skills and competencies, personal development, and management and leadership skills, and continually optimizes learning channels and resource allocation to promote the development of employees skillsets and attract top talent.</li> <li>2. In response to digital transformation trends, the Group has established diverse internal knowledge transfer methods and channels. In addition to providing online courses, the Group has introduced an online learning platform called iLearn to provide diverse online courses and resources so employees in all locations can partake in training remotely.</li> </ol>																		

Item	Continental Holdings Corporation
Talent Development and Education Training	<p>3. The Group reviews its succession plan every year to maintain oversight on potential candidates for key positions, assist employees in reviewing their career planning, and avoid talent gaps in critical management positions. For potential talent, supervisors use specific assessment methods to assist in establishing personal development plans. They are also provided with diverse development resources such as job rotations, tasks and projects, local and foreign learning resources, English courses, certification courses, and even external coaching. While strengthening potential talent in their professional competences and leadership and management skills, the Group continues to track professional knowledge and the leadership and management skills required of each potential talent.</p> <p>4. With respect to the selection and cultivation of young talent, the Group annually reviews the young potential talent in each of its subsidiaries and provides corresponding development resources to support their growth to lay an important foundation for its sustainable development</p>
A Complete Retirement System	<p>The Group has established a complete pension system, including a defined benefit plan based on the Labor Standards Act and a defined contribution plan according to the Labor Pension Act. For each employee subject to the old pension system under the Labor Standards Act, the Group sets aside 2% of the employee's total monthly salary as a pension reserve and deposits it into a special pension reserve account; for each employee subject to the new pension system, the Group sets aside 6% of the employee's monthly salary and deposits it into each employee's personal pension account. 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 long-term dedication and contribution to the Company.</p> <p>Defined benefit plan:</p> <ul style="list-style-type: none"> <li>- 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 applicable laws to protect workers' rights and interests.</li> </ul> <p>Defined contribution plan:</p> <ul style="list-style-type: none"> <li>- For each employee subject to the new pension system under the Labor Pension Act, the Company sets aside 6% of the employee's monthly salary as a pension reserve and deposits it into each employee's personal pension account. Employees may also deposit into their personal pension accounts an amount that is within the scope of 6% of their salaries.</li> </ul>
Emphasis on Employee Benefits	<p>With respect to employee benefits, in addition to providing leave, labor insurance, health insurance, and setting aside a pension in line with the law, the Group offers the following benefits:</p> <ol style="list-style-type: none"> <li>1. Flexible working hours: The Group provides flexible working hours and a legally mandated leave without pay system (including parental leave without pay) to balance employees' personal needs with work arrangements.</li> <li>2. Condolence subsidies and festival bonuses: To care for employees, the Group provides subsidies for major disasters, condolence funds for hospitalization and funerals, and emergency relief funds. The Group also distributes festival bonuses and electronic gift vouchers during Labor Day, the Mid-Autumn Festival, and the Lunar New Year so employees can use them based on personal needs.</li> <li>3. Living security: The Group provides its employees with flexible group insurance, and employees may select applicable plans for themselves and their dependents based on their needs, with insurance premiums borne by the Company. Insurance coverage includes life insurance, accident insurance, medical insurance, cancer medical insurance, etc.</li> <li>4. Health promotion: The Group regularly arranges health check-ups and holds health lectures for employees, and has established an employee health management platform where information on maternal protection, overwork prevention, and health is provided. As of February 2021, the Group has introduced professional work-life coaching services and hired external consultants to assist employees in dealing with various work and life issues.</li> <li>5. Club activities: The Group has established a diverse range of clubs and encourages employees to engage in health and leisure activities in their spare time to maximize stress relief from work and home life. Clubs including the yoga club, art club, flower arrangement club, mountaineering club, badminton club, and golf club, etc. have been established at the Continental Engineering Corporation Tower on Dunhua South Road. Subsidies for club activities have also been provided as needed at engineering offices in places outside Taipei City and New Taipei City.</li> <li>6. For any employee who requests parental leave without pay and meets the legal requirements, the Company provides parental leave benefits and assistance in accordance with the law, as clearly stipulated in the Group's regulation.</li> </ol>

Item	Continental Holdings Corporation
Emphasis on Employee Benefits	<p>7. Comfortable working environment: The Group is committed to providing employees with a safe and comfortable working environment, featuring facilities including conference center, negotiation areas, tea rooms, locker rooms, shower rooms, and nursing rooms, and provides coffee and tea in the tea rooms for free to enhance employees' daily convenience and comfort.</p>
Employee Incentive Program	<p>The Group has established diverse incentive programs to encourage and recognize employee and team performance.</p> <ul style="list-style-type: none"> <li>• Employee recognition incentive program: encourage performance in line with the Company's Code of Conduct. A story sharing platform has been established internally so that employees may nominate each other and share their excellent achievements on this platform. Through a mechanism of mutual recognition among employees, we aim to promote a friendly and appreciative atmosphere among peers and encourage awareness of positive behavior. The nomination process was digitalized in 2024. Furthermore, based on internal core values, a story database of Continental Holdings Corporation was established in 2025 to publicly share good stories to promote a positive culture across the Group.</li> <li>• CEC Star: Subsidiary Continental Engineering Corporation (CEC) has established three awards according to its sustainable business strategy— performance, workplace health and safety and the mind-body balance, and customer services. Each year, after being selected by the management team, an open recognition event is held. Besides awarding the chosen employees, their outstanding achievements and success stories are shared through interviews or narrative formats.</li> <li>• Seniority service award: The Company has established a seniority service award to publicly acknowledge senior employees every year and express gratitude for their long-term contributions.</li> <li>• CEC Idea Box: CEC has established an Idea Box to encourage employees to put forward creative ideas. Award-winning proposals are not only publicly shared but also serve as the pool from which the Annual Best Idea Award is selected, recognizing innovation and outstanding concepts.</li> </ul>
Employee Engagement Survey	<p>The Group holds employee engagement surveys each year as an important mechanism to inspect employees' participation and organizational management efficiency. The survey covers nine areas: employer brand, leadership index, health and safety, growth and development, customer orientation, quality management, innovation and participation, teamwork, and Group policies (including mind-body balance, diversity, equity and inclusion, environment, social, and governance). The Human Resources Department also inspects employees' suggestions regarding compensation and benefits, and continually evaluates the internal fairness and external competitiveness of compensation based on the existing performance management and promotion system.</p> <ul style="list-style-type: none"> <li>• Survey Frequency: once every year</li> <li>• Survey Unit: Human Resources Department</li> <li>• Survey period: 2025.8.4~8.15</li> <li>• Respondents: All Full-time Employees</li> <li>• Coverage rate: In 2025, a total of 1,962 questionnaires were distributed during the survey period, and 1,680 were collected, with a coverage rate of 86%.</li> <li>• Survey Format: Thirty-seven five-point Likert scale questions and four open-ended questions.</li> <li>• Survey Results: Overall survey results in 2025 showed an improvement compared to those in the previous year. The overall employee engagement reached 83%, presenting an annual growth rate of 3%; the engagement rate of the leadership index reached 85%, with an annual growth rate of 4%. Among them, the "Innovation and Participation" indicator improved most significantly and reached 84%, up by 9% compared to the previous year. According to the qualitative feedback, employees highly recognize the resource allocation of the Group in digital transformation, human resources development, occupational health and safety management, and mind-body balance culture; there are considerable expectations for process and efficiency, mind-body balance, communication, and collaboration, and a sense of psychological safety. Based on quantitative and qualitative analyses, the Group has excels in areas of "Health and Safety" and ESG. By providing diverse activities and employee benefits, the Group has effectively enhanced employees' sense of belonging and demonstrated its strong foundation of organizational culture.</li> <li>• Improvement plan: In response to the key improvement issues identified by survey results, the supervisors of the Group and its member companies have established the following specific improvement measures together with their employees: <ol style="list-style-type: none"> <li>1. Process and efficiency optimization: Promote the standardized and systematic management of operating processes, establish a shared equipment mechanism, and optimize information support processes to reduce the onboard gap of new employees and enhance overall operating efficiency. Introduce self-developed AI tools (e.g., Xiaolu AI) to strengthen information processing efficiency and decision-making support capabilities, and enhance the digital and intelligent level of operating processes. Additionally, introduce regular SOP inspections and a continuous improvement mechanism, and appoint dedicated personnel to engage in cross-departmental integration to improve the consistency and enforceability of processes.</li> </ol> </li> </ul>

Item	Continental Holdings Corporation
Employee Engagement Survey	<p>2. Mind-body balance and improvement of employee benefits: Continue to promote diverse measures for employee benefits, including setting up massage stations and organizing family days and hiking events, etc., to promote employees' physical and mental health and organizational cohesion, while addressing employees' need for a work-life balance.</p> <p>3. Strengthening of cross-departmental cooperation and communication: Establish an institutionalized collaboration mechanism, including the implementation of the division of rights and responsibilities (RACI) and project coordination processes to improve the efficiency of cross-departmental cooperation. Apply a digital collaboration platform to strengthen information transparency and real-time communication capabilities, effectively reduce the information gap, and promote effective cross-departmental cooperation and decision-making efficiency.</p> <p>4. Enhancement of psychological safe and organizational learning culture: Regularly hold internal instructor training and specialized engineering skill training programs, and hold ad-hoc cross-departmental professional knowledge sharing activities to increase the sharing of knowledge across the Company. Establish a communication mechanism between employees and management (e.g., Lunch with CEO and Lunch with VP) to improve employees' sense of security in expressing their views and participation, further fostering a psychologically safe work environment in the Company.</p>

**(I) Losses suffered in the recent year due to labor disputes: None**

**(II) Estimated possible amounts incurred currently or in future:**

1. Not applicable.
2. The Company has a harmonious management-employee relationship with 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) 2025 Personal Data Protection Implementation Status: Key Metrics and Indicators**

1. In 2025, 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 conducted education and training activities on personal data protection, "Ethical Conduct, Integrity, and Corporate Anti-corruption Case Advocacy" an education and training course held by the Group for employees in Taiwan in 2025, the course was divided into in-person and online course; 173 employees participated in the in-person and 1,906 participated in the online, the total training time of 1,299 hours. 100% of employees have participated in this training with a 100% pass rate.
3. In 2025, the Company was not subjected to any incidents in violation of the Personal Data Protection Act, nor did it receive any complaints.

## **VII. Management Plan for Intellectual Property Rights**

The Company has strengthened the legal compliance awareness of its employees and suppliers regarding intellectual property rights based on its existing management structure, and confirmed business needs with relevant departments through inventory-taking and classification of the Group's existing intellectual property rights to integrate the application and maintenance of intellectual property rights with operational goals.

The Company reported the management plan for intellectual property rights at the 9th meeting of the 6th Board of Directors on November 7, 2025.

### **(I) Implementation Status in 2025**

- (1) Continually improving the awareness of suppliers and employees of the protection of intellectual property rights

The Company requires its suppliers to include a corporate management clause in contracts. Suppliers shall not only ensure the confidentiality of confidential information, but also guarantee that their employees and other assisting personnel comply with such obligations. Furthermore, suppliers shall warrant that the products and services provided by them do not infringe upon intellectual property rights.

When joining the Company, employees shall sign a "Letter of Undertaking for Intellectual Property Rights and Confidentiality", which reminds employees not to obtain, use, remake, disclose, or destroy trade secrets beyond the scope necessary for performing their duties, to ensure the confidentiality obligations and that all intellectual property rights created in the process of performing duties belong to the Group.

- (2) Trademark management

Arrangements have been made for trademarks in response to business development and the Legal Affairs Department are in charge of trademark management.

CHC Group has registered a total of 119 valid trademarks in Taiwan, and three trademarks are currently under application. The Group shall regularly evaluate the benefits of registered trademarks to effectively utilize and allocate resources, manage, and control the validity period of the trademarks, and commence trademark renewal assessments prior to expiration dates to properly maintain the rights and interests and control renewal effectiveness and costs.

## VIII. Information security risks

### (I) Information Security Risk Management Framework

The Company implements information security management in accordance with the Group IT Emergency Management Guideline and Group Emergency Management Guideline. The supervisor of the Information Technology Department serves as the convener of the response team responsible for coordinating disaster management and control, damage assessment, unifying notification window, acting as system recovery command, and initiating cross-departmental response mechanism depending on event level, promptly carry out emergency response actions and reporting process.

The Company reported the implementation status of the Group's information security management at the 9th meeting of the 6th Board of Directors on November 7, 2025.

### (II) Information Security Policy

The Company's Information security policy is expressly specified in the Group Information Technology Policy. The Company is required to protect the security of its information resources in response to already identified risks and security requirements. The key points of information security include, but are not limited to:

- Protect information resources from intrusion or attacks by viruses or other malware – all information systems must be monitored for potential security breaches.
- Allow only authorized users to access or use the Company's information resources, and grant relevant use rights of information necessary to perform job duties.
- Maintain the Company's physical environment secure to prevent access of unauthorized personnel to buildings and server rooms.
- Maintain information security incident management plan to facilitate real-time response to, and regular reporting of, information security events.
- Comply with all provisions of competent authorities, corporate policies, and contractual obligations in relation to information security.

### (III) Specific Management Plan for Information Security

The Company does not have information security insurance coverage; however, it minimizes information security risks through the following specific management measures:

#### 1. Planning and Definitions of Information System Permissions:

- The Information Technology Department assists other departments in formulating "job roles" for information system permissions according to the job responsibilities and duties, in order to establish access rights that align with job duties and scope of work.
- The direct supervisors of users shall review the system permission applications of subordinates and confirm the permissions and scope of authorization according to the definitions of "job roles".
- The Information Technology Department may, in accordance with system risk levels, implement stricter access control and management measures against high-risk or privileged accounts to reduce the risk of permission abuse or unauthorized access.

#### 2. Account and password security guideline:

- After obtaining a new system login account and password, an authorized person shall immediately change the default password, and properly keep the account and password without transferring or sharing them.
- Supervisors of divisions, departments, and offices shall properly manage the authorization status of shared accounts, and shall immediately change relevant passwords if authorized personnel or job content change to ensure information security.
- Two-factor authentication methods shall be used for systems that support two-factor authentication to log into such systems to enhance the protection mechanism.
- Users' accounts and permissions shall be checked at least once every year to ensure their suitability.
- For accounts with high privilege or those that are system administration in nature, the Information Technology Department may take management measures such as centralized management, retention of use records, and regular inspections to enhance the controllability and traceability of account use.

### 3. Information system data security management

- The Information Technology Department shall establish the following protection mechanisms and procedures for the input, processing and output of information system data to protect information security of information systems and provide effective rescue measures upon abnormal incident response and system restoration.
- The Information Technology Department shall designate a specific person to serve as the administrator of each information system, who shall be responsible for the operational planning and permission management of information system access. This person shall also serve as the system administrator or the custodian of the accounts and passwords of the database of the system.

### 4. Information system data security mechanisms shall include:

- The Information Technology Department may, in accordance with the operational needs, establish off-site or cloud backup mechanisms as supplementary measures for backup and restoration of key system data to improve overall system resilience.
- The Information Technology Department shall designate dedicated personnel responsible for backup operations, including:
  - Develop backup plans
  - Execute and manage data backup
  - Execute and manage data recovery
  - Conduct annual system restoration drills

### 5. Data Classification

- To ensure the proper processing, use, and retention of company data, such data is classified into four levels, i.e., "Confidential", "Restricted", "Internal Use", and "Public".
- All data classified as "Confidential" shall remain encrypted at all times.
- The Information Technology Department shall establish relevant operating regulations on implementation details of data classification.

### 6. Network Communication Security Management

- The Information Technology Department shall establish Group network operation regulations and management procedures to protect the security of network communication and data transmission, and adopt them as effective measures to manage and control network access permissions.
- Firewall software shall be installed on the enterprise network to protect the network security and serve as a management mechanism for the control of connection service access permissions. Network system administration personnel shall review and adjust the settings of the firewall system and adjust system access permissions biannually to reflect the latest conditions in accordance with Company information security policy and regulations and changes in network equipment.
- Based on the enterprise's network security considerations, only necessary and low-risk connection services are opened by default regarding access authorization of the network firewall system. Specific connection services may be provided based on business needs.
- With respect to the cloud environment and external service systems, the Information Technology Department may establish relevant information security protection and inspection setting mechanisms to prevent unauthorized connections or access.

### 7. Email Usage and Management:

- The Information Technology Department shall establish Group guidelines on email use to ensure the normal operation of emails, protect the Company's assets, and safeguard personal 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 established to ensure the security of employees' email access.
- An email spam blocking system shall be established to improve work efficiency.
- An email backup system shall be established to ensure system availability.

#### 8. Server Room Security Management:

- Information server room access control security shall be managed (magnetic cards, IC cards, electronic password locks, or other protective devices), and only authorized personnel of the Company may enter to carry out official duties. If those other than the aforesaid authorized personnel enter or leave the server room, they must be accompanied by authorized personnel in the Company, and the information of such unauthorized personnel and their access time and purpose of gaining access shall be recorded in the server room logs.
- The information server room shall be equipped with an uninterrupted power supply system, fire protection system, and independent air-conditioning, etc. to maintain a safe environment for the stable operation of information equipment. These facilities shall be maintained or inspected at least once every year.
- Smoking, eating, or unauthorized electrical appliances or items are prohibited in the server room.

#### 9. Protection against malware:

- The Information Technology Department shall plan and install protection measures that detect, identify, and remove malware programs to protect the secure operations of the Group's information facilities.
- Antivirus equipment or software shall be installed to automatically provide the latest virus information to the end-user. End-user computers must have antivirus software designated by the Information Technology Department installed, and such software may not be removed without authorization. Periodic reviews shall be conducted to check whether the software and virus codes of the antivirus software installed on computers are the latest versions to ensure the security of computer systems and data.
- When abnormal software programs are detected on computers, the Information Technology Department shall immediately remove the software to prevent viruses from spreading within the Group's internal network.
- Computer users shall develop information security knowledge and awareness and may not use unauthorized programs or click on links or attachments from suspicious sources. When browsing webpages, users must also take special care to avoid browsing high-risk webpages unrelated to work, such as pornographic or gambling websites.
- Quarterly spot checks shall be carried out to inspect system security related settings of personal computers (including laptops and public computers) and ensure that no unlicensed software has been installed.

#### 10. Abnormal Information Security Incidents Response

- When a key information security incident occurs, the supervisor of the Information Technology Department shall issue instructions to manage the incident and draft an action plan for the relevant supervisor. Key information security incidents include:
  - Detection of external intrusions into the Group's network.
  - Discovery of conducts within the Group's network that violate statutory provisions and affect corporate interests and reputation.
  - Discovery of conducts in the Group's network that intentionally violates information security regulations.
- Information Security Incident Reporting Process:
  - When an employee receives or discovers an information security incident, he/she shall immediately report to the Information Technology Department or contact designated personnel of the Information Technology Department to make a judgment on how to handle such incident. Once the scope and degree of impact are confirmed, response actions shall be initiated immediately; employees of the Information Technology Department shall immediately report to the supervisor of the department upon receiving information security incident reports.
  - Employees based in overseas offices shall immediately report to local Information Department employees who will handle information security incidents according to the same principles. Local Information Department employees shall immediately report to the supervisor of the Information Technology Department upon receiving information security incident reports.
- Personnel of the Information Technology Department shall report the handling process and outcome of the incident to the supervisor of the department after handling the incident, and then report to the CEO of the Group.

- The Information Technology Department may proactively identify potential information security risks or abnormal conduct through its cybersecurity threat detection or external attack monitoring mechanism, and handle them in accordance with the incident handling process, including reporting, analysis, and response.

#### 11. Disaster Response and System Recovery Operations

- The Information Technology Department shall plan response and restoration operations in advance to address failures in information system functions that have potentially resulted from unexpected situations to lower the impact on corporate operations.
- Business continuity planning shall be tested and reviewed at least once every year.
- Job responsibilities for system restoration:
  - Planning and installation of backup facilities needed for restoration.
  - Management and maintenance of operation of backup facilities.
  - Execution of system restoration.

#### 12. Vulnerability Scan and Penetration Test

- Conduct annual vulnerability scans to identify potential risks in internal systems and implement remediation measures to mitigate and strengthen those vulnerabilities.
- Conduct annual penetration tests to simulate hacker attacks, identify security vulnerabilities and remediate identified vulnerabilities.

### **(IV) Resources invested in information safety management**

The Company is committed to establishing a rigorous information security protection network with the following specific management measures:

#### 1. Governance structure and certification:

- Designated Personnel: One dedicated information security supervisor and one dedicated information security officer have been appointed for the overall coordination of information security planning, technology implementation, and internal audits.
- Certification: The Group adopted ISO 27001: 2022 Information Security Management standards in 2023 and has continually passed third-party verification. The validity period of the current certification begins on August 31, 2025 and ends on November 7, 2026.

#### 2. Active defense detection:

The Company adopts a dual-track defense strategy with equal emphasis placed on detection and monitoring. In addition to regular vulnerability scanning and penetration testing, the Company actively simulates external attack scenarios to verify defense capabilities and has introduced an external attack management mechanism to monitor online risk-exposed breaches and unmanaged assets around the clock. Information security breaches discovered through detection and monitoring are promptly patched and reinforced as part of continuous improvement.

#### 3. Information security awareness training:

To ensure that employees across the Group are up to date with the latest information security developments and to enhance their information security awareness, all employees are required to undergo at least two hours of information security training every year, with a total of 2,092 participations recorded. Social engineering drills are also implemented at least once every year. Personnel accidentally exposed to risks 3. during the drills are required to undergo an additional 30 minutes training, with a total of 495 participations were recorded.

Disclosure of information security incidents: In the most recent year and as of the publication date of this Annual Report, the Company has not suffered any losses or impacts resulting from major information security incidents.

## IX. Important Contracts

Important Contracts

Bank Facilities of Continental Holdings Corporation

Contract Type	Counterparty	Term	Main Content	Restrictions
Bank facility	First Commercial Bank	2025.11-2030.11	Long-term Loan, Amortization	None
Bank facility	Mega Bank	2026.1-2031.01	Long-term Loan, Amortization	None

Major Subsidiary

Continental Engineering Corporation

Important domestic project contracts

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	2016.11.8
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	2017.1.3
7	Contract C211 - Tainan Northern section of the Tainan Railway Underground Project	Railway Reconstruction Bureau Northern Region office	2017.9.26
8	Grand River A7 Commercial Project	Grand River D. Limited	2018.6.14
9	Taoyuan MRT Green Line Contract GC01 - Elevated Viaduct Civil Turnkey Project	Department of Rapid Transit System, Taoyuan	2018.8.21
10	Taipei Nangang Depot Social Housing Turnkey Project	Department of Urban Development , Taipei City Government	2019.2.25
11	Truefull Green River Residential Project	Grand River D. Limited	2019.7.5
12	Taoyuan MRT Green Line Contract GC03 - Elevated Viaduct Civil Turnkey Project	Far Eastern Construction Company	2019.8.1
13	Heming Xindian Residential Project	Heming Development	2019.10.16
14	Sensuous Garden-Hotel Residence in Taipei	Continental Development Corporation	2019.11.1
15	Hong Juu-Xinyi Residential M&E Project	Liju Development Co., Ltd.	2021.4.20
16	Fubon Yiting Zhongxiao Huaishen Urban Renewal Project	Fuban Development Co., Ltd.	2021.8.2
17	Sheng Lian Xieman Residential Building Project in Tainan	Shen Lian Development Co., Ltd.	2021.11.12
18	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
19	Duan Xu- Residential Building Project in Taipei	Continental Development Corporation	2021.12.19
20	BH Group Master Landmark Residential Project	BH Group	2022.4.19
21	Cross-Harbor Tunnel contract for N-WH projects	Ministry of National Defense	2022.5.4

Item	Project	Client	Award Date
22	Kuo Yang Jinlin Urban Renewal Project	Kuo Yang Contraction Co. Ltd.	2022.7.19
23	Taipei Ambassador Hotel reconstruction project	Taipei Ambassador Hotel	2022.8.22
24	Qingcheng Fuhua Urban Renewal Project	Pujen Land Development and 5 Owners	2022.9.10
25	Huaku Daan Tower M&E Project	HuaKu Development Co., Ltd.	2022.10.31
26	Duan Mei- Residential Building Project in New Taipei City	Continental Development Corporation	2022.12.2
27	Green Utopia- Residential Building Project in Taichung	Continental Development Corporation	2022.12.19
28	Metropolitan Village- Residential Building Project in Taipei	Continental Development Corporation	2022.12.19
29	Taipei MRT Circular Line Contract CF670A	Second District Project Office, Department of Rapid Transit Systems, Taipei City Government	2023.3.15
30	Jiantan MRT Transit Facility Utilized for Multi-Purpose Design Build Project	Taipei Rapid Transit Corporation	2023.8.29
31	Heng Mu- Residential Building Project in New Taipei	Continental Development Corporation	2023.11.3
32	Huaku Casa Blanca M&E Project	HuaKu Development Co., Ltd.	2023.11.13
33	Huaku Asia One M&E Project	HuaKu Development Co., Ltd.	2023.11.13
34	Poetic Yard-Residential Building Project in New Taipei	Continental Development Corporation	2023.11.30
35	Commercial Building Project in Daizhi in Taipei	Continental Development Corporation	2023.11.30
36	Taoyuan Railway Underground Project of Zhongli Station Section Contract CJ17	Northern Region Engineering Branch Office, Railway Bureau, Ministry of Transportation and Telecommunications	2024.2.20
37	Nangang Rail Yard Urban Renewal Project (Unit I)	CMG International One Co., Ltd.	2024.5.8
38	Juyuan Top Hills Residential and Commercial Complex Building Project	Juyuan Construction Co., Ltd.	2024.5.30
39	Jean-Taichung Residential Building Project	Jean Co., LTD	2024.6.4
40	Pujen Elite Residential and Commercial Complex Building	Pujen Chengmei Land Development Co., Ltd.	2024.7.25
41	CMP Group Nangang Headquarters Urban Renewal Project	Pujen Land Development Co., Ltd.	2024.10.28
42	Taipei Metro Mass Rapid Transit System North Circular Line Contract CF690B	First District Project Office, Department of Rapid Transit Systems, Taipei City Government	2024.12.3
43	Taipei Nangang Depot Social Housing Zone 2	Department of Urban Development, Taipei City Government	2024.12.4
44	Taipei Metro Mass Rapid Transit System South Circular Line CF670 Project	Second District Project Office, Department of Rapid Transit Systems, Taipei City Government	2024.12.9
45	Heng Yue - Residential Building Project in Taipei	Continental Development Corporation	2025.8.25
46	UID Nangang Station Front Urban Renewal M&E Project	UID Contraction Co., Ltd.	2025.10.30
47	Fengxi Section, Residential Building Project in Taichung City	Continental Development Corporation	2025.12.17
48	Daan Fuxing Section, Residential Building Project in Taipei	Continental Development Corporation	2025.12.17
49	Hua Hui the Bay Residential Building Project	Hua Hui Contraction Co., Ltd.	2025.12.30

## 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	2025.7~2029.1	Long-term Loan, Due for Repayment	None
Bank facility	Taishin International Bank	2026.1~2029.1	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

## Continental Development Corporation Important contracts

Contract Type	Counterparty	Term	Main Content	Restrictions
Joint Construction	48 natural persons	2010.8-	Land transaction and Joint Construction in Daan District, Taipei City	None
Joint Construction	Wan Bao Assets Management Co., Ltd	2018.5-	Joint Construction in Beitun District, Taichung City	None
Joint Construction	Han-De Construction Co., Ltd and 4 natural persons	2019.1-	Joint Construction in Xindian District, New Taipei City	None
Joint Construction	Taipei Fullerton Hotel	2019.8-	Joint Construction in Songshan District, Taipei City	None
Joint Construction	19 natural persons	2021.9-	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	2022.3~	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
Collaboration Contract	CNCK Ltd	2023.3~	Land Development in Nangang District, Taipei City	None
Joint Venture Contract	401 natural persons	2023.5~	Joint Construction in Xinyi District, Taipei City	None
Joint Contract and Commission contract	Shu Kuang Construction Ltd	2023.6~	Land Development in Zhubei City	None
Investment Contract	National Housing and Urban Regeneration Center	2023.7~	Public-Led Urban Regeneration Project in Daan District, Taipei City	None
Joint Construction	8 natural persons	2024.4~	Land Development in East District, Hsin Chu City	None
Joint Construction	Ren Fu Construction Ltd and 4 natural persons	2024.5~	Land Development in Daan District, Taipei City	None
Purchase Contract	125 natural persons	2024.10~	Land Development in Nangang District, Taipei City	None

## Bank facilities

Contract Type	Counterparty	Term	Main Content	Restrictions
Bank facility	Bank of Taiwan	2020.4~2026.4	Secured loan , Amortization	None
Bank facility	Chang Hwa Commercial Bank	2025.6~2026.6	Secured loan , Due for Repayment	None
Bank facility	Grand Bills Finance Corporation	2025.12~2026.12	Secured loan , Due for Repayment	None
Bank facility	E.Sun Bank	2023.2~2027.2	Secured loan , Due for Repayment	None
Bank facility	First Commercial Bank	2021.09~2026.03	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	2023.10~2028.7	Secured loan , Due for Repayment	None
Bank facility	Taishin International Bank	2022.8~2029.2	Secured loan , Due for Repayment	None
Bank facility	DBS Bank (Taiwan) Ltd	2025.3~2029.3	Secured loan , Due for Repayment	None
Bank facility	E.Sun Bank	2025.5~2029.5	Secured loan , Due for Repayment	None
Bank facility	E.Sun Bank	2023.11~2029.11	Secured loan , Due for Repayment	None
Bank facility	First Commercial Bank	2025.8~2032.5	Secured loan , Amortization	None
Bank facility	Chang Hwa Commercial Bank	2021.12~2041.12	Secured loan , Amortization	None

## HDEC Corporation Important 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	Anping Reclaimed Water Plant New Construction Turnkey Project, Tainan City	None
Operation and Maintenance	North Shore Corporation	2020~2026	Tamsui Area Sewerage System BOT Project-Operation and Management, New Taipei City	None
Operation and Maintenance	Tainan municipal government water conservancy bureau/ Southern Taiwan Science Park Bureau, National Science and Technology Council	2020~2037	Anping Water Resources Recycling Center - Operation and Maintenance, Tainan City	None
Construction	HDEC (Ciaotou) Water Treatment Corporation	2022~2025	Ciaotou Wastewater Reclamation Plant (BTO) Turnkey Project, Kaohsiung City	None
Operation and Maintenance	HDEC (Puding) Environment Corporation	2022~2027	Puding Area Sewerage System Project- Operation and Maintenance, Taoyuan City	None
Construction	HDEC (Chengxi) Energy Corporation	2023~2026	Chengxi Incineration Plant (BOT) Turnkey Project, Tainan City	None
Operation and Maintenance	CTCI-HDEC (Chungli) Corporation	2023~2056	Changli Water Resources Recycling Center-Operation	None
Construction	North Shore Corporation	2024~2027	Tamsui wastewater plant equipment renovation phase I project	None

Contract Type	Counterparty	Term	Main Content	Restrictions
Construction	Southern Taiwan Science Park Bureau, National Science and Technology Council	2024~2027	Chiayi Science Park Wastewater Treatment Plant New Construction Turnkey Project	None
Construction	HDEC (Baoshan) Water Treatment Corporation	2025~2029	Baoshan Hsinchu Science Park Water Reclamation Plant Project-Construction	None
Operation and Maintenance	Southern Taiwan Science Park Bureau, National Science and Technology Council	2025~2030	Chiayi Science Park Wastewater Treatment Plant-Operation	None
Operation and Maintenance	HDEC (Chengxi) Energy Corporation	2025~2030	Chiayi Science Park Wastewater Treatment Plant-Operation	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	Chengxi Incineration Plant BOT Project, Tainan City	None
Construction and Services (Note 7)	Private Enterprise	2025~2048	Hsinchu Science Park Water Reclamation Plant Project- Construction and Operation Services	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) Water Treatment Corporation

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

Note 7: The contract of the subsidiary HDEC (Baoshan) Water Treatment Corporation

### Bank facilities

Contract Type	Counterparty	Term	Main Content	Restrictions
Bank facility	Hua Nan Commercial Bank	2025.2~2026.2	Long-term Loan, Due for Repayment	None
Bank facility	Taishin International Bank	2022.4~2026.4	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	EnTie Commercial Bank	2023.3~2027.3	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Shin Kong Bank	2024.1~2028.1	Long-term Loan, Due for Repayment	None
Bank facility	KGI Bank	2024.8~2028.8	Long-term Loan, Amortization	Financial covenant
Bank facility	Bank of Kaoshiung	2024.9~2028.9	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	Cathy United Bank	2024.12~2028.12	Long-term Loan, Due for Repayment	None
Bank facility	Bank SinoPac	2025.1~2029.1	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Taipei Fubon Bank	2025.4~2029.4	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Mega Bank (Loan Arranger)	2024.5~2029.5	Long-term Loan, Due for Repayment	Financial covenant
Bank facility	Bank of Taiwan	2025.7~2029.7	Long-term Loan, Due for Repayment	None
Bank facility	First Commercial Bank	2025.8~2029.8	Long-term Loan, Due for Repayment	None
Bank facility	Shanghai Commercial & Savings Bank	2026.1~2030.1	Long-term Loan, Amortization	None

# Review of Financial Conditions, Financial Performance

## I. Financial Status

Unit: NT\$ thousands

Item	Year	2025	2024	Difference	%
Current Assets		62,151,423	55,023,723	7,127,700	12.95
Property, plant and equipment		10,247,133	10,421,498	(174,365)	(1.67)
Intangible assets		8,052,866	5,105,658	2,947,208	57.72
Other Assets		16,395,533	16,840,278	(444,745)	(2.64)
Total Assets		96,846,955	87,391,157	9,455,798	10.82
Current liabilities		51,878,628	43,709,831	8,168,797	18.69
Non-current liabilities		15,660,373	13,946,323	1,714,050	12.29
Total liabilities		67,539,001	57,656,154	9,882,847	17.14
Equity attributable to owners of parent		27,835,253	27,234,661	600,592	2.21
Ordinary shares		8,232,160	8,232,160	0	0.00
Capital surplus		6,884,018	6,884,015	3	0.00
Retained earnings		11,057,554	10,420,629	636,925	6.11
Other equity interest		1,661,521	1,697,857	(36,336)	(2.14)
Non-controlling interest		1,472,701	2,500,342	(1,027,641)	(41.10)
Total equity		29,307,954	29,735,003	(427,049)	(1.44)

(I) Analysis of Differences Over 20%:

1. The increase in intangible assets was mainly due to increase of service concession agreement.
2. 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: N/A.

## II. Financial Performance

Unit: NT\$ thousands

Item	Year	2025	2024	Difference	%
Operating revenues		34,378,309	30,701,377	3,676,932	11.98
Operating costs		30,251,907	26,973,804	3,278,103	12.15
Gross profit from operations		4,126,402	3,727,573	398,829	10.70
Operating expenses		2,473,707	2,478,752	(5,045)	(0.20)
Net operating income		1,652,695	1,248,821	403,874	32.34
Non-operating income and expenses		143,504	(235,552)	379,056	(160.92)
Income before tax		1,796,199	1,013,269	782,930	77.27
Income tax expenses		373,620	343,361	30,259	8.81
Net income		1,422,579	669,908	752,671	112.35

(I) Analysis of Differences Over 20%:

The increase in operating income, Non-operating income and expenses, income before tax and net income were mainly due to higher revenues from the sale of real estate and gains from the disposal of land.

(II) Sales Volume Forecast and Related Information: Please refer to page 66~70.

(III) Effect of Changes on the Group's Future Business and Future Response Actions:

CHC Group continued to acquire new projects, advance major works, and achieve growth in real estate sales in 2025, laying a stable foundation for revenue targets in the coming years. Adhering to the concept of ESG, CHC Group is committed to improving energy efficiency, advancing initiatives related to water resources and renewable energy utilization, enhancing its competitive advantage, and driving sustained revenue growth. Moving forward, CHC Group will continually strengthen operational resilience and develop its core businesses to enhance long-term value.

## 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 inflow 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
\$7,084,267	\$2,830,578	\$1,659,907	\$11,574,752	N/A	N/A

Changes in cash flow in 2025 are analyzed as follows:

The net cash inflow from operating activities reached approximately NT\$2.830 billion mainly due to cash inflow from operating activities was more than interest and income tax paid.

The net cash outflow from investing activities reached approximately NT\$2.829 billion, mainly due to project engineering costs.

The net cash inflow from financing activities reached approximately NT\$4.489 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\$ 0.398 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: None

#### 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 2025	Main Reason for Profit/Loss
Continental Engineering Corporation		784,457	Continuous profits from construction engineering
Continental Development Corporation		431,713	Continuous profits from real estate development
HDEC Corporation		626,692	Continuous profits from environmental engineering and water treatment

##### (III) Improvement plan

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

##### (IV) Investment plans 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 professional capabilities related to water resources and waste treatment, expand operating scale, and evaluate the feasibility of expanding 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 March 29, 2026, 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 March 29, 2026.

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. Taiwan High Court Kaohsiung Court rendered its judgment in the second retrial on September 30, 2025. The awarded amount was NT\$229,790,736 plus interest on the following two parts of the awarded amount calculated at an annual interest rate of 5%: NT\$229,511,825 from the day when this judgment is determined to the repayment date and NT\$278,911 from December 12, 2017 to the repayment date. Both parties have appealed against said judgment, and this case is now under third-instance review by the Supreme 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.
6. CEC signed a project contract with Grand River D. Limited (hereinafter referred to as "Grand River Company") regarding the 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 a significant increase of the material cost that was not foreseeable by the parties upon signing the contract. Although the parties have expressly agreed in their contract that no price adjustment should be requested due to fluctuation of prices, Lead-Fu Company still filed a lawsuit requesting CEC to pay a price adjustment fee of NT\$223,227,109 due to the change of circumstances. This case is now under first-instance review by the Taiwan Taipei District Court.
7. CEC signed a project contract with Truefull Land Construction Co., Ltd. (hereinafter referred to as "Truefull Land Company") for the New Construction Project of Shops and Collective Residences of Truefull Land Company at Zhuangjing Section in 2020. Since a dispute occurred between CEC and Truefull Land Company over the amounts of various progress payments starting from the end of 2022, CEC applied for a provisional injunction to prohibit Truefull Land Company from cashing two performance guarantee promissory notes issued by CEC and held by Truefull Land Company at the end of 2025, and filed a lawsuit against Truefull Land Company, claiming payment of project funds in the amount of NT\$129,553,976 and the return of the aforesaid performance guarantee promissory notes in 2026. This case is now under first-instance review by the Taiwan Hsinchu District Court.
8. CEC signed a project contract with Truefull Land Construction Co., Ltd. (hereinafter referred to as "Truefull Land Company") for the New Construction Project of Collective Residences of Truefull Land Company in Bade District, Taoyuan in 2020. CEC undertook the structure works in this project and assisted Truefull Land Company in acquiring a use license; both have been completed. Since Truefull Land Company has neither paid the remaining project funds and refunded retention money totaling NT\$58,357,834, nor returned three performance guarantee promissory notes delivered by CEC as agreed for the contracting of this project, CEC applied for a provisional injunction to prohibit Truefull Land Company from cashing all performance guarantee

promissory notes issued by CEC and held by Truefull Land Company at the end of 2025, and filed a lawsuit against Truefull Land Company claiming payment of the aforesaid project funds, a refund of retention money, and the return of the aforesaid performance guarantee promissory notes in 2026. This case is now under first-instance review by the Taiwan Hsinchu District Court.

**(XIII) Other material risks and responsive measures: None**

**VII. Other important Matters: None**

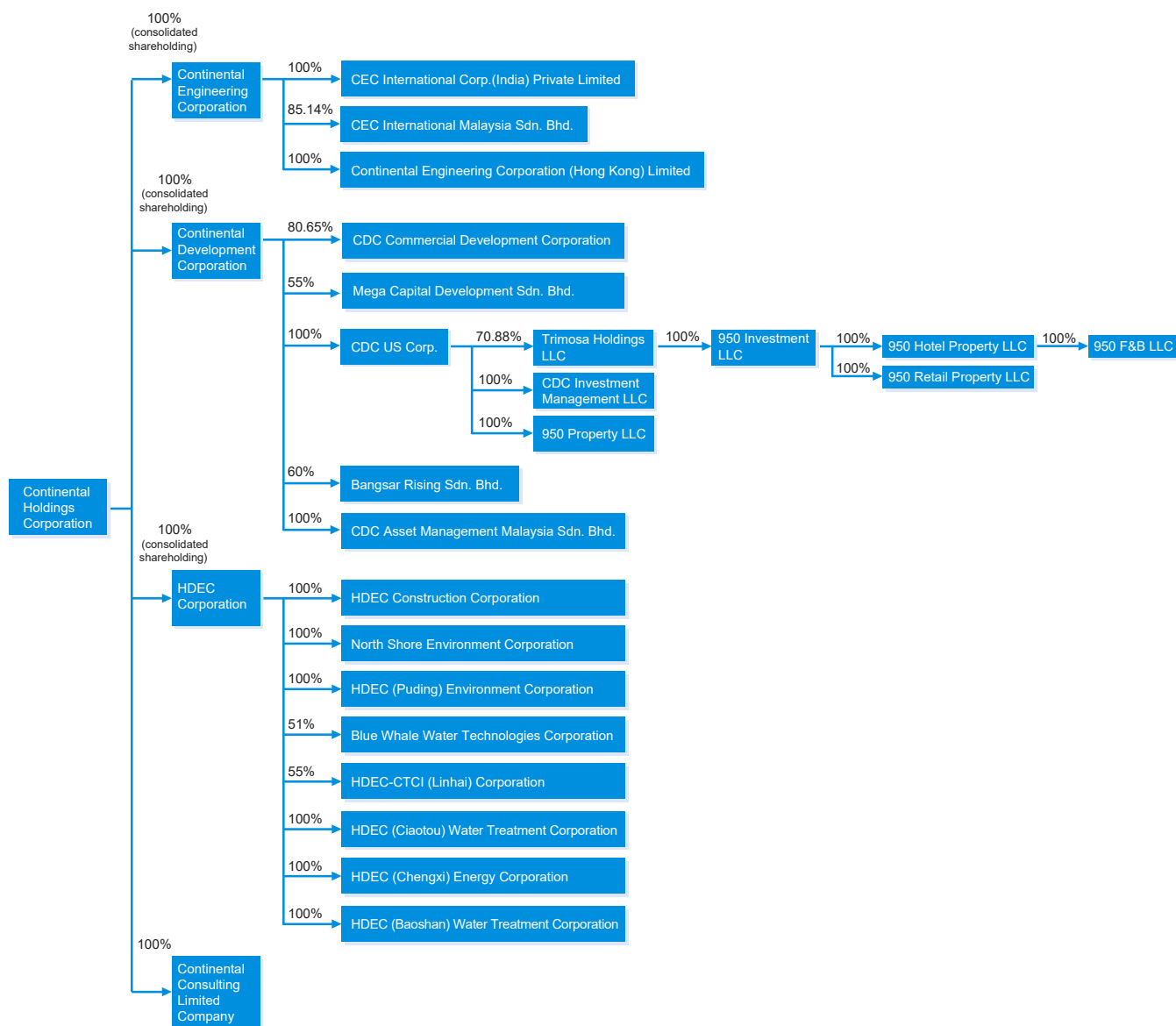
# Special items to be included

## 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, 2025

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 5,020,621 thousand	Civil, Building and M&E engineering
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 89,833 thousand	Investment and holding
950 Property LLC	2017.09	U.S.A.	USD 97,528 thousand	Real estate development on residential
950 Investment LLC	2017.09	U.S.A.	USD 110,814 thousand	Investment and holding
950 Hotel Property LLC	2019.11	U.S.A.	USD 194,144 thousand	Hotel industry
950 Retail Property LLC	2020.03	U.S.A.	USD 9,660 thousand	Real estate lease and management
950 F&B LLC	2023.03	U.S.A.	USD 173 thousand	Liquor sale
HDEC Corporation	2006.05	15F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 4,369,000 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 100,000 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 644,960 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 120,000 thousand	Feng Shan River wastewater reclamation and reuse BTO project in Kaohsiung City
HDEC (Ciaotou) Water Treatment Corporation	2022.09	6F.-1, No. 80, Minzu 1st Rd., Sanmin Dist., Kaohsiung City 807413, Taiwan	TWD 1,320,050 thousand	Ciaotou wastewater reclamation and reuse BTO project in Kaohsiung City
HDEC (Chengxi) Energy Corporation	2022.11	15F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 2,367,200 thousand	Aninan area incineration plant construction in Tainan City
HDEC (Baoshan) Water Treatment Corporation	2025.07	15F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 100,000 thousand	Wastewater Treatment and Water Reclamation
Continental Consulting Limited Company	2021.11	23F., No.95, Section 2, Dunhua South Road, Taipei 106, Taiwan	TWD 22,400 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, 2025

Company	Title	Name or Representative	Shareholding	
			Shares	%
Continental Engineering Corporation	Chairman	Continental Holdings Corporation	502,061,987	99.99998%
	Supervisor	Continental Consulting Limited Company	84	0.00002%
	CEO	Simon Blaine Scott Buttery		
CEC International Corp.(India) Private Limited	Director	Continental Engineering Corporation	73,981,492	100.00%
	Director	Simon Blaine Scott Buttery		
	Director	Rajiv Kumar Stephen Mathew Thompson		
CEC International Malaysia Sdn. Bhd.	Director	Continental Engineering Corporation	22,340,476	85.14%
	Director	Hsiung Chiang		
	Director	Simon Blaine Scott Buttery Marlina Binti Budin		
Continental Engineering Corp. (Hong Kong) Limited	Director	Continental Engineering Corporation	3,000,000	100.00%
	Director	Stephen Mathew Thompson		
	Director	Simon Blaine Scott Buttery Mark Thomas Smith		
Continental Development Corporation	Chairman	Continental Holdings Corporation	666,733,726	99.99998%
	Supervisor	Continental Consulting Limited Company	113	0.00002%
	CEO	Tsun-Sen Liao		
CDC Commercial Development Corporation	Chairman	Continental Development Corporation	48,198,292	80.65%
		Representative: Tsun-Sen Liao		
	Director	Representative: Jill Tung Han-De Construction Co.,Ltd.	7,378,302	12.34%
MEGA Capital Development Sdn. Bhd.	Executive Director	Continental Development Corporation	825,000	55.00%
		Representative: Tsun-Sen Liao		
	Director	Cindy Chang Moderate Investment	675,000	45.00%
Bangsar Rising Sdn. Bhd.	Executive Director	Continental Development Corporation	600,000	60.00%
		Representative: Tsun-Sen Liao		
	Director	Cindy Chang Foremost Asset Co., Ltd.	400,000	40.00%
CDC Asset Management Malaysia Sdn. Bhd.	Director	Continental Development Corporation	1,000,000	100.00%
		Representative: Tsun-Sen Liao		
		Cindy Chang Chao-Chien Chang		
CDC US Corp.	Director and CEO	Continental Development Corporation	5,000,000	100.00%
		Representative: Tsun-Sen Liao		
		Cindy Chang		
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 63,530 thousand	70.88%
950 Property LLC	Manager	Tsun-Sen Liao	CDC US Corp. investment USD 63,734 thousand	100.00%
950 Investment LLC	Manager	Tsun-Sen Liao	Trimosa Holdings LLC investment USD 88,468 thousand	100.00%

Company	Title	Name or Representative	Shareholding	
			Shares	%
950 Hotel Property LLC	Manager	Tsun-Sen Liao	950 Investment LLC investment USD194,144 thousand	100.00%
950 Retail Property LLC	Manager	Tsun-Sen Liao	950 Investment LLC investment USD 9,660 thousand	100.00%
950 F&B LLC	Manager	Tsun-Sen Liao	950 Hotel Property LLC investment USD 173 thousand	100.00%
HDEC Corporation	Chairman Supervisor CEO	Continental Consulting Limited Company Continental Holdings Corporation Jerry Chou	162 436,899,838	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	10,000,000	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	51.0000%
			36,259,000	48.9986%
	Director Director Supervisor Supervisor	Representative: Jeffrey Hsu Representative: Chih-Chun Liu Tim Hsieh	- -	- -
	President	ECOVE Environment Corporation Representative: Sophie Su Wen-Chang Hsieh	1,000	0.0014%
HDEC (Puding) Environment Corporation	Chairman and President Director	HDEC Corporation Representative: Jerry Chou  Representative: De-Chuan Chen	64,496,000	100.00%
HDEC-CTCI (Linhai) Corporation	Chairman Director Director	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen Representative: Ray Huang CTCI Corporation	6,600,000	55.0000%
			5,399,882	44.9990%
	Director Director Supervisor Supervisor	Representative: Kuo-Long Tsai Representative: Chih-Chun Liu Tim Hsieh	- -	- -
	President	ECOVE Environment Corporation Representative: Sophie Su Wen-Chang Hsieh	118	0.0010%
HDEC (Ciaotou) Water Treatment Corporation	Chairman Director President	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen Wen-Chang Hsieh	132,005,000	100.00%
HDEC (Chengxi) Energy Corporation	Chairman Director President	HDEC Corporation Representative: Jerry Chou Representative: Ray Huang Gordon Chiu	236,720,000	100.00%
HDEC (Baoshan) Water Treatment Corporation	Chairman Director President	HDEC Corporation Representative: Jerry Chou Representative: De-Chuan Chen De-Chuan Chen	10,000,000	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	5,020,621	22,588,451	14,075,868	8,512,583	23,376,397	602,645	784,457	1.56
CEC International Corp. (India) Private Limited	258,565	25,289	11,892	13,397	8,436	1,601	1,628	0.02
Continental Engineering Corp. (Hong Kong) Limited	12,114	875	96	779	-	(50)	(50)	(0.02)
CEC International Malaysia Sdn. Bhd.	202,988	6,872	188	6,684	-	(493)	(435)	(0.02)
Continental Development Corporation	6,667,338	47,442,592	30,476,412	16,966,180	6,152,488	941,697	431,713	0.65
CDC Commercial Development Corporation	597,676	4,828,748	2,223,344	2,605,404	-	(17,406)	(63,741)	(1.07)
MEGA Capital Development Sdn. Bhd.	11,604	2,177,456	2,434,508	(257,052)	290,963	71,882	65,507	43.67
Bangsar Rising Sdn. Bhd.	7,736	1,275,964	1,372,881	(96,917)	-	(13,219)	(35,260)	(35.26)
CDC Asset Management Malaysia Sdn. Bhd.	7,736	12,257	1,429	10,828	18,501	591	452	0.45
CDC US Corp.	16	3,802,317	1,311	3,801,006	-	(441,181)	(869,300)	(173.86)
CDC Investment Management LLC	314	2,551	21,999	(19,448)	15,018	14,649	14,624	-
Trimosa Holdings LLC	2,823,466	1,904,639	887	1,903,752	-	(481,143)	(481,086)	-
950 Property LLC	3,065,305	2,795,832	895,858	1,899,974	330,501	(190,264)	(546,464)	-
950 Investment LLC	3,482,888	4,910,700	3,006,122	1,904,578	-	(512,360)	(480,261)	-
950 Hotel Property LLC	6,101,941	4,747,130	150,122	4,597,008	464,958	(241,305)	(348,692)	-
950 Retail Property LLC	303,610	222,979	1,317	221,662	1,219	(14,368)	(20,528)	-
950 F&B LLC	5,442	5,083	233	4,850	-	(165)	(190)	-
HDEC Corporation	4,369,000	11,179,032	5,021,927	6,157,105	4,434,432	145,686	626,692	1.43
North Shore Environment Corporation	1,660,000	4,625,421	1,753,830	2,871,591	664,960	258,037	176,564	1.06
HDEC Construction Corporation	100,000	236,815	91,500	145,315	475,189	44,693	36,012	3.60
Blue Whale Water Technologies Corporation	740,000	983,672	79,753	903,919	383,432	116,288	105,397	1.42
HDEC (Puding) Environment Corporation	644,960	2,221,587	1,515,215	706,372	539,048	78,954	49,747	0.77
HDEC-CTCI (Linhai) Corporation	120,000	310,509	37,614	272,895	319,988	120,765	104,880	8.74
HDEC (Ciaotou) Water Treatment Corporation	1,320,050	3,139,275	1,828,109	1,311,166	1,508,577	42,325	(11,305)	(0.09)
HDEC (Chengxi) Energy Corporation	2,367,200	7,525,998	5,018,682	2,507,316	2,836,379	153,484	121,532	0.51
HDEC (Baoshan) Water Treatment Corporation	100,000	102,561	2,970	99,591	-	(828)	(409)	(0.04)
Continental Consulting Limited Company	22,400	167,811	140,470	27,341	281,032	4,717	2,341	-

**(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 2025 (from January 1, 2025 to December 31, 2025) 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 10, 2026

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 2025 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 2025 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 Yi-Lien Han

Date: March 10, 2026

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%	91,300,000	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-Dar Development Co., Ltd. and Han-De Construction Co., Ltd.					John Huang Hsiung Chiang
Jade Fortune Enterprises Inc.	Controlling company of Maoshi Corporation					
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.

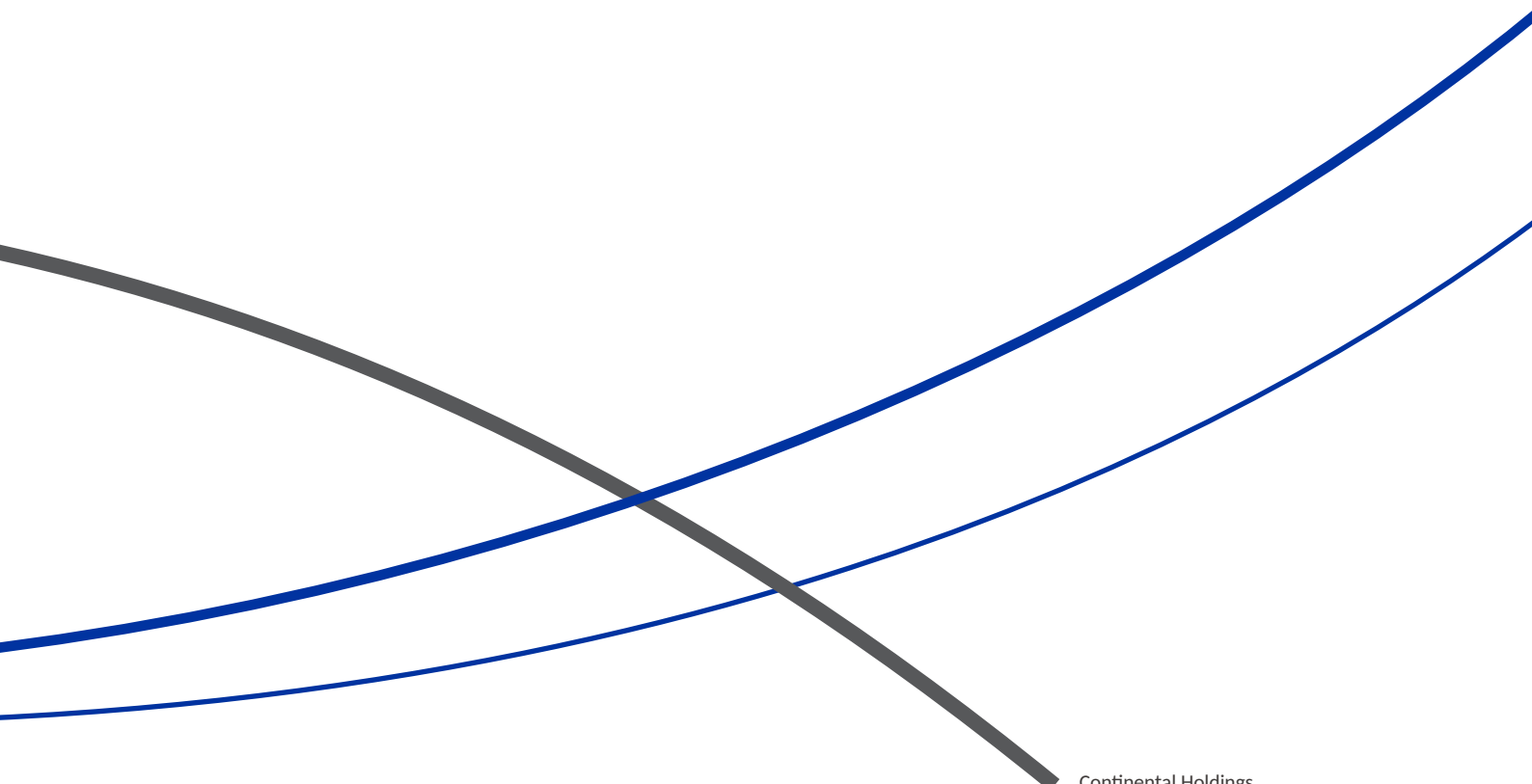
**II. Private Placement Securities in 2025 and as of the Date of this Annual Report: None.**

**III. Other Necessary Supplement: None**

**Any Events in 2025 and as of the Date of this Annual Report that Had Material Impacts on Shareholders' Interests or Securities Prices as Stated in Subparagraph 2 Paragraph 3 of Article 36 of Securities and Exchange Act of Taiwan: None**

CONTINENTAL HOLDINGS CORPORATION

Chairman: Nita Ing



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