

Stock Code: 2705



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Leofoo Development Co., Ltd.  
LEOFOO DEVELOPMENT CO., LTD.

# Annual Report 2024

## ANNUAL REPORT 2024

Inquiry Website for Annual Report: Market Observation Post System

[http : // mops.twse.com.tw](http://mops.twse.com.tw)

Corporation Website: [http : // www.leofoo.com.tw](http://www.leofoo.com.tw)

Date of Publication: April 20th, 2025

# Leofoo Development Co., Ltd.

## Annual Report 2024

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|----|--|--|
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Accounting Firm: Ernst & Young Taiwan

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Website: [https://www.ey.com/zh\\_tw](https://www.ey.com/zh_tw)

V. Overseas Securities Exchange where Securities are Listed and Method of Inquiry: None.

VI. Corporation Website: <http://www.leofoo.com.tw>

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# Chapter 1. Letter to Shareholders

Dear shareholders,

The Leofoo Tourism Group's operating revenue for the year 2024 was NT\$2,324,483 thousand, with total revenue growth of 5%. This includes room revenue of NT\$910,317 thousand, food and beverage revenue of NT\$568,944 thousand, and theme park revenue of NT\$570,531 thousand. The Tourism Group's theme parks, zoos, hotels, and restaurants, with their high-quality services and diverse travel options, have won consumer recognition, driving strong business performance. The Corporation would like to hereby report the following operating results for 2024:

## I. 2024 Business Report

### (I) Analysis of Consolidated Financial Income, Expenditure and Profitability:

Unit: NT\$ thousands

	Items	2024
Financial Income and Expenditure	Operating revenue	2,324,483
	Gross Profit	800,749
	Net Operating Income	168,654
	Net Income After Tax	88,822
Profitability	Net Profit Margin (%)	4%
	Earnings Per Share (NT\$)	0.46

#### 1. Consolidated Assets, Liabilities and Net Worth:

As of December 31, 2024, the Corporation's total assets amounted to NT\$15,427,153 thousand, of which total liabilities amounted to NT\$10,567,237 thousand, or 68% of total assets, and total equity amounted to NT\$4,859,916 thousand, or 32% of total assets.

#### 2. Consolidated Profit and Loss:

Operating revenue for 2024 was NT\$2,324,483 thousand with operating net profit of NT\$168,654 thousand and an operating profit margin of 7%. The after-tax net profit was NT\$88,822 thousand, with an after-tax net profit margin of 4%.

## (II) Budget implementation review:

In accordance with the Regulations Governing the Publication of Financial Forecasts of Public Companies, the Corporation is not required to disclose financial forecast information for 2024, and there is thus no information on budget implementation available for 2024.

## **II. Summary of the business plan for 2025 and the Corporation's future development strategy**

### **◎ Leofoo Village Theme Park**

Leofoo Village Theme Park features the largest open safari park in Taiwan and is home to about 70 species and over 1,000 animals, providing visitors with an unparalleled opportunity to see the beauty of wildlife at close quarters. The park also features the unique "Sudan Rhino Bus" experience that leads guests on an extraordinary journey into the rhino breeding research hub, which boasts the best breeding results in Asia, to see the rhino ecology firsthand. By leveraging animal-themed attractions, the park aims to create brand value that sets us a cut above the rest. Through innovative products and activities, the park seeks to engage new customer segments and channels. By cooperating with partners from different industries to amplify our visibility, the park has generated buzz, captivating visitors and encouraging repeat visits from domestic customers. The park's four themed villages, "The Wild West," "South Pacific," "Arabian Palace," and "African Tribe", are all fantastical lands of dreams and adventure. Aside from more than 30 exciting park rides, the park also features regular live performances, from spectacular cabaret shows to vibrant parades, more than 10 five-star restaurants with a variety of authentic cuisine, as well as themed shops and more. These attractions allow visitors to be immersed in the different themes, to feel as though they have taken a step back in time, and to experience the excitement of the blend of fantasy and reality.

In addition to planning various themed promotional activities tailored to visitors of different age groups, our strategy includes collaborating with international IPs such as BT21 and HOLOLIVE. Furthermore, we invite world-class performance artists such as international light sculpture art groups to deepen the park's impact on visitors. The strategy also includes the meticulous curation of a range of other services, seamlessly integrating dining, accommodation, tourism, shopping, and entertainment. The aim is to enhance Leofoo's brand recognition, establish a higher-quality, diverse brand image in visitors' minds and guarantee a new and refreshing experience every time they visit the park.

In the future, we will continue to invest tremendous effort in creating an authentic park experience, fully revitalizing quarterly celebrations: Tombstone on Halloween,

the garden party, Christmas, animal parties, mascot character IP development, and other unique seasonal events continue to evolve with exciting new products and activities through ongoing collaborations with external IPs. The Corporation has cooperated with partners in different industries to continue the creation of a theme park that creates the most laughter and unforgettable memories through innovative technology, services, and emotionally impactful experiences. Combined with the diverse experiences available at the Leofoo Resort Guanshi, it aims to cater to the trend of family-oriented, multi-faceted entertainment, positioning itself as a vibrant and joyful destination in the hearts of visitors and to fulfill sustainable management goals.

### **© Leofoo Water Park**

Leofoo Water Park offers more than 15 exhilarating water park rides and is the only water park in Taiwan that features the unique charm of a Greek village combined with a resort-style ambiance. Bringing together the full range of Leofoo Village Theme Park's resources it provides an exciting experience to enjoy activities in the water and on land. This makes Leofoo Water Park extremely popular among families with elementary school children, as well as among high school and college students. In the face of global climate change, summer temperatures are rising year after year and the demand for visiting water parks is increasing. With our well-trained staff, Leofoo Water Park will consistently provide the highest level of safety, quality and satisfaction in water recreation services to provide the best experience for all visitors.

### **© Leofoo Resort Guanshi**

Leofoo Resort Guanshi is Asia's premier animal ecology hotel. The resort embodies the concept of "non-toxic, environmentally friendly, return to nature, private vistas," blending African safari and ecological conservation styles. With a deep respect for nature, education, and entertainment, the hotel offers an enriching and memorable vacation experience. Leofoo Resort Guanshi has become an industry leader among parent-child travel resorts, successfully trailblazing a new trend in tourism in Asia, focusing on deeper local exploration and healing tourism. Cultural tour packages such as the farm-to-table food tour, bee keeping, the paddy field farming experience, and Hakka/tea factory visits have been planned and launched. In the future, adopting a sustainable operation model, the resort will act as the main body to link various types of tourism and experiences that harmoniously coexist with nature, forming a complete ecological vacation environment. The hotel is located right next to the Leofoo Village Theme Park, designed around animal habitats and ecological landscapes. On opening the window, hotel guests can see various kinds of free-range African herbivores, thus integrating ecological tourism with the entertainment of the amusement park. The resort enhances the resources and appeal of Leofoo Village Theme Park.

## © Courtyard by Marriott Taipei

Leofoo Tourism Group has successfully partnered with Courtyard by Marriott Hotel, an international brand under Marriott International, to bring a new international hotel chain to the Taiwan market. It is a large-scale property of more than 16,000 square meters, a rare find in Taipei City in recent years. It is strategically located in the golden area between stations at the point where Taiwan Railway, Taiwan High Speed Rail, and Taipei Metro intersect. The property boasts a collection of shopping malls, office buildings, and a five-star tourist hotel. It combines the Group's resources in food and beverage, bakery, property management, and construction, located near key landmarks such as the Nangang Exhibition Hall and the Neihu Science Park. It is a strong fit for the demands of a variety of travel needs, catering perfectly to conferences, business trips and group tourism. The hotel also integrates large-scale arts and cultural events and local community resources, creating a gateway to the tourist attractions of Northern and Eastern Taiwan, developed with a focus on creating a resort hotel within the city.

## © Leofoo Food

The Group is steering itself towards a modern vision of retail catering, integrating virtual and physical channels. A number of the Group's highly acclaimed brands such as Moonlight Cantonese Restaurant, Leofoo Palace, Leofoo Hotel, Elite Bakery, and Elite Concept can be purchased all online, serving all our loyal customers, offering 24-hour service during the COVID-19 pandemic. The products are even available in numerous physical stores such as Carrefour, with the highlight being able to enjoy exquisite dishes crafted by five-star chefs from the comfort of your own home. The products we offer to our customers uphold our commitments to the following four major service principles: natural ingredients, healthy cooking, friendliness to the Earth, and locally sourced fresh produce, guaranteeing the utmost peace of mind for customers.

## © Leofoo A+ Serviced Commercial Office Building

A former Leofoo Hotel will be renovated and transformed into a people-oriented and environmentally sustainable A+ hotel-style office building. This development blends high-quality hotel management services with Japanese-style high-precision engineering for safety and ergonomic design. Integrating carbon reduction, people-centric features, advanced technology, business functionality, and other features, Leofoo A+ Serviced Commercial Office Building will become a landmark commercial office building in the Songjiang Nanjing business district. The building is set to receive five major domestic and international building labels, including the U.S. Green Building Council's LEED and WELL Building Standard certification, the Green Building Label, the Intelligent Building Label, and the Structure Accreditation Label. The project not only prioritizes the health of employees but also offers

personalized value-added services. Through Leofoo's hotel-style property management and the full support of a dedicated team of thousands of employees, Leofoo A+ Serviced Commercial Office Building provides a sophisticated service experience. Further to this, in response to the market shifts brought about by the COVID-19 pandemic, the Group aims to build an entirely new office environment infused with a full range of smart technology and health-conscious concepts.

### **III. Effect of external competition, the legal environment, and the overall business environment**

Under the guidance of the Group's management team, all employees work diligently, dedicated to upholding the expectations and affection consumers have for the Group's many services. In the face of competition from emerging hotels and amusement parks, the Group is actively launching various marketing initiatives, tapping into new customer segments, and actively expanding its external business presence. The Group continues to surpass itself, refine its services, and provide better, all-encompassing tourism products, while fusing contemporary trends, fashion and global appeal. The Group strives to be consumers' number one choice in tourism by cultivating both the Taiwanese and global tourism markets. The Group will strengthen internal control management and implement cost-cutting measures in order to achieve the goal of maximizing profits, while retaining a sound financial structure.

Looking ahead, the Group will not only improve the quality of its services but also upgrade its physical facilities in order to provide customers with the best possible experience. The Group is also focused on expanding its brands externally, aiming to increase its revenue and generate greater profits in order to benefit shareholders and live up to their expectations.

Wishing you good health and all the best.

Leofoo Development Co., Ltd.  
Chairman: Feng-Ru Chuang  
President: Cheng-Jung Lai  
Accounting Supervisor: Ting-Wen Shih

# Chapter 2. Corporate Governance Report

## I. Information on the Directors, President, Vice Presidents, Assistant Vice Presidents, and Supervisors of Divisions and Branch Units

### (I) Directors

#### 1. Name of Director, Experience (Education), Shareholding and the Nature of Shares Held

April 5, 2025; Unit: Shares; %

Title	Nationality/ Place of Registration	Name	Gender and age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Important Experience (Education)	Other Positions Concurrently Held at the Corporation and Other Companies	Executives, Directors, or Supervisors who are Spouses or within the Second Degree of Kinship		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Chairman	R.O.C.	Feng-Ru Chuang (Note)	Female 51–60 years old	2024.05.27	3 years	2009.06.19	8,371,403	4.38	8,371,403	4.38	4,668,472	2.44	29,455,917	15.40	California State Polytechnic University Director, Izzy Construction Co., Ltd. Director, Leofoo Development & Construction Co., Ltd. Director, Leofoo Property Management Co., Ltd Representative of an Institutional Director, Ambassador Theatres Company	Leofoo Development & Construction Co., Ltd. Chairman, Elite Catering Company Limited Chairman, Leofoo Agronomy Co., Ltd Chairman, Jung Feng Investment Ltd.	Director/President	Cheng-Jung Lai	Spouses
Director	R.O.C.	Cheng-Jung Lai	Male 51–60 years old	2024.05.27	3 years	2009.06.19	4,668,472	2.44	4,668,472	2.44	8,371,403	4.38	29,455,917	15.40	Executive Master's Program, College of Management, National Taiwan University	President, Leofoo Development Co., Ltd. Chairman/President, Leofoo Development & Construction Co., Ltd. Chairman/President, Leofoo Property Management Co., Ltd Chairman/President, Izzy Construction Co., Ltd. Chairman, Feng Jung Development Co., Ltd Chairman, Jiu Yung Investment Ltd. Executive Director, Leofoo Investment Ltd Executive Director, Leofoo Development (Hong Kong) Ltd Chairman, Si Mian Fo Management Consultant Ltd.	Chairman/Chief Strategy Officer	Feng-Ru Chuang	Spouses
Director	R.O.C.	Chuang Foo Foundation	-	2024.05.27	3 years	2009.06.19	12,079,888	6.32	12,079,888	6.32	-	-	-	-	-	None	None	None	None
	R.O.C.	Representative: Tsui-Fang Hsu	Female 41–50 years old				-	-	-	-	-	-	-	-	Shih Chien University	None	None	None	None
Independe	R.O.C.	Kun-Ming Lee	Male	2024.05.27	3 years	2015.06.24	-	-	-	-	1,129	-	-	-	Executive Master's	Partner Certified Public	None	None	None

Title	Nationality/ Place of Registration	Name	Gender and age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Important Experience (Education)	Other Positions Concurrently Held at the Corporation and Other Companies	Executives, Directors, or Supervisors who are Spouses or within the Second Degree of Kinship		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
nt director			41–50 years old												Program, College of Management, National Taiwan University Master of Business Administration, Tiffin University	Accountant, K&B CPAs Firm Independent Director, TST Group Holding LTD. Director, Castles Technology Co., Ltd.			
Independe nt director	R.O.C.	Chun-Chieh Chiu	Male 51–60 years old	2024.05.27	3 years	2018.06.08	-	-	-	-	-	-	-	-	Master of Laws, Chinese Culture University	Principal Attorney, An Bu Law Firm	None	None	None
Independe nt director	R.O.C.	Pei-Wen Wu	Female 41–50 years old	2024.05.27	3 years	2021.08.27	-	-	-	-	-	-	-	-	Master of Laws, Soochow University, Taiwan Legal Advisor, Kinmen County Government Legal Advisor, Cross- Strait Youth Entrepreneur Association Senior Attorney, Heng Sheng Law Firm Legal Advisor, Irrigation Management Office of Taoyuan, Council of Agriculture Legal Advisor, Kinmen County Police Bureau	Deputy Executive Director, New Taiwanese Cultural Foundation Member of Appeals Committee, Taiwan Lottery Co., Ltd. Selection Committee Member, Taiwan Sports Lottery Co., Ltd.	None	None	None

Title	Nationality/ Place of Registration	Name	Gender and age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Important Experience (Education)	Other Positions Concurrently Held at the Corporation and Other Companies	Executives, Directors, or Supervisors who are Spouses or within the Second Degree of Kinship		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Independent director	R.O.C.	Tung-Yuan Wang	Male 61–70 years old	2024.05.27	3 years	2024.05.27	-	-	-	-	-	-	-	-	Doctor of Dental Surgery, Chung Shan Medical University President, Taiwan Dental Associations Specialist and Ambassador, ICOI Taiwan Section Specialist, Academy of Oral Implantology, Taiwan (AOIT)  Secretary-General and Director of Legal Affairs, Taiwan Dental Associations Secretary-General, Chung Shan Medical University Alumni Association  Secretary-General and Convener, Chung Shan Medical University College of Dental Medicine Alumni Association President, Chung Shan Medical University of Dental Medicine Alumni Association of Yilan and Hualien County. President, Yilan County Dental Association Fellow, International College of Dentists (ICD)	Clinic Director, Shun Yuan Dental Clinic Executive Director, Chung Shan Medical University Alumni Association Director, Hing Yuan Foundation Chairman, Taiwan National Association of Dental Implantology (TNADI)	None	None	None

Note: The Chairman of the Corporation, with the Chief Executive Officer and the President, are spouses or the same person, respectively, as this helps to improve operating efficiency and decision-making execution. Nevertheless, the Corporation has set up four seats for independent directors, with the number of independent directors exceeding one-half of the total number of directors. Among the seven directors, five directors are not concurrently serving as employees or managerial officers of the Group.

## 2. Major Institutional Shareholders

April 5, 2025

Name of Institutional Shareholder	Major Institutional Shareholders (Donors)
Chuang Foo Foundation	Foo Chuang (deceased) (11.12%), Chin-Feng Chuang Hsu (deceased) (22.22%), Tsun-Che Chuang (22.22%), Hsiu-Shih Chuang (22.22%), and Hsiu-Hsin Chuang (22.22%)

Note: The institutional shareholder is not a corporate organization. The names of shareholders and shareholding percentages disclosed above are the names of donors and their donation percentage.

## 3. Major Shareholders of Major Institutional Shareholders: Not applicable.

## 4. Professional Qualification and Work Experience of Directors and Independence of Independent Directors

Qualifications Name	Professional Qualifications and Work Experience	Independence Status	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Feng-Ru Chuang, Chairman	Over 20 years of experience in the tourism industry. 15 years of experience as a director of Lefoo Development Co., Ltd. Not under any of the categories stated in Article 30 of the Company Act.	Not applicable as this individual is not an independent director	-
Cheng-Jung Lai, Director	Over 20 years of experience in the tourism and construction industries. 15 years of experience as a director of Lefoo Development Co., Ltd. Not under any of the categories stated in Article 30 of the Company Act.	Not applicable as this individual is not an independent director	-
Chuang Foo Foundation (Representative: Tsui-	13 years of experience as a director of Lefoo Development Co., Ltd.	Not applicable as this individual is not an independent director	-

Qualifications Name	Professional Qualifications and Work Experience	Independence Status	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Fang Hsu)	Not under any of the categories stated in Article 30 of the Company Act.		
Kun-Ming Lee, Independent Director	Mr. Lee holds an MBA from Tiffin University, U.S.A. He is a certified public accountant and is a former Assistant Manager of Deloitte & Touche, and a Partner Accountant of K&B CPAs Firm. Since 2018, he has been an independent director, Remuneration Committee member, and supervisor of listed companies. Mr. Lee has experience in tourism, computer peripherals, and textiles-related industries. Not under any of the categories stated in Article 30 of the Company Act.	Same as the conditions of 1.-3. above. 4. The total number of shares in the Corporation held by the independent director himself, his spouse, and in the name of others is 1,129, accounting for 0.00% of the total outstanding shares. Therefore, Independent Director Kun-Ming Lee has complied with the conditions of independence evaluation stipulated in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	1
Chun-Chieh Chiu, Independent Director	Mr. Chiu holds a Master of Laws from Chinese Culture University, Taiwan, and is a Managing Partner of Anbu Law Firm. He has been an independent director of listed companies since 2018 and has experience in the tourism industry. Not under any of the categories stated in Article 30 of the Company Act.	1. ~3. Same as above. 4. The total number of shares in the Corporation held by the independent director himself, his spouse, and in the name of others is 0. Therefore, Independent Director Chun-Chieh Chiu has complied with the conditions of independence evaluation stipulated in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.-	-
Pei-Wen Wu, Independent Director	Ms. Wu holds a Master of Laws from Soochow University, Taiwan, and is a Senior Attorney at Heng Sheng Law Firm. She has been serving as an independent director of listed companies since 2021 and has more than seven years of working experience as an attorney-at-law. Not under any of the categories stated in Article 30 of the Company Act.	1. ~4. Same as above. Therefore, Independent Director Pei-Wen Wu has complied with the conditions of independence evaluation stipulated in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	-
Independent Director Tung-Yuan Wang	Ph.D. in Dentistry from Chung Shan Medical University, Director of Shun Yuan Dental Clinic, Executive Director of Chung Shan	1. ~4. Same as above. In summary, Independent Director Tung-Yuan Wang meets the independence requirements stipulated in Article 3 of the Regulations Governing Appointment	-

<div>Qualifications</div> <div>Name</div>	Professional Qualifications and Work Experience	Independence Status	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
	Medical University Alumni Association, Board Member of Hsing Yuan Foundation, President of the Taiwan Implant National United Medical Association. Serving as an independent director of a listed company for the first time starting in 2024, with over 20 years of experience as a physician. Not under any of the categories stated in Article 30 of the Company Act.	of Independent Directors and Compliance Matters for Public Companies.	

## 5. Diversity and Independence of the Board of Directors

### (1) Diversity of the Board of Directors:

To strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, the Corporation advocates and respects the policy of diversity of directors. The selection of Board members is based on the principle of talent as the sole criterion, with diverse and complementary capabilities across industry sectors, including basic composition (such as: age, gender, etc.) and each possessing industry experience and relevant skills (such as: tourism, architecture, finance and accounting, law, computers and peripherals, medicine and textiles, etc.), as well as capabilities in business judgment, operational management, leadership decision-making, and crisis management. To strengthen the functions of the Board of Directors to achieve the ideal goals of corporate governance, Article 20 of the Corporation's Corporate Governance Best Practice Principles clearly states that the Board as a whole should possess: 1. Business judgment ability 2. Accounting and financial analysis ability 3. Business management ability 4. Crisis management ability 5. Industry knowledge 6. International market perspective 7. Leadership ability 8. Decision-making ability.

The diversity among the current members of the Board of Directors of the Corporation is as follows:

Diverse Core Competences  Name of Director	Basic Composition									Expertise			Industry Experience					
	Nationality	Gender	Capacity When Concurrently Serving as an Employee of the Corporation	Age			Independent Director's Years of Service				Accounting and Finance	Law	Business Administration	Tourism	Construction	Medicine	Computer and Peripheries	Textiles
				41-50 years old	51-60 years old	61-70 years old	1 Year	4 Years	7 Years	10 Years								
Feng-Ru Chuang	R.O.C.	Female	✓		✓							✓	✓					
Cheng-Jung Lai	R.O.C.	Male	✓		✓							✓	✓	✓				
Representative of Chuang Foo Cultural and Educational Foundation: Tsui-Fang Hsu	R.O.C.	Female		✓								✓	✓					
Kun-Ming Lee	R.O.C.	Male		✓						✓	✓	✓	✓				✓	✓
Chun-Chieh Chiu	R.O.C.	Male			✓				✓			✓	✓	✓				
Pei-Wen Wu	R.O.C.	Female		✓				✓				✓	✓	✓				
Tung-Yuan Wang	R.O.C.	Male				✓	✓					✓				✓		

- A. The 19th Board of Directors of the Corporation consists of seven directors, including two directors with employee status (President Chen-Jung Lai and Strategy Officer Feng-Ru Chuang), one non-employee general director, and four independent directors. Directors who concurrently serve as employees only account for 2/7 of all directorial seats, which complies with the limit stipulated in Article 20 of the Corporate Governance Best Practice Principles of 1/3. The number of independent directors accounts for 4/7 of all directorial seats, reaching the target of more than 50% of all seats.
- B. The Corporation also emphasizes gender equality in the composition of the Board of Directors. The current Board includes three female members (one of whom is an independent director), for a percentage of 43%. The target percentage of female directors, 33%, has been exceeded.

- C. The average number of years of service of directors of the Corporation is ten, and all directors are R.O.C. citizens. Among them, Independent Director Kun-Ming Lee has served for ten years, Independent Director Chun-Chieh Chiu for seven years, Independent Director Pei-Wen Wu for four years, and Independent Director Tung-Yuan Wang for one year. Only one independent director has served for more than three consecutive terms, which complies with the Corporate Governance 3.0 regulations.
- D. The age distribution of board members includes three directors aged 41-50, three directors aged 51-60, and one director aged 61-70, with no issues of excessive concentration or succession.
- E. All directors possess strong business judgment, leadership skills, decision-making abilities, and expertise in business management, including a vision of international markets and crisis management. They also have extensive industrial experience and professional abilities. Among them, Independent Director Kun-Ming Lee holds a CPA license with financial expertise, has practical experience in accounting practice and management, and has more than ten years of experience as an independent director or supervisor of listed companies; Independent Directors Chun-Chieh Chiu and Pei-Wen Wu have experience as practicing attorneys and excel in legal affairs; Independent Director Tung-Yuan Wang holds a Ph.D. in Dentistry from Chung Shan Medical University and served as the former President of the National Union of Taiwan Dental Associations, possessing practical clinical and management capabilities.

In summary, the diversity, complementarity, and implementation aspects of the Corporation's Board of Directors already include and exceed the standards stipulated in Article 20 of the Corporate Governance Best Practice Principles; In the future, the diversity policy will still be adjusted according to the operation of the board of directors, operational patterns, and development needs, including but not limited to standards in two major dimensions: basic conditions and values, and professional knowledge and skills, to ensure that board members generally possess the knowledge, skills, and literacy necessary to perform their duties.

(2) Independence of the Board of Directors:

Currently, directors with employee status in the Corporation only account for 2/7, which is less than 1/3 of the board seats; Independent directors account for 4/7 of the board seats, which is more than 1/2 of the board seats; Additionally, among the directors, only Chairman Feng-Ru Chuang and Director Chen-Jung Lai have a spousal or second-degree relative relationship, which does not exceed half of the director seats, and there are no circumstances stipulated in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act, sufficiently demonstrating the independence of the Corporation's Board of Directors.

## (II) Information on President, Vice Presidents, Assistant Vice Presidents, Department and Branch Managers

April 5, 2025; Unit: Shares/%

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Experience (Education)	Current Concurrent Positions at Other Companies	Managerial Officers who are Spouses or within the Second Degree of Kinship		
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
President/Chief Executive Officer	R.O.C.	Cheng-Jung Lai (Note 1)	Male	2022.08.09/ 2024.05.27	4,668,472	2.44	11,743,730	6.14	27,544,917	14.40	Executive Master's Program, College of Management, National Taiwan University	Chairman/President, Leofoo Development & Construction Co., Ltd. Chairman/President, Leofoo Property Management Co., Ltd Chairman/President, Izzy Construction Co., Ltd. Chairman, Feng Jung Development Co., Ltd Chairman, Jiu Yung Investment Ltd. Executive Director, Leofoo Investment Ltd Executive Director, Leofoo Development (Hong Kong) Ltd Chairman, Si Mian Fo Management Consultant Ltd.	Chief Strategy Officer	Feng-Ru Chuang	Spouse
Chief Strategy Officer	R.O.C.	Feng-Ru Chuang (Note 1) (Note 2)	Female	2025.03.15	8,371,403	4.38	8,040,799	4.20	27,544,917	14.40	California State Polytechnic University	Chairman, Elite Catering Company Limited	President/Chief Executive Officer	Cheng-Jung Lai	Spouse

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Experience (Education)	Current Concurrent Positions at Other Companies	Managerial Officers who are Spouses or within the Second Degree of Kinship		
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
												Chairman, Leofoo Agronomy Co., Ltd Chairman, Jung Feng Investment Ltd. Representative of an Institutional Director, Ambassador Theatres Company			
President, Urban Hotel	R.O.C.	Shen Fen	Female	2025.02.17	-	-	-	-	-	-	Department of Mass Communication, Chinese Culture University President of China Airlines Novotel Hotel General Manager of Guangzhou Grand Mercure Hotel and Regional Manager of Mercure Novotel South	None	-	-	-
President, Theme Park	R.O.C.	Chung-Yueh Yeh	Male	2021.11.16	-	-	-	-	-	-	MBA, Royal Roads University, Canada Director, Farglory Ocean Park President,	None	-	-	-

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Experience (Education)	Current Concurrent Positions at Other Companies	Managerial Officers who are Spouses or within the Second Degree of Kinship		
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
											Omas Entertainment Co., Ltd.				
Human Resources Manager	R.O.C.	Su Zhemin	Male	2025.01.01	-	-	-	-	-	-	Master's Degree in Applied Mathematics, Feng Chia University Human Resources Director of Nanqiao Food Group Deputy Human Resources Director of Master Kong Holdings	None	-	-	-
Accounting Supervisor/Finance and Accounting Supervisor/Spokesperson	R.O.C.	Ting-Wen Shih	Female	2023.02.24/ 2024.12.27/2025/04.14	-	-	-	-	-	-	Master of Business Administration, National Taipei University of Business Accounting Manager, WPG Holdings Accounting Manager, JEAN Co., Ltd.	None	-	-	-
Corporate Governance Officer	R.O.C.	Jing-Yi Huang	Female	2024.03.11	-	-	-	-	-	-	Master's Degree, Department of Accounting, Chinese	None	-	-	-

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Experience (Education)	Current Concurrent Positions at Other Companies	Managerial Officers who are Spouses or within the Second Degree of Kinship		
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
											Culture University Manager of Underwriting Department, Grand Cathay Securities Corporation Accounting Manager, Health Ever Bio-tech Co., Ltd.				

Note: 1.The Chairman of the Corporation is the spouse of or the same person as the Chief Executive Officer and President, which is intended to enhance operational efficiency and decision-making execution. However, the Corporation has established 4 independent director positions, which exceed 1/2 of the total number of directors, and five out of the seven directors do not concurrently serve as employees or managerial officers of the Group.

2. The Corporation's President Feng-Ru Chuang stepped down from the position of President on May 27, 2024.

## II. Remuneration paid to Directors, President and Vice Presidents in the Most Recent Year

### (I) Remuneration of Directors (including Independent Directors)

December 31, 2024; Unit: NT\$ thousands

Title	Name	Remuneration Paid to Directors								Ratio of Total Remuneration (A+B+C+D) to Net Income		Relevant Remuneration Received by Directors who are also Employees								Ratio of Total Remuneration (A+B+C+D+E+F+G) to Net Income		Remuneration from Invested Companies Other than Subsidiaries
		Base Compensation (A)		Severance Pay and Pension (B)		Director Compensation (C)		Business Expenses (D)				Salary, Bonus, and Allowance (E)		Severance Pay and Pension (F)		Employee Compensation (G)						
		The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	Cash	Stock	Cash	Stock	The Corporation	All Companies in Consolidated Financial Statements			
Chairman	Feng-Ru Chuang	720	720	-	-	-	-	-	-	-	-	6,065	6,065	-	-	-	-	-	-	-	-	None
Director	Cheng-Jung Lai	720	720	-	-	-	-	-	-	-	-	4,141	10,507	-	-	-	-	-	-	-	-	None
Director	Chuang Foo Foundation	120	120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
	Representative: Tsui-Fang Hsu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent director	Heng-Yih Liu	50	50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent director	Kun-Ming Lee	120	120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent director	Chun-Chieh Chiu	120	120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent director	Pei-Wen Wu	120	120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent director	Tung-Yuan Wang	72	72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
1. Please explain the independent director remuneration policy, system, standard, and structure, and the connection between the amount of remuneration and factors considered, such as their job responsibilities, risks, and working time: Please refer to page 16, section 2: The policy, standards, composition, procedures for determining remuneration, and their correlation with business performance and future risks for directors, supervisors, Presidents and vice presidents of the Corporation.																						
2. In addition to the disclosures in the above table, remuneration received by directors of the Corporation in the most recent year for services provided (such as serving as non-employee consultants for the parent company/all companies in the financial report/invested enterprises) is as follows: None.																						

## (II) Remuneration of President and Vice Presidents

Unit: NT\$ thousands; %

Title	Name	Salary (A)		Severance Pay and Pension (B)		Bonus and Allowance (C)		Employee Compensation (D)				Ratio of Total Remuneration (A+B+C+D) to Net Income		Remuneration from the Parent Company or Invested Companies Other than Subsidiaries
		The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	The Corporation		All Companies in Consolidated Financial Statements		The Corporation	All Companies in Consolidated Financial Statements	
								Cash	Stock	Cash	Stock			
President	Feng-Ru Chuang	4,896	4,896	-	-	1,169	1,169	-	-	-	-	-	-	None
Chief Executive Officer	Cheng-Jung Lai	1,216	6,577	-	-	2,925	3,930	-	-	-	-	-	-	None

#### (IV) Remuneration of the Top Five Highest-Paid Executives

Unit: NT\$ thousands; %

Title	Name	Salary (A)		Severance Pay and Pension (B)		Bonus and Allowance (C)		Employee Compensation (D)				Ratio of Total Remuneration (A+B+C+D) to Net Income		Remuneration from the Parent Company or Invested Companies Other than Subsidiaries
		The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	The Corporation	All Companies in Consolidated Financial Statements	The Corporation		All Companies in Consolidated Financial Statements		The Corporation	All Companies in Consolidated Financial Statements	
								Cash	Stock	Cash	Stock			
President/Chief Executive Officer	Cheng-Jung Lai (Note 1)	1,216	6,577	-	-	2,925	3,930	-	-	-	-	-	-	None
Chief Strategy Officer /President	Feng-Ru Chuang(Note 2)	4,896	4,896	-	-	1,169	1,169	-	-	-	-	-	-	None
President, Theme Park	Chung-Yueh Yeh	2,424	2,424	-	-	1,725	1,725	-	-	-	-	-	-	None
President, Urban Hotel	Hung-Chi Chuang (Note 3)	2,450	2,450	-	-	992	992	-	-	-	-	-	-	None
Chief Financial Officer	Wen-Hsuan Li (Note 4)	1,866	1,866	-	-	375	375	-	-	-	-	-	-	None

Note: 1.Cheng-Jung Lai ,President concurrently serve as from the position of President on May 27, 2024.

2. Feng-Ru Chuang ,President stepped down from the position of President on May 27, 2024.

3.Hung-Chi Chuang, President of Urban Hotel, resigned on November 1, 2024.

4. The Financial Director Wen-Hsuan Li resigned on December 8, 2024.

(V) Distribution of Employee Compensation to Managerial Officers: No employee compensation was distributed due to accumulated losses.

(VI) Respective Comparison, Description, and Analysis of Total Remuneration, as a Percentage of Net Income Stated in the Parent Company Only or Individual Financial Statements, Paid by the Corporation and All Companies in Consolidated Financial Statements during the Past Two Fiscal Years to Directors, President, and Vice Presidents, along with Description of Remuneration Policies, Standards, Packages, Procedure for Determining Remuneration, and Linkage Thereof to Operating Performance and Future Risk Exposure:

1. Ratio of Total Remuneration Paid to Directors, President, and Vice Presidents to Net Income:

Unit: NT\$ thousands; %

Items \ Year	2024		2023	
	Parent Company Only Financial Statements	Consolidated Financial Statements	Parent Company Only Financial Statements	Consolidated Financial Statements
Net Income (Loss)	88,822	88,822	(97,744)	(97,744)
Remuneration Paid to Directors	2,042	2,042	2,040	2,040
Ratio of Remuneration Paid to Directors to All Remuneration Paid	2.30	2.30	(2.09)	(2.09)
Remuneration Paid to the President, CEO and Vice Presidents	10,206	16,572	6,680	12,527
Ratio of Remuneration Paid to President, CEO and Vice Presidents to All Remuneration Paid	11.49	18.66	(6.83)	(12.82)

2. Total Remuneration Paid by the Corporation to Directors, Supervisors, President, and Vice Presidents, and the Remuneration Policies, Standards, Packages, Procedure for Determining Remuneration, and Linkage Thereof to Operating Performance and Future Risk Exposure:

- (1) The Corporation's remuneration of directors is based on their participation in the Corporation's operations and contribution value. According to relevant remuneration methods and in consideration of future risks and hotel industry standards, the distribution method is proposed, and it is then implemented after being submitted to the Remuneration Committee and resolved and approved by the Board of Directors.
- (2) The directors and independent directors of the Corporation receive fixed remuneration. In addition, according to Article 24 of the Corporation's Articles of Incorporation, if the Corporation makes profits in a fiscal year, 3% of them shall be allocated as employee compensation and no more than 3% shall be allocated as director compensation. Employee and director remuneration shall be submitted to and reported at the shareholders' meeting. However, if the Corporation still has accumulated losses, it shall retain the deficit amount in advance to offset the losses and then allocate employee and director remuneration based on the aforementioned percentages.
- (3) The remuneration of employees mentioned in the previous paragraph will be

disbursed in the form of stocks or cash, as determined by the Board of Directors. The payment will cover employees who have been hired or employed by the Corporation, formally appointed, and entitled to labor insurance benefits. However, temporary and probationary personnel are excluded from this provision.

- (4) The Corporation had accumulated losses as of December 31, 2024, so it did not distribute director or employee compensation.
- (5) The remuneration of managerial officers consists of salary and bonus. The salary is based on industry standards and experience, professional capability, and the management functions and positions held by the officers. The bonus is highly linked to performance targets including both financial and non-financial objectives according to the Corporation's performance evaluation management system; Financial indicators include revenue, profitability and other metrics, while non-financial indicators include successor development, risk management, medium and long-term goals, etc. The performance of managerial officers is regularly evaluated, and bonuses and employee compensation are allocated based on the evaluation results. Senior management and managerial officers are encouraged to focus on the Corporation's long-term operational goals and talent cultivation. In 2023, the Corporation officially implemented an employee stock ownership trust.

### III. Implementation of Corporate Governance

#### (I) Board of Directors Operation

##### 1. Implementation Status of Board of Directors

In the most recent year (2024), the Board of Directors held 7 meetings (A), and the attendance of directors was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Actual Attendance Rate (Presence Rate) (%) 【B/A】	Notes
Chairman	Feng-Ru Chuang	7	-	100%	Re-elected
Vice Chairman/ Director	Cheng-Jung Lai	7	-	100%	Re-elected, stepped down as Vice Chairman on May 26th, 2024
Director	Representative of the Chuang Foo Cultural and Educational Foundation: Tsui-Fang Hsu	7	-	100%	Re-elected
Independent director	Heng-Yih Liu	2	-	100%	Term expired and stepped down on 2024/05/26
Independent director	Kun-Ming Lee	6	1	86%	Re-elected
Independent director	Chun-Chieh Chiu	7	-	100%	Re-elected
Independent director	Pei-Wen Wu	7	-	100%	Re-elected
Independent director	Tung-Yuan Wang	4	1	80%	Newly appointed on May 27, 2024

Other matters to be recorded:

I. If any of the following circumstances exist in the operation of the Board of Directors, the date of the board meeting, term, content of the proposal, opinions of all independent directors, and the Corporation's response to independent directors' opinions shall be specified:

(I) Matters listed in Article 14-3 of the Securities and Exchange Act: The Corporation has

established an Audit Committee. For relevant information, please refer to the operation of the Audit Committee on pages 26-29.

(II) Resolutions of the board of directors other than the above matters that have been opposed or reserved by independent directors and are recorded or stated in writing: None.

II. The implementation of recusal of directors from motions in which they have a conflict of interest. The directors' names, contents of the motions, reasons for recusal, and participation in voting should be specified:

Time of the Board Meeting	Content of Motion	Name of Recused Director	Reasons for Recusal	Participation in Voting
18th term, 17th meeting on May 13, 2024	Ratification of the Corporation's senior executive salary adjustment proposal	Feng-Ru Chuang and Cheng-Jung Lai	Due to the conflict of interests involving the directors themselves or their spouses	The parties involved in the conflicts of interest in this case are requested to refrain from participating in the discussion and voting, and Independent Director Heng-Yih Liu is requested to act as the chairperson. The proposal was approved without objection by the remaining directors present.
18th term, 17th meeting on May 13, 2024	Appointment of the Corporation's Legal Counsel	Chun-Chieh Chiu	Due to conflicts of interest involving the directors themselves	Please note that stakeholders with conflicts of interest in this case recused themselves from discussion and voting, and the proposal was approved without objection by the remaining directors present.
19th term, 2nd meeting on May 27, 2024	Compensation and transportation allowance for attending board meetings for the Corporation's 19th term directors and independent directors	Feng-Ru Chuang, Chen-Jung Lai, Tsui-Fang Hsu, Kun-Ming Lee, Chun-Chieh Chiu, Pei-Wen Wu, Tung-Yuan Wang	Due to the conflict of interests involving the directors themselves or their spouses	When Chairman Feng-Ru Chuang, as an interested party in receiving director's remuneration and board meeting attendance fees for himself (spouse), explained the conflict of interest and designating Committee Member Kun-Ming Lee to chair the meeting on his behalf, he recused himself from the discussion and voting in accordance with the law for conflict of interest avoidance. The remaining directors, regarding decisions on their personal (spouse's) remuneration and board meeting attendance fees, recused themselves after explaining their conflicts of interest and were not allowed to participate in the discussion and voting. The proposal was approved without objection by the remaining directors present.
19th term, 2nd meeting on May 27, 2024	Proposal to appoint Mr. Chen-Jung Lai as Group President	Feng-Ru Chuang and Cheng-Jung Lai	Due to the conflict of interests involving the directors themselves or their spouses	Request for the interested parties in this case to avoid conflicts of interest by not participating in the discussion and voting, appointing Independent Director Kun-Ming Lee as the acting chairperson, and the proposal was approved without objection by the remaining directors present.

19th term, 2nd meeting on May 27, 2024	Proposal to release the Group President from non-competition restrictions	Feng-Ru Chuang and Cheng-Jung Lai	Due to the conflict of interests involving the directors themselves or their spouses	Request for the interested parties in this case to avoid conflicts of interest by not participating in the discussion and voting, appointing Independent Director Kun-Ming Lee as the acting chairperson, and the proposal was approved without objection by the remaining directors present.
19th term, 5th meeting on March 15, 2025	Proposal for the appointment and salary adjustment of the Corporation's Chief Strategy Officer	Feng-Ru Chuang and Cheng-Jung Lai	Due to the conflict of interests involving the directors themselves or their spouses	Request for the interested parties in this case to avoid conflicts of interest by not participating in the discussion and voting, appointing Independent Director Kun-Ming Lee as the acting chairperson, and the proposal was approved without objection by the remaining directors present.
19th term, 5th meeting on March 15, 2025	Ratification of remuneration adjustment of the Corporation's senior supervisors.	Feng-Ru Chuang and Cheng-Jung Lai	Due to the conflict of interests involving the directors themselves or their spouses	Request for the interested parties in this case to avoid conflicts of interest by not participating in the discussion and voting, appointing Independent Director Kun-Ming Lee as the acting chairperson, and the proposal was approved without objection by the remaining directors present.

III. Objectives for strengthening the functions of the board of directors in the current and most recent years (such as establishing an audit committee, enhancing information transparency, etc.) and evaluation of implementation:

(1) Enhance information transparency

The Corporation has established Regulations Governing Procedure for Board of Directors Meetings in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies for compliance, and discloses major resolutions of the Board of Directors on the Market Observation Post System; In addition, to establish an internal material information management mechanism, prevent improper disclosure of information, and ensure the consistency and accuracy of information released by the Corporation to the public; The Corporation has also revised the Procedures for Handling Material Inside Information, which has been announced and implemented internally, and simultaneously incorporated into the Corporation's internal control system, in order to implement the fair principle of information symmetry.

(2) Implement corporate governance regulations promotion

In order to enhance the familiarity of directors and managerial officers with securities management laws and regulations, and to continue to strengthen the increasing of awareness of laws and regulations concerning corporate governance, in addition to providing information on recent legal amendments to the Board of Directors, directors actively participate in seminars and forums on corporate governance with the competent authorities, and refresher courses on corporate governance laws and regulations are regularly arranged in order to improve the effectiveness of education, and further improve the Corporation's implementation of sound corporate governance.

## 2. Evaluation of the Board of Directors

(1) The evaluation cycle, period, scope, and method, as well as self-evaluation content, for the Board of Directors of the Corporation are as follows:

Frequency	Period	Scope	Method	Content
Once a year	January 1, 2024 to December 31, 2024	The Board of Directors, individual members of the Board, and functional committees	Self-evaluation of the Board of Directors, individual members of the Board of Directors, and functional committees	(Note)

Note: The evaluation contents include at least the following items based on the scope of evaluation:

- (1) Board performance evaluation: Including the level of participation in corporation operations, quality of board decisions, board composition and structure, director selection and continuing education, internal controls, etc. The self-evaluation result is excellent.
- (2) Individual Director Performance Evaluation: Including the understanding of corporation goals and missions, awareness of director responsibilities, level of participation in company operations, management of internal relationships and communication, director professionalism and continuing education, internal controls, etc. The self-evaluation result is excellent.
- (3) Functional Committee Performance Evaluation: Level of participation in corporation operations, awareness of functional committee responsibilities, quality of functional committee decisions, functional committee composition and member selection, internal controls, etc. The self-evaluation result is excellent.

The Corporation has formulated the Rules for Performance Evaluation of Board of Directors, and the evaluation results are reported to the Board of Directors every year and used as a reference for individual directors' remuneration and nomination for re-election.

## (2) Annual focus and operational status of the Audit Committee

### 1. Functions and duties of the Audit Committee:

- Formulate or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
- Assess the effectiveness of the internal control system.
- Stipulate or amend regulations involving the acquisition or disposal of assets and transaction in derivatives in accordance with Article 36-1 of the Securities and Exchange Act.
- Procedures for dealing with material financial business activities such as transactions, lending funds to others, endorsement or provision of guarantee for others.
- Matters involving the interests of the directors themselves.
- Material transactions involving assets or derivatives.
- Material capital loans, endorsements, or guarantees.
- The offering, issuance, or private placement of any equity-type securities.
- Appointment, dismissal, or remuneration of certified public accountants (CPAs).
- The appointment or discharge of a financial, accounting, or internal audit officer.

- The annual financial statements signed or sealed by the Chairman, the managerial officer, and the accounting supervisor, and the Q2 financial statements that must be audited and attested by CPAs.
  - Other material matters stipulated by the Corporation or the competent authority.
2. There are four members in the current Audit Committee, and the annual work focuses are reviewing financial reports, assessing the effectiveness of the internal control system, matters related to corporate governance, amendments of the internal control system, and risk management matters.
3. In the most recent year (2024), the Audit Committee has met 5 times (A), and directors' attendance is as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Actual Attendance Rate (Presence Rate) (%) <b>【B/A】</b>	Notes
Convening Member	Heng-Yih Liu	2	-	100%	Term expired and stepped down on 2024/05/26
Committee Member/ Convener	Kun-Ming Lee	4	1	80%	Served as a committee member before May 26, 2024, and as a convener after May 27, 2024
Committee Member	Chun-Chieh Chiu	5	-	100%	Re-elected
Committee Member	Pei-Wen Wu	5	-	100%	Re-elected
Committee Member	Tung-Yuan Wang	2	1	67%	Newly appointed on May 27, 2024

Other matters to be recorded:

I. If any of the following circumstances occur in the operation of the Audit Committee, the date and session of the Audit Committee meeting, content of the proposal, content of the independent directors' objections, reservations, or significant recommendations, results of the Audit Committee resolution, and the Corporation's response to the Audit Committee's opinions shall be specified:

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

Time of the Audit Committee Meeting	Content of Motion
2nd Term, 14th Meeting, March 11, 2024	1. The Corporation's 2023 business report, parent company only financial statements and consolidated financial statements.
	2. Proposal to amend the Corporation's General Principles of Pre-Approval of Non-Assurance Services Policy and the pre-approval of non-assurance service of the CPAs' accounting firms.
	3. Independence and suitability evaluation of the Corporation's CPAs.
	4. The Corporation's 2023 Deficit Appropriation.
	5. The Corporation's 2023 Statement on Internal Control.
	6. Revision of the Corporation's Organizational Rules for the Audit Committee.
	7. To amend the Corporation's Rules of Procedure for Board of Directors Meetings.
	8. To amend the Corporation's Procedures for Election of Directors
	9. Application for renewal of credit line from Bank C.
	10. Application for renewal of credit line from Bank A.
	11. Application for newly added credit line from Bank A.
	12. Application for credit line from Bank F.
	13. Application for renewal of credit line from Bank D.
	Contents of independent directors' objections, reservations, or material suggestions: None.
	The Corporation's handling of the Audit Committee's opinion: Submitted to the Corporation's Board of Directors and resolved and approved.
	Result: After the chairperson consulted all the members present, the resolution was passed with no objections.
2nd Term, 15th Meeting, May 13, 2024	1. Appointment of the Corporation's legal counsel.
	2. Appointment and remuneration of the CPAs.
	3. The Corporation's financial report for the first quarter of 2024.
	Contents of independent directors' objections, reservations, or material suggestions: None.
	The Corporation's handling of the Audit Committee's opinion: Submitted to the Corporation's Board of Directors and resolved and approved.
	Result: After the chairperson consulted all attending committee members, the proposal was unanimously approved without objection.
3rd Term, 1st Meeting, August 13, 2024	1. The Corporation's financial report for the second quarter of 2024.
	2. Application for construction financing credit line from Bank F.
	3. Application for credit line from Bank A.
	Contents of independent directors' objections, reservations, or material suggestions: None.
	The Corporation's handling of the Audit Committee's opinion: Submitted to the Corporation's Board of Directors and resolved and approved.
	Result: After the chairperson consulted all the members present, the resolution was passed with no objections.

3rd Term, 2nd Meeting, November 8, 2024	1. The Corporation's consolidated financial report for the third quarter of the fiscal year 2024.
	Contents of independent directors' objections, reservations, or material suggestions: None.
	The Corporation's handling of the Audit Committee's opinion: Submitted to the Corporation's Board of Directors and resolved and approved.
	Result: After the chairperson consulted all the members present, the resolution was passed with no objections.
3rd Term, 3rd Meeting, December 27, 2024	1. Appointment of the Corporation's Finance and Accounting Supervisor.
	2. Amendment to the Corporation's Job Authorization and Proxy Management Regulations (Including Approval Authority Table).
	3. Addition of the Corporation's Sustainability Information Operations Management Regulations.
	4. The Corporation's internal audit plan for 2025.
	5. The Corporation's 2025 Business Operation Plan and Annual Business Budget.
	6. Application for credit line from Bank G.
	Contents of independent directors' objections, reservations, or material suggestions: None.
	The Corporation's handling of the Audit Committee's opinion: Submitted to the Corporation's Board of Directors and resolved and approved.
	Result: After the chairperson consulted all the members present, the resolution was passed with no objections.

(II) Other than the matters mentioned above, resolutions that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors: None.

II. The implementation of recusal of independent directors from motions in which they have a conflict of interest. The independent directors' names, contents of the motions, reasons for recusal, and participation in voting should be specified:

Time of the Audit Committee Meeting	Content of Motion	Name of Committee Member with Conflict of Interest	Reasons for Recusal	Participation in Voting
2nd Term, 15th Meeting, May 13, 2024	Appointment of the Corporation's Legal Counsel	Chun-Chieh Chiu	Due involvement in committee member's own interests	Please note that the interested party in this case has recused themselves from the discussion and voting due to conflict of interest. The proposal was approved without objection by the remaining committee members present.

III. Communications between independent directors and internal audit supervisors and CPAs (shall include material issues, methods and results of communication on the Corporation's financial and business conditions): The Corporation's financial statements are submitted on a quarterly basis to the Board of Directors for discussion and resolution after being approved by the Audit Committee. The independent directors communicate with the CPAs if they have any questions. In addition, the internal audit supervisor formulates an annual audit plan which is submitted to the Board of Directors for discussion and resolution after approval by the Audit Committee and presents audit reports to the Audit Committee and Board of Directors quarterly or communicates separately with the Audit Committee beforehand.

(III) Implementation Status of Corporate Governance and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Has the Corporation established and disclosed its own corporate governance best practice principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Corporation has established the Corporate Governance Best Practice Principles and disclosed these principles on the Market Observation Post System (MOPS) and the Corporation's website.	No deviations.
II. Shareholding structure and shareholders' rights				No deviations.
(I) Has the Corporation established an internal procedure for handling shareholder proposals, inquiries, disputes, and litigations? Are such matters handled according to the internal procedure?	✓		(I) The Corporation has established a spokesperson mechanism in accordance with regulations to handle issues such as shareholder suggestions or disputes.	
(II) Does the Corporation maintain a register of the major shareholders with controlling power, as well as a register of the ultimate controller of those major shareholders?	✓		(II) The Corporation's stock affairs agency is able to provide the roster of shareholders in a timely manner so that the Corporation is able to keep track of the list of its major shareholders with controlling power as well as the ultimate owners of those major shareholders. The Corporation may understand the shareholder structure through the roster.	
(III) Does the Corporation establish and enforce the risk control mechanism and firewall mechanism between itself and its associates?	✓		(III) The Corporation has established Supervision and Management of Subsidiaries, an internal control system, and Rules Governing Financial and Business Matters Between the Corporation and Its Affiliated Enterprises.	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(IV) Does the Corporation stipulate internal rules that prohibit company insiders from trading securities using information not disclosed to the market?	✓		<p>These regulations establish and implement risk control and firewall mechanisms with affiliated companies.</p> <p>(IV) The Corporation has established the Procedures for Handling Material Inside Information and Regulations Governing the Management and Control of Preventing Insider Trading, which regulate and advocate that insiders are not allowed to use unpublished information in the market to buy and sell securities so as to protect the rights and interests of investors.</p>	
<p>III. Composition and Responsibilities of the Board of Directors</p> <p>(1) Has the Board of Directors formulated a strategy to achieve diversity among Board members and, if so, is such strategy being implemented?</p> <p>(II) In addition to establishing a Remuneration Committee and Audit Committee as required by law, has the Corporation voluntarily</p>	✓	✓	<p>(I) The Corporation's Corporate Governance Best Practice Principles and Procedures for Election of Directors stipulate that the composition of the Board of Directors should consider diversity and formulate appropriate diversity policies in accordance with the Corporation's operation, business model, and development needs. For the specific management goals and implementation, please refer to the "5. Explanation of Board Diversity and Independence" on pages 11-13.</p> <p>(II) Except for the Remuneration Committee and the Audit Committee, the Corporation has not established other</p>	Functional committees may be established depending on the future demands of the Corporation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
<p>established other Functional Committees?</p> <p>(III) Has the Corporation established standards to measure the performance of the Board, and does the Corporation implement such annually? Are the results submitted to the Board of Directors and used as references for director remuneration and nominations for reappointment? ✓</p> <p>(IV) Does the Corporation regularly evaluate the independence of CPAs? ✓</p>			<p>functional committees.</p> <p>(III)The Corporation's Performance Evaluation Measures for the Board of Directors clearly defines the evaluation methods, and performance evaluations are conducted annually in accordance with these measures. The performance evaluation of the Board of Directors for the year 2024 has been completed and was reported to the Board of Directors on March 15, 2025, to serve as a reference for the remuneration and renomination of individual directors.</p> <p>(IV)In accordance with the "Regulations Governing the Evaluation and Performance Assessment of Certified Public Accountants," the Corporation annually evaluates the independence and performance of Certified Public Accountants, and if the achievement rate of the performance assessment reaches 80% or above, they will be reappointed.</p> <p>The evaluation of independence of CPAs in 2024 has been completed, and the statement of independence and audit quality report issued by the CPAs was obtained, which was</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			approved by the Board of Directors on March 15, 2024.	
IV..If the Corporation is a TWSE/TPEX listed company, has it established a dedicated or partially dedicated unit or personnel to be responsible for matters relevant to corporate governance (including but not limited to providing directors and supervisors required information for business execution, handling company registration and change of registration, and keeping minutes at Board meetings and shareholders meetings)?	✓		On March 13, 2023, the Corporation's Board of Directors approved the appointment of a new full-time Corporate Governance Officer, who is responsible for corporate governance-related matters, including handling directors' requests, legally managing Board of Directors and shareholders' meetings, handling company registration and registration changes, preparing minutes for Board and shareholders' meetings, assisting directors with their appointment and continuing education, reporting to the Board of Directors regarding the review results of independent directors' qualifications during nomination, election, and tenure periods, revising relevant codes and regulations, and handling matters related to changes in directors; The Corporate Governance Officer for 2024 has completed 18 hours of initial annual training as of November 8, 2024.	No deviations.
V. Has the Corporation established communication channels between stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder area on the Corporation's website, and responded appropriately to important corporate social responsibility issues of	✓		The Corporation has a spokesperson and has established a stakeholder section on the company website to appropriately respond to important corporate social responsibility issues of concern to stakeholders. For relevant information, please refer to the official website. ( <a href="https://www.leofoo.com.tw/upload/Vd_492/File/lenny%20hu">https://www.leofoo.com.tw/upload/Vd_492/File/lenny%20hu</a>	No deviations.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
concern to stakeholders?			ang/2024/4.14-113.pdf)	
VI. Does the Corporation commission a professional shareholder services agency to handle matters in connection with the Shareholders' Meetings?	✓		The Corporation has appointed the professional stock affairs agency Main Department of Stock Affairs Agency of Mega Securities Co., Ltd. to handle the Corporation's shareholders meetings and stock affairs.	No deviations.
VII. Information Disclosure (I) Does the Corporation have a corporate website to disclose both financial standings and the status of corporate governance? (II) Does the Corporation have other information disclosure channels (e.g. an English website, designated people to handle information collection and disclosure, a spokesman system, webcasting of investor conferences)?  (III) Does the Corporation publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating status for each month before the specified deadline?	✓  ✓	          ✓	(I) The Corporation has set up a website to disclose financial business and corporate governance related information. (II) The Corporation has designated personnel responsible for collecting and disclosing corporation information, has a spokesperson in charge of speaking to the general public, and places relevant information at the institutional investors conference in the investor section of the Corporation's website for inquiries by investors.  (III) The Corporation does not publish and declare annual financial statements within two months after the end of the fiscal year but publishes and declares quarterly financial statements and monthly revenues before the deadline.	No deviations.
VIII. Is there any other important information to	✓		(I) Employee Rights and Care: In addition to following the	No deviations.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
facilitate a better understanding of the Corporation's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?			<p>Labor Standards Act and related regulations, the Corporation provides good welfare programs (such as employee meals, employee trips, health check-ups, and establishing a medical office) and education training to establish a relationship of mutual trust with employees.</p> <p>(II) Investor Relations: The Corporation appoints a designated spokesperson to release information on behalf of the Corporation and has established an investor service section on its website to provide shareholders with up-to-date information on the Corporation's operational status.</p> <p>(III) Supplier Relations and Rights of Stakeholders: The Corporation maintains good relationships and communication channels with suppliers, financial institutions, other creditors, and customers. The Corporation also recognizes the rights of stakeholders and works to respect and safeguard their legal rights, providing a special section for stakeholders on the Corporation website and establishing dedicated contacts responsible for direct communications with stakeholders.</p> <p>(IV) Directors' Continuing Education: The Corporation arranges continuing education courses for directors every year to maintain the core values, professional advantages,</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>and capabilities of directors. In 2024, new directors completed 12 hours of continuing education, and the remaining directors have also continued with more than 6 hours of education.</p> <p>(V) Implementation of Risk Management Policies and Risk Measurement Standards: The Corporation's senior management meetings regularly review the Corporation's operation conditions to identify and mitigate operational risks in response to rapid market changes.</p> <p>(VI) Implementation of Customer Policy: The Corporation has set up a stakeholder opinion feedback section on its website to receive feedback from customers. To ensure high-quality services, the Corporation has formulated service indicators and customer voice management measures. Based on customer demands, the Corporation continuously improves the quality of its products and services.</p> <p>(VII) Directors' Liability Insurance: In 2024, liability insurance has been purchased for directors and managerial officers, and the insurance status was reported to the Board of Directors on November 8, 2024.</p>	
IX. Based on the latest Corporate Governance Evaluation report released by the Corporate Governance Center of TWSE, please state the circumstances				

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
in which improvements have been made and propose priorities and measures for those that have not yet improved: (I) The Corporation has assessed the risks and opportunities to the community and has implemented corresponding measures. The specific measures taken and their implementation results are disclosed on the company website. (II) The Corporation has established written regulations regarding financial and business operations between related parties. The content includes management procedures for transactions such as purchases and sales, acquisition or disposal of assets, and related significant transactions should be approved by the Board of Directors and then approved by or reported to the shareholders' meeting.				

(IV) If the Corporation has established a Remuneration Committee or Nomination Committee, its composition, responsibilities, and operations shall be disclosed:

1. The Board of Directors has established the Remuneration Committee in accordance with the organizational regulations of the Remuneration Committee approved by the Board of Directors. Its main functions are to formulate proposals for the following items:

Main functions:

- Establish and regularly review the policies, systems, standards, and structures for performance evaluation and compensation of directors and managerial officers.
- Regularly evaluate and determine the compensation of directors and managerial officers.

(1) Information on the Remuneration Committee Members

Title Name	Qualifications	Professional Qualifications and Work Experience	Independence Status	Number of Other Public Companies where the Individual Concurrently Serves as a Remuneration Committee Member
Convening Member	Kun-Ming Lee	Note 1	Note 1	1
Committee Member	Chun-Chieh Chiu	Note 1	Note 1	-
Committee Member	Pei-Wen Wu	Note 1	Note 1	-
Committee Member	Tung-Yuan Wang	Note 1	Note 1	-

Note 1: Please refer to pages 9-11, section 4: Directors' Professional Qualifications and Statement of Independent Directors' Independence.

(2) Operational Status of the Remuneration Committee

- A. The current Remuneration Committee consists of 4 members.
- B. The term of office for the current committee members: From May 27, 2024 to May 26, 2027, including the previous term, the Remuneration Committee held 5 meetings (A) in 2024. The qualifications and attendance of committee members are as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Actual Attendance Rate (Presence Rate) (%) 【B/A】	Notes
Convener	Heng-Yih Liu	2	-	100	Term expired and stepped down on 2024/05/26
Committee Member/Convener	Kun-Ming Lee	4	1	80	Re-elected, serving as the convener from May 27, 2024
Committee Member	Chun-Chieh Chiu	5	-	100	Re-elected
Committee Member	Pei-Wen Wu	3	-	100	Newly appointed
Committee Member	Tung-Yuan Wang	2	1	67	Newly appointed

Other matters to be recorded:

I. If the Board of Directors does not adopt or amends a recommendation of the Remuneration Committee, the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Corporation's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified) shall be specified: None.

Time of Remuneration Committee Meeting	Content of Motion
5th Term, 10th Meeting, March 11, 2024	1. Appointment of the new Corporate Governance Officer of the Corporation. 2. Ratification of remuneration adjustment of the Corporation's senior supervisors. 3. Distribution of Leofoo Tourism Group's 2023 performance bonus Result: After the chairperson consulted all the members present, the resolution was passed with no objections.
5th Term, 11th Meeting, May 13, 2024	1. Ratification of the salary adjustment for senior executives of the Corporation. 2. Amendment to the Corporation's "Employee Salary Management Regulations." 3. Amendment to the Corporation's Remuneration Committee Charter. 4. The Corporation's Central Region Solar Project Bonus Case. Result: After the chairperson consulted all the members present, the resolution was passed with no objections.
5th Term, 1st Meeting, May 27, 2024	1. Compensation for the 19th term Directors and Independent Directors of the Corporation and attendance fees for Board meetings. 2. Proposed selection of the convener for the 6th Remuneration Committee. Result: After the chairperson consulted all attending committee members, the proposal was approved without objection.
6th Term, 2nd Meeting, August 13, 2024	Amendment to the Corporation's Employee Salary Management Regulations. Result: After the chairperson consulted all the members present, the resolution was passed with no objections.
3rd Term,	1. Appointment of the Corporation's Finance and Accounting Supervisor.

3rd Meeting, December 27, 2024	2. Ratification of promotion and remuneration adjustment of the Corporation's senior supervisors.
	3. Distribution of Leofoo Tourism Group year-end bonus
	Result: After the chairperson consulted all the members present, the resolution was passed with no objections.
X. If there are resolutions of the Remuneration Committee to which members object or express reservations, and for which there is a record or declaration in writing, the date of the meeting, session, content of the motion, all members' opinions, and the response to members' opinion shall be specified: None.	

2. Operational Status of the Nomination Committee: The Corporation has not yet established a nomination committee.

(V) Implementation Status of Sustainable Development, Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons Therefor:

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
I. Has the Corporation established a governance structure to promote sustainable development, including dedicated units to implement sustainable development initiatives? Additionally, has the Board of Directors appointed senior management to oversee sustainable development affairs and report on their progress to the Board? <u>(TWSE/TPEX listed companies shall fill in the implementation status, not their compliance or interpretation.)</u>	✓		The Corporation has established a Sustainability Team to promote corporate sustainability goals, ensuring that the Corporation's sustainability information is prepared in compliance with laws and regulations, corporate operational strategies, results, and internal control systems. This ensures that information is relevant, material, timely, complete, and accurate, and can respond to the information quality of significant environmental, social, and governance issues relevant to the Corporation and its stakeholders. The team will regularly report to the Board of Directors every December on the operation and implementation of annual corporate ESG sustainability actions.	No deviations.
II. Does the Corporation perform risk assessments on environmental, social, and corporate governance issues related to its business operations and develop appropriate risk management policies or strategies based on the principle of materiality? <u>(TWSE/TPEX listed companies shall fill in the implementation status, not their</u>		✓	The Corporation has established Sustainable Development Best Practice Principles and sets annual targets for corporate ESG sustainability missions while reviewing implementation effectiveness. In addition, regular training is conducted for internal employees to cultivate concepts of social responsibility such as energy conservation, carbon reduction, and wastewater recycling and reuse; Promote environmental sustainability education externally and	Risk management policies and strategies are currently being developed.

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
<u>compliance or interpretation.)</u>			advocate animal conservation concepts. The Corporation regularly discusses information security risks, occupational safety risks, food safety risks, and other related issues.	
III. Environmental Issues (I) Has the Corporation established an appropriate environmental management system based on its industry characteristics?	✓		(I) Leofoo Tourism Group places a significant emphasis on environmental sustainability and has taken steps to enhance the management of its green supply chain. The Group consistently procures materials and products from social enterprises, local small farmers, and those that are Fair Trade Certified and traceability-certified, all of which align with the principles of environmental sustainability. Furthermore, the Group has integrated the concept of sustainable development into its supplier management mechanism and leverages its corporate influence to encourage and mandate suppliers to provide environmentally friendly products that meet high standards. In addition, we periodically send staff to inspect suppliers to ensure the source and quality of supplies. In addition, the Courtyard by Marriott Taipei is a model hotel and has been certified as a traceable restaurant by the Agriculture Multi-Discipline Association of Taiwan (AMOT) for five consecutive years as of 2024.	No deviations.

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
(II) Does the Corporation strive to efficiently utilize all energy resources and incorporate renewable materials with minimal environmental impact?	✓		<p>In line with our commitment to environmental sustainability, all restaurants within the Lefoo Tourism Group have ceased serving shark fin and rhino horn dishes and actively encourage our patrons to refrain from consuming shark fins or purchasing any products made from animal horns or scales. This initiative has made our Group the first five-star hotel and restaurant chain in Taiwan to completely eliminate shark fin cuisine from all of our brands. Our restaurants also adhere to four key principles: "natural ingredients", "healthy cooking", "friendliness to the earth", and "locally sourced, fresh produce", while minimizing food waste. We firmly believe that "everything on the plate should be edible!"</p> <p>(II) The Lefoo Tourism Group has made significant strides in advancing its ESG sustainability mission, as evidenced by the progress achieved in accordance with its annual strategic objectives:</p> <p>1. Green accommodation</p> <p>(1) Courtyard by Marriott Taipei was awarded the Environmental Protection Agency's Environmental Label Hotel Silver Certification, and Lefoo Resort Guanshi was awarded the</p>	

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
			<p>Green Accommodation Certification.</p> <p>(2) All energy-saving light bulbs in the guest rooms were replaced with LED bulbs after they were damaged. This replacement has resulted in significant energy and electricity savings.</p> <p>(3) Environmentally friendly products are being gradually implemented for guest room toiletries in order to reduce environmental pollution.</p> <p>(4) To minimize water waste, we change bed sets, linens, and towels every other day for guests who stay multiple nights.</p> <p>(5) The covers of the room cards are recycled and reused, while the resources are sorted and recycled to minimize waste.</p> <p>(6) Environmentally friendly functional products are being gradually adopted as hotel room cleaning agents to reduce environmental pollution.</p> <p>(7) Water-soluble toilet paper is used to reduce environmental pollution.</p> <p>2. Environmentally Friendly Dining</p> <p>(1) The Corporation has increased the proportion of locally sourced ingredients in order to reduce greenhouse gas emissions generated during</p>	

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
<p>(III) Has the Corporation evaluated the potential risks and opportunities of climate change for its present and future operations, and implemented response measures in relation to climate change?</p> <p>(IV) Has the Corporation calculated its</p>	✓		<p>transportation. As a result, the amount of local ingredients purchased in Nangang and Guanshi has reached NT\$1.83 million. This achievement has earned the Corporation the Third Prize of the Buying Power Procurement Award from the Ministry of Economic Affairs.</p> <p>(2) Sunrise Restaurant at Courtyard by Marriott Taipei, Cantonese Cuisine Restaurant, and Cape of Good Hope Restaurant at Leofoo Resort Guanshi have obtained Green Restaurant Certification from the Environmental Protection Administration.</p> <p>(3) Our restaurants have completely replaced paper straws with plastic straws to reduce environmental pollution.</p> <p>(4) The welcome tea or water for hotel guests is served in glasses, reducing the consumption of disposable paper cups.</p> <p>(5) Accurately estimate the number of customers and manage the quantity of ingredients prepared; Increase the second use of ingredients that have been processed but not used on the same day, controlling and reducing food waste.</p>	<p>The Corporation reviews climate change strategies and targets, manages climate change risks and opportunities, and discusses future plans.</p>

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
greenhouse gas emissions, water consumption, and waste production over the past two years and implemented policies to reduce energy and water consumption, as well as carbon and greenhouse gas emissions, and waste production?			<p>(6) The restaurant obtained a traceability certification package and increased the proportion of environmentally friendly ingredients procured, with the procurement amount reaching NT\$290,000.</p> <p>3. Energy saving, waste reduction, and recycling</p> <p>(1) Internally, the Corporation promotes the use of recycled paper for photocopying, reduces paper-based promotional materials, and procures environmentally certified paper materials.</p> <p>(2) The Corporation advises employees to implement waste classification, replace old equipment, and replace old devices with energy-saving ones.</p> <p>(3) Lefoo Foothill Farmland adopts eco-friendly farming practices, converting animal waste into organic fertilizer to nurture soil for agricultural production. In 2024, the recycling and reuse rate reached 70%, with a cumulative collection of 159 tons of animal waste and 14 tons of fallen branches and leaves. Through composting techniques, these materials were transformed into 115 tons of organic fertilizer, yielding 5.4 tons of crops. The farm has also obtained certification for</p>	

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
			<p>organic agricultural products and processed organic agricultural products, which are used in hotels, park restaurants, and animal feed. This practice turns "black gold" into "yellow gold," implementing the concept of biological cycle design, increasing local soil carbon sequestration, reducing carbon emissions from purchased ingredients, decreasing greenhouse gas generation, and avoiding impacts on ecological climate regulation.</p> <p>(4) Six earthworm cycling cultivation boxes have been set up to process raw kitchen waste. In 2024, the recycling and reuse rate reached 100%, with a cumulative collection of 12.5 tons of raw kitchen waste. This effectively reduces environmental burden, and the processed material is used as soil conditioner, providing fertilizer and essential trace elements needed for plants. Furthermore, the earthworm composting box principle is demonstrated to the public, helping them understand the regenerative value of the circular economy, with over 3,706 people participating.</p> <p>(III) (IV) All brands under the Group adhere to the</p>	

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
			<p>policy of green sustainability. They have developed energy-saving and carbon-reduction strategies in accordance with this policy.</p> <ol style="list-style-type: none"> <li>1. Water conservation: The Lefoo Resort Guanshi promotes water conservation in all guest rooms by not installing bathtubs; instead, showers are available in the bathroom. Additionally, the hotel uses water-saving label certified products in its water boilers and dispensers.</li> <li>2. Saving energy and electricity: Replaced all damaged light bulbs with energy-efficient LED light bulbs in every hotel room. Additionally, we encourage guests and staff to turn off power and lights when not in use. Finally, we have set a fixed temperature for the air-conditioning in public spaces of the restaurant, resulting in an average energy savings of 1% per year.</li> <li>3. Reducing carbon emissions: In order to meet the demand for food and beverage ingredients, we prioritized the evaluation of local procurement options and supported socially innovative products. This approach aimed to reduce the greenhouse gases generated by suppliers during transportation of</li> </ol>	

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
			<p>ingredients. Of these purchases, we procured NT\$290,000 worth of local ingredients from Nangang and Guanshi.</p> <p>4. In 2024, the Corporation was guided by consultants to comprehensively inventory greenhouse gas emissions, water consumption, and total waste weight, and began to formulate relevant policies and objectives in the same year. Related information is disclosed on the company's official website.</p>	
<p>IV. Social Issues</p> <p>(I) Does the Corporation formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights? ✓</p>			<p>(I) The Corporation's Work Rules are reported to and approved by the Department of Labor. The Corporation upholds its corporate social responsibility and protects the fundamental human rights of all employees, customers, and stakeholders. It respects and adheres to internationally recognized human rights norms and principles, including the core labor standards of the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the United Nations International Labor Organization, and other internationally recognized basic conventions, as well as local laws and regulations when formulating</p>	No deviations.

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
(II) Does the Corporation appropriately reflect the business performances or achievements in the employee remuneration policy (including salary, annual leave and other benefits)?	✓		human rights policies. The Corporation provides a reasonable and safe working environment, eliminates any human rights violations, and offers fair, equal, and dignified treatment to both internal and external members of the Corporation.	
(III) Does the Corporation provide a healthy and safe work environment and organize health and safety training for its employees on a regular basis?	✓		(II) The Corporation compensates new employees based on the new employee payroll benchmark, conducts yearly labor inventory and salary adjustments, and distributes year-end bonuses and employee bonuses. These bonuses are determined by the Corporation's operating conditions and the results of employee performance evaluations. In accordance with Article 30-1 of the Labor Standards Act, a four-week flexible working hours system is implemented, and the annual vacation days are 117 days as agreed by the labor-management meeting. The Corporation is also committed to gender equality, with equal pay for equal work and equal promotion opportunities for both men and women. In 2024, the percentage of female employees was 53.74% and the percentage of female supervisors was 53.09%.	
	✓		(III) The Corporation regularly conducts health examinations and implements workplace environment monitoring,	

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
(IV) Does the Corporation establish effective career development and training plans for its employees?	✓		provides a safe working environment in compliance with regulations, and regularly implements safety and health education for employees; In 2024, there were a total of 61 occupational accidents, accounting for 0.42% of the total number of employees in 2024, with the majority being accidents during commuting, exposure to high/low temperatures, and falls; In response to occupational hazards, strengthen employee education, training and advocacy, and post relevant information on employee bulletin boards; For injured employees, provide health education and care to ensure their health, safety, and stable physical and mental condition. Meanwhile, Leofoo Village and Leofoo Resort have obtained ISO45001 certification, with certificate validity from April 21, 2022 to April 21, 2025. Emergency response plans are implemented regularly every year, with 2 fire incidents in 2024.	
(V) Does the Corporation comply with relevant regulations and international standards regarding customer health and safety, right to privacy, marketing and labeling of its products and services and set up relevant consumer or customer protection policies and complaint procedures?	✓			
(VI) Does the Corporation formulate and implement supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and			(IV) To develop the career capabilities of its employees, the Corporation conducts monthly on-the-job training sessions on various themes. Additionally, the Corporation has implemented a management succession system that includes a reserve and training program for	

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
health or labor human rights?			<p>middle and senior managers. This succession management mechanism aims to identify and develop employees with exceptional performance, strategic thinking skills, and values that align with the Corporation's culture. These values include integrity, personal advancement, efficiency, and key leadership traits such as ethics, honesty, and accountability.</p> <p>(V) The Corporation follows the relevant laws, regulations, and international standards for the marketing and labeling of food and beverages, accommodation, and other services. If customers have any comments regarding our products and services, they can provide feedback through our on-site service staff, customer service hotline, or customer service email.</p> <p>Customer service hotline: (Service hours: 09:00 AM to 05:00 PM Monday to Friday)</p> <p>Customer service e-mail: <a href="mailto:service@lefoo.com.tw">service@lefoo.com.tw</a></p> <p>(VI) The Corporation's procurement policy centers on source management and mandates that suppliers adhere to pertinent regulations regarding environmental protection, occupational safety and health, and labor human rights. Suppliers are evaluated in accordance</p>	

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
			with the Corporation's Standard Operating Procedures for Supplier Management. The Corporation reserves the right to terminate or cancel contracts with suppliers who violate its policies.	
V. Does the Corporation refer to internationally accepted reporting guidelines or guidance in preparing sustainability reports or other reports that disclose non-financial corporate information? Has the aforementioned report obtained assurance or opinion from a third-party verification body?		✓	The Corporation will publish a sustainability report for 2024, prepared in accordance with the internationally recognized GRI reporting standards, and expects to obtain third-party assurance or verification opinion.	Continuous planning is underway for certification or assurance from a third-party accreditation body.
VI. If the Corporation has established sustainable development best-practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, describe the implementation and any deviations from such principles: None.				
VII. Other important information to help understand the implementation of sustainable development: Leofoo Tourism Group integrates resources from all its brands, actively engaging in environmental sustainability and social participation, demonstrating the Corporation's commitment to practicing corporate social responsibility.  1. Environmental sustainability (1) In 2024, Courtyard by Marriott Taipei won the first Taipei Sustainable Accommodation Gold Award. In addition to receiving the Green Hotel certification in 2022, it is also the first Taipei Green Travel accommodation provider. Animal Conservation: Hosted the international "2024 Mega-Herbivore Anesthesia Workshop," attracting experts from eight countries worldwide, with a hundred participants gathering to learn and exchange knowledge on wildlife anesthesia techniques. (2) Leofoo Village is one of the few recognized members of the South East Asian Zoos and Aquariums Association (SEAZA) in Taiwan.				

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
<p>(3) In response to the World Wide Fund for Nature's (WWF) global campaign to turn off the lights for one hour, all brand hotels under Leofoo have synchronized with the world to turn off non-essential, decorative lighting for one hour, in a joint effort to reduce energy consumption and carbon emissions.</p> <p>(4) A time-sharing mechanism has been implemented for public air-conditioning and lighting.</p> <p>(5) Leofoo Tourism Group's hotels do not provide single-use amenities unless requested by guests.</p> <p>(6) The lighting level in the bar at the lobby is dimmed by 50% at 7:00 p.m.</p> <p>(7) Energy-saving light bulbs and water-saving devices are used in office spaces.</p> <p>(8) Starting from 2024, consultants have been providing guidance to conduct a comprehensive inventory of greenhouse gas emissions.</p> <p>2. Social engagement: On-Campus Environmental Education</p> <p>(1) Organized Leofoo Sustainability event, focusing on animal conservation issues, gathering 2,200 elementary and junior high schools across Taiwan to participate in the competition, with 150 registrations. The Best Popular Video Award attracted 77,000 online participants, establishing a foundation for sustainable environmental education.</p> <p>(2) Charity: For the 15th year in a row, Leofoo Village Theme Park hosted its annual Dream Charity Day, providing assistance to 80,000 children. This year, we extended invitations to 13 elementary schools and disadvantaged groups in remote areas, allowing 593 individuals free admission to our park. Additionally, the Corporation sponsored transportation and meal expenses for each student and group member.</p> <p>3. Job capability training: Multiple workplace internship training sessions through campus industry-academia cooperation, serving 64 students.</p> <p>4. Corporate governance:</p> <p>(1) Leofoo has successfully created a diverse and inclusive workplace, enhancing employee value through the establishment of the Hearing-Impaired Hi Team, women-friendly workplace initiatives, and multi-generational teams, earning the Outstanding Model Project Award from the Commonwealth ESG Awards: Workplace Inclusion Category.</p> <p>(2) Won the "Gold Award" in the 1111 Job Bank 2024 Happy Enterprise Awards, passed the 104 Job Bank Employer Brand Awards Best Attraction Award, received the first "Middle-aged and Elderly Friendly Enterprise Certification" in Taipei City in 2024, passed the 2024</p>				

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
Taipei City Excellent Breastfeeding Room Certification and obtained "Outstanding" recognition, provides free doctor consultation services every 2 months, annual free employee health check-ups, 24-hour accident protection for colleagues, employee benefits such as staff meals that safeguard colleagues' health, and employee stock ownership trust plans, creating shared prosperity and well-being with employees.				

## Climate-related information

### 1. Implementation Status of Climate-Related Information

Items	Implementation Status
1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	Regular reports on the implementation status are made to the President through the Sustainable Management Promotion Team, which was established in 2024.
2. Describe how the identified climate risks and opportunities affect the Corporation's business, strategy and finances (short-term, medium-term and long-term).	<p>Short-term: Adjust business plans and emergency response strategies to address sudden climate events and risks.</p> <p>Mid-term: Adjust business strategies, including supply chain diversification, energy efficiency improvement, innovative product development, etc., to respond to market changes brought about by climate change.</p> <p>Long-term: Increase investment in climate-related technologies and solutions, promote innovation to address challenges brought about by climate change, while simultaneously developing new business opportunities.</p>
3. Describe the impact of extreme climate events and transition actions on finances.	<p>Impact: During heavy rainfall, amusement facilities cannot operate, reducing visitors' motivation to enter the park and therefore decreasing business revenue.</p> <p>Transition: Increase indoor amusement facilities.</p>
4. Describe how the processes of identifying, assessing, and managing climate-related risks are integrated into the overall risk management system.	The Corporation has established a comprehensive organizational structure, policies, and management guidelines covering diverse risk areas including operations, finance, market, legal compliance, etc., and implements enterprise risk management through processes such as risk identification and assessment, impact measurement, response adaptation, and supervision reporting. The Sustainability Promotion Team also regularly reports to the President on the implementation of corporate sustainability development and climate issues, integrating environmental, social, and corporate governance (ESG) material

Items	Implementation Status
	topics and risk management operations into the Corporation's overall management system. The Corporation continuously adjusts its governance structure and strategies in a rolling manner to steadily strengthen corporate risk response capabilities and fulfill its commitment to sustainable development.
5. If using scenario analysis to assess resilience against climate change risks, the scenarios, parameters, assumptions, analytical factors, and major financial impacts used should be explained.	Not yet completed, related content will be disclosed on the Corporation's official website after completion.
6. If there is a transition plan to address climate-related risk management, please explain the content of the plan, as well as the indicators and targets used to identify and manage physical risks and transition risks.	Not yet completed, related content will be disclosed on the Corporation's official website after completion.
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be explained.	Internal carbon pricing has not yet been implemented.
8. If climate-related targets are set, explain the activities covered, greenhouse gas emission scopes, planned timeline, progress achieved each year and other information. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, the source and quantity of carbon reduction credits being offset or the quantity of Renewable Energy Certificates (RECs) should be explained.	Facing increasingly severe extreme climate threats while fulfilling the spirit of corporate sustainable development. The Corporation conducts a greenhouse gas inventory in order to understand the overall carbon emissions, identify carbon emission hotspots and formulate corresponding carbon reduction plans. Continuously reduce gas emissions through green electricity procurement and replacement of energy-efficient equipment. The Corporation will use 2024 as the base year for carbon reduction and aim to establish medium and long-term carbon reduction targets in 2025.

## 2. The Corporation's greenhouse gas inventory and assurance status for the past two years

### (1) Greenhouse gas inventory information

Describe the greenhouse gas emissions (tonnes CO<sub>2</sub>e), intensity (tonnes CO<sub>2</sub>e/million dollars), and scope of data coverage for the past two years.

#### Basic Corporation Information

- ☐ Companies with capital of NT\$10 billion or more, steel industry, cement industry
- ☐ Companies with capital of NT\$5 billion or more but less than NT\$10 billion
- ☒ Companies with capital less than NT\$5 billion

According to the sustainability roadmap regulations for TWSE/TPEX listed companies, at minimum the following should be disclosed:

- ☒ Parent company individual inventory
- ☐ Inventory of subsidiaries included in consolidated financial reports
- ☐ Parent company individual assurance
- ☐ Subsidiaries included in consolidated financial reports assurance

Comprehensive inventory was not conducted in 2023. The inventory data for 2024 is as follows:

Corporation	Carbon emissions (tCO <sub>2</sub> e)		
	Scope 1	Scope 2	Total
The Corporation	6,396.8860	10,127.3882	16,524.274

(2) Greenhouse gas assurance information

Describe the assurance status for the most recent two years as of the annual report publication date, including the assurance scope, assurance institution, assurance standards, and assurance opinion.

The Corporation will prepare a sustainability report for 2024 with reference to internationally accepted reporting guidelines or standards and will obtain an assurance report issued by an accounting firm.

**3. Greenhouse gas reduction targets, strategies, and specific action plans**

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

The Corporation complies with the reference guidelines and relevant regulations issued by the competent authorities by establishing a part-time unit, detailing the implementation schedule for each project item, and formulating complete inventory procedures. The implementation progress will be reported to the Board of Directors, and the Corporation will continue to monitor the completion status of the greenhouse gas inventory disclosure timeline. The Corporation expects to complete the greenhouse gas inventory for 2024 in 2025, and based on the results, establish relevant reduction targets, strategies, and action plans. .

(VI) Implementation Status of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor

Evaluation Item	Operation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
<p>I. Establishment of ethical corporate management policies and programs</p> <p>(I) Has the Corporation established the ethical corporate management policies approved by the Board of Directors and declared its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its Board to implement the policies? ✓</p> <p>(II) Does the Corporation establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include those specified in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for ✓</p>			<p>(I) On March 20, 2020, the Board of Directors approved amendments to the Ethical Corporate Management Best Practice Principles, which are now being implemented in accordance with regulations. The Corporation's commitment to conducting business with ethical corporate management is disclosed in both the annual report and on its website.</p> <p>(II) Based on the principles and obligations of faithful and ethical management, the Corporation follows the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and has established Ethical Corporate Management Best Practice Principles with relevant regulations regarding moral integrity, avoidance of conflicts of interest, etc., and regularly conducts employee training to implement the ethical management policy.</p> <p>(III) The Corporation has established its own Ethical</p>	No deviations.

Evaluation Item	Operation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
<p>TWSE/TPEX Listed Companies?</p> <p>(III) Does the Corporation specify operating procedures, guidelines, punishments for violations, and a grievance system in its prevention programs, and does it implement and review these programs regularly?</p>			Corporate Management Best Practice Principles for employees to follow. The Corporation promotes the policy of ethical corporate management to our employees and directors through internal meetings, education, and training programs.	
<p>II. Implementation of Ethical Corporate Management</p> <p>(I) Does the Corporation evaluate business partners' ethical records and include ethics-related clauses in the business contracts signed with the counterparties? ✓</p> <p>(II) Does the Corporation establish an exclusively dedicated unit supervised by the Board of Directors to be in charge of ethical corporate management and report to the Board of Directors the implementation of ethical corporate</p>			<p>(I) The Corporation conducts its business activities in a fair and transparent manner, and the contracts signed with its business partners include compliance with the ethical corporate management policy. (Prohibition of bribery, accepting bribes, infringement of intellectual property rights, etc.) If a business partner engages in dishonest conduct, business dealings with them will be immediately terminated.</p> <p>(II) The Human Resources Department is the designated unit responsible for this; The Corporation's website and annual report disclose the implementation of integrity management, and regular reports are made to the Board of Directors</p>	No deviations.

<p>management policies and prevention programs on a regular basis (at least once a year)? ✓</p> <p>(III) Does the Corporation establish policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly? ✓</p> <p>(IV) Does the Corporation establish effective accounting and internal control systems to implement ethical corporate management with an internal audit unit responsible for devising relevant audit plans based on the results of the assessment of any unethical conduct risk? Does it examine compliance with prevention programs or engage a certified public accountant to carry out the audit? ✓</p> <p>(V) Does the Corporation regularly hold internal and external training on ethical corporate management? ✓</p>		<p>regarding compliance with various preventive measures, with the most recent report presented to the Board on December 27, 2024</p> <p>(III) The Corporation has implemented two key measures to prevent conflicts of interest and facilitate effective communication channels. These measures are the Ethical Corporate Management Best Practice Principles and the Rules for Handling Internal and External Whistleblowing. The Corporation has also provided various contact methods, such as telephone numbers, email addresses, and physical addresses, which are available in the "Stakeholder Section" on the Corporation's website. In addition, the Corporation's "Rules of Procedure for Board of Directors Meetings" provides for a recusal system for conflicts of interests which is implemented in accordance with the Rules.</p> <p>(IV) The Corporation has established a comprehensive accounting system and internal control system, and the internal audit unit performs audits in accordance with the audit plan.</p> <p>(V) The Corporation has incorporated ethical corporate management into the training curriculum for new</p>	
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Evaluation Item	Operation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
			<p>employees so that they can understand the direction and policies of the Corporation's ethical corporate management.</p> <p>Participation in education, training, and awareness campaigns in 2024:</p> <p>In 2024, the Corporation conducted educational training as well as awareness campaigns for new employees regarding ethical corporate management. The course contents included corporate core values, legal risk management and responsibility, the code of ethics, personal information and privacy protection, intellectual property rights, and prevention of insider trading. A total of 150 people attended the courses, which amounted to approximately 125 hours of training.</p> <p>In 2024, a course on preventing insider trading was conducted, which included education and training on topics such as short-selling, breach of trust, unconventional trading, legal liability for unconventional trading, and how to avoid unconventional trading by directors, supervisors, and managerial officers. A total of 153 individuals</p>	

Evaluation Item	Operation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
			attended the course, receiving approximately 50 hours of training.	
III. Operation of the whistle-blowing system (I) Does the Corporation establish both a reward/whistle-blowing system and convenient whistle-blowing channels? Are appropriate personnel assigned to the accused party?	✓		(I) The Corporation has established the Rules for Handling Internal and External Whistleblowing. Internal whistleblowers may use the employee suggestion box, while external whistleblowers may submit written letters or emails. Additionally, the Human Resources Department handles whistleblowing from employees. To provide a reporting avenue for employees, shareholders, stakeholders, and external personnel, the Corporation has set up the "Stakeholder Section" on its website. The Corporation is committed to maintaining the confidentiality of whistleblowers and the contents of their reports.	No deviations.

Evaluation Item	Operation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
(II)Has the Corporation established standard operating procedures for investigating reported misconduct and related confidentiality mechanisms?  (III)Does the Corporation provide protection for whistle-blowers against receiving improper treatment?	✓		(II) The Corporation carries out activities related to receiving whistleblowing reports, conducting investigations, and maintaining confidentiality in accordance with the Ethical Corporate Management Best Practice Principles and the Rules for Handling Internal and External Whistleblowing. (III)The Corporation adheres to the Ethical Corporate Management Best Practice Principles and the Rules for Handling Internal and External Whistleblowing in carrying out its operations. To safeguard whistleblowers from any form of mistreatment, the Corporation implements strict confidentiality measures to protect their identity.	No deviations.
IV. Enhancement of Information Disclosure (I)Does the Corporation disclose its ethical corporate management policies and the results of their implementation on the company website and MOPS?	✓		(I)The Corporation discloses its ethical corporate management policies and the results of their implementation on the Corporation's website and MOPS.	No deviations.
IV.If the Corporation has established ethical corporate management best-practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe the implementation and any deviations from the Principles: The Corporation has established Ethical Corporate Management Best-practice Principles. No deviation of the implementation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies has been found.				

Evaluation Item	Operation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Description	
V. Other important information to facilitate a better understanding of the Corporation's ethical corporate management practices: The Corporation complies with the Company Act and other laws and regulations related to business practices as a fundamental part of its business practices.				

(VII) Other important information that may enhance the understanding of corporate governance operations may also be disclosed: None.

(VIII) Implementation Status of Internal Control System

1. Statement on Internal Control: Please refer to the Market Observation Post System, Home Page/Individual Company/Corporate Governance Company Regulations/Internal Control/Internal Control Statement Announcement.

(<https://mopsov.twse.com.tw/nas/cont06/c2705113011140317.pdf>)

2. If a CPA has been hired to carry out a special audit of the internal control system, the CPA audit report shall be disclosed: None.

(IX) Major Resolutions of Shareholders' Meeting and Board Meetings during the Most Recent Fiscal Year and during the Current Fiscal Year as of the Date of Publication of the Annual Report:

1. Major Resolutions of the 2024 Annual Shareholders Meeting and Implementation Status Thereof:

The resolutions of the shareholders present at the Corporation's 2024 Annual Shareholders Meeting held on May 27, 2024 and their status of implementation are as follows:

Summary of Major Proposals	Resolution Result	Implementation Status																		
1. The Corporation's 2023 Business Report and Financial Statements.	The number of affirmative votes represented 97.00% of the total voting rights of the shareholders present. The proposal was adopted as presented.	The Corporation's consolidated revenue for 2023 was NT\$2,211,095 thousand, with an after-tax loss of NT\$97,744 thousand and a loss per share of NT\$0.51.																		
2. The Corporation's 2023 Deficit Appropriation.	The number of affirmative votes represented 96.90% of the total voting rights of the shareholders present. The proposal was adopted as presented.	The shareholders meeting resolved to recognize the deficit appropriation for 2023, and not to distribute dividends or bonuses to employees and remuneration to directors.																		
3. To amend the Corporation's Procedures for Election of Directors	The number of affirmative votes represented 96.96% of the total voting rights of the shareholders present. The proposal was adopted as presented.	Resolved by the shareholders meeting, it has been announced on the Corporation's website and implemented.																		
4. To re-elect all directors (including independent directors) of the Corporation's 19th term.	<div>Election Results:</div> <div>Director</div> <table><tr><th>Account Name or Personal Name</th><th>Number of Votes Received</th></tr><tr><td>Feng-Ru Chuang</td><td>127,640,932</td></tr><tr><td>Cheng-Jung Lai</td><td>114,159,924</td></tr><tr><td>Foo Chuang Cultural &amp; Educational Foundation Representative: Tsui-Fang Hsu</td><td>113,079,625</td></tr></table> <div>Independent director</div> <table><tr><th>Account Name or Personal Name</th><th>Number of Votes Received</th></tr><tr><td>Kun-Ming Lee</td><td>104,445,379</td></tr><tr><td>Chun-Chieh Chiu</td><td>101,850,990</td></tr><tr><td>Pei-Wen Wu</td><td>101,798,561</td></tr><tr><td>Tung-Yuan Wang</td><td>101,527,386</td></tr></table>	Account Name or Personal Name	Number of Votes Received	Feng-Ru Chuang	127,640,932	Cheng-Jung Lai	114,159,924	Foo Chuang Cultural & Educational Foundation Representative: Tsui-Fang Hsu	113,079,625	Account Name or Personal Name	Number of Votes Received	Kun-Ming Lee	104,445,379	Chun-Chieh Chiu	101,850,990	Pei-Wen Wu	101,798,561	Tung-Yuan Wang	101,527,386	Material information has been released on the day of the shareholders' meeting.
Account Name or Personal Name	Number of Votes Received																			
Feng-Ru Chuang	127,640,932																			
Cheng-Jung Lai	114,159,924																			
Foo Chuang Cultural & Educational Foundation Representative: Tsui-Fang Hsu	113,079,625																			
Account Name or Personal Name	Number of Votes Received																			
Kun-Ming Lee	104,445,379																			
Chun-Chieh Chiu	101,850,990																			
Pei-Wen Wu	101,798,561																			
Tung-Yuan Wang	101,527,386																			

5. To remove the non-competition restrictions on newly elected directors and their representatives.	The number of affirmative votes represented 94.16% of the total voting rights of the shareholders present. The proposal was adopted as presented.	Material information has been released on the day of the shareholders' meeting.
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2. Major resolutions of board meetings in 2024 and during the current fiscal year as of the date of publication of the annual report:

Date	Meeting Number	Material Resolutions
18th Session, 16th Meeting, 11 March 2024	Board of Directors	<ol style="list-style-type: none"> <li>1. Appointment of the new Corporate Governance Officer of the Corporation.</li> <li>2. Ratification of remuneration adjustment of the Corporation's senior supervisors.</li> <li>3. Distribution of Leofoo Tourism Group's 2023 performance bonus</li> <li>4. The Corporation's 2023 business report, parent company only financial statements and consolidated financial statements.</li> <li>5. Proposal to amend the Corporation's General Principles of Pre-Approval of Non-Assurance Services Policy and the pre-approval of non-assurance service of the CPAs' accounting firms.</li> <li>6. Independence and suitability evaluation of the Corporation's CPAs.</li> <li>7. The Corporation's 2023 Deficit Appropriation.</li> <li>8. The Corporation's 2023 Statement on Internal Control.</li> <li>9. Revision of the Corporation's Organizational Rules for the Audit Committee.</li> <li>10. To amend the Corporation's Rules of Procedure for Board of Directors Meetings.</li> <li>11. To amend the Corporation's Procedures for Election of Directors</li> <li>12. Application for renewal of credit line from Bank C.</li> <li>13. Application for renewal of credit line from Bank A.</li> <li>14. Application for newly added credit line from Bank A.</li> <li>15. Application for credit line from Bank F.</li> <li>16. Application for renewal of credit line from Bank D.</li> <li>17. To re-elect all directors (including independent directors) of the Corporation's 19th term.</li> <li>18. Proposal for the nomination period, number of vacancies, and receiving office for the nomination of director candidates (including independent directors).</li> <li>19. It is proposed to approve the list of candidates and qualifications for the 19th Board of Directors (including independent directors) nominated by the Board of Directors of the Corporation.</li> <li>20. To remove the non-competition restrictions on newly elected directors and their representatives.</li> <li>21. A case regarding relevant matters of accepting shareholders' proposal rights at the 2024 annual shareholders' meeting.</li> <li>22. Setting of the date, venue, and agenda of the 2024 Annual Shareholders Meeting of the Corporation.</li> </ol>
18th term, 17th meeting on May 13, 2024	Board of Directors	<ol style="list-style-type: none"> <li>1. Ratification of the salary adjustment for senior executives of the Corporation.</li> <li>2. Amendment to the Corporation's Employee Salary Management Regulations.</li> <li>3. Amendment to the Corporation's Remuneration Committee Charter.</li> <li>4. The Corporation's Central Region Solar Project Bonus Case.</li> </ol>

Date	Meeting Number	Material Resolutions
		5. Appointment of the Corporation's legal counsel. 6. Appointment and remuneration of the CPAs. 7. The Corporation's financial report for the first quarter of 2024.
19th Session, 1st Meeting, 27 May 2024	Board of Directors	1. Election of the Chairman. 2. Appointment of members to the 6th Remuneration Committee of the Corporation.
19th term, 2nd meeting on May 27, 2024	Board of Directors	1. Compensation for the 19th term Directors and Independent Directors of the Corporation and attendance fees for Board meetings. 2. Proposal to appoint Mr. Chen-Jung Lai as the Group President. 3. Proposal to release the Group President from non-competition restrictions.
19th Session, 3rd Meeting, 13 August 2024	Board of Directors	1. Amendment to the Corporation's Employee Salary Management Regulations. 2. The Corporation's financial report for the second quarter of 2024. 3. Application for construction financing credit line from Bank F. 4. Application for credit line from Bank A.
19th Session, 4th Meeting, 8 November 2024	Board of Directors	1. The Corporation's financial reports for the third quarter of 2024.
19th Session, 5th Meeting, 27 December 2024	Board of Directors	1. Appointment of the Corporation's Finance and Accounting Supervisor. 2. Ratification of promotion and remuneration adjustment of the Corporation's senior supervisors. 3. Leofoo Tourism Group's year-end bonus and performance bonus distribution case. 4. Amendment to the Corporation's Job Authorization and Proxy Management Regulations (Including Approval Authority Table). 5. Addition of the Corporation's Sustainability Information Operations Management Regulations. 6. The Corporation's internal audit plan for 2025. 7. The Corporation's 2025 Business Operation Plan and Annual Business Budget. 8. Application for credit line from Bank G.
19th term, 6th meeting on March 15, 2025	Board of Directors	1. The Corporation's Chief Strategy Officer appointment and salary adjustment case. 2. Ratification of remuneration adjustment of the Corporation's senior supervisors. 3. Ratification of the appointment of executives at level 19 and above in the Corporation. 4. The Corporation's 2024 business report, parent company only financial statements and consolidated financial statements.

Date	Meeting Number	Material Resolutions
		5. The Corporation's pre-approval for non-assurance services from the CPA firm. 6. Independence and suitability evaluation of the Corporation's CPAs. 7. The Corporation's 2024 Deficit Appropriation. 8. The Corporation's 2024 Statement on Internal Control. 9. Amendment to the Corporation's "Articles of Incorporation" and defining the scope of entry-level employees case. 10. Amendment to the Corporation's Procedures for Lending Funds to Others case. 11. Amendment to the Corporation's Endorsement and Guarantee Procedures case. 12. Application for renewal of credit line from Bank A. 13. Application for renewal of credit line expiration with Bank F. 14. A case regarding relevant matters of accepting shareholders' proposal rights at the 2025 annual shareholders' meeting. 15. Setting of the date, venue, and agenda of the 2025 Annual Shareholders Meeting of the Corporation.

Implementation status: All resolutions of the Board of Directors meetings have been implemented in accordance with the minutes of the Board of Directors meetings.

(10) Any dissenting opinions expressed by directors or supervisors with respect to major resolutions passed by the Board of Directors during the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, where said dissenting opinions have been recorded or prepared as a written declaration: None.

## IV. Information on CPAs

### (I) Fee information for CPAs

Unit: NT\$ thousands

Name of CPA Firm	Name of CPA	Audit Period	Audit Fees	Non-audit Fees	Total	Notes
Ernst & Young Taiwan	Ching-Piao Cheng	2024.01.01~ 24.12.31	3,110	530	3,640	Non-audit fees are for tax compliance audit
	Wen-Fang Fu					

1. When the CPA firm is changed and the audit fees paid for the fiscal year of such fees are lower than those for the previous fiscal year, the amounts of audit fees reduced, and the reasons therefore shall be disclosed: None.
2. If the audit fee has decreased by 10% or more from the previous year, the amount, percentage, and reason for the decrease shall be disclosed: None.

### (II) Information on change of CPAs: None.

### (III) Assessment of the accountant's independence

1. The Corporation's Audit Committee evaluates the independence and competence of its certifying accountants annually. In addition to requiring the certifying accountants to provide an Accountant Independence Statement and Audit Quality Indicators (AQIs), the evaluation is also conducted according to standards. After confirming that the CPAs have no financial interest or business relationship with the Corporation other than the fees from attestation and taxation services, and that the family members of the CPAs do not violate the independence requirements, the audit committee and the Board of Directors approved the results of the latest annual evaluation on the independence of CPAs on March 15th, 2025.

#### 2. Evaluation Standards of Independence of CPAs

Items	Evaluation Item	Result	Independence of the CPAs
1	The CPAs have no material financial interest in the Corporation.	Yes	Yes
2	The CPAs have no inappropriate interests in the Corporation.	Yes	Yes
3	The CPAs and their assistants regularly participate in evaluations conducted by industry associations or other related organizations to ensure honesty, impartiality and independence.	Yes	Yes
4	If the financial statements of the organization to which the CPAs provide service violated the regulations within the	Yes	Yes

Items	Evaluation Item	Result	Independence of the CPAs
	previous two years of practice, no attestation shall be conducted.		
5	The name of the CPAs shall not be used by others.	Yes	Yes
6	The CPAs shall not hold shares of the Corporation.	Yes	Yes
7	The CPAs shall not engage in any monetary loans with the Corporation, except for standard transactions with the financial industry.	Yes	Yes
8	The CPAs shall not be paid a fixed salary for regular work for the Corporation.	Yes	Yes
9	The CPAs shall not be paid any business-related commission.	Yes	Yes
10	Does the term of service of the CPAs exceed seven consecutive years?	No	Yes

(IV) Does the Chairman, President, or any managerial officer in charge of finance or accounting matters in the most recent fiscal year hold a position at the CPAs' accounting firm or an affiliate thereof: None.

**V. Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year and during the current fiscal year as of the date of publication of the annual report) by a Director, Supervisor, Managerial Officer, or Shareholder with a stake of more than 10%**

(I) Changes in shareholdings of directors, supervisors, managerial officers, and major shareholders, and information on share transfers (counterparties to transactions):

([https://mops.twse.com.tw/mops/#/web/t56sb21\\_q1](https://mops.twse.com.tw/mops/#/web/t56sb21_q1)) °

Please refer to the Market Observation Post System, Single Company > Changes in Shareholding/Securities Issuance > Inquiry on Share Transfer Data > Daily Report on Insider Shareholding Transfers > Daily Report on Shareholding Transfers ([https://mops.twse.com.tw/mops/#/web/t56sb21\\_q1](https://mops.twse.com.tw/mops/#/web/t56sb21_q1))

(II) Changes in Pledge of Equity Interests (Transaction Counterparty): None.

## VI. Relationship among the ten largest shareholders

April 5, 2025; Unit: Shares; %

NAME	CURRENT SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEES		AMONG TEN LARGEST SHAREHOLDERS, NAME AND RELATIONSHIP WITH ANYONE WHO IS A RELATED PARTY UNDER NO. 6 OF THE FINANCIAL AND ACCOUNTING STANDARDS OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP		NOTES
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relationship	
							(or name)		
Jiu Yung Investment Ltd.	16,605,222	8.68	-	-	-	-	Cheng-Jung Lai Feng-Ru Chuang Hsiu-Shih Chuang Su-Mei Chang Chuang Foo Foundation Jung Feng Investment Ltd.	Person in charge Wife of person in charge Father-in-law of person in charge Mother-in-law of person in charge Person in charge/Chairman is the same person People in charge are a married couple	
Jung Feng Investment Ltd.	12,850,695	6.72	-	-	-	-	Feng-Ru Chuang Cheng-Jung Lai Hsiu-Shih Chuang Su-Mei Chang Jiu Yung Investment Ltd. Chuang Foo Foundation	Person in charge Husband of person in charge Father of person in charge Mother of person in charge People in charge are a married couple Person in charge/Chairman are a married couple	
Chuang Foo Foundation	12,079,888	6.31	-	-	-	-	Cheng-Jung Lai Feng-Ru Chuang Hsiu-Shih Chuang Su-Mei Chang Jiu Yung Investment Ltd. Jung Feng Investment Ltd.	Chairman Director Father-in-law of Chairman Mother-in-law of Chairman Person in charge/Chairman is the same person Person in charge/Chairman are a married couple	
Feng-Ru Chuang	8,371,403	4.38	4,668,472	2.44	29,455,917	15.40	Cheng-Jung Lai Hsiu-Shih Chuang Su-Mei Chang Jiu Yung Investment Ltd. Chuang Foo Foundation Jung Feng Investment Ltd.	Spouses Father and daughter Mother and daughter Wife of person in charge Director	

NAME	CURRENT SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEES		AMONG TEN LARGEST SHAREHOLDERS, NAME AND RELATIONSHIP WITH ANYONE WHO IS A RELATED PARTY UNDER NO. 6 OF THE FINANCIAL AND ACCOUNTING STANDARDS OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP		NOTES
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relationship	
							(or name)		
								Person in charge	
Ching-Ho Chuang	5,527,376	2.89	-	-	-	-	-	-	
Ching-Hsiung Shen	8,592,000	4.49		-	-	-	-	-	
Hung-Chih Chiu	4,889,000	2.56	-	-	-	-	-	-	
Cheng-Jung Lai	4,668,472	2.44	8,371,403	4.38	29,455,917	15.40	Feng-Ru Chuang Hsiu-Shih Chuang Su-Mei Chang Jiu Yung Investment Ltd. Chuang Foo Foundation Jung Feng Investment Ltd.	Spouses Father-in-law and son-in-law Mother-in-law and son-in-law Person in charge Chairman Husband of person in charge	
Hsiu-Chih Li	4,396,000	2.30	-	-	-	-			
Su-Mei Chang	3,925,436	2.05	3,776,520	1.97		-	Feng-Ru Chuang Cheng-Jung Lai Jiu Yung Investment Ltd. Chuang Foo Foundation Jung Feng Investment Ltd.	Mother and daughter Mother-in-law and son-in-law Mother-in-law of person in charge Mother-in-law of Chairman Mother of person in charge	

**VII. Total Number of Shares and Total Equity Stake Held in Any Single Enterprise by the Corporation, Its Directors, Managerial Officers, and Any Companies Controlled Directly or Indirectly by the Corporation**

December 31, 2024; Unit: Thousand Shares; %

Reinvestment Enterprises (Note)	Ownership by the Corporation		Investment by Directors and Managerial Officers and Companies Directly or Indirectly Controlled by the Corporation		Total Ownership	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Leofoo Development & Construction Co., Ltd.	73,300	100	-	-	73,300	100
Ambassador Film Inc.	1,760	40			1,760	40
Elite Catering Company Limited.	1,000	100	-	-	1,000	100
Leofoo Investment Co., Ltd.	-	100	-	-	(Note)	100
Leofoo Agronomy Co., Ltd.	3,000	100	-	-	3,000	100
Izzy Construction Co., Ltd.	6,398	100	-	-	6,398	100
Leofoo Property Management Co., Ltd.	1,720	100	-	-	1,720	100
Leofoo Development (Hong Kong) Ltd.	-	100	-	-	(Note)	100

Note: A reinvested company accounted for by the Corporation using the equity method.

# Chapter 3. Capital Overview

## I. Capital and Shares

### (I) Source of Capital

#### 1. Capital Formation

April 5, 2025; Unit: Share; NT\$

Year/ Month	Par Value	Authorized Capital		Paid-in Capital		Notes			
		Number of shares	Amount	Number of shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Others	Number of Official Letters from Ministry of Economic Affairs
January 1968	10	5,000,000	50,000,000	1,250,000	12,500,000	Cash	None	None	
August 1972	10	5,000,000	50,000,000	5,000,000	50,000,000	Cash	None	None	
January 1977	10	13,800,000	138,000,000	13,800,000	138,000,000	Capital reserves and capitalization of retained earnings	None	None	
July 1982	10	19,800,000	198,000,000	19,800,000	198,000,000	Capitalization of capital reserves	None	None	
August 1985	10	30,000,000	300,000,000	30,000,000	300,000,000	Capitalization of capital reserves and merger of shares of Leofoo Village	None	None	
August 1987	10	31,200,000	312,000,000	31,200,000	312,000,000	Capitalization of capital reserves	None	None	(77)02749
October 1988	10	33,072,000	330,720,000	33,072,000	330,720,000	Capitalization of capital reserves	None	None	
June 1989	10	36,379,200	363,792,000	36,379,200	363,792,000	Capitalization of capital reserves	None	None	(78)127007
June 1990	10	53,655,040	536,550,400	43,655,040	436,550,400	Capital reserves and capitalization of retained earnings	None	None	(79)115017
May 1991	70	53,655,040	536,550,400	53,655,040	536,550,400	Cash	None	None	(80)110691
August 1991	10	64,386,048	643,860,480	64,386,048	643,860,480	Capital reserves and capitalization of retained earnings	None	None	
June 1992	10	95,000,000	950,000,000	64,386,048	643,860,480	None	None	Increase of authorized stock	
November	70	95,000,000	950,000,000	85,342,093	853,420,930	Cash	None	None	(82)124535

Year/ Month	Par Value	Authorized Capital		Paid-in Capital		Notes			
		Number of shares	Amount	Number of shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Others	Number of Official Letters from Ministry of Economic Affairs
1993	10	95,000,000	950,000,000	95,000,000	950,000,000	Capitalization of capital reserves	None	None	
September 1994	10	133,000,000	1,330,000,000	104,500,000	1,045,000,000	Capitalization of capital reserves	None	None	(83)114274
July 1995	10	133,000,000	1,330,000,000	114,950,000	1,149,500,000	Capitalization of capital reserves	None	None	(84)113792
August 1996	10	153,000,000	1,530,000,000	133,000,000	1,330,000,000	Capitalization of capital reserves	None	None	(85)118917
June 1997	10	200,000,000	2,000,000,000	166,915,000	1,669,150,000	Capital reserves and capitalization of retained earnings	None	None	(86)116128
April 1998	66	200,000,000	2,000,000,000	180,000,000	1,800,000,000	Cash	None	None	(87)107798
August 1998	10	240,000,000	2,400,000,000	216,000,000	2,160,000,000	Capitalization of capital reserves	None	None	(87)125181
August 1999	10	280,000,000	2,800,000,000	240,000,000	2,400,000,000	Capitalization of capital reserves	None	None	
August 2000	10	280,000,000	2,800,000,000	252,000,000	2,520,000,000	Capitalization of capital reserves	None	None	(089)131334
August 2001	10	280,000,000	2,800,000,000	264,600,000	2,646,000,000	Capitalization of capital reserves	None	None	09001341650
July 2004	10	380,000,000	3,800,000,000	264,600,000	2,646,000,000	None	None	Increase of authorized stock	09301118380
December 2004	10	380,000,000	3,800,000,000	278,933,320	2,789,333,200	Convertible bonds transferred to share capital	None	None	09401023780
March 2005	10	380,000,000	3,800,000,000	289,693,993	2,896,939,930	Convertible bonds transferred to share capital	None	None	09401081140
August 2005	10	380,000,000	3,800,000,000	290,121,343	2,901,213,343	Convertible bonds transferred to share capital	None	None	09401151090
April 2006	10	380,000,000	3,800,000,000	290,241,001	2,902,410,010	Convertible bonds transferred to share capital	None	None	09501067810
March 2012	13	380,000,000	3,800,000,000	330,241,001	3,302,410,010	Cash	None	None	10101035460
September 2016	10	380,000,000	3,800,000,000	339,157,508	3,391,575,080	Capitalization of retained earnings	None	None	10501230230
June 2019	10	380,000,000	3,800,000,000	186,536,630	1,865,366,300	Capital reduction	None	None	1080330275
April 2021	16.54	380,000,000	3,800,000,000	191,312,830	1,913,128,300	Cash - Private placement	None	None	11001083280

## 2. Type of Issued Shares

April 5, 2025; Unit: Shares

Share Type	Authorized Shares			Notes
	Outstanding Shares (Issued)	Unissued Shares	Total	
Registered Common stock	191,312,830	188,687,170	380,000,000	Listed stocks

3. Information on the shelf registration system: None.

## (II) List of Major Shareholders

April 5, 2025; Unit: Shares; %

Name of Major Shareholders/Shares	Shares Held	Shareholdings
Jiu Yung Investment Ltd.	16,605,222	8.68
Jung Feng Investment Ltd.	12,850,695	6.72
Chuang Foo Foundation	12,079,888	6.31
Ching-Hsiung Shen	8,592,000	4.49
Feng-Ru Chuang	8,371,403	4.38
Ching-Ho Chuang	5,527,376	2.89
Hung-Chih Chiu	4,889,000	2.56
Cheng-Jung Lai	4,668,472	2.44
Hsiu-Chih Li	4,396,000	2.30
Su-Mei Chang	3,925,436	2.05

## (III) Dividend Policy of the Corporation and Its Implementation

### 1. Dividend Policy Stipulated in the Articles of Incorporation

- (1) If the Corporation has profits for the year, it shall allocate no less than 1% as employee compensation and no more than 3% as director compensation; if there are profits for the year, an additional allocation of no less than 1% shall be distributed as compensation for entry-level employees. Employee and director remuneration shall be submitted to and reported at the shareholders' meeting. However, if the Corporation still has accumulated losses, it shall retain the deficit amount in advance to offset the losses and then allocate employee and director remuneration based on the aforementioned percentages.

The remuneration of employees mentioned in the previous paragraph will be disbursed in the form of stock or cash, as determined by the Board of Directors. The payment will cover employees who have been hired or employed by the Corporation, formally appointed, and entitled to labor insurance benefits. However, temporary and probationary personnel are excluded from this provision.

(2) In the Corporation's annual general financial statements, any surplus shall be allocated in a specific order. Firstly, taxes must be paid, and any accumulated losses must be made up for. Secondly, 10% of the surplus must be set aside as a legal reserve, unless the legal reserve has already reached the Corporation's paid-in capital. Additionally, special reserves shall be set aside or reversed according to operational needs and legal requirements. If there is still surplus profit, it shall be combined with the unappropriated retained earnings at the beginning of the period, and the Board of Directors shall prepare an earnings distribution proposal to be submitted to the shareholders' meeting for resolution on distribution.

(3) The Corporation's dividend policy is to allocate at least 50% of earnings available for distribution as dividends to shareholders annually. This decision is made after considering current and future development plans, the investment environment, capital requirements, domestic and international competition, and the interests of shareholders. However, this is subject to the availability of free cash flow to meet the capital requirements for dividend payments and loan repayments when due. At least 10% of the total dividends may be distributed in cash. The type and percentage of earnings distribution may be adjusted by resolution of the shareholders meeting based on the actual earnings and capital position of the year.

2. The proposed dividend distribution at this shareholders meeting: The Corporation had accumulated losses on December 31, 2024, so it will not distribute stock dividends.

3. Description of expected material changes in dividend policy: None.

(IV) Effect of the proposed stock dividend distribution on the Corporation's operating results and earnings per share: None.

(V) Employee and Director Compensation:

1. Percentage or range of the remuneration of employees and directors as set forth in the Articles of Incorporation:

If the Corporation has made profits in a fiscal year, 3% of the profits shall be allocated for employee compensation and no more than 3% of the profits shall be allocated for remuneration of directors. Employee and director remuneration shall be submitted to and reported at the shareholders' meeting. However, if the Corporation still has accumulated losses, it shall retain the deficit amount in advance to offset the losses and then allocate employee and director remuneration based on the aforementioned percentages.

The remuneration of employees mentioned in the previous paragraph will be disbursed in the form of stock or cash, as determined by the Board of Directors. The payment will cover employees who have been hired or employed by the Corporation, formally appointed, and entitled to labor insurance benefits. However, temporary and probationary personnel are excluded from this provision.

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

As of December 31, 2024, the Corporation has accumulated losses, therefore no employee compensation or director compensation will be distributed.

3. Distribution of remuneration approved by the Board of Directors:

As of December 31, 2024, the Corporation has accumulated losses, therefore the Board of Directors has resolved not to distribute employee compensation or director compensation.

4. Actual distribution of employee and director remunerations for the previous fiscal year:

As of December 31, 2024, the Corporation has accumulated losses, therefore no employee compensation or director compensation will be distributed.

(V) Repurchase of the Corporation's shares: None.

## **II. Corporate Bond Issuance Status**

(1) Corporate Bond Issuance Status: None.

(2) Convertible Corporate Bond Information: None.

## **III. Preferred Shares Issuance Status:**

**None.**

## **IV. Global Depositary Receipt Issuance Status:**

**None.**

## **V. Employee Stock Options Issuance Status:**

**None.**

## **VI. Issuance of New Restricted Employee Shares:**

**None.**

## **VII. Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies:**

**None.**

## **VIII. Implementation of Capital Allocation Plans:**

**None.**

# Chapter 4. Business Operations Overview

## I. Business Content

### (I) Business Scope:

1. A summary of the principal elements of the Corporation's businesses is as follows (detailed in the Corporation's Articles of Incorporation):
  - (1) Operation of amusement parks, tourist amusement, raising livestock and poultry, and growing crops.
  - (2) Operation of international tourist hotel and regular hotel.
  - (3) Operation of Chinese and Western restaurants, bars, meeting rooms, laundry, gymnasiums, shops (selling souvenirs, small crops, flowers, or mementos, etc.) and parking lots.
  - (4) Consulting services for hotel management.
  - (5) Construction Manager.
  - (6) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
2. Percentage of sales revenue: Operation of international tourist hotel, regular hotel, resort (including the Chinese and Western restaurants, banquet halls, cafés, buffets, bars, etc.) and the theme park (including the restaurants and souvenir shops, etc.).

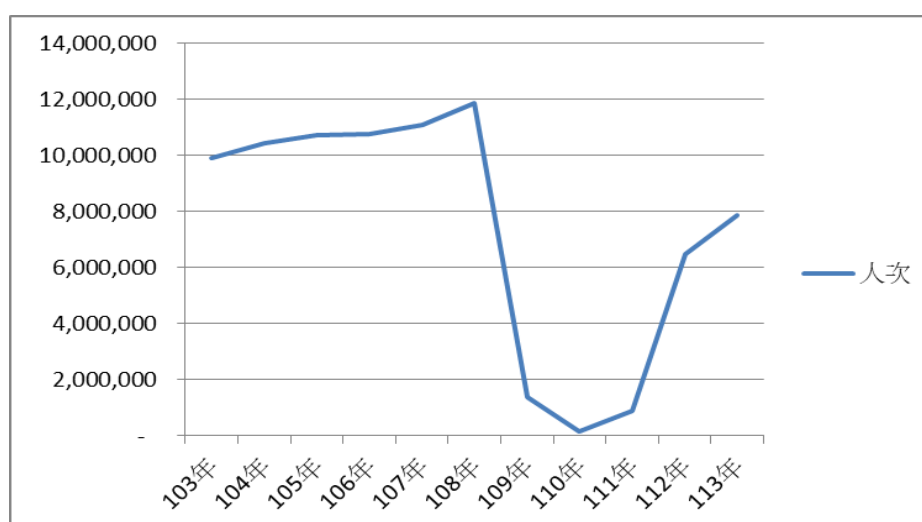
Main Products	Ratio to Total Operating Revenue for 2023	Ratio to Total Operating Revenue for 2024
Hotel Room Revenue	34.03%	39.16%
Food and Beverage Revenue	26.56%	24.48%
Theme Park Revenue	26.31%	24.54%
Sales Revenue	7.18%	6.83%
Other Operating Revenue	5.92%	4.99%
Total	100.00%	100.00%

3. Current products (services) of the Corporation: Operation of international tourist hotel, regular hotel, resort (including the Chinese and Western restaurants, banquet halls, cafés, buffets, bars, etc.) and the theme park (including the restaurants and souvenir shops, etc.).
4. Planned development of new products and services: Leofoo Hotel is undertaking an urban renewal project for old and dangerous buildings, planning to create an A+ Serviced Commercial Office Building that is people-centered and environmentally sustainable.

## (II) Industry Overview:

### 1. Current Status and Development of the Industry

The domestic tourism market is mainly composed of foreign tourists visiting Taiwan and domestic travelers. In terms of the trend of foreign visitors to Taiwan, in 2024, there were 7,857,686 visitor arrivals, a 21.13% increase compared to 6,486,951 visitor arrivals in 2023. As the COVID-19 pandemic subsided and the global tourism industry gradually recovered, with the government opening up to international visitors to Taiwan and domestic exhibitions, tourism, and events continuing to rebound, the Group's theme parks, zoos, hotels, restaurants, and retail stores won consumer recognition with their high-quality services and diverse travel choices, driving robust operations for the Group.



Statistics of Visitor Arrivals to Taiwan (Data source: Ministry of Transportation and Communications)

### 2. Correlation between Upstream, Midstream, and Downstream of the Industry

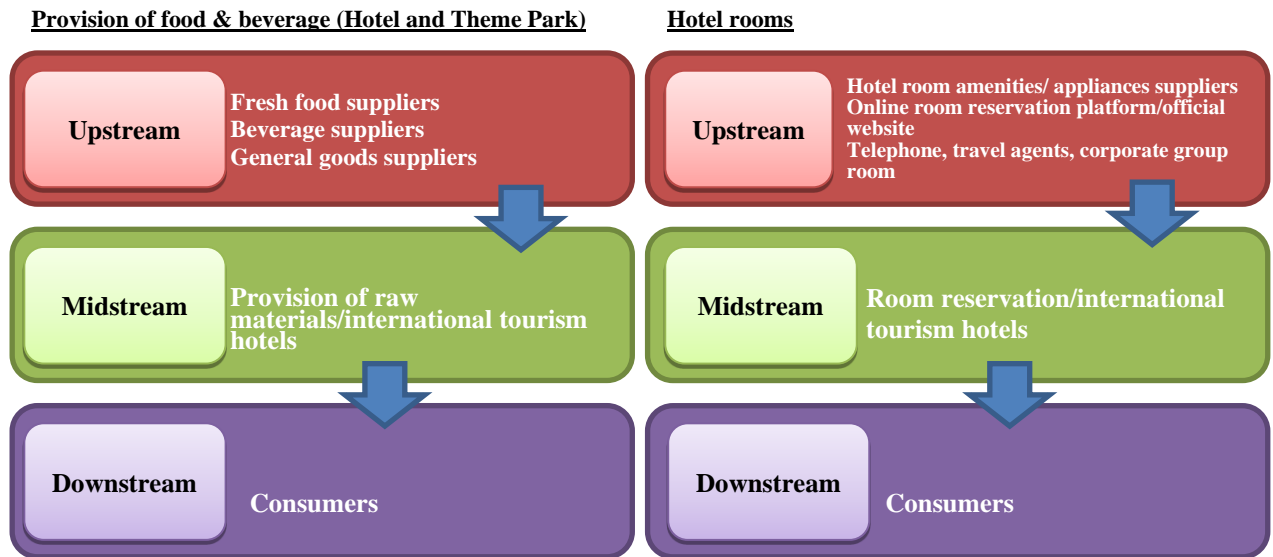
The Corporation is a midstream company in the tourism services industry in terms of general industry connection. It operates mainly in the tourism industry and international tourism hotel industry, providing amusement facilities, catering, conference venues and shopping services. The Corporation's primary sources of revenue are from the theme park, hotel rooms, and food and beverage.

Food and beverage → After the Corporation's purchases fresh food, beverages, and general supplies from upstream suppliers, it then provides delicious food to downstream end-consumers (individual travelers or group travelers).

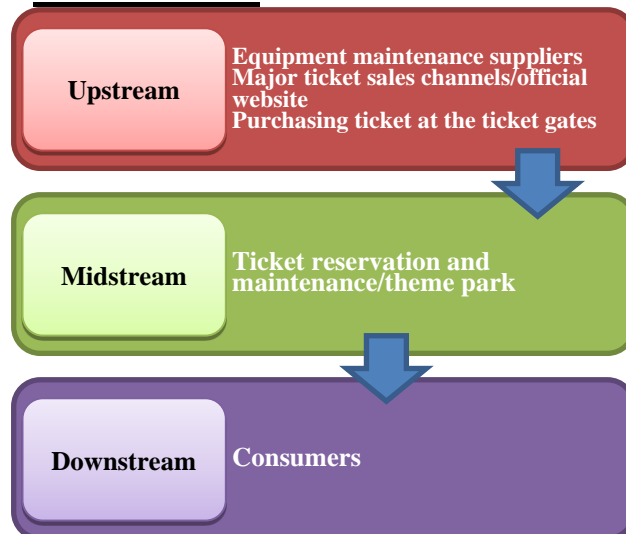
Hotel rooms → The Corporation accepts hotel room reservations from individuals, online travel agents (OTAs), travel agencies, and corporate groups, and purchases hotel room-related supplies from upstream vendors so that visitors can enjoy quality accommodation services.

Theme park → The Corporation welcomes travel agencies and groups to purchase tickets, while individual travelers can conveniently purchase tickets to visit the theme park through various channels such as convenience stores, the Internet, and ticket gates. The Corporation procures maintenance parts for amusement facilities from upstream manufacturers to ensure that visitors can enjoy a safe experience when riding facilities in the theme park.

Correlation between Upstream, Midstream, and Downstream of the Industry



### Theme Park



### 3. Various development trends and competition of products

The global economic scale has been impacted by the COVID-19 pandemic, changing the existing tourism service industry market operations. The

expectations of travelers have shifted towards three major trends: "convenient dining," "diversified of accommodation itineraries," and "flexible and customized banquets and meetings." The e-commerce platforms that emerged due to the pandemic have become another new force in consumption. Based on the aforementioned factors, we can summarize several trends in product development for the post-pandemic era can be summarized.

- (1) Due to the rise of mobile devices and social media, the Leofoo brand is now being promoted through various online platforms in order to improve consumers' perception of the Leofoo brand.
- (2) The introduction of compact and lightweight travel packages, as well as retail e-commerce, presents a new business opportunity for the food and beverage industry.
- (3) The introduction of a novel theme park concept that eliminates physical contact will offer visitors enhanced peace of mind.

After the pandemic, "creating luxury at an affordable price" budget-friendly travel has become the hottest travel trend, and Taipei, Taiwan has emerged as the destination with the highest increase in global search volume during this wave. With the continuous return of international tourists and the resumption of large-scale exhibitions, a new wave of tourism boom will be driven.

### (III) Technology and Research & Development Overview:

The Corporation primarily operates international tourist hotels and a theme park, offering a range of services including catering, retail sales of goods, banquets, and conferences. The emphasis of the Corporation places a strong emphasis on customer satisfaction and recognizes the importance of providing up-to-date information in today's rapidly changing environment. In keeping with this spirit, the Corporation's catering business is continuously developing new products, utilizing seasonal fresh ingredients, and responding to market trends focused on sustainability. Additionally, the business is keeping track of the production history of ingredients to enhance its catering operation capabilities.

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

The strategy of Leofoo Tourism Group's strategy is to expand its brand by creating hotel chains with various themes and styles. Currently, the group operates Leofoo Village Theme Park, Courtyard by Marriott Taipei, and Leofoo Residences. Leofoo Resort Guanshi is the best eco-resort hotel in Asia, combining African safari and eco-friendly styles, promoting open natural ecology and herbivore landscapes, as well as the international brand hotel Courtyard by Marriott Taipei.

The short-term goal is to implement the development strategy of "one platform with multiple brands". The objective is to develop a "one platform" that will transform a vast expanse of land assets in Guanshi into a "multi-themed amusement park platform where visitors can indulge in a multi-day experience." This multi-themed amusement park platform will be designed with distinctive themes such as the Leofoo Village Theme Park and Leofoo Water Park, animal tour, and animal-friendly themed hotel, and will become one of the Corporation's primary core values. The one platform will not only attract more visitors and expand market share but also enhance the value of land assets in Guanshi and contribute to profit generation. The "multiple brands" refers to the Courtyard by Marriott Taipei, Leofoo Residences, and Leofoo Resort Guanshi. The power of a single brand alone is insufficient to strengthen itself. Therefore, it is necessary to differentiate the brands in the market. By carefully managing these distinctive brands, they can be developed into urban five-star hotels, serviced apartments, and resort hotels.

Based on the Corporation's short-term development strategy of "one platform with multiple brands" and its future outlook, "brand internationalization" is a necessary long-term development strategy to ensure profitability and establish sustainable high-quality operations. In summary, our long-term and short-term development strategies entail persisting in developing new brands that incorporate highly competitive and innovative elements, thereby propelling Leofoo's tourism and leisure brand development to new heights. Leofoo Development Co., Ltd. is committed to creating a comprehensive leisure environment. Leofoo Development Co., Ltd. aims to provide a comprehensive recreational environment. In the future, it will establish sustainable tourism that is comprehensive, high-tech, and meets human needs, allowing people of all ages and from all regions to relax, enjoy life, and experience the wonders of life according to their own needs at various fun and leisure venues.

## **II. Market and Production/Sales Overview**

### **(1) Market Analysis:**

#### **1. Regions where the main products and services are provided and sold**

The Corporation provides hotel rooms and dining options in international tourist hotels, resorts, and the theme park. Leofoo Village Theme Park and Leofoo Resort Guanshi are located in Guanshi Township, which is located on the border of Hsinchu County and Longtan District, Taoyuan City, while Leofoo Residences and Courtyard by Marriott Taipei are located in the commercial center of Taipei City. The nationalities of the guests in the last two years are as follows:

#### Patrons of Leofoo Village Theme Park

Year	Domestic tourists	Foreign tourists
2023	96.66%	3.34%
2024	97.25%	2.75%

#### Patrons of Leofoo Residences

Year	Domestic Patrons	Mainland China Patrons	European and American Patrons	Japanese Patrons	Others
2023	48.68%	1.66%	14.79%	8.65%	26.22%
2024	40.83%	1.46%	15.45%	11.72%	30.54%

#### Patrons of Courtyard by Marriott Taipei

Year	Domestic Patrons	Mainland China Patrons	European and American Patrons	Japanese Patrons	Others
2023	49.40%	1.10%	17.99%	3.26%	28.25%
2024	36.38%	2.47%	25.32%	6.98%	28.85%

#### Patrons of Leofoo Resort Guanshi

Year	Domestic tourists	Foreign tourists
2023	87.05%	12.95%
2024	85.30%	14.70%

## 2. Market share, future supply and demand in the market, and possible future growth

The Corporation's Leofoo Village Theme Park, owned by the Corporation, is a popular destination among teenagers and youths due to its convenient location and proximity to the metropolitan areas of Taipei, Taoyuan, Hsinchu, and Miaoli. Additionally, the unique characteristics of the theme park also contribute to its popularity. According to the visitor statistics in 2024 from the Tourism Bureau, Ministry of Transportation and Communications, the numbers of visitors for large theme parks in Taiwan in 2024 are as follows:

Theme Park	Number of Visitors
Lihpao Resort	5,627,453
E-DA World	4,786,051
Taipei Children's Amusement Park	1,977,642
Leofoo Village Theme Park	1,225,170
Janfusun Fancyworld	847,045

Formosan Aboriginal Culture Village	691,028
Farglory Ocean Park	432,011
Window on World Theme Park	596,946
Pushin Ranch	502,922
Little Ding-Dong Science Theme Park	469,221 People
Green World Ecological Farm	363,310 People
Leofoo Village Theme Park	345,184 People

Data Source: Tourism Administration, Ministry of Transportation and Communications

The occupancy rate and average room price of tourist hotels in Taipei City in 2024, based on the monthly report of tourist hotel operations from January to December of 2024, are as follows:

	Occupancy Rate	Average Room Price	Notes
International tourist hotels in Taipei Metropolitan Area	69.11%	NT\$5,089	Taipei Courtyard by Marriott has an occupancy rate of 75.57%; Average room rate is NT\$4,419

### 3. Favorable and Unfavorable Factors and Responses to Competitive Niches and Development Prospects and Their Response Measures

The Tourism Bureau plans to introduce a range of innovative activities and measures that showcase Taiwan's unique characteristics, deepening local tourism, including ecology, cuisine, leisure, culture, and diverse urban experiences, to energize the domestic market and encourage international tourists to visit Taiwan.

In response to the evolving global landscape, the Tourism Bureau has made significant efforts to promote the Taiwan tourism market. Collaborating with local communities, the Bureau has fostered a welcoming and hospitable environment while also creating a range of innovative and unique tourism products. These initiatives aim to enhance local co-prosperity and increase visitor satisfaction level, repeat visits, and spending power.

The theme park and tourist hotels of the Corporation are conveniently located and full of their own unique styles and characteristics to attract specific target customers. The Courtyard by Marriott Taipei cooperates with the international brand of Courtyard by Marriott Hotel. It has a good corporate image and enjoys international recognition.

The sources of visitors to Leofoo Village Theme Park vary significantly by season. During the winter and summer vacations, the majority of individual

tourists are concentrated. To remain competitive with other theme parks, it is essential to develop appealing themes and promotional ticket prices. Group tourists, on the other hand, are primarily present from March to June and from September to November. Therefore, it is crucial to proactively expand the source of this type of visitors and promote special projects. To maintain visitor interest, it is essential to regularly introduce new rides and attractions. This can be achieved by planning innovative themed celebrations, experiential activities, and performances each season. By doing so, visitors will be continually engaged and delighted with fresh and exciting experiences. This approach ensures that visitors of all ages can enjoy their journey in the theme park.

The first Greek-themed water park in Taiwan is currently operational, spearheading a fresh wave of water park enthusiasm every summer and offering a unique leisure experience.

Courtyard by Marriott Taipei has partnered with the renowned international brand, Courtyard by Marriott Hotel. The hotel boasts convenient transportation options, with easy access to the stations of Taiwan High Speed Rail, Taiwan Railway, and Taipei Metro stations. Located at the gateway of the New East District, the hotel is situated in a prime location that connects the Taipei Music Center and Popop Taipei. It has transformed into a commercial and cultural hub in Nangang, offering a range of services including a new serviced commercial office building, catering and bakery, retail, and property management resources. The hotel promotes exquisite cultural experiences and green sustainable activities in the local community. Due to its proximity to the Nangang Exhibition Hall and the Neihu Science Park, the hotel is able to cater to diverse international business travelers and conference attendees, attracting both domestic and foreign tourists.

Leofoo Resort Guanshi is widely recognized as the premier ecological resort hotel in Asia. It seamlessly blends the themes of African safari and ecological environment style, and its unique feature is that it is a hotel that has been thoughtfully designed.

The hotel is located adjacent to Leofoo Village Theme Park and has been designed with careful consideration for animals and ecological landscapes. The rooms feature large French windows that provide stunning views, and it is worth noting that opening the windows allows guests to observe a variety of African herbivores roaming freely. With the concept of "non-toxic, eco-friendly, back to nature, and private attractions", Leofoo Resort Guanshi has successfully led a new trend of luxurious travel in Asia. Recently, it has integrated animal compost to develop the Leofoo Foothill Farmland, promoting sustainable tourism through its unique agricultural experience, providing domestic and international travelers with a brand-new and one-of-a-kind vacation experience.

Overall, global tourism continues to recover. The Corporation will actively develop domestic and international markets, strengthen promotional activities to attract tourists back, and increase market share.

(1) Main products' important uses and manufacturing processes: The Corporation primarily offers hotel room rentals, various restaurants, and a theme park, aiming to provide excellent accommodation environments, high-quality food and beverage services, and leisure and recreational facilities.

(2) Status of main raw material supplies: The Corporation's main raw materials include guest room amenities, fresh food and beverages for restaurants, and souvenir shop merchandise, with a stable supply situation.

(3) Names, Amounts, and Ratios of the Top Ten Purchase (Sales) Clients in the Last Two Years: The Corporation's purchases and sales are sporadic; thus, it is not applicable.

### III. Employee Information

Unit: Unless otherwise specified, person(s); years,

Year		2023	2024	As of March 31, 2025
Number of Employees	Unit Supervisor or Above	89	81	93
	Service Personnel and Staff	660	734	732
	Total	749	815	825
Average Age		39.28	36.83	37.2
Average Service Year		5.71	4.44	4.29
Academic Background Distribution	PhD	-	-	-
	Master's	4.07%	3.21%	4.03%
	Bachelor's	50.70%	54.37%	53.49%
	High school/Junior college degree	38.20%	38.92%	38.84%
	Below high school	7.02%	3.5%	3.63%

### IV. Environmental Protection Expenditure Information

The Corporation, due to the nature of our business, has no pollution sources other than water usage and waste from visitors. And when planning the theme park, we included plans to purchase and build wastewater treatment equipment, waste disposal sites, and waste incineration facilities to address effluent and garbage disposal issues. The Corporation plans to replace ceramic tubes and bag filters annually to reduce suspended particulate and dioxin emissions in compliance with regulatory standards.

### V. Labor Relations

(I) Employee benefit plans, continuing education, training, and retirement systems and the status of their implementation, and the status of labor-

management agreements and measures for preserving employees' rights and interests:

1. Employee benefit plans:

To foster a harmonious relationship between labor and management, address employee demands of employees for safety and health at work and in the workplace and beyond, unify employees, and safeguard their general rights and interests of employees, the Corporation not only complies with legal requirements by providing labor insurance and national health insurance to employees, but has also set up an Employee Welfare Committee. This committee provides monthly welfare funds and implements various employee welfare measures in accordance with the law.

The main employee welfare items are as follows:

- (1) Food – Free meals at employee cafeteria and discounted dining at the operated locations of the Group.
- (2) Clothing – Free uniforms, free uniform laundry, and discounts for personal clothing laundry are provided.
- (3) Housing – Dormitories for employees, rental subsidies for employees living in remote areas, and preferential accommodation discounts in the Group's own and franchised brand hotels are provided.
- (4) Transportation – Free parking or parking lot rental discounts are provided.
- (5) Education – On-the-job training for employees is provided.
- (6) Entertainment – Free admission to the Group's theme park for employees and family days, discounted one-day tickets for employees, and special discounts at external stores contracted with the Group.
- (7) Insurance - Employer compensation contract liability insurance and group insurance are purchased for employees.
- (8) Gifts and consolation - Wedding and funeral monetary gifts, hospitalization consolation grants, and emergency allowances (or survivors' benefits) related to execution of job duties.
- (9) Bonuses - Employee referral bonuses, year-end and performance bonuses.
- (10) Health checkup – Employee health checkups.
- (11) Employee stock ownership trust – Employees contribute a fixed amount (self-contribution) from their monthly salary, combined with the Corporation's incentive of 0–50% (company contribution), which is jointly paid to the bank to purchase the Corporation's stock.
- (12) Others – Discount on products at business locations of the Corporation.

2. Employee education and training system and implementation status:

Human resources are an important asset to the Corporation and a key element of the Corporation's execution capability. New employees receive education

and training to help them quickly familiarize themselves with the corporation overview, regulations, and job responsibilities, enabling them to adapt to the company environment and develop work skills as soon as possible; For current employees, in addition to providing professional technical knowledge for their work, we also adjust positions based on work projects and attitudes to ensure employees are properly placed, thereby stimulating their potential.

### 3. Retirement system and its implementation:

To ensure the stability of employees' retirement, a retirement plan has been established in accordance with the Labor Standards Act. This plan outlines the retirement requirements, pension payment standards, retirement application process, and pension payment procedures.

- (1) Employees eligible for retirement must apply for retirement one month in advance. After all the procedures are completed, the human resources department will notify the Corporation and the pension supervisory committee of each branch to pay the pension.
- (2) Employees who meet the following requirements may apply for retirement:
  - They have worked for the Corporation and its subsidiaries for at least 15 years and have reached the age of 55.
  - They have worked for the Corporation and its subsidiaries for at least 25 years.
  - They have worked for at least 10 years and have reached the age of 60.
- (3) The payment standards for employee pensions are as follows:
  - Two basis points are awarded for each full year of service based on the employee's length of service. For each full year of service beyond 15 years, an additional basis point is awarded, up to a maximum of 45 basis points. For the purpose of calculating employee tenure, those who have worked for less than six months will be counted as having worked for six months, while those who have worked for More than six months will be counted as having worked for one year.
  - If the employees apply for retirement due to mental or physical disability resulting from the performance of their job duties, an additional 20% shall be paid in accordance with the preceding paragraph.
- (4) For employees subject to the Labor Pension Act regulations, the Corporation and its branches contribute 6% of their monthly wages to individual retirement accounts; In 2024, a total of 7 employees applied for retirement, and the Corporation simultaneously assisted these employees with their retirement pension applications.

### 4. Labor-Management Agreements and Measures for Preserving Employees' Rights and Interests:

The attendance, leaves, vacation, and holidays of the Group's employees are

handled in accordance with the provisions of the Labor Standards Act and implemented after reaching agreement between labor and management.

(II) Protection measures for employees' working environment and personal safety:

Items	Content
Access control security	1. To guarantee the safety of our employees in the workplace, all entrances and exits of the Corporation has installed facial recognition access control systems and security monitoring equipment at all entrances and exits. Additionally, 24-hour security guards have been stationed at the main entrances and exits to safeguard the personal safety of our employees.
Maintenance and inspection of various equipment	<ol style="list-style-type: none"> <li>1. In accordance with the provisions of the Regulations Governing Building Public Safety Inspection Attestation and Reporting, the Corporation regularly commissions external professional companies to conduct public safety inspections.</li> <li>2. In accordance with the Fire Services Act, the Corporation regularly (semi-annually) commissions external personnel to engage in fire safety equipment inspection and reporting.</li> <li>3. The Corporation completes the reporting of safety and health work rules in accordance with the law.</li> <li>4. In accordance with occupational safety and health regulations, implement automatic planning, establish a good inspection and maintenance system for various equipment, identify unsafe factors in advance, improve unsafe actions and behaviors, and strive to eliminate or control them to prevent accidents from occurring.</li> <li>5. According to occupational safety and health regulations, implement the classification, labeling, general knowledge, training and management of priority chemical substances.</li> <li>6. The Corporation conducts annual maintenance and inspections on water dispensers and drinking water every year, as well as high and low-voltage electrical equipment, air conditioning units, fire-fighting equipment, elevators, and other related equipment.</li> </ol>
Disaster prevention measures and responses	<ol style="list-style-type: none"> <li>1. The Corporation has implemented several procedures to prevent disasters, ensure safety, and respond to emergencies. These include the "Natural Disaster and Typhoon Prevention Procedures," "Hotel Safety Protection Plan," "ICS Emergency Response Protection Plan," and "First Aid Personnel Training." These procedures clearly define the responsibilities and job duties of the Corporation's personnel at all levels within the Corporation in the event of major incidents such as natural disasters, incidents causing multiple major injuries, and other major emergencies before and after they occur.</li> <li>2. To maintain employee safety and health, the Corporation has established positions for Type A Occupational Safety and Health Business</li> </ol>

Items	Content
	<p>Supervisors, Class A Occupational Health (Safety) Managers, Class B Occupational Safety and Health Management Personnel, nurses, and several first aid personnel to promote safety and health operations; Additionally, fire safety management personnel have been appointed to handle fire prevention-related matters.</p> <p>3.The Corporation has implemented a notification process for occupational accidents and has provided a detailed explanation of the procedures for handling such incidents during the new employee training sessions.</p> <p>4.Leofoo Village passed the ISO 45001 system certification in April 2022.</p> <p>5.Set up an AED defibrillator to respond to major incidents and rescue lives, reducing casualties.</p> <p>6.Passed the Heartful Workplace Certification (more than 70% of all employees received AED+CPR education and training)</p> <p>7.To respond to emergency incidents and save lives at the Leofoo Village Theme Park, one ambulance is being set up to reduce risks.</p>
Physical health	<p>1. Health examination: Current full-time staff - Regular health checkups are done at least every two years; they can consult with doctors concerning the results in the health checkup reports if they wish to do so. Part-time staff - They are eligible to apply for a medical examination subsidy based on their accumulated working hours.</p> <p>2. On-site service: Regularly hire contracted occupational medicine doctors are hired to provide on-site services.</p> <p>3. Workplace environment: A comprehensive smoking ban has been implemented across all Corporation premises. The Corporation conducts health seminars and regularly cleans and disinfects the workplace environment.</p> <p>4. Job redesign: Optimize workflows, break down tasks, and utilize assistive tools to reduce employee workload.</p> <p>5. Annual regular influenza vaccine promotion/vaccination.</p> <p>6. The Corporation implements health promotion activities and sets up blood pressure monitors and scales for employees to use.</p> <p>7. Obtained the Healthy Workplace Promotion Badge in 2023.</p> <p>8. Conducting semi-annual workplace environment monitoring refers to the planning, sampling, measurement, analysis, and evaluation undertaken to understand the actual working environment conditions and assess workers' exposure levels.</p>
Mental health	<p>1. According to the Occupational Safety and Health Act, the four major worker health protection programs "ergonomic hazards, abnormal workloads, unlawful infringement during duty execution, and workplace maternity protection" are implemented. Questionnaires are filled out, statistics are gathered, high-risk employees are included for care, and</p>

Items	Content
	<p>training courses are provided.</p> <p>2. An employee suggestion box has been established to allow employees to express their opinions, and a @line group "HR Help" has been set up.</p> <p>3. The Corporation has set up a hotline and mailbox to provide a safe and secure channel for employees to report any violations of laws and regulations in the workplace, including incidents of sexual harassment.</p>
Insurance and Medical Condolence	<p>1. All employees are covered by the labor insurance, employment insurance, and national health insurance, and are entitled to insurance benefits in accordance with applicable laws and regulations. The Corporation transfers the payment of employee benefits related to birth, injury, disability, old age, death, and other similar circumstances to the Bureau of Labor Insurance and the National Health Insurance Administration. This transfer is carried out in accordance with the Labor Insurance Act and National Health Insurance Act.</p> <p>2. The Corporation insures all employees under "Employer's Compensation Liability Insurance." If an employee suffers death, disability, or injury due to an accident during the performance of their duties, the Corporation is responsible for compensation according to the "Accident Compensation Rules," and the insurance company is liable for compensation (compensation payment) in accordance with the insurance contract; In addition, the Corporation has "Group Accident Insurance," which provides insurance benefits from the insurance company according to the terms of the insurance contract when employees suffer disability or death due to accidental injuries outside of work hours.</p> <p>3. Consolation grants are available for employees who are hospitalized due to injury or sickness, as well as for those who experience the loss of a parent, spouse, or child.</p>

(III) Loss resulting from labor dispute and the estimated amount of loss for disputes which may occur in the future and their response measures in the most recent fiscal year and in the current fiscal year up to the date of publication of the annual report amount: None.

## VI. Cybersecurity Management

(I) The cybersecurity risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management:

1. Cybersecurity management framework:

To ensure prompt handling of information security incidents can be handled promptly and in accordance with established procedures, and to take necessary

measures and establish an incident learning mechanism, the Corporation has implemented a functional structure for each level of units as follows:

- (1) Convener: The Group's executive management is responsible for directing the handling of the Group and is accountable for overseeing the management of incidents. The convener is responsible for convening emergency meetings, notifying the Corporation's person in charge of the Corporation, directing the investigation of incidents, determining whether or not to inform the police authorities, deciding on the issuance of press releases, and directing follow-up handling, post-event review, and audit, among other things.
- (2) Public Relations Unit: Formulate procedures for internal announcements and external press releases.
- (3) Legal Unit: Assists in accident investigation, collects information for press releases by the Public Relations Unit, reports to the police authorities or the public prosecutor's office, and assists in follow-up legal disputes and liability handling. Assists in risk/damage assessment and control, assists in drafting accident management measures, and follows up on handling of incidents.
- (4) Operating Unit: Assists in confirming the cause of incidents and acts as a contact point in case of personal safety accidents relating to customers.
- (5) Human Resources Unit: Assists in confirming the cause of incidents and acts as a contact point in case of personal information safety accidents involving the employees.
- (6) Information Unit: Assists in repairing system equipment/damage control, assists in accident investigation, collects and preserves evidence, etc.

## 2. Cybersecurity policies:

The Corporation places great emphasis on ensuring pays attention to the security of its information network and the stable operation of its computer equipment. This includes the proper use of data, software, hardware, and network systems, to prevent any unauthorized access, leakage, tampering, or destruction of the Corporation's information systems and data. Additionally, the Corporation takes measures to mitigate any operational risks and hazards that may pose a threat to its information security. Security management plans are as follows:

- (1) Device security management
  - A. When setting up personal data on computer equipment, pay attention to data backup and relevant security measures when maintaining or updating the equipment.

- B. Building a personal computer for personal data should not be directly used as a front-end tool for public inquiries.
- C. Management of electromagnetic records or related media data containing personal information shall not be taken out or copied without the consent and record of the unit supervisor.
- D. The equipment data files of the Corporation should be backed up regularly.
- E. Important data backups should be stored offsite, and mechanisms should be implemented to prevent accidents such as theft, tampering, damage, loss, or leakage of data.
- F. When computer equipment needs to be discarded, replaced, or repurposed, the personal data administrator or department head should verify that all personal data stored on the equipment has been completely deleted.

(2) Data security management:

A. Control of personal data access by computers:

- (A) Computer login access to data should have security measures in place including identification accounts and passwords.
- (B) When the employees of the Corporation need to output or input personal data due to their job responsibilities, they must enter their personal user code and identification password and do so within the scope and permission of usage. The identification password should be kept confidential and not disclosed or shared with others.
- (C) When finished using a computer, users should log out, shut down, or lock the screen, and should not leave sensitive information displayed on the computer screen.
- (D) It is necessary to regularly perform anti-virus and virus scanning measures on computer systems.

B. Storage of paper documents:

- (A) Regarding all kinds of proxy forms, contracts (including personal data forms), they should be kept in a cabinet that is not easily accessible. Employees are not allowed to copy or photocopy without the consent of the Corporation's authorized supervisor.
- (B) For the disposal of paper documents containing personal information, they should first be processed with a shredding machine.

### (3) Personnel management

- A. The Corporation may properly set different permissions for employees (such as managers, non-managerial employees) based on business needs to control access to their personal information and regularly review the appropriateness and necessity of such permissions.
- B. The Corporation's employees must change their identification passwords at least once every 90 days, and may continue to use the computer only after changing the identification password.
- C. The Corporation's employees should properly safeguard the storage media containing personal data, and collect, process and use personal data in accordance with the Personal Data Protection Act when performing their duties; When signing a labor contract, confidentiality clauses and relevant penalty provisions for breach of contract shall be included to ensure the obligation of confidentiality regarding personal data content during the performance of duties.
- D. When an employee or a person performing business for a hotel company terminates their contract, their user code (account) and identification password will be immediately canceled. Any personal data they hold should be handed over, and they are not allowed to continue using it outside the Corporation. They must also sign a confidentiality agreement.

### (4) Resources invested in cybersecurity management:

- A. Update firewall protection equipment: Servers within the enterprise are placed in an internal network environment and properly isolated from the outside to reduce external attacks. In 2024, the replacement of outdated firewalls at Leofoo Village and Courtyard by Marriott has been completed.
- B. Installing anti-virus software: Anti-virus software is installed on computers and server hosts, with virus data updated frequently, providing real-time protection capabilities.
- C. Raising awareness on information security: Internal employee information security education training and awareness campaigns are implemented, such as mandatory regular replacement of accounts and passwords, identification of malicious e-mails, not downloading unidentified software or opening unidentified files and links, etc.
- D. Data backup: Purchasing a backup host and planning a system backup strategy to avoid the risk of damage to operating data caused by system failure or malicious damage.

The Corporation's losses incurred in the latest fiscal year, up to the date of the annual report publication, resulting from significant cybersecurity incidents, along with their potential and the measures being implemented or planned, shall be disclosed. In case a reasonable estimate cannot be determined, a clear explanation of the reasons for such inability shall be provided:

In the most recent fiscal year, and up to the date of the annual report publication, there have been only sporadic cases of computer virus attacks, and the integrity of our data and confidential information has not been compromised. Our proactive measures to prevent the spread of viruses on the internet have been successful, resulting in complete and safe resolution of any cases are solved completely and safely, and there are no major cybersecurity incidents or significant losses. The Corporation has implemented extensive measures to safeguard its network and computer-related information security.

However, the ever-evolving nature of hacker attacks necessitates ongoing review and evaluation of the Corporation's cybersecurity mechanisms to ensure their appropriateness and effectiveness. To this end, the Corporation has reinforced its network firewall and network control, as well as preventing cross-departmental and has taken steps to prevent the spread of computer viruses across departments and regions. These measures are aimed at enhancing the Corporation's protection against malicious software and hacker attacks.

Furthermore, efforts are made to enhance cybersecurity awareness campaigns to ensure that all employees are knowledgeable about information security protection and possess basic defense capabilities in this area.

## VII. Important Contracts

As of the publication date of the annual report, supply and sales contracts, technical cooperation contracts, engineering contracts, long-term loan contracts, and other important contracts that are still valid or will expire in 2024 that may affect shareholders' rights:

Type of Contract	Party	Contract Duration	Contract Content	Restrictions
Long-term technical cooperation contract	Marriott International, INC.	-	Technical cooperation and operation of Courtyard by Marriott Taipei	None
Hotel lease contract	Ruentex Xu-Zhan Development Co., Ltd.	Calculated from completion of construction Twenty years	Hotel management	None
Construction contract	Taiwan Kumagai Co., Ltd.	A total of 52 months from the start date of the construction to the acquisition of the building use permit	Construction management	None
Long-term loans contract	Yuanta Commercial Bank	2020.06.19~2025.06.19	Secured loan	None

# Chapter 5. Review and Analysis of Financial Position, Financial Performance, and Risk Assessment

## I. Financial Position

Unit: NT\$ thousands; %

Items \ Year	2024	2023	Difference	
			Amount	%
Current assets	499,191	503,869	(4,678)	(0.93)
Financial Assets at Fair Value through Other Comprehensive Income (Note 1)	-	77,059	(77,059)	(100.00)
Long-term Investment	12,468	14,145	(1,677)	(11.86)
Property, Plant, and Equipment	4,975,682	5,089,494	(113,812)	(2.24)
Right-of-use Assets	3,295,883	3,625,899	(330,016)	(9.10)
Investment Property	6,397,904	6,080,612	317,292	5.22
Intangible assets	1,537	1,893	(356)	(18.81)
Deferred income tax assets	12,569	11,775	794	6.74
Other non-current assets	231,919	234,571	(2,652)	(1.13)
Total Assets	15,427,153	15,639,317	(212,164)	(1.36)
Current Liabilities (Note 2)	952,705	1,182,531	(229,826)	(19.44)
Long-term Loans (Note 2)	5,080,052	4,769,815	310,237	6.50
Deferred income tax liabilities	1,317,091	1,314,711	2,380	0.18
Lease Liabilities	3,169,133	3,486,708	(317,575)	(9.11)
Net Defined Benefit Liabilities	25,248	36,659	(11,411)	(31.13)
Other non-current liabilities	23,008	23,208	(200)	(0.86)
Total Liabilities	10,567,237	10,813,632	(246,395)	(2.28)
Share capital	1,913,128	1,913,128	-	-
Capital surplus	31,236	31,236	-	-
Legal Reserve	17,979	17,979	-	-
Special Reserve	1,385,073	1,385,073	-	-
Accumulated Profit or Loss	(1,876,380)	(1,968,911)	92,531	(4.70)
Other Equity	3,388,880	3,447,180	(58,300)	(1.69)
Total Equity	4,859,916	4,825,685	34,231	0.71
Note 1: After individual assessment, full impairment was recognized due to years of losses with no short-term improvement prospects.				
Note 2: Capital planning and optimization conditions have changed, mostly in the form of long-term loans.				

## II. Financial Performance

### (I) Comparative Analysis of Operating Results

Unit: NT\$ thousands, unless otherwise specified

Fiscal Year Items	2024	2023	Change by Amount	Change by Percentage (%)
Operating revenue	2,324,483	2,211,095	113,388	5.13
Operating costs	1,523,734	1,458,294	65,440	4.49
Gross Profit	800,749	752,801	47,948	6.37
Operating Expenses	632,095	676,859	(44,764)	(6.61)
Operating Income	168,654	75,942	92,712	122.08
Non-operating Income and Expenses	(79,832)	(173,686)	93,854	(54.04)
Net Profit (Loss) before Tax	88,822	(97,744)	186,566	(190.87)
Income tax (expense) benefit	-	-	-	-
Net Profit (Loss) After Tax	88,822	(97,744)	186,566	(190.87)
Explanation: Operating Income: This is due to significant revenue growth during the current period. Non-operating income and expenses: This is due to increased project revenue in 2024. Net Profit (Loss) Before Tax and Net Profit (Loss) After Tax: This is due to significant revenue growth and increased non-operating income.				

### (II) Sales volume forecast and the basis therefor, and the effect on the financial operations and measures to be taken in response

The Corporation sets the annual sales targets with reference to previous sales performance and annual budget.

### III. Cash Flow

Analysis of cash flow changes for the last two fiscal years

Unit: %

Items \ Year	2024	2023	Increase (Decrease) P e r c e n t a g e
Cash Flow Ratio	53.42	40.52	31.84
Cash Flow Adequacy Ratio	93.65	71.73	30.56
Cash Reinvestment Ratio	2.23	2.15	3.72
Analysis and explanation of increase (decrease) percentage: 1. The cash flow ratio and reinvestment ratio have increased compared to the same period last year, mainly due to the growth in operating revenue and non-operating income, which led to net operating cash inflow. 2. The cash flow adequacy ratio has increased compared to the same period last year, mainly due to the growth in operating revenue and non-operating income in 2024, while the renovation of Leofoo Hotel is still ongoing.			

#### (2) Liquidity Analysis for the coming year

Unit: NT\$ thousands

Beginning Cash Balance (1)	Expected amount of net cash flows from operating activities (2)	Estimated Annual Cash Outflow (3)	Estimated Cash Surplus (Deficit) Amount (1) + (2) - (3)	Remedial Measures for Expected Cash Inadequacy	
				Investment Plan	Financial Plan
322,009	375,550	(361,590)	335,969	-	-
Analysis of cash flow changes for the coming year: The anticipated net cash inflow from operating activities for the upcoming year is primarily attributed to the expected increase in profits, which will exceed the net cash outflow required for working capital requirements in 2025. The net cash outflow from financing activities in 2025 is due to the payment of lease liabilities. As a result of the cash inflows throughout 2025, the cash balance at the end of the period is expected to be higher than the cash balance at the beginning of the period.					

#### **IV. Effect on Financial Operations of Any Major Capital Expenditures during the Most Recent Fiscal Year**

(I) The utilization of significant capital expenditures and their corresponding sources of funding are as follows: In 2022, the commencement of the construction of the commercial building located in Changchun Road was initiated, alongside the acquisition of new equipment was purchased for Leofoo Village Theme Park. The funding sources for these expenditures were derived from self-owned funds and bank loans.

(II) Expected Benefits: After the construction is completed, the lease per ping (approx. 3.3 m<sup>2</sup>) will be approximately NT\$3,000, which is expected to contribute to future revenue.

#### **V. Reinvestment Policy for the Most Recent Fiscal Year, Main Reasons for Profits/Losses Generated Thereby, Plan for Improving Re-investment Profitability, and Investment Plans for the Coming Year:**

(I) Investment Policy:

The Corporation's reinvestment policy is grounded in the fundamental principle of prioritizing the core consideration of the business operations and refrains from engaging in extraneous activities that are not pertinent to the current business operations. The Corporation has developed several policies and regulations to ensure effective internal control. These include the "Internal Control - Investment Cycle," "Internal Control - Management System Operations - Supervision and Management of Subsidiaries," "Rules Governing Financial and Business Matters Between the Corporation and Its Affiliates," and "Regulations Governing the Acquisition and Disposal of Assets."

(II) Main Reasons for Profits or Losses and the Improvement Plan:

Unit: NT\$ thousands

Invested Company	Direct (Indirect) Shareholding Percentage	Investment Income or Loss Recognized in the Most Recent Year	Main Reasons for Profits or Losses	Improvement Plan
Elite Catering Company Limited	100 %	18	Operation currently suspended; its relevant business has been transferred to Nanjing Branch of Leofoo Development Co., Ltd.	
Leofoo	100 %	423	Mainly relates to construction	Not applicable.

Development & Construction Co., Ltd.			projects commissioned by the parent company to its subsidiaries.	
Leofoo Agronomy Co., Ltd.	100 %	(4,676)	New start-up company. In the early stage, it is generating revenue from small-scale agricultural production, however profit is not enough to cover labor costs.	Increasing production and working closely with Leofoo Resort Guanshi to increase experience travel packages and drive revenue growth.
Leofoo Investment Co., Ltd.	100 %	1,476	At present, the Group has no foreign investment plans.	

(III) . Investment Plan for the Next Year: None.

## **VI. Risk Analysis and Assessment for the Most Recent Fiscal Year and during the Current Fiscal Year Up to the Date of Publication of the Annual Report**

### **(I) Effect on the Profit (Loss) of Interest and Exchange Rate Fluctuations and Changes in the Inflation Rate, and Response Measures to Be Taken in the Future**

#### **1. Interest rate fluctuation:**

The Corporation's interest income for 2024 and 2023 was NT\$3,382 thousand and NT\$2,157 thousand respectively, accounting for 0.15% and 0.10% of net operating revenue; Interest expenses were NT\$116,686 thousand and NT\$115,132 thousand respectively, accounting for 5.02% and 5.21% of net operating revenue. The Corporation's capital planning is grounded in the principles of conservatism and prudence and fosters a positive relationship with financial institutions. The financial unit consistently monitors economic development trends and implements appropriate countermeasures as needed.

2. Fluctuation in exchange rates: The Corporation's payment for goods and remuneration paid in US dollars account for a very small proportion of the overall payment, which will not have a major impact on the Corporation's financial operation.

3. Impact of inflation: For the industry in general, rising prices increase costs; inflation also shows relatively high variability in pricing, and commodity prices are also pushing up inflation. The Corporation will integrate procurement needs with volume-based pricing and adjust product sales mix to respond to inflation.

**(II) Policy regarding High-risk Investments, Highly Leveraged Investments, Loans to Other Parties, Endorsements/Guarantees, and Derivatives Transactions, Main Reasons for the Profit (Loss) Generated Thereby, and Response Measures to Be Taken in the Future:**

**1. High-risk or highly leveraged investments:**

The Corporation has not engaged in high-risk or highly leveraged investments.

**2. Lending funds to others:**

The Corporation has never lent funds to others. If there is any future lending of funds, the Corporation will handle the relevant operations in accordance with the Procedures for Lending Funds to Others stipulated by the Corporation. This will help to minimize the risks faced by the Corporation.

**3. Transactions of derivatives:**

The Corporation has never engaged in transactions of derivatives. If there are any future transactions involving derivatives, the Corporation will handle the relevant operations in accordance with the Procedures for Derivatives Trading and Regulations Governing the Acquisition and Disposal of Assets stipulated by the Corporation. This is to minimize the risks faced by the Corporation.

**(III) R&D Work to Be Carried Out in the Future and Further Expenditures Expected for R&D Work:**

Continue to innovate in the food and beverage business, develop new products, make good use of seasonal fresh ingredients, and respond to market trends in sustainable environment and traceable food ingredients, creating different value. In addition, the Corporation has developed package deals that meet ecological standards by enhancing the value of Leofoo Agronomy Co., Ltd.

**(IV) Effect on the Financial Operations of Important Policies Adopted and Changes in the Legal Environment at Home and Abroad, and Measures to Be Taken in Response: None.**

**(V) Effect on the Financial Operations of Developments in Science and Technology and Industrial Change (Including Cybersecurity Risks), and Measures to Be Taken in Response:**

In recent years, network attacks and ransomware security incidents have been frequent, so we place extra emphasis on information security risk control and protection, deploying a multi-layered defense network for cybersecurity management and control, and implementing strict control measures; As of the publication date of this annual report, there have been no technological changes

(including cybersecurity risks) or industry changes that have affected financial operations.

(VI) Effect on the Crisis Management of Changes in the Corporate Image, and Measures to Be Taken in Response:

Since its establishment, the Corporation has been dedicated to upholding its corporate image and has consistently adhered to various laws and regulations. As of the publication date of the annual report's publication, there have been no operational crises within the Corporation resulting from changes to its corporate image.

(VII) Expected Benefits and Possible Risks Associated with Any Mergers and Acquisitions, and Measures to Be Taken in Response: None.

(VIII) Expected Benefits and Possible Risks Associated with Any Plant Expansion, and Measures to Be Taken in Response: None.

(IX) Risks Associated with Any Consolidation of Sales or Purchasing Operations, and Measures to Be Taken in Response: None.

(X) Effect on and Risk to the Corporation in the Event a Major Quantity of Shares Belonging to a Director or Shareholder Holding Greater than a 10% Stake in the Corporation Has Been Transferred or Has Otherwise Changed Hands, and Measures to Be Taken in Response: None.

(XI) Impact, Risks, and Response Measures of Changes in Control of the Corporation: None.

(XII) Litigation or Non-litigation Events

1. Major Litigious, Non-litigious or Administrative Disputes Involving the Corporation Which the Judgment Is Final or Still Pending that May Materially Affect the Shareholders' Equity or Prices of Securities:

Facts of the Dispute	Amount of Money at Stake in the Dispute	Date of Litigation Commencement	Main Parties to the Dispute	Status of the Dispute
Confirmation of non-existence of secured claims	1. Confirmation of non-existence of secured claims of the pledged property (2019 Justice Auction No. 235) being auctioned. 2. Returning 9 million shares of its stocks to Kinmen Resort Co., Ltd.	2019.11.22	Chung Lien Capital Investment Co., Ltd.	The Supreme Court ruled on January 23, 2025 that the Corporation won the case (the secured debt exists, and the Corporation is not required to return

				Kinmen Resort Co., Ltd. shares), and the judgment is final.
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2. Major Litigious, Non-litigious or Administrative Disputes Involving the Corporation's Directors, President, Actual Person in Charge, Major Shareholders Who Holds More than 10% of the Stock of the Corporation Which the Judgment Is Final or Is Still Pending that May Materially Affect the Shareholders' Equity or Prices of Securities: None.

(XIII) Other Significant Risks and Response Measures: None.

## **VII. Other Important Matters: None.**

## **Chapter 6. Special Disclosures**

### **I. Information on Affiliates**

Please refer to the Market Observation Post System, Home Page/Individual Company/Electronic Document Download/Affiliated Enterprises Three Statements Area ((<https://doc.twse.com.tw/server-java/t57sb01>) ) ° ) °

### **II. Private Placement of Securities during the Most Recent Fiscal Year and during the Current Fiscal Year Up to the Date of Publication of the Annual Report :**

**None.**

### **III. Other Necessary Supplementary Information:**

**None.**

## **Chapter 7. Situations Listed in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act, which Might Materially Affect Shareholders' Equity or the Price of Securities, Occurring during the Most Recent Fiscal Year and during the Current Fiscal Year Up to the Date of Publication of the Annual Report**

- I. The dishonoring of negotiable instruments due to insufficient deposit, the refusal to transact by banking services, or other events that result in the loss of good credit standing: None.
- II. Litigation, non-litigious proceedings, administrative dispositions, administrative disputes, security procedures, or compulsory executions which have had a significant impact on the financial status or business of the Corporation: None.
- III Serious drop in the output, complete or partial suspension of work, lease of

the Corporation factory, or its main facilities, or complete or partial pledge of the material assets which has had a significant impact on the Corporation's business: None.

- IV Any event specified under Article 185, paragraph 1 of the Company Act: None.
- V. Judgment by the competent court to prohibit the transfer of the Corporation's shares under Article 287, paragraph 1, item 5 of the Company Act: None.
- VI. Change in the chairman of the board, president, or one-third or more of the directors of the Corporation: None.
- VII. Changes of Certified Public Accountant. However, where the change is due to internal adjustments in the accounting office, this matter shall not be included in the above definition: None.
- VIII. Execution, amendment, termination, and rescindment of the important memoranda, strategic alliances or other cooperative business plans, or important contracts, change in the material contents of the business plan, completion of new product development, successful development of trial products, and formal entrance into mass production, or acquisition of other enterprises, acquisition or assignment of patent rights, exclusive trademark use rights, copyrights, or other intellectual property rights transactions, which have had a major effect on the finances or business of the Corporation: None.
- IX. Other important events that have had significant impact on the continuation of Corporation operation: None.

**Leofoo Development Co., Ltd.**

**Person in Charge: Feng-Ru Chuang**