

【Stock Code: 2705】



六福開發股份有限公司

LEOFOO DEVELOPMENT CO., LTD.

2025 Annual Shareholders Meeting

Handbook

Meeting Method: Physical Shareholders' Meeting

Meeting Time: 9:00am, Tuesday, June 3, 2025

Meeting Place: No. 60, Gongzigou, Guanxi Township, Hsinchu County

Leofoo Resort Guanshi - Africa Hall

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CHAPTER 1
MEETING PROCEDURE

LEOFOO DEVELOPMENT CO., LTD.

Procedure for the 2025 Annual Shareholders Meeting

- I. Call the Meeting to Order
- II. Chairperson Remarks
- III. Management Presentation
- IV. Proposals
- V. Discussions
- VI. Extempore Motions
- VII. Adjournment

CHAPTER 2
MEETING AGENDA

LEOFOO DEVELOPMENT CO., LTD.

Meeting Agenda of 2025 Annual Shareholders Meeting

Meeting Method: Physical Shareholders' Meeting

Meeting Time: 9:00am, Tuesday, June 3, 2025

Meeting Place: No. 60, Gongzigou, Guanxi Township, Hsinchu County

Leofoo Resort Guanshi - Africa Hall

I. Call the Meeting to Order

II. Chairperson Remarks

III. Management Presentation

The Corporation's 2024 Business Report.

The Corporation's 2024 Audit Committee Review Report.

The Corporation's accumulated deficit amounted to one-half of the paid-in capital for the year ended December 31, 2024.

IV. Proposals

The Corporation's 2024 Business Report and Financial Statements.

The Corporation's 2024 Deficit Appropriation.

V. Discussions

Amendments to the Corporation's "Articles of Incorporation."

Amendment to the Corporation's "Procedures for Lending Funds to Others."

Amendment to the Corporation's "Endorsement and Guarantee Procedures."

VI. Extempore Motions

VII. Adjournment

Management Presentation

Case 1

Proposal: The Corporation's 2024 Business Report is hereby submitted.

Explanation: Please refer to Attachment 1 of the Handbook for the Corporation's 2024 Business Report (Pages 10-14).

Case 2

Proposal: The Corporation's 2024 Audit Committee's Review Report is hereby submitted.

Explanation: Please refer to Attachment 2 of the Handbook for the Corporation's 2024 Audit Committee's Review Report (Page 15).

Case 3

Proposal: The accumulated deficit of the Corporation amounted to one-half of the paid-in capital for the year ended December 31, 2024, and are hereby reported.

Explanation: The accumulated losses of the Corporation amounted to NT\$1,876,380,102, more than one-half of NT\$1,913,128,300, the paid-in capital for the year ended December 31, 2024.

Proposals

Case 1

Proposed by the Board

Proposal: The Corporation's 2024 Business Report and Financial Statements are hereby proposed.

- Explanation: 1. The Board of Directors has submitted the parent company only and consolidated financial statements of the Corporation for the year ended December 31, 2024, which have been audited and approved by the Audit Committee after being reviewed and attested by CPAs Ching-Piao Cheng and Wen-Fang Fu from the firm of Ernst & Young Taiwan, along with the Business Report.
2. Please refer to Attachments 1 (Pages 10-14), 2 (Page 15), and 3 (Pages 16-35) of the Handbook for the aforementioned Business Report, Audit Committee Review Report, Independent Auditors Report, and financial statements.
3. The proposal is hereby submitted.

Resolution:

Case 2

Proposed by the Board

Proposal: The Corporation's 2024 Deficit Compensation is hereby proposed.

- Explanation: 1. Handled pursuant to Article 23 of the Corporation's Articles of Incorporation.
2. Please refer to Attachment 4 (Page 36) of the Handbook for the Deficit Compensation Statement.
3. The proposal is hereby submitted.

Resolution:

Discussions

Case 1

Proposed by the Board

Proposal: The amendment to the Corporation's "Articles of Incorporation" is hereby proposed for discussion.

Explanation: 1. In accordance with Financial Supervisory Commission Order No. 1130385442 dated November 8, 2024, it is proposed to amend certain provisions of the Corporation's "Articles of Incorporation".

2. Please refer to Attachment 5 (Pages 37-38) and Appendix 1 (Pages 44-49) for the Table of Amended Provisions of the Rules of Procedure for Shareholders Meetings and Rules of Procedure for Shareholders Meetings (Before Amendment).

3. The proposal is hereby submitted for discussion.

Resolution:

Case 2

Proposed by the Board

Proposal: Amendment to the Corporation's "Procedures for Lending Funds to Others", please discuss.

Explanation: 1. In accordance with Financial Supervisory Commission Order No. 1140380824 dated February 21, 2025, it is proposed to amend certain provisions of the Corporation's "Procedures for Lending Funds to Others".

2. Please refer to Attachment 6 (Page 39-40) and Appendix 2 (Pages 50-54) for the Table of Amended Provisions of the Rules of Procedure for Shareholders Meetings and Rules of Procedure for Shareholders Meetings (Before Amendment).

3. The proposal is hereby submitted for discussion.

Resolution:

Case 3

Proposed by the Board

Proposal: Amendment to the Corporation's "Endorsement and Guarantee Procedures", please discuss.

Explanation: 1. In accordance with Financial Supervisory Commission Order No. 1140380824 dated February 21, 2025, it is proposed to amend certain provisions of the Corporation's "Endorsement and Guarantee Procedures".

2. Please refer to Attachment 7(Pages 41-42) and Appendix 3(Pages 55-60) for the Table of Amended Provisions of the Rules of Procedure for Shareholders Meetings and Rules of Procedure for Shareholders Meetings (Before Amendment).

3. The proposal is hereby submitted for discussion.

Resolution:

Extempore Motions

Adjournment

CHAPTER 3

ATTACHMENTS

Attachment 1. 2024 Business Report

Dear Shareholders,

In 2024, Lefoo Tourism Group's operating revenue was \$2,324,483 thousand, with total revenue growth of 5%. This included room revenue of \$910,317 thousand, food and beverage revenue of \$568,944 thousand, and amusement park revenue of \$570,531 thousand. The Group's theme parks and wildlife parks, hotels, and food and beverage operations have earned widespread consumer recognition by providing superior service and a vast array of tourism options, propelling robust operational growth for the Group. The Corporation would like to hereby report the following operating results for 2024:

1. 2024 Business Report

(1) 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
	Operating net profit	168,654
	Net profit 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 \$15,427,153, of which total liabilities amounted to \$10,567,237, or 68% of total assets, and total equity amounted to \$4,859,916, or 32% of total assets.

2. Consolidated profit and loss:

In fiscal year 2024, operating revenue was NT\$2,324,483 thousand, operating net profit was NT\$168,654 thousand, operating net profit margin was 7%, net profit after tax was NT\$88,822 thousand, and net profit after tax margin was 4%.

(2) 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.

2. Summary of the business plan for 2025 and the Corporation's future development strategy

(1) Lefoo Village Theme Park

Lefoo 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 Lefoo'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 Lefoo 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.

(2) Lefoo Water Park

Lefoo 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 Lefoo Village Theme Park's resources it provides an exciting experience to enjoy activities in the water and on land. This makes Lefoo 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, Lefoo 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.

(3) Lefoo Resort Guanshi

Lefoo 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. Lefoo 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 Lefoo 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 Lefoo Village Theme Park.

(4) Courtyard by Marriott Taipei

Lefoo 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.

(5) Lefoo 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, Lefoo Palace, Lefoo 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.

(6) Lefoo A+ Serviced Commercial Office Building

A former Lefoo 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, Lefoo 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 Lefoo's hotel-style property management and the full support of a dedicated team of thousands of employees, Lefoo 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.

3. 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.

Lefoo Development Co., Ltd.

Chairman: Feng-Ru Chuang

President: Cheng-Jung Lai

Accounting Supervisor: Ting-Wen Shih

Attachment 2. Audit Committee's Review Report

Lefoo Development Co., Ltd. Audit Committee's Review Report

The Board of Directors has prepared the Corporation's 2024 Business Report, Financial Statements (including parent company only and consolidated financial statements), and proposal for deficit compensation. The CPAs Ching-Piao Cheng and Wen-Fun Fuh from the Ernst & Young Taiwan were retained to audit the Corporation's Financial Statements (including parent company only and consolidated financial statements) and have issued an audit report relating to the Financial Statements. The Business Report, Financial Statements (including parent company only and consolidated financial statements), and proposal for deficit compensation have been reviewed by the Audit Committee and no discrepancies have been found. The report is thus in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, and we hereby submit this report.

To

The Corporation's 2025 Annual Shareholders Meeting

Lefoo Development Co., Ltd.

Convener of the Audit Committee: Kun-Ming Lee

March 15, 2025

Attachment 3. Independent Auditors Report and Financial Statements

Auditor's Report

To Lefoo Development Co., Ltd.:

Opinions

The consolidated balance sheets of Lefoo Development Co., Ltd. and its subsidiaries as of December 31, 2024 and December 31, 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows for the periods from January 1 to December 31, 2024 and from January 1 to December 31, 2023, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies), have been audited by the undersigned accountant.

In the opinion of the undersigned accountant, based on the audit results of the undersigned accountant and the audit reports of other accountants (please refer to the Other Matters section), the aforementioned consolidated financial statements have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, International Financial Reporting Interpretations, and Interpretation Announcements endorsed and issued into effect by the Financial Supervisory Commission, and are sufficient to properly present the consolidated financial position of Lefoo Development Co., Ltd. and its subsidiaries as of December 31, 2024 and December 31, 2023, and their consolidated financial performance and consolidated cash flows for the periods from January 1 to December 31, 2024 and from January 1 to December 31, 2023.

Basis for Audit Opinion

The undersigned accountant has conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. The undersigned accountant's responsibilities under those standards will be further explained in the section on the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements. The personnel of the firm to which the undersigned accountant belongs, who are subject to independence regulations, have maintained independence from Lefoo Development Co., Ltd. and its subsidiaries in accordance with the Code of Professional Ethics for Certified Public Accountants, and have fulfilled other responsibilities under those regulations. Based on the audit results of the undersigned accountant and the audit reports of other accountants, the undersigned accountant believes that sufficient and appropriate audit evidence has been obtained to serve as a basis for expressing an audit opinion.

Key Audit Matters

Key audit matters refer to those matters that, in the professional judgment of the undersigned accountant, were of most significance in the audit of the consolidated financial statements of Lefoo Development Co., Ltd. and its subsidiaries for the year 2024. These matters were addressed in the context of the audit of the consolidated financial statements as a whole and in forming the audit opinion, and the undersigned accountant does not provide a separate opinion on these matters.

Impairment Assessment of Non-financial Assets

As of December 31, 2024, the carrying amount of consolidated property, plant and equipment and right-of-use assets of Lefoo Development Co., Ltd. and its subsidiaries was NT\$8,271,565 thousand, accounting for 53% of the total consolidated assets, which is significant to Lefoo Development Co., Ltd. and its subsidiaries. Since the actual operating performance of Lefoo Development Co., Ltd. and its subsidiaries in 2024 did not meet expectations, the management conducted an impairment assessment of property, plant and equipment and right-of-use assets. As the assessment of the recoverable amount of assets involves subjective judgments by management regarding various assumptions and estimates, the undersigned accountant has determined this to be a key audit matter. The audit procedures of the undersigned accountant included (but were not limited to) evaluating the appropriateness of the accounting policy for asset impairment losses, obtaining appraisal reports from external experts performing impairment assessments of right-of-use assets, evaluating the professional competence, objectivity, and relevant valuation experience of the valuation experts, assessing the reasonableness of relevant assumptions used by the valuation experts (including valuation methods and related reference information), evaluating and testing the reasonableness of their recoverable amounts, examining the current physical state of assets, confirming the timing of completion of the experts' report conclusions, and considering whether there were subsequent significant changes that might affect their conclusions. The undersigned accountant also considered the appropriateness of asset impairment disclosures in Notes 4, 5, and 6 to the consolidated financial statements.

Disclosure of Fair Value of Investment Property

As of December 31, 2024, the net consolidated investment property of Lefoo Development Co., Ltd. and its subsidiaries was NT\$6,397,904 thousand, accounting for 42% of the total consolidated assets, which is significant to the consolidated financial statements of Lefoo Development Co., Ltd. and its subsidiaries. Since the subsequent measurement of investment property adopts the fair value model, and the valuation methods and processes require significant professional judgments, estimates, and assumptions, any changes in these related judgments, estimates, and assumptions would significantly affect the assessment results of the fair value of investment property. Therefore, the undersigned accountant has determined this to be a key audit matter. The audit procedures of the undersigned accountant included (but were not limited to) evaluating the objectivity, professional qualifications, and experience and reputation in the professional field of external real estate appraisal institutions and appraisers to understand whether the appraiser's technical skills and abilities are reliable, while

having our firm's internal real estate valuation experts assist in reviewing the fair value appraisal reports, understanding whether the valuation methods and assumptions comply with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the Real Estate Appraisal Technical Rules, and whether they are reasonable and consistent, as well as evaluating the relevance and reliability of data sources and key parameters (such as yield rates, discount rates, etc.) used in the appraisal reports, confirming the reasonableness of their valuation results, and inquiring and recalculating to confirm the accuracy of the accounting records. The undersigned accountant also considered the appropriateness of relevant information disclosed regarding fair value measurement in Notes 4, 5, and 6 to the consolidated financial statements.

Other Matters - Reference to Other Auditors

The financial statements of Formosa Wonderland Corporation, an investee company recognized under the equity method included in the consolidated financial statements of Lefoo Development Co., Ltd. and its subsidiaries, were not audited by the undersigned accountant but were audited by other accountants. Therefore, in the opinion expressed by the undersigned accountant on the above-mentioned consolidated financial statements, the amounts listed in the financial statements of these investee companies are based on the audit reports of other accountants. As of December 31, 2024, and December 31, 2023, the investments in these investee companies accounted for under the equity method were NT\$12,468 thousand and NT\$14,145 thousand, respectively, representing 0.08% and 0.09% of the total consolidated assets, respectively. For the periods from January 1 to December 31, 2024, and January 1 to December 31, 2023, the share of profit (loss) of associates and joint ventures accounted for under the equity method was NT\$(1,677) thousand and NT\$(1,373) thousand, respectively, representing (1.89)% and 1.40% of the consolidated profit (loss) before tax, respectively.

Management and Governance Units' Responsibility for the Consolidated Financial Statements

Management's responsibility is to prepare consolidated financial statements that present fairly in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretation Bulletins that have been endorsed and issued into effect by the Financial Supervisory Commission, and to maintain necessary internal controls relevant to the preparation of consolidated financial statements to ensure that the consolidated financial statements are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, management's responsibilities also include assessing the ability of Lefoo Development Co., Ltd. and its subsidiaries to continue as a going concern, disclosing relevant matters, and using the going concern basis of accounting, unless management either intends to liquidate Lefoo Development Co., Ltd. and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

The governance units (including the Audit Committee) of Lefoo Development Co., Ltd. and its subsidiaries are responsible for overseeing the financial reporting process.

Accountant's Responsibility for the Audit of the Consolidated Financial Statements

The purpose of our audit of the consolidated financial statements is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If the individual amounts or aggregate of misstatements can reasonably be expected to influence the economic decisions of users of the consolidated financial statements, they are considered material.

When auditing in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also perform the following work:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Lefoo Development Co., Ltd. and its subsidiaries' internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Lefoo Development Co., Ltd. and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Lefoo Development Co., Ltd. and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the group to express an opinion on the consolidated financial statements. We are

responsible for the direction, supervision and performance of the group audit, and are responsible for forming the group audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of Lefoo Development Co., Ltd. and its subsidiaries for the year 2024. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

Lefoo Development Co., Ltd. has prepared the parent company only financial statements for the years 2024 and 2023, and we have issued an unqualified audit report with an Other Matter paragraph thereon for reference.

Ernst & Young Taiwan

The regulatory authority approves the processing of public company financial reports

Audit Certification Document Number: Financial Supervisory Commission Approval No. 1030025503 (2014)
Securities and Futures Commission Approval No. 10069 (2001)

Ching-Piao Cheng

CPA

Wen-Fang Fu

March 15, 2025

Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

LEOFOO DEVELOPMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

December 31, 2024 and December 31, 2023

(All amounts are in thousands of New Taiwan Dollars)

Asset Code	Accounting Items	Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
	Current assets					
1100	Cash and Cash Equivalents	4, 6(1)	\$322,009	2	\$350,212	2
1150	Notes Receivable, Net	4, 6(3)	1,753	-	1,895	-
1170	Accounts Receivable, Net	4, 6(4), 7	56,442	1	31,927	-
1200	Other Receivables	7	5,989	-	5,162	-
130x	Inventories	4, 6(5)	48,305	-	50,567	-
1410	Prepaid Expenses		51,798	-	58,876	1
1470	Other Current Assets	8	12,895	-	5,230	-
11xx	Total Current Assets		499,191	3	503,869	3
	Non-current Assets					
1517	Financial Assets at Fair Value through Other Comprehensive Income	4, 6(2)	-	-	77,059	1
1550	Investments Accounted for Using Equity Method	4, 6(6)	12,468	-	14,145	-
1600	Property, Plant, and Equipment	4, 6(7), 8	4,975,682	32	5,089,494	33
1755	Right-of-use Assets	4, 6(17)	3,295,883	21	3,625,899	23
1760	Investment Property	4, 6(8), 8	6,397,904	42	6,080,612	39
1780	Intangible assets		1,537	-	1,893	-
1840	Deferred income tax assets	4, 6(21)	12,569	-	11,775	-
1900	Other non-current assets	6(9), 7, 8	231,919	2	234,571	1
15xx	Total non-current assets		14,927,962	97	15,135,448	97
1xxx	Total assets		\$15,427,153	100	\$15,639,317	100

(Please refer to the notes to the consolidated financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers: Chen-Jung Lai

Accounting Supervisor: Ting-Wen Shih

LEOFOO DEVELOPMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (CONTINUED)

December 31, 2024 and December 31, 2023

(All amounts are in thousands of New Taiwan Dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term borrowings	6(10), 8	\$-	-	\$53,500	-
2150	Notes payable		4,954	-	4,756	-
2170	Accounts payable		82,590	1	128,065	1
2220	Other payables - related parties	7	285	-	651	-
2280	Lease Liabilities	4, 6(17)	317,575	2	310,121	2
2322	Long-term borrowings due within one year or one operating cycle	6(11), 8	98,100	1	234,506	1
2399	Other current liabilities	7	449,201	2	450,932	3
21xx	Total current liabilities		952,705	6	1,182,531	7
	Current liabilities					
2540	Long-term borrowings	6(11), 8	5,080,052	33	4,769,815	31
2570	Deferred income tax liabilities	4, 6(21)	1,317,091	8	1,314,711	9
2580	Lease Liabilities	4, 6(17)	3,169,133	21	3,486,708	22
2640	Net Defined Benefit Liabilities	4, 6(13)	25,248	-	36,659	-
2670	Other non-current liabilities	6(12), 7	23,008	-	23,208	-
25xx	Total non-current liabilities		9,614,532	62	9,631,101	62
2xxx	Total liabilities		10,567,237	68	10,813,632	69
	Equity Attributable to Owners of Parent					
31xx	Share capital	6(14)				
3100	Share capital	6(14)				
3110	Ordinary share capital		1,913,128	13	1,913,128	13
3200	Capital surplus	6(14)	31,236	-	31,236	-
3300	Retained Earnings	6(14)				
3310	Legal Reserve		17,979	-	17,979	-
3320	Special Reserve		1,385,073	9	1,385,073	9
3350	Accumulated deficit		(1,876,380)	(12)	(1,968,911)	(13)
3400	Other Equity		3,388,880	22	3,447,180	22
3xxx	Total equity		4,859,916	32	4,825,685	31
3x2x	Total liabilities and equity		\$15,427,153	100	\$15,639,317	100

(Please refer to the notes to the consolidated financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers: Chen-Jung Lai

Accounting Supervisor: Ting-Wen Shih

LEOFOO DEVELOPMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

January 1 to December 31, 2024 and January 1 to December 31, 2023

(All amounts are expressed in thousands of New Taiwan Dollars, except for earnings per share)

Code	Items	Notes	2024		2023	
			Amount	%	Amount	%
4000	Operating revenue	4, 6(15), 7	\$2,324,483	100	\$2,211,095	100
5000	Operating costs	6(5)	(1,523,734)	(66)	(1,458,294)	(66)
5900	Gross Profit		800,749	34	752,801	34
6000	Operating Expenses	6(18), 7	(632,095)	(27)	(676,859)	(31)
6900	Operating profit		168,654	7	75,942	3
7100	Interest income	6(19)	3,382	-	2,157	-
7010	Other income	6(19), 7	86,573	4	27,644	2
7020	Other gains and losses	6(19)	27,532	1	(1,374)	-
7050	Finance costs	6(19)	(195,642)	(8)	(200,740)	(9)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	6(6)	(1,677)	-	(1,373)	-
	Total non-operating income and expenses		(79,832)	(3)	(173,686)	(7)
7900	Earnings before tax (loss)		88,822	4	(97,744)	(4)
7950	Income tax benefit (expense)	4, 6(21)	-	-	-	-
8200	Net Income (Loss) for the Period		88,822	4	(97,744)	(4)
8300	Other comprehensive income	6(20)				
8310	Items that will not be reclassified to profit or loss					
8311	Remeasurement of defined benefit plans		3,709	-	(3,034)	-
8316	Equity instruments measured at fair value through other comprehensive income		(60,410)	(3)	11,943	-
	Unrealized valuation gain (loss) on equity instruments measured at fair value through other comprehensive income					
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign financial statements		2,110	-	21	-
	Other Comprehensive Income for the Period (net of tax)		(54,591)	(3)	8,930	-
8500	Total Comprehensive Income for the Period		\$34,231	1	\$(88,814)	(4)
9750	Basic earnings per share (NT\$)	6(22)	\$0.46		\$(0.51)	
9850	Diluted earnings per share (NT\$)	6(22)	\$0.46		\$(0.51)	

(Please refer to the notes to the consolidated financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers: Chen-Jung Lai

Accounting Supervisor: Ting-Wen Shih

LEOFOO DEVELOPMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

January 1 to December 31, 2024 and January 1 to December 31, 2023

(All amounts are in thousands of New Taiwan Dollars)

Code	Items	Equity Attributable to Owners of Parent								Total equity
		Share capital	Capital surplus	Retained Earnings			Other equity items			
				Legal Reserve	Special Reserve	Accumulated deficit	Exchange differences on translation of foreign financial statements	Unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income	Revaluation surplus of property	
3100	3200	3310	3320	3350	3410	3420	3460	3xxx		
A1	Balance as of January 1, 2023	\$1,913,128	\$31,236	\$17,979	\$1,385,073	\$(1,868,133)	\$447	\$(32,191)	\$3,466,960	\$4,914,499
D1	Net loss for the year 2023					(97,744)				(97,744)
D3	Other comprehensive income for the year 2023					(3,034)	21	11,943	-	8,930
D5	Total Comprehensive Income for the Period	-	-	-	-	(100,778)	21	11,943	-	(88,814)
Z1	Balance as of December 31, 2023	1,913,128	31,236	17,979	1,385,073	(1,968,911)	468	(20,248)	3,466,960	4,825,685
D1	Net income for the year 2024					88,822				88,822
D3	Other comprehensive income for the year 2024					3,709	2,110	(60,410)	-	(54,591)
D5	Total Comprehensive Income for the Period	-	-	-	-	92,531	2,110	(60,410)	-	34,231
Z1	Balance as of December 31, 2024	\$1,913,128	\$31,236	\$17,979	\$1,385,073	\$(1,876,380)	\$2,578	\$(80,658)	\$3,466,960	\$4,859,916

(Please refer to the notes to the consolidated financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers: Chen-Jung Lai

Accounting Supervisor: Ting-Wen Shih

LEOFOO DEVELOPMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS

January 1 to December 31, 2024 and January 1 to December 31, 2023

(All amounts are in thousands of New Taiwan Dollars)

Code	Items	2024	2023	Code	Items	2024	2023
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Income (loss) before income tax for the period	\$88,822	\$(97,744)	B00030	Return of capital from financial assets at fair value through other comprehensive income	16,649	-
A20000	Adjusting items:			B02700	Acquisition of property, plant and equipment	(104,788)	(116,332)
A20010	Income and expense items:			B02800	Disposal of property, plant and equipment	1,868	389
A20100	Depreciation and depletion expenses	549,795	550,584	B03800	Decrease in refundable deposits	6,988	3,202
A20200	Amortization expenses	2,754	3,743	B04500	Acquisition of intangible assets	(1,081)	(323)
A20900	Interest expenses	195,642	200,740	B05400	Acquisition of investment property	(269,122)	(286,169)
A21200	Interest income	(3,382)	(2,157)	BBBB	Net cash inflow (outflow) from investing activities	(349,486)	(399,233)
A22300	Share of losses (gains) of associates and joint ventures accounted for using equity method	1,677	1,373				
A22500	Loss (gain) on disposal of property, plant and equipment	(1,204)	157				
A24600	Loss (gain) on fair value adjustment of investment property	(30,935)	(7,133)	CCCC	Cash flows from financing activities:		
A29900	Gain on lease modifications	-	(23)	C00200	Increase (decrease) in short-term borrowings	(53,500)	(360,000)
A30000	Net changes in operating assets/liabilities			C01600	Proceeds from long-term borrowings	1,263,625	2,191,100
A31130	Decrease (increase) in notes receivable	142	(1,886)	C01700	Repayment of long-term borrowings	(1,089,794)	(1,581,929)
A31150	Decrease (increase) in accounts receivable	(24,515)	26,155	C04020	Repayment of lease liability principal	(310,121)	(303,546)
A31180	Decrease (increase) in other receivables	(825)	1,797	CCCC	Net cash inflow (outflow) from financing activities	(189,790)	(54,375)
A31200	Decrease (increase) in inventories	2,262	(3,131)				
A31230	Decrease (increase) in prepayments	7,201	(1,643)				
A31240	Decrease (increase) in other current assets	(7,665)	18,645	DDDD	Effects of exchange rate changes	2,108	21
A31990	Decrease (increase) in other non-current assets	(3,436)	(4,430)				
A32130	Increase (decrease) in notes payable	198	(17,630)	EEEE	Increase (decrease) in cash and cash equivalents for the period	(28,203)	25,529
A32150	Increase (decrease) in accounts payable	(45,475)	22,365	E00100	Beginning balance of cash and cash equivalents	350,212	324,683
A32190	Increase (decrease) in other payables - related parties	(366)	331	E00200	Ending balance of cash and cash equivalents	\$322,009	\$350,212
A32230	Increase (decrease) in other current liabilities	(6,177)	7,835				
A32240	Increase (decrease) in net defined benefit liability	(7,702)	(15,967)				
A32990	Increase (decrease) in other non-current liabilities	(200)	1,679				
A33000	Cash inflow (outflow) generated from operations	716,611	683,660				
A33100	Interest received	3,382	2,123				
A33300	Interest paid	(211,028)	(206,667)				
AAAA	Net cash inflow (outflow) from operating activities	508,965	479,116				

(Please refer to the notes to the consolidated financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers: Chen-Jung Lai

Accounting Supervisor: Ting-Wen Shih

Auditor's Report

To Leofoo Development Co., Ltd.:

Opinions

The balance sheets of Leofoo Development Co., Ltd. as of December 31, 2024 and December 31, 2023, the statements of comprehensive income, statements of changes in equity, and statements of cash flows for the periods from January 1, 2024 to December 31, 2024 and from January 1, 2023 to December 31, 2023, as well as the notes to the parent company only financial statements (including a summary of significant accounting policies), have been audited by the undersigned accountant.

In my opinion, based on my audit results and the audit reports of other accountants (please refer to the Other Matters section), the aforementioned parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material respects, and are sufficient to properly present the parent company only financial position of Leofoo Development Co., Ltd. as of December 31, 2024 and December 31, 2023, as well as its parent company only financial performance and parent company only cash flows for the periods from January 1, 2024 to December 31, 2024 and from January 1, 2023 to December 31, 2023.

Basis for Audit Opinion

The undersigned accountant has conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. The undersigned accountant's responsibilities under those standards will be further explained in the section on the Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements. The personnel of the firm to which the undersigned accountant belongs, who are subject to independence regulations, have maintained independence from Leofoo Development Co., Ltd. in accordance with the Code of Professional Ethics for Certified Public Accountants, and have fulfilled other responsibilities under those regulations. Based on the audit results of the undersigned accountant and the audit reports of other accountants, the undersigned accountant believes that sufficient and appropriate audit evidence has been obtained to serve as a basis for expressing an audit opinion.

Key Audit Matters

Key audit matters refer to those matters that, in the professional judgment of the undersigned accountant, were of most significance in the audit of the parent company only financial statements of Leofoo Development Co., Ltd. for the year 2024. These matters were addressed in the context of the audit of the parent company only financial statements as a whole and in forming the audit opinion, and the undersigned accountant does not provide a separate opinion on these matters.

Impairment Assessment of Non-financial Assets

As of December 31, 2024, the carrying amount of consolidated property, plant and equipment and right-of-use assets of Lefoo Development Co., Ltd. was NT\$8,145,681 thousand, accounting for 53% of the total consolidated assets, which is significant to Lefoo Development Co., Ltd. Since the actual operating performance of Lefoo Development Co., Ltd. in 2024 did not meet expectations, the management conducted an impairment assessment of property, plant and equipment and right-of-use assets. As the assessment of the recoverable amount of assets involves subjective judgments by management regarding various assumptions and estimates, the undersigned accountant has determined this to be a key audit matter. The audit procedures of the undersigned accountant included (but were not limited to) evaluating the appropriateness of the accounting policy for asset impairment losses, obtaining appraisal reports from external experts performing impairment assessments of right-of-use assets, evaluating the professional competence, objectivity, and relevant valuation experience of the valuation experts, assessing the reasonableness of relevant assumptions used by the valuation experts (including valuation methods and related reference information), evaluating and testing the reasonableness of their recoverable amounts, examining the current physical state of assets, confirming the timing of completion of the experts' report conclusions, and considering whether there were subsequent significant changes that might affect their conclusions. The undersigned accountant also considered the appropriateness of asset impairment disclosures in Notes 4, 5, and 6 to the parent company only financial statements.

Disclosure of Fair Value of Investment Property

As of December 31, 2024, the net consolidated investment property of Lefoo Development Co., Ltd. was NT\$6,444,762 thousand, accounting for 42% of the total assets, which is significant to the parent company only financial statements of Lefoo Development Co., Ltd. Since the subsequent measurement of investment property adopts the fair value model, and the valuation methods and processes require significant professional judgments, estimates, and assumptions, any changes in these related judgments, estimates, and assumptions would significantly affect the assessment results of the fair value of investment property. Therefore, the undersigned accountant has determined this to be a key audit matter. The audit procedures of the undersigned accountant included (but were not limited to) evaluating the objectivity, professional qualifications, and experience and reputation in the professional field of external real estate appraisal institutions and appraisers to understand whether the appraiser's technical skills and abilities are reliable, while having our firm's internal real estate valuation experts assist in reviewing the fair value appraisal reports, understanding whether the valuation methods and assumptions comply with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the Real Estate Appraisal Technical Rules, and whether they are reasonable and consistent, as well as evaluating the relevance and reliability of data sources and key parameters (such as yield rates, discount rates, etc.) used in the appraisal reports, confirming the reasonableness of their valuation results, and inquiring and recalculating to confirm the accuracy of the accounting records. The undersigned accountant also considered the appropriateness of relevant information disclosed regarding fair value measurement in Notes 4, 5, and 6 to the parent company only financial statements.

Other Matters - Reference to Other Auditors

The financial statements of Ambassador Film Inc., an investee company recognized under the equity method included in the parent company only financial statements of Leofoo Development Co., Ltd., were not audited by the undersigned accountant but were audited by other accountants. Therefore, in the opinion expressed by the undersigned accountant on the above-mentioned parent company only financial statements, the amounts listed in the financial statements of these investee companies are based on the audit reports of other accountants. As of December 31, 2024 and December 31, 2023, the investments in the investee company using the equity method were NT\$12,468 thousand and NT\$14,145 thousand, respectively, accounting for 0.08% and 0.09% of the total individual assets. From January 1 to December 31, 2024 and January 1 to December 31, 2023, the share of profit (loss) of subsidiaries, associates and joint ventures recognized using the equity method were NT\$(1,677) thousand and NT\$(1,373) thousand, respectively, accounting for (1.89)% and 1.40% of the pre-tax net profit (loss).

Management and Governance Units' Responsibility for the Parent Company Only Financial Statements.

Management's responsibility is to prepare parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers that give a true and fair view, and to maintain such necessary internal control relevant to the preparation of the parent company only financial statements to ensure that the parent company only financial statements are free from material misstatement, whether due to fraud or error.

When preparing the parent company only financial statements, management's responsibilities also include assessing the ability of Leofoo Development Co., Ltd. to continue as a going concern, disclosing relevant matters, and using the going concern basis of accounting, unless management either intends to liquidate Leofoo Development Co., Ltd. or to cease operations, or has no realistic alternative but to do so.

The governance units (including the Audit Committee) of Leofoo Development Co., Ltd. are responsible for overseeing the financial reporting process.

Accountant's Responsibility for the Audit of the Parent Company Only Financial Statements

The purpose of our audit of the parent company only financial statements is to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If the individual amounts or aggregate of misstatements can reasonably be expected to influence the economic decisions of users of the parent company only financial statements, they are considered material.

When auditing in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also perform the following work:

1. Identifying and assessing the risks of material misstatement in the parent company only financial statements, whether due to fraud or error; Designing and implementing appropriate responses to those assessed risks; and obtaining sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Leofoo Development Co., Ltd.'s internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Leofoo Development Co., Ltd.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Leofoo Development Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the group to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit, and are responsible for forming the group audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of Lefoo Development Co., Ltd. for the year 2024. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young Taiwan

The regulatory authority approves the processing of public company financial reports

Audit Certification Document Number: Financial Supervisory Commission Approval No. 1030025503 (2014)
Securities and Futures Commission Approval No. 10069 (2001)

Ching-Piao Cheng

CPA

Wen-Fang Fu

March 15, 2025

Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

LEOFOO DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS

December 31, 2024 and December 31, 2023

(All amounts are in thousands of New Taiwan Dollars)

Assets			December 31, 2024		December 31, 2023	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and Cash Equivalents	4, 6(1)	\$196,023	1	\$242,152	2
1150	Notes Receivable, Net	4, 6(3), 7	1,938	-	2,776	-
1170	Accounts Receivable, Net	4, 6(4), 7	55,959	1	31,446	-
1200	Other Receivables	7	6,065	-	6,268	-
130x	Inventories	4, 6(5)	40,918	-	43,057	-
1410	Prepaid Expenses		51,029	-	57,909	1
1470	Other Current Assets	8	12,316	-	4,991	-
11xx	Total Current Assets		<u>364,248</u>	<u>2</u>	<u>388,599</u>	<u>3</u>
	Non-current Assets					
1517	Financial Assets at Fair Value through Other Comprehensive	4, 6(2)	-	-	77,059	-
1550	Investments Accounted for Using Equity Method	4, 6(6)	105,584	1	107,910	1
1600	Property, Plant, and Equipment	4, 6(7), 8	4,944,902	32	5,060,145	33
1755	Right-of-use Assets	4, 6(17)	3,200,779	21	3,493,980	22
1760	Investment Property	4, 6(8), 8	6,444,672	42	6,123,906	39
1780	Intangible assets		1,397	-	1,659	-
1840	Deferred income tax assets	4, 6(21)	12,569	-	11,775	-
1900	Other non-current assets	6(9), 7, 8	238,600	2	239,389	2
15xx	Total non-current assets		<u>14,948,503</u>	<u>98</u>	<u>15,115,823</u>	<u>97</u>
1xxx	Total assets		<u>\$15,312,751</u>	<u>100</u>	<u>\$15,504,422</u>	<u>100</u>

(Please refer to the notes to the parent company only financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers Cheng-Jung Lai

Accounting Supervisor: Ting-Wen Shih

LEOFOO DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY BALANCE SHEET (CONTINUED)

December 31, 2024 and December 31, 2023

(All amounts are in thousands of New Taiwan Dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023	
Code	Accounting Items	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term borrowings	6(10), 8	\$-	-	\$53,500	-
2150	Notes payable		82	-	125	-
2170	Accounts payable	7	68,383	-	93,697	1
2220	Other payables - related parties	7	16,345	-	50,897	-
2280	Lease Liabilities	4, 6(17)	277,803	2	271,872	2
2322	Current portion of long-term borrowings	6(11), 8	98,100	1	234,506	1
2399	Other current liabilities	7	441,942	3	447,079	3
21xx	Total current liabilities		902,655	6	1,151,676	7
	Non-current liabilities					
2540	Long-term borrowings	6(11), 8	5,080,052	33	4,769,815	31
2570	Deferred income tax liabilities	4, 6(21)	1,317,091	9	1,314,711	9
2580	Lease Liabilities	4, 6(17)	3,105,134	20	3,382,938	22
2640	Net Defined Benefit Liabilities	4, 6(13)	25,248	-	36,659	-
2670	Other non-current liabilities	6(12), 7	22,655	-	22,938	-
25xx	Total non-current liabilities		9,550,180	62	9,527,061	62
2xxx	Total liabilities		10,452,835	68	10,678,737	69
31xx	Equity Attributable to Owners of Parent					
3100	Share capital	6(14)				
3110	Ordinary share capital		1,913,128	13	1,913,128	13
3200	Capital surplus	6(14)	31,236	-	31,236	-
3300	Retained Earnings	6(14)				
3310	Legal Reserve		17,979	-	17,979	-
3320	Special Reserve		1,385,073	9	1,385,073	9
3350	Accumulated deficit		(1,876,380)	(12)	(1,968,911)	(13)
3400	Other Equity		3,388,880	22	3,447,180	22
3xxx	Total equity		4,859,916	32	4,825,685	31
3x2x	Total liabilities and equity		\$15,312,751	100	\$15,504,422	100

(Please refer to the notes to the parent company only financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers Cheng-Jung Lai

Accounting Supervisor: Ting-Wen Shih

LEOFOO DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

January 1 to December 31, 2024 and January 1 to December 31, 2023

(All amounts are expressed in thousands of New Taiwan Dollars, except for earnings per share)

Code	Accounting Items	Notes	2024		2023	
			Amount	%	Amount	%
4000	Operating revenue	4, 6(15), 7	\$2,309,069	100	\$2,210,076	100
5000	Operating costs	6(5), 7	(1,527,446)	(66)	(1,423,059)	(64)
5900	Gross Profit		781,623	34	787,017	36
6000	Operating Expenses	6(18), 7	(611,588)	(27)	(699,451)	(32)
6900	Operating profit		170,035	7	87,566	4
7000	Non-operating Income and Expenses					
7100	Interest income	6(19)	1,346	-	1,223	-
7010	Other income	6(19), 7	87,294	4	27,664	1
7020	Other gains and losses	6(19)	27,532	1	(1,321)	-
7050	Finance costs	6(19)	(192,949)	(8)	(197,239)	(9)
7060	Share of Profit (Loss) of Subsidiaries, Associates and Joint Ventures Accounted for Using Equity Method	6(6)	(4,436)	-	(15,637)	-
	Total non-operating income and expenses		(81,213)	(3)	(185,310)	(8)
7900	Earnings before tax (loss)		88,822	4	(97,744)	(4)
7950	Income tax benefit (expense)	4, 6(21)	-	-	-	-
8200	Net Income (Loss) for the Period		88,822	4	(97,744)	(4)
8300	Other comprehensive income	20(6)				
8310	Items Not to be Reclassified to Profit or Loss:					
8311	Remeasurement of defined benefit plans		3,709	-	(3,034)	-
8316	Equity instruments measured at fair value through other comprehensive income		(60,410)	(3)	11,943	-
	Unrealized valuation gain (loss) on equity instruments measured at fair value through other comprehensive income					
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign financial statements		2,110	-	21	-
	Other Comprehensive Income for the Period (net of tax)		(54,591)	(3)	8,930	-
8500	Total Comprehensive Income for the Period		\$34,231	1	\$(88,814)	(4)
9750	Basic Earnings (Loss) Per Share (NTD)	6(22)	\$0.46		\$(0.51)	
9850	Diluted Earnings (Loss) Per Share (NT\$)	6(22)	\$0.46		\$(0.51)	

(Please refer to the notes to the parent company only financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers Cheng-Jung Lai

Accounting Supervisor: Ting-Wen Shih

LEOFOO DEVELOPMENT CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

January 1 to December 31, 2024 and January 1 to December 31, 2023

(All amounts are in thousands of New Taiwan Dollars)

Code	Items	Share capital 3100	Capital surplus 3200	Retained Earnings			Other equity items			Total Equity 3XXX
				Legal Reserve 3310	Special Reserve 3320	Accumulated deficit 3350	Exchange differences on translation of foreign financial statements 3410	Unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income 3420	Revaluation surplus of property 3460	
A1	Balance as of January 1, 2023	\$1,913,128	\$31,236	\$17,979	\$1,385,073	\$(1,868,133)	\$447	\$(32,191)	\$3,466,960	\$4,914,499
D1	Net loss for the year 2023					(97,744)				(97,744)
D3	Other comprehensive income for the year 2023					(3,034)	21	11,943	-	8,930
D5	Total Comprehensive Income for the Period	-	-	-	-	(100,778)	21	11,943	-	(88,814)
Z1	Balance as of December 31, 2023	1,913,128	31,236	17,979	1,385,073	(1,968,911)	468	(20,248)	3,466,960	4,825,685
D1	Net income for the year 2024					88,822				88,822
D3	Other comprehensive income for the year 2024					3,709	2,110	(60,410)	-	(54,591)
D5	Total Comprehensive Income for the Period	-	-	-	-	92,531	2,110	(60,410)	-	34,231
Z1	Balance as of December 31, 2024	\$1,913,128	\$31,236	\$17,979	\$1,385,073	\$(1,876,380)	\$2,578	\$(80,658)	\$3,466,960	\$4,859,916

(Please refer to the notes to the parent company only financial statements)
Managerial Officers Cheng-Jung Lai

Chairman: Feng-Ru Chuang

Accounting Supervisor: Ting-Wen Shih

LEOFOO DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOW

January 1 to December 31, 2024 and January 1 to December 31, 2023

(All amounts are in thousands of New Taiwan Dollars)

Code	Items	2024	2023	Code	Items	2024	2023
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Income (loss) before income tax for the period	\$88,822	\$(97,744)	B00030	Measured at fair value through other comprehensive income	16,649	-
A20000	Adjusting items:						
A20010	Income and expense items:			B02700	Acquisition of property, plant and equipment	(106,324)	(117,170)
A20100	Depreciation and depletion expenses	514,016	516,092	B02800	Disposal of property, plant and equipment	1,868	389
A20200	Amortization expenses	2,592	3,569	B03800	Refundable Deposits (Increase) Decrease	6,987	3,202
A20900	Interest expenses	192,949	197,239	B04500	Acquisition of intangible assets	(1,080)	(47)
A21200	Interest income	(1,346)	(1,223)	B05400	Acquisition of investment property	(272,596)	(300,346)
A22300	Share of loss (gain) of subsidiaries, associates, and joint ventures accounted for using equity method	4,436	15,637	BBBB	Net cash inflow (outflow) from investing activities	<u>(354,496)</u>	<u>(413,972)</u>
A22500	Loss (gain) on disposal of property, plant and equipment	(1,204)	157				
A24600	Loss (gain) on fair value adjustment of investment property	(30,935)	(7,133)	CCCC	Cash flows from investing activities:		
A29900	Gain on lease modifications	-	(23)	C00200	Increase (decrease) in short-term borrowings	(53,500)	(360,000)
A30000	Net changes in operating assets/liabilities			C01600	Proceeds from long-term borrowings	1,263,625	2,191,100
A31130	Decrease (increase) in notes receivable	838	(2,354)	C01700	Repayment of long-term borrowings	(1,089,794)	(1,581,929)
A31150	Decrease (increase) in accounts receivable	(24,513)	26,474	C04020	Repayment of lease liability principal	(271,873)	(266,628)
A31180	Decrease (increase) in other receivables	203	1,320	CCCC	Net cash inflow (outflow) from financing activities	<u>(151,542)</u>	<u>(17,457)</u>
A31200	Decrease (increase) in inventories	2,139	(3,246)				
A31230	Decrease (increase) in prepayments	6,952	(1,925)				
A31240	Decrease (increase) in other current assets	(7,325)	15,315	EEEE	Increase (decrease) in cash and cash equivalents for the period	(46,129)	36,770
A31990	Decrease (increase) in other non-current assets	(3,327)	(4,379)	E00100	Beginning balance of cash and cash equivalents	242,152	205,382
A32130	Increase (decrease) in notes payable	(43)	(1,090)	E00200	Ending balance of cash and cash equivalents	<u>\$196,023</u>	<u>\$242,152</u>
A32150	Increase (decrease) in accounts payable	(25,314)	8,399				
A32190	Increase (decrease) in other payables - related parties	(34,552)	11,569				
A32230	Increase (decrease) in other current liabilities	(9,505)	7,658				
A32240	Increase (decrease) in net defined benefit liability	(7,702)	(15,967)				
A32990	Increase (decrease) in other non-current liabilities	(283)	1,797				
A33000	Cash inflow (outflow) generated from operations	<u>666,898</u>	<u>670,142</u>				
A33100	Interest received	1,346	1,223				
A33300	Interest paid	(208,335)	(203,166)				
AAAA	Net cash inflow (outflow) from operating activities	<u>459,909</u>	<u>468,199</u>				

(Please refer to the notes to the parent company only financial statements)

Chairman: Feng-Ru Chuang

Managerial Officers Cheng-Jung Lai

Accounting Supervisor: Ting-Wen Shih

Attachment 4: 2024 Deficit Compensation Statement

Lefoo Development Co., Ltd.
Deficit Compensation Statement
2024

Unit: NT\$

Items	Total
Deficit yet to be compensated at the beginning of the period	(1,968,910,862)
Less: Remeasurement of defined benefit plans	(3,708,535)
Add: Net loss after tax for current period	88,822,225
Deficit yet to be compensated at the end of the period	(1,876,380,102)

Chairman: Feng-Ru Chuang Managerial Officers: Cheng-Jung Lai Accounting Supervisor: Ting-Wen Shih

Attachment 5: Comparison Table of Amendments to the "Articles of Incorporation"

Leofoo Development Co., Ltd.

Articles after amendment	Articles before amendment	Amendment description
<p>Article 24</p> <p>If the Corporation has profits for the year, it shall allocate <u>no less than one percent</u> as employee compensation and no more than three percent as director compensation. <u>If there are profits for the year, an additional allocation of no less than one percent shall be made as compensation for frontline employees.</u> Employee compensation and remuneration of directors shall be submitted to and reported at the shareholders meeting. However, if the Corporation still has accumulated losses, it shall the retain the deficit amount in advance to offset it, and then allocate employee and director compensation based on the aforementioned percentages .</p> <p>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.</p>	<p>Article 24</p> <p>If the Corporation has made profits in a fiscal year, three percent of the profits shall be allocated for employee compensation and no more than three percent of the profits shall be allocated for remuneration of directors. Employee compensation and remuneration of directors shall be submitted to and reported at the shareholders meeting. However, if the Corporation still has accumulated losses, it shall the retain the deficit amount in advance to offset it, and then allocate employee and director compensation based on the aforementioned percentages .</p> <p>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.</p>	<p>Revised to include frontline employees in the employee compensation allocation ratio</p>
<p>Article 27:</p> <p>The Articles of Incorporation were established on January 10, 1968. The first amendment was made on August 27, 1971; the second amendment on June 24, 1972; the third amendment on September 9, 1972; the fourth amendment on April 28, 1975; the fifth amendment on October 15, 1976; the sixth amendment on April 22, 1980; the seventh amendment on June 18, 1981; the eighth amendment on April 10, 1982; the ninth amendment on February 10, 1983; the tenth amendment on September 8, 1984; the</p>	<p>Article 27</p> <p>The Articles of Incorporation were established on January 10, 1968. The first amendment was made on August 27, 1971; the second amendment on June 24, 1972; the third amendment on September 9, 1972; the fourth amendment on April 28, 1975; the fifth amendment on October 15, 1976; the sixth amendment on April 22, 1980; the seventh amendment on June 18, 1981; the eighth amendment on April 10, 1982; the ninth amendment on February 10, 1983; the tenth amendment on September 8, 1984; the</p>	<p>Add this time Amendment sequence and date.</p>

Articles after amendment	Articles before amendment	Amendment description
<p>eleventh amendment on October 19, 1985; the twelfth amendment on June 20, 1986; the thirteenth amendment on March 10, 1987; the fourteenth amendment on March 22, 1988; the fifteenth amendment on April 14, 1989; the sixteenth amendment on March 30, 1990; the seventeenth amendment on April 19, 1991; the eighteenth amendment on June 19, 1992; the nineteenth amendment on June 4, 1993; the twentieth amendment on June 16, 1994; the twenty-first amendment on June 19, 1996; the twenty-second amendment on June 19, 1997; the twenty-third amendment on June 17, 1998; the twenty-fourth amendment on June 9, 1999; the twenty-fifth amendment on June 21, 2000; the twenty-sixth amendment on June 6, 2001; the twenty-seventh amendment on June 19, 2002; the twenty-eighth amendment on June 15, 2004; the twenty-ninth amendment on June 14, 2005; the thirtieth amendment on June 23, 2006; the thirty-first amendment on June 15, 2010. The thirty-second amendment was made on June 20, 2014. The thirty-third amendment was made on June 24, 2015. The thirty-fourth amendment was made on June 20, 2016. The thirty-fifth amendment was made on June 22, 2017. The thirty-sixth amendment was made on June 6, 2019. The thirty-seventh amendment was made on June 23, 2020. The thirty-eighth amendment was made on May 30, 2022. <u>The thirty-ninth amendment was made on June 3, 2025.</u></p>	<p>eleventh amendment on October 19, 1985; the twelfth amendment on June 20, 1986; the thirteenth amendment on March 10, 1987; the fourteenth amendment on March 22, 1988; the fifteenth amendment on April 14, 1989; the sixteenth amendment on March 30, 1990; the seventeenth amendment on April 19, 1991; the eighteenth amendment on June 19, 1992; the nineteenth amendment on June 4, 1993; the twentieth amendment on June 16, 1994; the twenty-first amendment on June 19, 1996; the twenty-second amendment on June 19, 1997; the twenty-third amendment on June 17, 1998; the twenty-fourth amendment on June 9, 1999; the twenty-fifth amendment on June 21, 2000; the twenty-sixth amendment on June 6, 2001; the twenty-seventh amendment on June 19, 2002; the twenty-eighth amendment on June 15, 2004; the twenty-ninth amendment on June 14, 2005; the thirtieth amendment on June 23, 2006; the thirty-first amendment on June 15, 2010. The thirty-second amendment was made on June 20, 2014. The thirty-third amendment was made on June 24, 2015. The thirty-fourth amendment was made on June 20, 2016. The thirty-fifth amendment was made on June 22, 2017. The thirty-sixth amendment was made on June 6, 2019. The thirty-seventh amendment was made on June 23, 2020. The thirty-eighth amendment was made on May 30, 2022.</p>	

Attachment 6: Comparison Table of Amended Provisions for "Procedures for Lending Funds to Others"

Lefoo Development Co., Ltd.

Articles after amendment	Articles before amendment	Amendment description
<p>Article 5 (Funding Loan Limits) The total amount of funds lending and the limit for individual borrowers:</p> <ol style="list-style-type: none"> 1. When a company or business entity has the need for short-term financing and lends funds to others, the financing amount shall not exceed 40 percent of the Corporation's net worth. The term "financing amount" refers to the cumulative balance of the Corporation's short-term financing funds. 2. For companies or business entities that have business dealings with the Corporation, the individual lending amount shall not exceed the business transaction amount between the two parties. <u>The total lending amount shall not exceed 10 percent of the Corporation's net worth.</u> The term "business transaction amount" refers to the higher of the actual purchase or sales amount between the two parties <u>within the most recent year.</u> 3. For companies or business entities with short-term financing needs, the individual lending amount shall not exceed 10 percent of the Corporation's net worth. <p>When lending funds between foreign companies in which the Corporation directly and indirectly holds 100 percent of the voting shares, the restriction in Paragraph 1, Subparagraph 1 shall not apply. However, the lending limit shall still be set in accordance with Paragraph 1, Subparagraph 2 and Subparagraph 3, and the lending period shall be in accordance with Article 7, Paragraph 1.</p>	<p>Article 5 (Funding Loan Limits) The total amount of funds lending and the limit for individual borrowers:</p> <ol style="list-style-type: none"> 1. When a company or business entity has the need for short-term financing and lends funds to others, the financing amount shall not exceed 40 percent of the Corporation's net worth. The term "financing amount" refers to the cumulative balance of the Corporation's short-term financing funds. 2. For companies or business entities that have business dealings with the Corporation, the individual lending amount shall not exceed the business transaction amount between the two parties. The term "business transaction amount" refers to the higher of the purchase or sales amount between the two parties. 3. For companies or business entities with short-term financing needs, the individual lending amount shall not exceed 10 percent of the Corporation's net worth. <p>When lending funds between foreign companies in which the Corporation directly and indirectly holds 100 percent of the voting shares, the restriction in Paragraph 1, Subparagraph 1 shall not apply. However, the lending limit shall still be set in accordance with Paragraph 1, Subparagraph 2 and Subparagraph 3, and the lending period shall be in accordance with Article 7, Paragraph 1.</p>	<p>Added the total lending limit and period in accordance with laws and regulations.</p>
<p>Article 12 (Effective Date and Amendments) These Procedures were established on June 17, 2003. The first amendment was made on June 19,</p>	<p>Article 12 (Effective Date and Amendments) These Procedures were established on June 17, 2003. The first amendment was made on June 19,</p>	<p>Add this time Amendment sequence</p>

Articles after amendment	Articles before amendment	Amendment description
<p>2009.</p> <p>The second amendment was made on June 21, 2013.</p> <p>The third amendment was made on June 6, 2019.</p> <p><u>The fourth amendment was made on June 3, 2025.</u></p>	<p>2009.</p> <p>The second amendment was made on June 21, 2013.</p> <p>The third amendment was made on June 6, 2019.</p>	<p>and date.</p>

Attachment 7: Comparison Table of Amended Articles for "Endorsement and Guarantee Procedures"

Lefoo Development Co., Ltd.

Articles after amendment	Articles before amendment	Amendment description
<p>Article 5 (Limits of Endorsements and Guarantees)</p> <p>The total amount of external endorsements and guarantees provided by the Corporation shall not exceed forty percent of the Corporation's net worth. The limit of endorsement and guarantee for a single enterprise shall not exceed twenty percent of the Company's net worth for subsidiaries in which the Corporation directly holds more than ninety percent of the ordinary shares and shall not exceed ten percent of the Corporation's net worth for all others. <u>The total amount of external endorsements and guarantees provided by the Corporation and its subsidiaries as a whole shall not exceed forty percent of the Corporation's net worth, and the amount of endorsement and guarantee for a single enterprise shall not exceed twenty percent of the Company's net worth.</u></p> <p>When the total amount of endorsements and guarantees provided by the Corporation and its subsidiaries as a whole reaches fifty percent or more of the Corporation's net worth, the necessity and reasonableness shall be explained at the shareholders meeting.</p> <p>The net worth mentioned in the preceding two paragraphs refers to the equity attributable to the owners of the Corporation as stated in the most recent balance sheet that has been audited or reviewed by a certified public accountant.</p> <p>For those who engage in endorsements and guarantees with the Corporation due to business relationships, in addition to the aforementioned limit regulations, the individual endorsement and guarantee amount shall be limited to not exceeding the business transaction amount between the two parties.</p>	<p>Article 5 (Limits of Endorsements and Guarantees)</p> <p>The total amount of external endorsements and guarantees provided by the Corporation shall not exceed forty percent of the Corporation's net worth. The limit of endorsement and guarantee for a single enterprise shall not exceed twenty percent of the Company's net worth for subsidiaries in which the Corporation directly holds more than ninety percent of the ordinary shares and shall not exceed ten percent of the Corporation's net worth for all others.</p> <p>When the total amount of endorsements and guarantees provided by the Corporation and its subsidiaries as a whole reaches fifty percent or more of the Corporation's net worth, the necessity and reasonableness shall be explained at the shareholders meeting.</p> <p>The net worth mentioned in the preceding two paragraphs refers to the equity attributable to the owners of the Corporation as stated in the most recent balance sheet that has been audited or reviewed by a certified public accountant.</p> <p>For those who engage in endorsements and guarantees with the Corporation due to business relationships, in addition to the aforementioned limit regulations, the individual endorsement and guarantee amount shall be limited to not exceeding the business transaction amount between the two parties.</p>	<p>The overall limit and period of endorsements and guarantees are added in accordance with laws and regulations.</p>

Articles after amendment	Articles before amendment	Amendment description
<p>The term "business transaction amount" refers to the higher of the actual purchase or sales amount between the two parties <u>within the most recent year.</u></p>		
<p>These Procedures were established on June 17, 2003. First amended on June 23, 2006. The second amendment was made on June 19, 2009. The third amendment was made on June 21, 2013. The fourth amendment was made on June 6, 2019. <u>The fifth amendment was made on June 3, 2025.</u></p>	<p>These Procedures were established on June 17, 2003. First amended on June 23, 2006. The second amendment was made on June 19, 2009. The third amendment was made on June 21, 2013. The fourth amendment was made on June 6, 2019.</p>	<p>Add this time Amendment sequence and date.</p>

CHAPTER 4

APPENDICES

Appendix 1. Articles of Incorporation (Before Amendment)

Lefoo Development Co., Ltd.

Articles of Incorporation

Chapter 1 General Provisions

- Article 1: The Corporation is organized in accordance with the provisions of the Company Act regarding companies limited by shares, and is named Lefoo Development Co., Ltd.
- Article 2: The business operations of the Corporation are as follows:
1. A101020 Growing of Crops
 2. A102020 Agricultural Products Preparations
 3. A401020 Raising of Livestock and Poultry
 4. C201010 Feed Manufacturing
 5. F103010 Wholesale of Animal Feeds
 6. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
 7. F105050 Wholesale of Furniture, Bedding, Kitchen Utensils, and Fixtures
 8. F199990 Other Wholesale Trade
 9. F202010 Retail Sale of Feeds
 10. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
 11. F205040 Retail of Furniture, Bedding, Kitchen Utensils, and Fixtures
 12. F299990 Retail Sale of Other Products
 13. F301010 Department Stores
 14. F301020 Supermarkets
 15. F401010 International Trade
 16. F501060 Restaurants
 17. G202010 Parking Area Operators
 18. H701010 Housing and Building Development and Rental
 19. H701050 Investment, Development and Construction in Public Construction
 20. H701060 New Towns, New Community Development
 21. H701080 Urban Renewal Reconstruction
 22. H701090 Urban Renewal Renovation or Maintenance
 23. H702010 Construction Manager
 24. H703090 Real Estate Business
 25. H703100 Real Estate Leasings
 26. I103060 Management Consulting
 27. I501010 Product Designing
 28. I503010 Landscape and Interior Designing
 29. J202010 Industry Innovation and Incubation Services
 30. J403010 Motion Picture Projection
 31. J601010 Arts and Culture

32. J701010 Electronic Game Arcades
33. J701020 Amusement Parks
34. J701040 Recreational Activities Venue
35. J799990 Other Recreational Services
36. J801010 Golf Course
37. J801030 Athletics and Recreational Sports Stadium
38. J901011 Tourist Hotel
39. J901020 Regular Hotel
40. J904011 Tourism and Entertainment
41. JE01010 Rental and Leasing
42. JZ99050 Agency Services
43. JZ99070 Tailoring Services
44. JZ99080 Beauty and Hairdressing
45. C802090 Manufacture of Cleaning Preparations
46. F208050 Retail Sale of Over-the-counter Drugs Class B
47. F108031 Wholesale of Medical Devices
48. F208031 Retail Sale of Medical Apparatus
49. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2: Paragraph 1 The Corporation may provide external guarantees and make reinvestments for business purposes, with the total amount of reinvestment permitted to exceed forty percent of the Corporation's paid-in capital.

Article 3: The Corporation is located in Hsinchu County, Taiwan, and may establish branches in appropriate locations domestically and internationally when necessary, upon resolution of the Board of Directors.

Chapter 2 Shares

Article 4: The total capital of the Corporation is set at NT\$3.8 billion, divided into 380 million shares, with a par value of NT\$10 per share. The unissued shares are authorized to be issued by the Board of Directors in installments.

Article 5: The shares issued by the Corporation may be exempt from printing share certificates, but should be registered with a securities depository and clearing institution.

Article 6: The Corporation's share-related operations shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent authority, except as otherwise provided by laws and securities regulations.

Article 7: Deleted.

Article 8: Changes to the shareholders' register shall not be made within sixty days prior to a regular shareholders' meeting, within thirty days prior to a special shareholders meeting, or within five days prior to the record date for the distribution of dividends, bonuses, or other benefits by the Corporation. The period mentioned in the preceding paragraph shall be calculated from the date of the meeting or the record date.

Chapter 3 Shareholders Meeting

Article 9: Shareholders meetings are divided into regular meetings and special meetings. Unless otherwise provided by the Company Act, they shall be convened by the

Board of Directors. Regular meetings shall be convened at least once a year and shall be held within six months after the end of each fiscal year, except where there is a legitimate reason and approval has been obtained from the competent authority. Special meetings shall be convened as necessary in accordance with the law.

Article 9-1: When the Corporation holds shareholders meetings, it may do so by means of video conference or other methods announced by the Ministry of Economic Affairs.

Article 10: If a shareholder is unable to attend the shareholders' meeting, they may, in accordance with Article 177 of the Company Act, authorize a proxy to attend the meeting on their behalf by providing a proxy letter issued by the Corporation. Matters regarding the use of proxies shall be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".

Article 11: The shareholders meeting is convened by the Board of Directors and the meeting shall be chaired by the chairman of the Board. If the chairman of the Board is on leave or for any reason unable to attend, the vice chairman shall act in place of the chairman. If both the chairman and the vice chairman are on leave or for any reason unable to attend, the chairman shall appoint one of the directors to act as chair. If the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

If a shareholders meeting is convened by a party other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually elect a chair from among themselves.

Article 12: Each shareholder shall have one voting right per share. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, Paragraph 2 of the Company Act.

Article 13: Resolutions of the shareholders meeting shall, unless otherwise provided by the Company Act, be adopted by a majority of the voting rights represented by shareholders present who represent more than half of the total number of issued shares.

Article 14: Resolutions of the shareholders meeting shall be recorded in the minutes, which shall be handled in accordance with Article 183 of the Company Act.

Chapter 4 Directors and Managerial Officers

Article 15: The Corporation shall have five to seven directors (including independent directors), adopting the candidate nomination system under Article 192-1 of the Company Act. Directors shall be elected by the shareholders meeting from among the candidates, with a term of three years, and may be re-elected for consecutive terms.

Among the number of directors mentioned in the previous paragraph, the number of independent directors shall not be less than three and shall not be less than one-fifth of the total number of directors. The professional qualifications, shareholding, restrictions on concurrent positions, nomination and election methods, and other matters to be complied with for independent directors shall be in accordance with the relevant regulations of the securities regulatory authorities and the Corporation.

- Article 15-1: The Corporation may establish an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of all independent directors, one of whom shall be the convener, and at least one of whom shall have accounting or financial expertise.
- Article 16: When the number of vacancies in the Board of Directors reaches one-third, the board of directors shall convene an extraordinary shareholders meeting within sixty days to hold a by-election.
If an independent director of the Corporation is dismissed for any reason, resulting in the number of independent directors falling below the requirement of the Articles of Incorporation, the Corporation shall make up the shortfall at the next shareholders meeting. When all independent directors are dismissed, the Board of Directors shall convene an extraordinary shareholders meeting within sixty days to hold a by-election.
The term of office of the directors and independent directors elected to fill vacancies shall be limited to the remaining term of the original directors.
- Article 17: The directors shall organize a board of directors. With the attendance of two-thirds or more of the directors and the consent of a majority of the attending directors, they shall elect one person as Chairman and one person as Vice Chairman from among themselves.
- Article 17-1 : The board of directors shall meet once every quarter. When convening a meeting, the reasons for the meeting shall be stated in the notice given to each director seven days in advance. However, in case of emergency, a meeting may be convened at any time. The notice of convening the board meeting may be made in writing, by fax, by electronic mail (E-mail), or by other means.
- Article 18: The Chairman shall preside over the board of directors. When the Chairman is on leave or unable to exercise his/her powers for any reason, the Vice Chairman shall act on his/her behalf. When the Vice Chairman is also on leave or unable to exercise his/her powers for any reason, the Chairman shall designate one director to act on his/her behalf. If the Chairman has not designated an acting person, the directors shall elect one from among themselves to act on behalf of the Chairman.
Directors shall attend the board meetings in person. When a director appoints another director to attend the board meeting on his/her behalf, he/she shall issue a proxy for each meeting, specifying the scope of authorization with regard to the reasons for convening the meeting.
The proxy mentioned in the preceding paragraph shall be limited to representing one person only.
When the board of directors holds a meeting, if it is conducted as a video conference, directors who participate in the meeting via video conference shall be deemed as attending in person.
- Article 19: Resolutions of the board of directors shall require the attendance of a majority of directors and the approval of a majority of the attending directors.
- Article 20: The Audit Committee is responsible for exercising the powers of supervisors as stipulated in the Company Act, Securities and Exchange Act, and other laws, and shall comply with relevant laws and company regulations.
- Article 21: The Corporation may appoint managerial officers. Their appointment, dismissal, and remuneration shall be handled in accordance with the relevant provisions of the Company Act.
- Article 22: The remuneration of directors shall be determined by the Board of Directors, taking into consideration their level of participation in the Corporation's

operations, the value of their contribution, and with reference to industry standards both domestically and internationally.

The Corporation may purchase liability insurance for independent directors, directors, and key officers during their terms of office, covering the legal liability for damages arising from the performance of their duties.

Chapter 5 Accounting

Article 23: At the end of each fiscal year, the Board of Directors shall prepare the following statements and, in accordance with legal procedures, submit them to the regular shareholders meeting for approval.

1. Business Report
2. Financial Statements
3. Proposal for profit distribution or loss offsetting

Article 24 If the Corporation has made profits in a fiscal year, three percent of the profits shall be allocated for employee compensation and no more than three percent of the profits shall be allocated for remuneration of directors. Employee compensation and remuneration of directors 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 it, and then allocate employee and director compensation based on the aforementioned percentages °

The employee compensation referred to above shall be distributed in stock or in cash by resolution of the Board of Directors. The recipients of payment shall include employees who are hired or employed by the Corporation and are formally appointed and enjoy labor insurance benefits. However, temporary and probationary personnel are not included.

Article 24-1 In the Corporation's annual financial statements show a surplus, taxes must first be paid, and any accumulated losses must be made up for. Afterward, ten percent 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 appropriated or reversed as needed for the Corporation's operations and in accordance with legal requirements. If there is still profit remaining, it shall be combined with the undistributed earnings at the beginning of the period. The Board of Directors shall prepare a profit distribution proposal and submit it to the shareholders meeting for resolution. The Corporation's dividend policy is to set aside no less than fifty percent of earnings available to be distributed as dividends to shareholders each year, taking into account current and future development plans, the investment environment, capital requirements, domestic and international competition, and the interests of shareholders. This is provided that the free cash flow is sufficient to meet the capital requirements for dividend payments and loan repayments when due, of which no less than 10% of the total dividends may be distributed in cash. However, the type and percentage of earnings distribution may be adjusted by resolution of the shareholders meeting depending on the actual earnings and capital position of the year.

Chapter 6 Supplementary Provisions

- Article 25: Matters not covered in these Articles of Incorporation shall be handled pursuant to the Company Act and other relevant laws and regulations.
- Article 26: The Corporation's organizational regulations, internal rules, and operational procedures shall be separately determined by resolutions of the Board of Directors.
- Article 27: The Articles of Incorporation were established on January 10, 1968. The first amendment was made on August 27, 1971; the second amendment on June 24, 1972; the third amendment on September 9, 1972; the fourth amendment on April 28, 1975; the fifth amendment on October 15, 1976; the sixth amendment on April 22, 1980; the seventh amendment on June 18, 1981; the eighth amendment on April 10, 1982; the ninth amendment on February 10, 1983; the tenth amendment on September 8, 1984; the eleventh amendment on October 19, 1985; the twelfth amendment on June 20, 1986; the thirteenth amendment on March 10, 1987; the fourteenth amendment on March 22, 1988; the fifteenth amendment on April 14, 1989; the sixteenth amendment on March 30, 1990; the seventeenth amendment on April 19, 1991; the eighteenth amendment on June 19, 1992; the nineteenth amendment on June 4, 1993; the twentieth amendment on June 16, 1994; the twenty-first amendment on June 19, 1996; the twenty-second amendment on June 19, 1997; the twenty-third amendment on June 17, 1998; the twenty-fourth amendment on June 9, 1999; the twenty-fifth amendment on June 21, 2000; the twenty-sixth amendment on June 6, 2001; the twenty-seventh amendment on June 19, 2002; the twenty-eighth amendment on June 15, 2004; the twenty-ninth amendment on June 14, 2005; the thirtieth amendment on June 23, 2006; the thirty-first amendment on June 15, 2010. The thirty-second amendment was made on June 20, 2014. The thirty-third amendment was made on June 24, 2015. The thirty-fourth amendment was made on June 20, 2016. The thirty-fifth amendment was made on June 22, 2017. The thirty-sixth amendment was made on June 6, 2019. The thirty-seventh amendment was made on June 23, 2020. The thirty-eighth amendment was made on May 30, 2022.

Leofoo Development Co., Ltd.

Chairman: Feng-Ru Chuang

Appendix 2. Procedures for Lending Funds to Others (Before Amendment)

Lefoo Development Co., Ltd.

Procedures for Lending Funds to Others

Article 1 (Legal Basis)

This procedure is established in accordance with Article 36-1 of the Securities and Exchange Act.

Article 2 (Scope of Application)

The Corporation's fund lending operations shall be conducted in accordance with the provisions of this procedure. However, if other laws and regulations provide otherwise, such provisions shall prevail.

Article 3 (Eligible Borrowers)

In accordance with Article 15 of the Company Act, the Corporation's funds shall not be lent to shareholders or any other person except in the following circumstances:

1. Companies or firms with which the Corporation has business transactions.
2. Companies or firms with which the Corporation has a necessary short-term financing requirement. The term "short-term" means one year.

Article 4 (Evaluation Criteria for Lending Funds to Others)

When the Corporation engages in lending funds to other companies or firms due to business transactions, it shall proceed in accordance with the provisions of Paragraph 1, Subparagraph 2 of Article 5.

When engaging in lending funds due to a necessary short-term financing requirement, it shall be limited to the following circumstances:

1. Companies in which the Corporation holds fifty percent or more of the shares and which have a necessary short-term financing requirement due to business needs.
2. Other companies or firms that have a necessary short-term financing requirement due to purchases of materials or operational turnover needs.
3. Other instances of lending funds that have been approved by the Corporation's Audit Committee and subsequently resolved and passed by the Board of Directors.

Article 5 (Limits on Fund Lending)

The total amount of funds lending and the limit for individual borrowers:

1. When a company or business entity has the need for short-term financing and lends funds to others, the financing amount shall not exceed 40 percent of the Corporation's net worth. The term "financing amount" refers to the cumulative balance of the Corporation's short-term financing funds.
2. For companies or business entities that have business dealings with the Corporation, the individual lending amount shall not exceed the business transaction amount between the two parties. The term "business transaction amount" refers to the higher of the purchasing or sales amount between the two parties.
3. For companies or business entities with short-term financing needs, the individual lending amount shall not exceed 10 percent of the Corporation's net worth.

When lending funds between foreign companies in which the Corporation directly and indirectly holds 100 percent of the voting shares, the restriction in Paragraph 1, Subparagraph 1 shall not apply. However, the lending limit shall still be set in accordance with Paragraph 1, Subparagraph 2 and Subparagraph 3, and the lending period shall be in accordance with Article 7-1.

Article 6 (Fund Lending Operating Procedures)

Fund lending operating procedures:

1. Application: The borrower shall first provide the necessary company information and financial data and submit a written application to the Corporation for the financing limit.
2. Credit Investigation: The financial and accounting unit shall investigate and evaluate the borrower's business operations, financial condition, repayment ability and creditworthiness, profitability, and purpose of the loan, and prepare a report. A detailed investigation and assessment review shall be conducted for the fund lending targets, and the assessment items shall at least include:
 - (1) The necessity and reasonableness of lending funds to others.
 - (2) Whether the loan amount is justified based on the financial status of the loan recipient.
 - (3) Whether the accumulated amount of fund lending is still within the specified limit.
 - (4) The impact on the Corporation's operational risk, financial condition, and shareholders' equity.
 - (5) Whether collateral should be obtained and the assessed value of such collateral.
 - (6) The credit investigation and risk assessment records of the fund lending target.

3. Safeguard:

When processing fund lending matters, the Corporation shall obtain a promissory note of equivalent amount as collateral, and if necessary, establish a mortgage on movable or immovable property. For the aforementioned debt guarantees, if the debtor provides a personal or company guarantee with the equivalent financial strength and credit in lieu of collateral, the Board of Directors may process it with reference to the credit investigation report from the Finance and Accounting Department. In the case of a company guarantee, attention should be paid to whether its Articles of Incorporation include provisions permitting it to provide guarantees.

4. Scope of Authorization:

- (1) Before the Corporation lends funds to others, it shall carefully evaluate whether the transaction complies with this operating procedure, along with the evaluation results mentioned in Paragraph 2 of this Article, obtain the consent of the Audit Committee, and then proceed after the resolution is passed by the Board of Directors. The Board shall not authorize any other person to make such decisions.
- (2) Fund lending between the Corporation and its subsidiaries, or between subsidiaries, shall be submitted to the Board of Directors for resolution in accordance with the preceding paragraph. The Chairman may be authorized to disburse loans in installments or as a revolving credit to the same borrower within a specific amount resolved by the Board of Directors and for a period not exceeding one year.
- (3) The specific amount mentioned in the preceding paragraph, except for those in compliance with the provisions of Paragraphs 1 and 2 of Article 3, the authorized amount for fund lending by the Corporation or its subsidiaries to a single enterprise shall not exceed ten percent of the net worth in the latest financial statements of that company.
- (4) The opinions of each Independent Director should be fully considered, and their explicit agreement or objection, along with the reasons for any objection, should be recorded in the Board meeting minutes.

Article 7 (Loan Term and Interest Calculation Method)

Each loan term shall, in principle, not exceed one hundred and eighty days. In case of special circumstances, the loan term may be extended based on actual needs after obtaining approval from the Board of Directors.

The interest rate for fund lending shall not be lower than the highest interest rate for short-term borrowings by the Corporation from financial institutions. The interest on loans provided by the Corporation shall be calculated with the principle of monthly interest. In case of special circumstances, adjustments may be made based on actual needs after obtaining approval from the Audit

Committee and subsequent resolution by the Board of Directors.

Article 8 (Subsequent Control Measures for Loaned Amounts, Procedures for Handling Overdue Debt)

After disbursing the loan, the Corporation should regularly monitor the financial and business conditions, as well as the credit status of the borrower and guarantor. If collateral has been provided, attention should be paid to any changes in the value of such collateral. In case of significant changes, the Chairman should be immediately notified, and appropriate measures should be taken as instructed.

When the borrower repays the loan at or before maturity, the interest payable should first be calculated and cleared together with the principal.

After settlement, the promissory note or other loan documents can be canceled and returned to the borrower, or the mortgage can be released.

The borrower shall immediately repay the principal and interest at or before the maturity date. If unable to repay at maturity and an extension is needed, a request must be submitted in advance and approved by the Audit Committee, followed by a resolution passed by the Board of Directors. Each extension shall not exceed three months and is limited to one time only. Violators may have their provided collateral disposed of or claims made against their guarantors by the Corporation in accordance with the law.

Article 9 (Internal Control)

The Corporation shall establish a register for funds loaned to others, which shall record in detail the borrowers, amounts, dates of approval by the Board of Directors, dates of loan disbursement, and matters that should be carefully evaluated according to regulations for future reference.

The Corporation's internal audit personnel shall audit the Procedures for Lending Funds to Others and their implementation at least quarterly and make written records. If any significant violations are discovered, the auditor shall immediately notify the Audit Committee in writing. If significant violations are discovered, managerial officers and responsible personnel shall be disciplined according to the severity of the violation.

If there are changes in circumstances causing the loan recipient to no longer comply with the provisions of these Procedures or causing the loan balance to exceed the limit, the Corporation shall establish an improvement plan, submit the relevant improvement plan to the Audit Committee, and complete the improvements according to the planned schedule.

The Corporation shall evaluate the status of loans and provide adequate allowance for bad debts, appropriately disclose relevant information in financial reports, and provide related data for accountants to perform necessary audit procedures.

Article 10 (Public Announcement and Reporting)

The "date of occurrence" as referred to in the Procedures means the date of

contract signing, date of payment, date of Board of Directors resolution, or other date that confirms the counterparty and transaction amount, whichever comes first. The Corporation shall publicly announce and report the previous month's loan balances of the Corporation and its subsidiaries by the 10th day of each month. If the loan balance of the Corporation reaches one of the following standards, it shall be publicly announced and reported within two days from the date of occurrence:

1. The aggregate balance of loans granted by the Corporation and its subsidiaries reaches twenty percent or more of the Company's net worth as stated in its latest financial statements.
2. The balance of loans granted by the Corporation and its subsidiaries to a single enterprise reaches ten percent or more of the Company's net worth as stated in its latest financial statements.
3. The amount of new loans granted by the Corporation or its subsidiaries reaches NT\$10 million or more and reaches two percent or more of the Corporation's net worth as stated in its latest financial statements.

For any subsidiary of the Corporation is not publicly listed in Taiwan, if the subsidiary meets the conditions mentioned in subparagraph 3 of the preceding paragraph, such announcement and reporting shall be made by the Corporation.

Article 11 (Subsidiaries' Loans to Others)

When a subsidiary of the Corporation intends to lend funds to others, the Corporation shall ensure that the subsidiary establishes its own procedures for lending funds to others in accordance with regulations, and the subsidiary shall follow these established procedures when conducting such activities.

Article 12 (Effective Date and Amendments)

These Procedures were established on June 17, 2003.

The first amendment was made on June 19, 2009.

The second amendment was made on June 21, 2013.

The third amendment was made on June 6, 2019.

These operational procedures shall be approved by the Audit Committee, then resolved by the Board of Directors, and implemented after being approved by the shareholders meeting. The same procedure applies when making amendments.

Appendix 3. Endorsement and Guarantee Procedures (Before Amendment)

Lefoo Development Co., Ltd. Endorsement and Guarantee Procedures

Article 1 (Legal Basis)

The Corporation establishes these procedures in accordance with Article 36-1 of the Securities and Exchange Act.

Article 2 (Scope of Application)

When the Corporation provides endorsements or guarantees for others, it shall comply with these operational procedures. However, if other laws and regulations provide otherwise, such provisions shall prevail.

Article 3 (Endorsement and Guarantee Matters)

Endorsements and guarantees refer to the following matters:

1. Financing endorsements/guarantees:
 - (1) Discounting of customers' notes for financing.
 - (2) Endorsements or guarantees made for the purpose of financing other companies.
 - (3) Issuance of notes to non-financial enterprises as security for the Corporation's financing purposes.
2. Customs duty endorsements/guarantees: This refers to endorsements or guarantees made for the Corporation or other companies concerning customs matters.
3. Other endorsements/guarantees: This refers to endorsement or guarantee matters that cannot be classified under the preceding two categories. The Corporation's provision of movable or immovable property as collateral or mortgage for another company's loans.

Article 4 (Subjects of Endorsements/Guarantees)

Eligible subjects for endorsements/guarantees are limited to the following companies:

1. Companies with business dealings.
2. Companies in which the Corporation directly and indirectly holds more than fifty percent of the voting shares.
3. Companies that directly and indirectly hold more than fifty percent of the voting shares of the Corporation.

The Corporation may provide endorsements/guarantees between companies in which the Corporation directly and indirectly holds ninety percent or more of the voting shares, and the amount shall not exceed ten percent of the Corporation's net worth. However, this restriction does not apply to endorsements/guarantees between companies in which the Corporation directly and indirectly holds one hundred percent of the voting shares.

The Corporation may provide endorsements/guarantees under the following circumstance, which are exempt from the two regulations mentioned below: between companies in the same industry or between co-builders as required by construction contracts, based on common investment relationships all shareholders shall provide endorsements/guarantees for an invested company according to their shareholding percentages, or endorsements/guarantees provided for pre-sale housing contracts or performance guarantees for obligations in accordance with the Consumer Protection Act.

The term "investment" in the preceding paragraph refers to capital contributions made directly by the Corporation or through companies in which the Corporation holds one hundred percent of the voting shares.

Article 5 (Limits of Endorsements/Guarantees)

The total amount of the Corporation's endorsements/guarantees to external parties shall not exceed forty percent of the current net worth. The limit of endorsements/guarantees for a single enterprise shall not exceed twenty percent of the current net worth for subsidiaries in which the Corporation directly holds more than ninety percent of the ordinary shares and shall not exceed ten percent of the current net worth for all others.

When the total amount of endorsements/guarantees made by the Corporation and its subsidiaries reaches fifty percent or more of the Corporation's net worth, it shall be reported at the shareholders' meeting to explain its necessity and reasonableness.

The net worth mentioned in the preceding two paragraphs refers to the equity attributable to the owners of the Corporation as stated in the most recent balance sheet that has been audited or reviewed by a certified public accountant.

For those who engage in endorsements and guarantees with the Corporation due to business relationships, in addition to the aforementioned limit regulations, the individual endorsement and guarantee amount shall be limited to not exceeding the business transaction amount between the two parties. The term "business transaction amount" refers to the higher of the purchase or sales amount between the two parties.

Article 6 (Decision-Making and Authorization Levels)

The Corporation may, with the consent of the Audit Committee and after resolution by the Board of Directors, authorize the Chairman to make decisions in advance according to the relevant provisions of these Operational Procedures, within a limit of NT\$20 million per transaction, and subsequently report for ratification. Before a subsidiary in which the Corporation directly and indirectly holds ninety percent or more of the voting shares makes endorsements/guarantees according to Article 4, Paragraph 2, it shall submit the matter to the Corporation's Board of Directors for resolution before proceeding. However, this restriction does not apply to endorsements/guarantees between companies in which the Corporation directly and indirectly holds one hundred percent of the voting shares.

When the Corporation needs to provide endorsements/guarantees exceeding the limits set in these Operational Procedures due to business requirements and in compliance with the conditions stipulated in these Operational Procedures, it shall obtain the consent of the Audit Committee, followed by resolution of the Board of Directors. More than half of the directors shall jointly guarantee potential losses that may be incurred by the Company due to the excess of limits, and the endorsement/guarantee operational procedures shall be amended and reported to the shareholders meeting for ratification. If the shareholders meeting does not agree, a plan shall be established to eliminate the excess portion within a specified period. When the Board of Directors discusses endorsement/guarantee proposals, it shall fully consider the opinions of each independent director and record their clear opinions of approval or opposition and the reasons for opposition in the Board meeting minutes.

Article 7 (Endorsement/Guarantee Processing Procedures)

When the Corporation processes endorsement/guarantee matters, the company seeking the endorsement/guarantee shall issue an application to the Company's financial and accounting unit. The Finance and Accounting Department shall conduct a credit investigation on the company seeking the endorsement/guarantee, assess its risks, and maintain assessment records. After review and approval, the application shall be submitted to the President and Chairman for approval, and collateral shall be obtained when necessary. The financial and accounting unit shall conduct a credit investigation on the company seeking the endorsement/guarantee and perform a risk assessment. The assessment items shall include:

1. The necessity and reasonableness of the endorsement/guarantee.
2. Whether the endorsement amount is necessary based on the financial condition of the company seeking the endorsement/guarantee.
3. Whether the accumulated endorsement/guarantee amount is still within the limit.

4. For endorsements/guarantees provided due to business relationships, an assessment should be made as to whether the endorsement/guarantee amount is within the limits of the business transaction amount.
5. The impact on the Corporation's operational risk, financial condition, and shareholder equity.
6. Whether collateral should be obtained and the assessed value of such collateral.
7. Credit investigation and risk assessment records for the endorsement/guarantee.

If changes in circumstances cause the endorsement/guarantee party, which originally complied with the provisions of these Operating Procedures, to subsequently become non-compliant, or if the endorsement/guarantee amount exceeds the prescribed limit due to changes in the basis for calculating the limit, the endorsement/guarantee amount for that party or the excess portion should be eliminated entirely when the contract expires or through an improvement plan within a specified period. The relevant improvement plan should be submitted to the Audit Committee and reported to the Board of Directors.

Article 8 (Cancellation of Endorsements/Guarantees)

When the relevant documents or notes for an endorsement/guarantee need to be released due to debt settlement or renewal of extension, the company receiving the endorsement/guarantee should prepare an official letter and return the original endorsement/guarantee documents to the Corporation's financial and accounting unit, which will stamp them with a "Cancelled" seal before returning them. The application letter will be kept for future reference.

The financial and accounting unit should immediately record the cancellation of endorsements/guarantees in the endorsement/guarantee register to reduce the amount of endorsements/guarantees.

Article 9 (Internal Control)

The financial and accounting unit should establish a register to record in detail the endorsement/guarantee parties, amounts, dates of Board of Directors' approval or Chairman's decision, dates of endorsement/guarantee, and matters that should be carefully evaluated according to the provisions of the preceding paragraph for future reference.

The Corporation's internal auditors should audit the endorsement/guarantee operating procedures and their implementation at least quarterly and prepare written records. If any major violation is discovered, they should immediately notify the Audit Committee in writing.

When the Corporation engages in endorsements/guarantees, it should follow the prescribed procedures. If any major violations are discovered, managerial officers and responsible personnel should be disciplined according to the severity of the violation.

If the Corporation or its subsidiaries provide endorsements/guarantees to a subsidiary whose net worth is less than half of its paid-in capital, in addition to conducting a detailed review of the necessity and reasonableness of the endorsement/guarantee and risk assessment of the entity as required in the preceding paragraph, the Corporation shall also obtain the subsidiary's monthly financial statements during the endorsement/guarantee period to understand the latest developments in its operations, financial and credit conditions, and sources of repayment. Any abnormal situations should be reported to the nearest Board of Directors meeting.

For subsidiaries with no par value shares or shares with a par value other than NT\$10, the paid-in capital amount calculated according to Item 3 of the preceding paragraph should be the sum of the share capital plus capital surplus - share premium.

The financial and accounting unit should evaluate or recognize contingent losses from endorsements/guarantees, appropriately disclose endorsement/guarantee information in financial reports, and provide relevant information to the certifying accountants to enable them to perform necessary audit procedures.

Article 10 (Custody and Procedures for Corporate Seals)

The Corporation's corporate seal registered with the Ministry of Economic Affairs shall be used as the dedicated seal for endorsements/guarantees. This seal and any guarantee notes shall be kept by designated personnel separately and shall be used and issued according to prescribed procedures. Any appointment, dismissal or change of the personnel keeping the seal shall be approved by the Board of Directors.

When the Corporation provides guarantees for foreign companies, the letters of guarantee issued by the Company shall be signed by individuals authorized by the Board of Directors.

Article 11 (Public Announcement and Reporting Procedures)

The "date of occurrence" as referred to in the Procedures means the date of contract signing, date of payment, date of Board of Directors resolution, or other date that confirms the counterparty and transaction amount, whichever comes first.

The Corporation shall, before the 10th day of each month, publicly report and disclose the endorsement/guarantee balances of the Corporation and its subsidiaries for the previous month on the website designated by the Financial Supervisory Commission for information reporting. When the endorsement/guarantee balance reaches any of the following thresholds, the Corporation shall make a public announcement and report within two days from the date of occurrence:

1. When the total amount of endorsements/guarantees provided by the Corporation and its subsidiaries reaches fifty percent or more of the Corporation's net worth as stated in its most recent financial statement.
2. When the amount of endorsements/guarantees provided by the Corporation and its subsidiaries to a single enterprise reaches twenty percent or more of the Corporation's net worth as stated in its most recent financial statement.
3. When the amount of endorsements/guarantees provided by the Corporation and its subsidiaries to a single enterprise reaches NT\$10 million or more, and the aggregate amount of endorsements/guarantees, long-term investments, and loans to such enterprise reaches thirty percent or more of the Corporation's net worth as stated in its most recent financial statement.
4. When the Corporation or its subsidiaries provide a new endorsement/guarantee with an amount reaching NT\$30 million or more and reaching an amount equivalent to
five percent or more of the Corporation's net worth as stated in its most recent financial statement.

If a subsidiary of the Corporation is not publicly listed in Taiwan, the Corporation shall make such announcement and reporting of matters specified in the fourth item of the previous article on behalf of the subsidiary.

Article 12 (Endorsements/Guarantees by Subsidiaries)

If a subsidiary of the Corporation intends to provide endorsements or guarantees for others, the Corporation shall instruct such subsidiary to establish its endorsement and guarantee procedures in accordance with regulations, and to follow such established procedures.

Article 13 (Effective Date and Amendments)

These Procedures were established on June 17, 2003.

The first amendment was made on June 23, 2006.

The second amendment was made on June 19, 2009.

The third amendment was made on June 21, 2013.

The fourth amendment was made on June 6, 2019.

These operational procedures shall be approved by the Audit Committee, then resolved by the Board of Directors, and implemented after being approved by the shareholders meeting. The same procedure applies when making amendments.

Appendix 4. Rules Governing the Conduct of Shareholders Meetings

Lefoo Development Co., Ltd.

Rules Governing the Conduct of Shareholders Meetings

Article 1

The rules governing the conduct of the Corporation's shareholders' meetings, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in these Rules.

Article 2

Unless otherwise provided by law or regulation, this Corporation's shareholders' meetings shall be convened by the Board of Directors.

Changes to how this Corporation convenes its shareholders meeting shall be resolved by the Board of Directors and shall be made no later than the mailing of the shareholders meeting notice.

The Corporation shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of an annual shareholders' meeting or before 15 days before the date of an extraordinary shareholders' meeting. Additionally, the Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS at least 21 days before the date of the annual shareholders meeting or at least 15 days before the date of the extraordinary shareholders' meeting. If, however, the Corporation has paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches thirty percent or more as recorded in the register of shareholders of the shareholders' meeting held in the immediately preceding year, transmission of these electronic files shall be submitted at least 30 days before the annual shareholders' meeting. Further to this, at least 15 days before the date of the shareholders' meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

The Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the

virtual meeting platform.

The reasons for convening the shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Corporation a proposal for discussion at the annual shareholders meeting. The number of items proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

A shareholder may propose a recommendation for urging the Corporation to promote public interest or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before an annual shareholders meeting is held, the Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission. The period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for the issuance of notice of a shareholders meeting, the Corporation shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the Board of Directors shall explain the reasons for the exclusion of any shareholder proposals not included in the agenda.

Article 3

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting and shall deliver the proxy form to the Corporation at

least five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Corporation at least two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail. If, after a proxy form is delivered to the Corporation, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to the Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4 (Principles determining the time and place of a shareholders meeting)

The venue for a shareholders meeting shall be the premises of the Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when the Corporation convenes a virtual-only shareholders' meeting.

Article 5 (Preparation of documents such as the attendance book)

The Corporation shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors, and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attending the shareholders' meeting in person.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The shareholders meeting shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, they may designate only one person to represent them

in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Corporation two days before the meeting date. In the event of a virtual shareholders meeting, the Corporation shall upload the meeting agenda book, annual report, and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 5-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, the Corporation shall include the following particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - B. Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
 - C. In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on the agenda of that shareholders meeting.
 - C. Actions to be taken if the outcomes of all proposals have been announced and extraordinary motions have not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholder meeting online shall be specified.

Article 6 (The chair and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman of the Board. When the chairman of the Board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman

shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Corporation. The same shall be true for a representative of a juristic director that serves as chair.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the chairman of the Board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by a party with the power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend shareholders' meetings in a non-voting capacity.

Article 7 (Documentation of a shareholders meeting by audio or video)

The Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders' meeting is held online, the Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 8

Attendance at shareholders' meetings shall be calculated based on number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares

represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If a quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Corporation shall also declare the meeting adjourned on the virtual meeting platform.

If a quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register with the Corporation in accordance with Article 6.

When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 9

If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board. Votes shall be cast on each separate proposal on the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 10 (Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not

correspond to the subject given on the speaker's slip, the spoken content shall prevail. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing on the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply. As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 11 (Calculation of voting shares and recusal system)

Voting at a shareholders' meeting shall be calculated based on the number of shares. With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 12

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, Paragraph 2 of the Company Act.

When the Corporation holds a shareholders meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to

have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. It is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation at least two days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Corporation's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Corporation.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed to have abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to

attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 13

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 14

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights) and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's full names, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents, or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, in addition to compliance with the requirements in the preceding paragraph, the Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 15 (Public disclosure)

On the day of a shareholders meeting, the Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through

solicitation, the number of shares represented by proxies, and the number of shares represented by shareholders attending the meeting by correspondence or electronic means and shall make an express disclosure of the same at the place of the shareholders meeting. In the event of a virtual shareholders meeting, the Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under the Taiwan Stock Exchange Corporation (or Taipei Exchange) regulations, the Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 16 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or armbands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear identification cards or armbands bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 17 (Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 18 (Disclosure of information at virtual meetings)

In the event of a virtual shareholders meeting, the Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 19 (Location of the chair and secretary of virtual-only shareholders meeting)

When the Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of

their location when the meeting is called to order.

Article 20 (Handling of disconnection)

In the event of a virtual shareholders meeting, the Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve technical issues with communication.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, Paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents, or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held per the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, nor for the list of elected directors.

When the Corporation convenes a hybrid shareholders meeting and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and no postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on the meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, the Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, Paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, Paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, Paragraph 2; Article 44-15; and

Article 44-17, Paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Corporation shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 21 (Addressing the Digital Divide)

When convening a virtual-only shareholders meeting, the Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 22 (Enforcement)

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 5. Shareholding of Directors

Lefoo Development Co., Ltd.

Shareholding of Directors

The number of shares held by all directors as of the book closure date of this shareholders meeting (April 5, 2025) as recorded in the roster of shareholders is as follows:

Title	Name	Shares recorded in the roster of shareholders on the book closure date	
		Number of shares	Shareholding percentage
Chairman	Feng-Ru Chuang	8,371,403	4.38%
Director	Cheng-Jung Lai	4,668,472	2.44%
Director	Chuang Foo Foundation (Representative: Tsui-Fang Hsu)	12,079,888	6.31%
Independent Director	Kun-Ming Lee	-	-
Independent Director	Chun-Chieh Chiu	-	-
Independent Director	Pei-Wen Wu	-	-
Independent Director	Tung-Yuan Wang	-	-
Total and percentage of shareholding of all directors		25,119,763	13.13%

Notes:

1. The mandatory number of shares held by all directors of the Corporation shall be 11,478,769 shares.
2. Since the Corporation has already established an Audit Committee, the number of shares held by supervisors is not applicable.