Stock code: 1108

Website to access the annual report
Website of Market Observation Post System: http://mops.twse.com.tw
Company website: http://www.luckygrp.com.tw

Lucky Cement Corporation

2024 Annual Report

Publication date: April 29, 2025

One. Spokesperson and Acting Spokesperson

Name: Hsiu-Chu Wen/Yi-Cheng Chen
Title: Manager/Assistant Manager
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Fax: (02) 2504-8672
E-mail: wendy@luckygrp.com.tw /ycchen@luckygrp.com.tw

Two. Address and Phone Number of Headquarters and Plants

Name	Address	Tel
Headquarters	15th Floor, No. 237, Songjiang Road, Zhongshan District, Taipei City	(02)2509-2188
Dongao Plant	No. 101, Section 3, Suhua Road, Nan'ao Township, Yilan County	(03)998-6110
Puxin Plant	No. 193, Section 1, Meishi Road, Yong-Ping Village, Yangmei District, Taoyuan County	(03)481-4788
Heren Plant	No. 73, Heren Road, Heping Village, Xiulin Township, Hualien County	(03)868-1217

Three. Name, Address and Website of Stock Services
Name: Shareholder Services Department of SinoPac Securities Corporation
Address: 3rd Floor, No. 17, Bo'ai Road, Zhongzheng District, Taipei City 100
Telephone: (02) 2381-6288
Website: http://www.sinotrade.com.tw

Four. Auditors of the Last Audited Financial Report
Certified Public Accountants: Chao-Mei Chen, Chiang-Hsun Chen
CPA Firm: Deloitte Taiwan
Address: 20F, No. 100, Songren Road, Xinyi Road, Taipei City
Telephone: (02) 2725-9988
Website: http://www.deloitte.com.tw

Five. Name of Overseas Exchange Where Securities Are Listed, and the Methods for Inquiring the Foreign-Listed Securities: None

Six. Company website: http://www.luckygrp.com.tw

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One. Letter to Shareholders

I. Chairman's speech

Greetings to all of our valued shareholders,

In 2024, the Company recorded consolidated revenue of NTD 4.867 billion, consolidated operating profit of NTD 639 million, and net income of NTD 494 million. The Company’s revenue decreased by approximately 4.5% compared to 2023, primarily due to the earthquake in Hualien on April 3, 2024, and subsequent typhoon disasters, which damaged production equipment at the He-Ren mining site. As a result, the supply of sand and gravel was disrupted, impacting overall revenue. Earnings per share dropped from NT$1.30 in 2023 to NT$1.22 in 2024, a decrease of approximately 6.15%. Despite these natural disasters and various operational challenges, the Company delivered a stable performance, thanks to the joint efforts of all employees.

Looking back at 2024, Taiwan’s economy benefited from a stabilizing global supply chain, recovering exports, and rising demand in key industries such as semiconductors. Business investments also improved. On the domestic front, stable employment and rising wages increased disposable household income, boosting tourism and consumer spending. Taiwan’s GDP growth reached 4.59% in 2024, significantly higher than the 1.4% in 2023 and above expectations. In the domestic cement market, thanks to better-than-expected economic performance, a rebound in corporate investment, and increased plant construction activity, demand grew. The government's “First-Time Buyer Program” further stimulated housing demand. Despite the Central Bank’s strict housing measures, fundamental demand remained. Coupled with robust public infrastructure spending, cement demand in 2024 reached approximately 13.4 million tonnes, up 3% from the 13 million tons in 2023.

Looking ahead to 2025, major international institutions such as the International Monetary Fund (IMF) had originally forecasted that global economic growth would continue the trend of 2024, and the growth rate may further slow down or remain flat. The inauguration of U.S. President Trump in January and the announcement of “reciprocal tariffs” in April have caused significant global economic turbulence. Taiwan’s growth forecast of 3.14% may be revised downward, potentially impacting the housing market and private investments. Although public infrastructure spending remains high, overall cement demand should be approached conservatively. The Company will continue to closely monitor industry developments, market trends, and regulatory changes. We will adjust our operational strategies accordingly to maintain resilience and competitiveness. With the continued efforts of all employees, we aim to deliver solid results in 2025.

Finally, we wish all shareholders the best in the upcoming future! Thank you!

Chairman: Yun-Ju Chen

II. 2024 annual business report

(I) Business performance:

1. Main production:

Item	2024	2023	Increase (Decrease)	Increase (Decrease)%
Cement and blast furnace slag (Unit: Thousand tons)	741	772	(31)	(4.02%)
Stone Materials (Unit: Thousand tons)	1,534	2,488	(954)	(38.34%)

Implementation status of the plan:

The total production volume of cement and furnace slag was 741 thousand tons, the planned total production volume was 735 thousand tons and the achievement rate was 101%.

The total production volume of stones was 1,534 thousand tons, the planned total production volume was 2,529 thousand tons and the achievement rate was 61%.

2. Main sales:

Item	2024	2023	Increase (Decrease)	Increase (Decrease)%
Cement and blast furnace slag (Unit: Thousand tons)	756	742	14	1.89%
Stone Materials (Unit: Thousand tons)	927	1,250	(323)	(25.84%)
Cement and blast furnace slag (Unit: NTD thousand)	2,213,696	2,168,769	44,927	2.07%
Stone Materials (Unit: NTD thousand)	432,583	604,250	(171,667)	(28.41%)

Implementation status of the plan:

The total sales volume of cement and furnace slag was 756 thousand tons, the planned total production volume was 847 thousand tons and the achievement rate was 89%.

The total sales volume of stone materials was 927 thousand tons, the planned total production volume is 1,435 thousand tons and the achievement rate was 65%.

(II) Financial income and expense and profitability analysis:

Unit: NTD million

Item	2024	2023	Increase (Decrease)	Increase (Decrease)%
Operating revenue	4,867	5,095	(228)	(4.47%)
Operating profit (loss)	639	612	27	4.41%
Pre-tax net profit (loss)	607	660	(53)	(8.03%)
Annual net profit (loss)	494	527	(33)	(6.26%)

Item			2024	2023
Standalone profit	Operating profit (loss) (%)	Proportion of Paid-in capital	11.88	12.01
	Pre-tax net profit (loss) (%)		14.07	15.20
	Net profit (loss) in %		13.81	14.06
	Earnings per share (NTD)		1.22	1.30

(III) Research and development

In response to the government's 2050 Net Emission Policy, and the self-determined reduction plan proposed by the Ministry of Environment, the Company actively invests in the promotion of low-carbon products and process improvement. Currently, the development of Portland cement has been completed, and the quality and specifications have been reviewed, and the test production certification and ISO audit have been passed. The application for relevant government permits is being processed. At the same time, the R&D of carbon reduction cement and Portland high-frequency furnace cement is being processed, and the progressive replacement of Portland Type I cement is being planned to reduce the carbon emissions during the production process. In addition, to strengthen the capability of low-carbon manufacturing process, the Company also develops the modification engineering design of the cement grinding and coal grinding system, to improve the grinding and combustion efficiency, and steadily promote the low-carbon transformation of the cement industry.

(IV) Ancillary business

1. Dai Shen Development Co., Ltd.
   The land plot in the Daganlin area of Anle District in Keelung City which the Company invested in has undergone land preparation and development according to the original plan. The contract for the sales of land in the first phase has been signed, and the total amount of disposal was approximately NT$1.757 billion. The second-phase redevelopment zone is currently undergoing planning revision procedures.
   Net loss of the company in 2024 was NTD 45,240,000.
2. Luckicon Ready Mixed Concrete Factory Co., Ltd.
   The Company is constructing the Shulin and Luzhu plants, which are expected to start operation in the second half of 2025.
   Sales revenue in 2024 was NTD 1,655,510,000, and the net profit was NTD 146,040,000.
3. Lucky Cement Corp., Japan
   The Company has decided in the Board of Directors meeting of 2024 to dispose of its assets and cease operations. Net loss in 2024 was NTD 12,640,000.
4. Luckyship Marine Agency Co., Ltd.
   Net loss in 2024 was NTD 1,830,000.
5. Fu Yu Development Co., Ltd.
   Sales revenue in 2024 was NTD 73,950,000, and the net profit was NTD 810,000.

Chairman: Manager: Accounting Supervisor:

III. 2025 annual business plan

Unit: Thousand tonnes

Product	Production Volume	Sales Volume
Cement and blast furnace slag	650,000~900,000	650,000~1,000,000
Stone materials	2,000,000~2,500,000	1,200,000~2,000,000

In 2024, due to the government's promotion of the First-Home Buyer Program, the willingness of young people to buy homes is promoted. Despite the Central Bank’s strict housing measures, rigid demand remained. Also, the Company has also benefited from the continuous high level of public construction spending in recent years. Looking forward to 2025, in face of the international economic and trade turbulence such as tariffs, Taiwan's economy is facing more challenges, and the economic growth rate may be revised downward, which will affect the domestic housing market and corporate investment. Therefore, the Company is conservatively estimated that the production and sales of cement and blast furnace slag in 2025 will be about 650,000 to 1 million metric tons, and the production and sales of stone materials will be about 1.2 to 2 million metric tons.

Two. Corporate Governance Report

I. Information on directors and managers

(I) Information on board members

April 29, 2025

Job title (Note 1)	Nationality or registration place	Name	Gender and Age (Note 2)	Date of Election (Inauguration)	Term Duration	Date First Elected (Note 3)	Shareholding at the time of appointment		Current share held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background (Note 4)	Concurrent Position in the Company or other Companies	Other managers, directors of supervisors who are spouse or blood relatives within the second degree			Remarks (Note 5)
							Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Job title	Name	Relationship	
Legal person director	Republic of China	Shi-Yi Cement Corporation	–	2022.06.30	3 years	2007.06.13	6,632,588	1.64%	6,632,588	1.64%	–	–	–	–	–	–	–	–	–	
Legal person director	Republic of China	Representative: Liang-Chuan Chen (Note 6)	Male C	2022.06.30	3 years	1990.06.06	6,158,497	1.52%	6,158,497	1.52%	None	–	None	–	Chengzhou Elementary School	–	Chairman	Yun-Ju Chen	Father and daughter	
Legal person director	Republic of China	Representative: Yun-Ju Chen	Female B	2022.06.30	3 years	2007.06.13	6,632,588	1.64%	7,952,298	1.96%	–	–	–	–	Tulane University, USA EMBA	Chairman of Yong-Sheng Development/Luckicon Ready Mixed Concrete/Dai Shen Development/Lucky Cement Corporation/RI Kon Construction	Director	Yu-Hsiang Hsiao	Mother and son	
Legal person director	Republic of China	Representative: Yu-Hsiang Hsiao (Note 7)	Male A	2024.10.17	–	2024.10.17	2,226,891	0.56%	2,226,891	0.56%	None	–	None	–	Kelley School of Business, Indiana University	Director and Special Assistant of Chairman's Office, Lucky Cement Corporation	Chairman	Yun-Ju Chen	Mother and son	
Director	Republic of China	Hsiang-Lin Chang	Male B	2022.06.30	3 years	2007.06.13	7,539,587	1.86%	7,539,587	1.86%	None	–	None	–	Datong High School	Vice chairman, Hong-Chi Construction	None	–	–	
Director	Republic of China	Shang-Kai Cheng	Male A	2022.06.30	3 years	2019.06.12 (Note 6)	1,832,666	0.45%	1,832,666	0.45%	None	–	None	–	MBA, Suffolk University	Director at Hai-Hua Investment	None	–	–	
Independent Director	Republic of China	Yan Chen	Female B	2022.06.30	3 years	2016.06.15	–	–	–	–	None	–	None	–	Tamkang University Department of Accounting	Financial consultant to Eorex Corporation Senior VP at Zoyi Management Consulting.	None	–	–	
Independent Director	Republic of China	Chih-Cheng Wang	Male A	2022.06.30	3 years	2016.06.15	–	–	–	–	None	–	None	–	National Chengchi University Doctor of Law	Vice president at Chinese Culture University, Professor of Department of Law at Chinese Culture University, Distinguished research professor (Professor emeritus) at National Chung Cheng University, Independent director of Dyaco International Inc., Locus Cell Co., Ltd., Soft-World International Corporation, Member of Advisory Committee of Central Deposit Insurance Corporation.	None	–	–	
Independent Director	Republic of China	Yang-Wei Shao	Male A	2022.06.30	3 years	2019.06.12	–	–	–	–	None	–	None	–	Ph.D., College of Engineering at National Taipei University of Technology	President of Ya-Bi-Si Construction. Vice chairman of Chung Hua Association for Financial and Economic Strategies, Honorary Chairman of CCIM Taiwan Real Estate Investment Association.	None	–	–	

Note 1: Corporate shareholders should be listed by their names and representatives (representatives should indicate the name of corporate shareholders for whom they represent), filled in Table 1 below.

Note 2: A: under 60 years old; B: 60 to 69 years old; and C:70 years and older.

Note 3: Please note any interruption to those who serve as a director or supervisor for the first time.

Note 4: Previous experience related to the current position. If the person in the most recent year has held a position at the accounting firm of the certified public accountant or an affiliated company, please state the position name and the tasks the person is responsible for.

Note 5: In the event that the Company's chairman and president or a position of the same level (top-level manager) are the same person, spouse or a first-degree relative, relevant information such as the reasons, rationality, necessity and future improvement measures must be disclosed (such as adding the seat number of independent directors, and there should be ways for majority directors who are not taking concurrent positions as employees or managers).

Note 6: Liang-Chuan Chen, the founder of the Company, passed away on October 8, 2024. Note 7: The Company's corporate director Shi-Yi Cement Corporation appointed Yu-Hsiang Hsiao as its representative on October 17, 2024.

(1) Table 1: Principal shareholders of corporate shareholders

April 29, 2025

Name of Corporate Shareholders (Note 1)	Principal shareholder of corporate shareholders (Note 2)
Shi-Yi Cement	Chang Heng Investment Co., Ltd. (32.49%), Ri Kon Construction Co., Ltd. (20.38%), Yun-Ju Chen (33.23%)

Note 1: If the director is the representative of corporate shareholder, fill in the name of the corporate shareholder.

Note 2: Fill in the name of the principal shareholders (top ten in shareholding) of corporate shareholders and their shareholding. If the principal shareholder is a legal person, please fill out Table 2 below.

(2) Table 2: Principal shareholders of corporate shareholders in Table 1 who are legal persons

April 29, 2025

Name of Legal Entity (Note 1)	Principal Shareholders of Legal Entity (Note 2)
Ri Kon Construction Co., Ltd.	Chang-Run Water Resources (29.45%), Golden Legend Investment (19.48%), Chang Heng Investment (50.63%)
Chang Heng Investment Co., Ltd.	Shi-Yi Cement (99.85%)

Note 1: If the principal shareholder is a legal person, fill in the name of the legal person.

Note 2: Fill in the name of the principal shareholders (top ten in shareholding) of corporate shareholders and their shareholding.

(3) Information of directors:
(3-1) Disclosure of professional qualifications of directors and independence of independent directors:

April 29, 2025
Unit: Share

Conditions / Name	Professional qualifications and experience (Note 1)		Independence (Note 2)					Concurrently serving as an independent director in other publicly listed companies
	Work experience	Any conditions defined in Article 30 of the Company Act	Person, spouse, or relatives within the second degree are directors, supervisors or employees of the Company or the affiliates.	Number and percentage of company shares held by the person, spouse or second-degree relatives (or in the name of others)		Whether serving as a director, supervisor or employee of a company that has specific affiliation with the Company	The amount of remuneration received by providing the Company or its affiliates with business, legal, financial, accounting and other services in the last 2 years.	
				Number of Shares	%			
Shi-Yi Cement Corporation Representative: Yun-Ju Chen	Chairman of Lucky Construction/Yong-Sheng Development/ RI Kon Construction/Luckicon Ready Mixed Concrete/Dai Shen Development/Lucky Cement Corporation	No	Yes	18,644,577	4.61%	Yes	–	None
Shi-Yi Cement Corporation Representative: Yu-Hsiang Hsiao	Special Assistant of Chairman's Office, Lucky Cement Corporation	No	Yes	18,644,577	4.61%	No	–	None
Hsiang-Lin Chang	Chairman of Fu-Du Construction Co., Ltd. Director of Greenfort Construction. Director of Han-Bao Construction Co., Ltd. President of She-He Construction Materials Co., Ltd. Vice chairman of Hong-Chi Construction Co., Ltd.	No	No	–	–	No	–	None
Shang-Kai Cheng	Financial supervisor at Citibank (Wealth Management). Manager at Hai-Hua Investment.	No	No	–	–	No	–	None
Yan Chen (Independent director)	Executive VP of Aspiro (Taiwan) Ltd. Senior VP of Zoyi Management Consulting. Financial consultant of Eorex Corporation. Director of Neweb Information	No	No	–	–	No	–	1
Chih-Cheng Wang (Independent director)	Vice president at Chinese Culture University. Dean and Professor of Department of Law at Chinese Culture University. Distinguished research professor (Professor emeritus) at National Chung Cheng University. Independent director of Dyaco International Inc., Independent director of Locus Cell Co., Ltd. Independent director of Soft-World International Corporation. Member of Advisory Committee of Central Deposit Insurance Corporation.	No	No	–	–	No	–	3
Yang-Wei Shao (Independent director)	Honorary chairman of CCIM Taiwan Real Estate Investment Association. Vice chairman of Chung Hua Association for Financial and Economic Strategies. President of Ya-Bi-Si Construction.	No	No	–	–	No	–	None

Note 1: Professional qualifications and experience: Describe the professional qualifications and experience of individual directors and supervisors. If they are members of the audit committee and have accounting or financial expertise, their accounting or financial background and work experience should be stated, and explain whether there are no circumstances described in Article 30 of the Company Act.

Note 2: Describe the independence of independent directors, including but not limited to whether the person, spouse or relative within the second degree of kinship are serving as directors, supervisors or employees of the Company or its affiliates; the number of shares and the shareholding percentage held by the person, spouse or relative within the second degree of kinship (or in the name of others); whether the person is serving as a director, supervisor or employee of a company that has a specific relationship with the Company (please refer to Subparagraph 5 to 8, Paragraph 1 of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration received by providing the Company or its affiliates with business, legal, financial, accounting and other services within the last 2 years.

(3-2) Board diversity and independence

Article 20 of the Corporate Governance Best Practice Principles stipulates the policies on diversity as follows:
The Company's board shall guide the Company's strategy and supervises the management, and is responsible to the Company and shareholders. In terms of the operation and arrangement of the corporate governance system, the board exercises its powers in accordance with laws and regulations, the Articles of Incorporation or the resolutions of the shareholder meetings. The structure of the Company's board of directors shall be determined by choosing an appropriate number of board members, not less than five, in consideration of its business scale, the shareholdings of its major shareholders, and practical operational needs.

The composition of the board shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as Company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:
I. Background and value: Gender, age, nationality, culture etc.
II. Knowledge and skills: Career background (e.g. law, accounting, industry, finance, marketing or technology), professional skill and industry experience.

The board members are selected based on their capabilities, including the basic composition, their respective industry experience and relevant skills on judgment, management, leadership, decision-making and crisis handling. In order to achieve the ideal goal of corporate governance, the board as a whole should have the capabilities as follows: 1. Judgment in operations; 2. Accounting and financial analysis; 3. Operation and management; 4. Crisis management; 5. Industry experience; 6. International market perspective; 7. Leadership; 8. Decision-making.

The current term (2022 to 2025) of the board consists of 7 members. According to the provisions of Article 20 of the Corporate Governance Best Practice Principles, the board diversity is related to the seat number of principal shareholders, the participation of female directors and the different professional fields of the elite members, and the board conducts the succession planning of management to achieve the sustainability goals. The election results of the current shareholder meeting have met the management objectives.

Implementation of diversity of board members:

Title	Name	Basic composition		Background of individuals					Gender ratio in board seats		Percentage of board members who are independent directors	Percentage of board members who	Age distribution of all board members	
		Nationality	Gender	Ability to make operational judgments.	Leadership and Decision-Making	Industry Knowledge	Financial accounting	Business administration.	Male	Female			60 years and older	Under 60 years old
Chairman	Yun-Ju Chen	Republic of China	Female	V	V	V	V	V						
Director	Yu-Hsiang Hsiao	Republic of China	Male	V	V	V	V	V						
Director	Hsiang-Lin Chang	Republic of China	Male	V	V	V	V	V						
Director	Shang-Kai Cheng	Republic of China	Male	V	V	V	V	V	71%	29%	43%	29%	43%	57%
Independent Director	Yan Chen	Republic of China	Female	V	V	V	V	V						
Independent Director	Chih-Cheng Wang	Republic of China	Male	V	V	V	V	V						
Independent Director	Yang-Wei Shao	Republic of China	Male	V	V	V	V	V						

(II) Profile of president, vice presidents, assistant presidents, and supervisors of departments and branches

April 29, 2025
Unit: Share

Job title (Note 1)	Nationality	Name	Gender	Election / Appointment Date	Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background (Note 2)	Concurrent Position in Other Companies	Managers who are Spouse or Blood Relatives Within the Second Degree			Remarks (Note 3)
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Job title	Name	Relationship	
President	Republic of China	Ming-Hsien Chen	Male	2023.12.29	204,197	0.05%	9,740	–	0	–	Department of Physics, Chung Yuan Christian University	Goodfound Chemical Industrial Corp. Director	None	–	–	
Assistant President	Republic of China	Chen-Ku Huang	Male	2003.07.11	6,520	0.00%	0	–	0	–	Department of Industrial Engineering at National Taipei University of Technology	None	None	–	–	Note 4
Manager of Finance Department	Republic of China	Hsiu-Chu Wen	Female	2002.07.01	13,717	0.00%	0	–	0	–	Department of Business Administration at National Taipei University of Business	Lucky Cement Corp., Japan and Luckicon Ready Mixed Concrete Factory Co., Ltd. Director/ Luckyship Marine Agency Co., Ltd. Supervisor	None	–	–	
Accounting Manager and the head of corporate governance	Republic of China	Ching-Tien Chang	Male	2019.12.27	21,000	0.01%	0	–	0	–	Master's degree in accounting at Chung Yuan Christian University	None	None	–	–	
Manager of the Audit Office	Republic of China	Wei-Jen Wang	Male	2009.11.18	0	–	0	–	0	–	Master's degree in finance at Wright State University, USA	None	None	–	–	

Note 1: This shall include the information on president, vice presidents, assistant presidents, directors of departments, managers of divisions and departments, and those whose positions are equivalent to the general manager, vice general manager or department directors shall also be disclosed, regardless of the position name.

Note 2: Previous experience related to the current position. If the person in the most recent year has held a position at the accounting firm of the certified public accountant or an affiliated company, please state the position name and the tasks the person is responsible for.

Note 3: In the event that the Company's chairman and president or a position of the same level (top-level manager) are the same person, spouse or a first-degree relative, relevant information such as the reasons, rationality, necessity and future improvement measures must be disclosed (such as adding the seat number of independent directors, and there should be ways for majority directors who are not taking concurrent positions as employees or managers).

Note 4: Assistant President Chen-Ku Huang of Business Department retired on August 31, 2024.

(III) Remuneration paid to directors of the board, independent directors, the president, and vice presidents

(1-1) Remuneration paid to directors and independent directors (name and remuneration paid disclosed for each)

Title	Name	Directors' remuneration								Total Remuneration (A+B+C+D) as % of the Net Income		Remuneration for concurrent position as an employee												Total Compensation (A+B+C+D+E+F+G) as a % of the Net Income		Compensation from invested businesses other than subsidiaries
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C) (Note 1)		Allowances for Operations (D)				Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F) (Note 2)		Employees' Profit Sharing Bonus (G) (Note 3)				Number of Shares Subscribed Through Employee Stock Options (H)		Number of Shares of Employee Restricted Stocks (I)				
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	
																Cash Dividends	Stock Dividends	Cash Dividends	Stock Dividends							
Director	Shi-Yi Cement Corporation	–	–	–	–	29,768	29,768	–	–	6.03%	6.03%	–	–	–	–	–	–	–	–	–	–	–	–	6.03%	6.03%	None
Director	Shi-Yi Cement Corporation Representative: Liang-Chuan Chen (Note 5)	–	–	–	–	–	–	927	927	0.19%	0.19%	1,685	3,614	101	216	–	–	–	–	–	–	–	–	0.55%	0.96%	
Director	Shi-Yi Cement Corporation Representative: Yun-Ju Chen	–	–	–	–	–	–	737	737	0.15%	0.15%	2,152	2,884	103	138	240	–	240	–	–	–	–	–	0.65%	0.81%	
Director	Shi-Yi Cement Corporation Representative: Yu-Hsiang Hsiao (Note 6)	–	–	–	–	–	–	138	138	0.03%	0.03%	90	90	5	5	–	–	–	–	–	–	–	–	0.05%	0.05%	
Director	Hsiang-Lin Chang	4	4	–	–	366	366	600	600	0.20%	0.20%	–	–	–	–	–	–	–	–	–	–	–	–	0.20%	0.20%	
Director	Shang-Kai Cheng	4	4	–	–	366	366	600	600	0.20%	0.20%	–	–	–	–	–	–	–	–	–	–	–	–	0.20%	0.20%	
Independent Director	Yan Chen	–	–	–	–	150	150	840	840	0.20%	0.20%	–	–	–	–	–	–	–	–	–	–	–	–	0.20%	0.20%	
Independent Director	Chih-Cheng Wang	–	–	–	–	150	150	960	960	0.22%	0.22%	–	–	–	–	–	–	–	–	–	–	–	–	0.22%	0.22%	
Independent Director	Yang-Wei Shao	–	–	–	–	150	150	960	960	0.22%	0.22%	–	–	–	–	–	–	–	–	–	–	–	–	0.22%	0.22%	

Note 1: The actual amount of director remuneration distributed for 2024 is recommended by the Remuneration Committee in accordance with Article 30 of the Company’s Article of Incorporation.

Note 2: The figures disclosed for the retirement pension are the allocated amounts.

Note 3: The distribution of employee remuneration for 2024 is based on the actual amount in accordance with the Company’s Articles of Incorporation.

Note 4: According to the Company's regulations on payment of remuneration and compensation, independent directors should receive no more than NTD 100 thousand per month as a fixed remuneration, subject to the authorization of the Board of Directors.

Note 5: Liang-Chuan Chen, the founder of the Company, passed away on October 8, 2024.

Note 6: Shi-Yi Cement Corporation appointed Yu-Hsiang Hsiao as its representative on October 17, 2024.

(2-1) Remuneration to General Manager and Deputy General Manager (disclose the name and remuneration separately)

Unit: NTD thousand

Title	Name	Salary (A)		Severance Pay and Pensions (B) (Note 1)		Bonuses and Allowances (C)		Employees' Profit Sharing Bonus (D) (Note 2)				Total Remuneration (A+B+C+D) as a % of the Net Income		Number of Shares of Employee Stock Options Obtained		Number of Shares of Employee Restricted Stocks Obtained		Compensation from invested businesses other than subsidiaries
								The Company		From All Consolidated Entities								
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	Cash Dividends	Stock Dividends	Cash Dividends	Stock Dividends	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	
President	Ming-Hsien Chen	1,802	1,802	109	109	303	303	251	0	251	0	0.50%	0.50%	–	–	–	–	None

Note 1: The figures disclosed for the retirement pension are the allocated amounts.

Note 2: The distribution of employee remuneration for 2024 is based on the actual amount in accordance with the Company's Articles of Incorporation.

Note 3: The Company's founder passed away on October 8, 2024. Former Executive Vice President Ms. Yun-Ju Chen, was appointed as the chairman. As the information on the chairman's remuneration has been fully disclosed, the chairman's remuneration during the period when she was the Executive Vice President is not disclosed again to avoid confusion.

(3-1) Remuneration paid to the top five managers of TWSE/TPEx listed companies (disclose the name and means of remuneration separately)

Unit: NTD thousand

Title	Name	Salary (A) (Note 2)		Severance Pay and Pensions (B)		Bonuses and Allowances (C) (Note 3)		Employees' Profit Sharing Bonus (D) (Note 4)				Total Remuneration (A+B+C+D) as a % of the Net Income (Note 6)		Compensation from invested businesses other than subsidiaries (Note 7)
		The Company	From All Consolidated Entities (Note 5)	The Company	From All Consolidated Entities (Note 5)	The Company	From All Consolidated Entities (Note 5)	The Company		From All Consolidated Entities (Note 5)		The Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
－	A	1,721	2,297	103	138	431	587	240	–	240	–	0.51%	0.66%	None
－	B	1,681	3,608	101	216	4	6	–	–	–	–	0.36%	0.78%	None
－	C	1,802	1,802	109	109	303	303	251	–	251	–	0.50%	0.50%	None
－	D	1,309	1,309	73	73	136	136	183	–	183	–	0.34%	0.34%	None
－	E	1,175	1,175	73	73	190	190	164	–	164	–	0.32%	0.32%	None

Note 1: The "Five highest paid executives" refer to the Company's managerial officers. Please refer to Tai-Tsai-Zheng-San-Zhi #0920001301 document published by the Securities and Futures Bureau, Financial Supervisory Commission on March 27, 2003 on the standards which define the scope of roles of “managerial officers”. As for the calculation of the five highest amount in remuneration, it is the total of salary, retirement pensions, bonuses and allowances and employees' remuneration (that is, A+B+C+D) recorded on the consolidated financial reports received by the Company's managers, which is then ranked to show the managers who have the five highest figure in remuneration. For directors who take concurrent positions as the abovementioned managers, please fill in this table and the table above (1-1).

Note 2: Refers to the salary, differential pay for the job and severance of five highest paid managers in the most recent year.

Note 3: Refers to the various rewards, bonuses, transportation, special disbursement, various allowances, housing, cars and other tangibles and other remunerations of the five highest paid managers in the most recent year. In the case of provision of housing, cars and other forms of transportation or personal expenditure, disclose the nature and cost of the assets provided and the rent, gasoline and other payments paid at the actual or the fair market price. If a driver is assigned to the executive, please note the Company's payment to the driver, which is not included in the remuneration here. The salary expenses recognized in accordance with IFRS 2 Share-based Payment, including obtaining employee stock options, restricted stock awards, participation in new share issuance through cash capital increase, should be included in the remuneration.

Note 4: Refers to the employee remuneration (including stocks and cash), approved by the board, to be allocated to the five highest paid managers in the most recent year. If the amount cannot be estimated, calculate the amount for this year based on the actual allocated amount last year and then fill out Table (4-1)

Note 5: The total amount of remunerations paid to the five highest paid managers of the Company by all companies (including the Company) shall be disclosed in the consolidated report.

Note 6: The net income after tax refers to the number in the standalone and individual financial reports.

Note 7: a. This field should clearly state the amount of remuneration paid to the five highest paid managers from non-consolidated affiliates or the parent company. (Please fill in “None,” if there is none).

b. Remunerations refer to remuneration, compensation (including employee, director and supervisor compensation) and allowance for business operations received by the five highest paid managers of the Company who serve as directors, supervisors or managing executives of the other non-consolidated affiliates that are not subsidiaries or the parent company.

* The remunerations disclosed here in this Table are different from the incomes defined by the Income Tax Act. This Table is for the purpose of information disclosure and not for tax matters.

(4-1) Names of managers who are assigned employee compensation and the status of assignment

As of December 31, 2024 Unit: NTD thousand

	Title	Name	Amount of Compensation in Stocks	Amount of Compensation in Cash	Total	Total as % of the Net Income
Managers	President	Ming-Hsien Chen	None	741	741	0.15%
	Manager	Hsiu-Chu Wen				
	Manager	Ching-Tien Chang				
	Manager	Wei-Jen Wang				

Explanation: The distribution of employee remuneration for 2024 is based on the actual amount in accordance with the Company's Articles of Incorporation.

(IV) Analysis on the ratio taken by the gross total of profit sharing from earnings paid by the Company and all firms disclosed in the consolidated financial statements to the directors, independent directors, presidents and vice presidents of the Company to the net earnings after tax over the past two years, including a description of the policies, criteria and composition of profit sharing from earnings; the procedures to determine profit sharing from earnings, and their interrelations with business performance and future risks.

1. Unit: NTD thousand

Job title	2024				2023			
	The Company		From All Consolidated Entities		The Company		From All Consolidated Entities	
	Amount	%	Amount	%	Amount	%	Amount	%
Directors and Independent Directors	41,096	8.32%	43,907	8.39%	44,322	8.41%	47,594	9.03%
General Manager and Vice General Managers	2,465	0.50%	2,465	0.50%	5,121	0.97%	8,393	1.59%

2. The Articles of Incorporation stipulate that the directors of the Company may receive remuneration on a monthly basis in accordance with the payment standard of industry peers, regardless of profit or loss. Besides, the shareholders or directors of the Company who work as managers or employees receive salaries as regular employees.
3. If the Company shows profit after the annual final accounts, it will allocate directors' remuneration and employees' remuneration according to the percentage stipulated in the Articles of Incorporation. Directors' remuneration is distributed based on the calculation and performance appraisal conducted by the Salary and Remuneration Committee in accordance with the Director Performance Appraisal Methods, which is reported to the board meetings for approval, so as to minimize the possibility of future risks. Director performance appraisal shall include the alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education and internal control. Managers' remuneration is distributed based on the Company's profitability, work performance, management capabilities, work attitude, education and training of departments, and employees' career development plans evaluated by the Salary and Remuneration Committee as specified in the Articles of Incorporation and the Employee Performance Appraisal Measures, which is reported to the board meetings for approval.
4. The large difference between the president and vice presidents in the two years was mainly due to the fact that the former executive vice president undertook the position as the chairman in 2024; therefore only the information on the president is disclosed, whereas information on both people was disclosed in 2023.

II. Implementation of corporate governance

(I) Operation of the board of directors

The board of directors had seven meetings in the most recent fiscal year, and the attendance of directors is shown as follows:

Title	Name (Note 1)	Actual Attendance in Person, B	Attendance by Substitution	Actual Attendance Rate (%) (B/A) (Note 2)	Remarks
Founder	Shi-Yi Cement Representative: Liang-Chuan Chen	4	0	100.00%	Founder passed away on October 8, 2024; and had 100% attendance before his passing.
Chairman	Representative of Shi-Yi Cement: Yun-Ju Chen	7	0	100.00%	
Director	Representative of Shi-Yi Cement: Yu-Hsiang Hsiao	2	0	100.00%	On October 17, 2024, Shi-Yi Cement appointed Mr. Yu-Hsiang Hsiao as the representative, with 100% attendance rate after being appointed.
Director	Hsiang-Lin Chang	7	0	100.00%	
Director	Shang-Kai Cheng	7	0	100.00%	
Independent Director	Yan Chen	7	0	100.00%	
Independent Director	Chih-Cheng Wang	7	0	100.00%	
Independent Director	Yang-Wei Shao	7	0	100.00%	

Other issues to be recorded:

I. The date, session, proposal content, and resolution specified and the opinion expressed by independent directors shall be specified under any one of the following circumstances:
The attendance of independent directors at board meetings

◎: Attendance in person ☆: Attendance by proxy ＊: Did not attend

Independent Director	1st meeting	2nd meeting	3rd meeting	4th meeting	5th meeting	6th meeting	7th meeting
Chih-Cheng Wang	◎	◎	◎	◎	◎	◎	◎
Yan Chen	◎	◎	◎	◎	◎	◎	◎
Yang-Wei Shao	◎	◎	◎	◎	◎	◎	◎

1. Matters specified in Article 14-3 of the Securities and Exchange Act:
   Please refer to “Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year and up to the date of publication of the annual report” on pp. 50-52.
2. In addition to the aforementioned matters, any other resolutions of the Board of Directors on which independent directors expressed opposition or reservation and have records or written statements:
   The Board of Directors convened a total of seven meetings in 2024. The three independent directors often provided advice during the meetings, which were duly recorded in the meeting minutes. However, there were no instances of opposition or reservation expressed by the independent directors.

II. For the recusal of directors due to conflict of interest, please describe the name of the director, the proposal content, the reason for recusal and the participation in voting.

No. of meetings/ Meeting date	Content of Motions	Resolution	Status of Implementation
1st meeting 2024.01.15	Discussion Topics: Motion 1: Proposed the payment of 2023 year-end bonus for the Company's managers for resolution. (Proposed by the Salary and Remuneration Committee)	(I) For the voting on the proposal, the related parties, representatives of corporate directors Mr. Liang-Chuan Chen and Mrs. Yun-Ju Chen and managers Mrs. Hsiu-Chu Wen, Mr. Wei-Jen Wang and Mr. Ching-Tien Chang, recused themselves from the voting, and independent director Mr. Chih-Cheng Wang served as the acting chairperson of the meeting. (II) The acting chairperson consulted with the other attending directors, and the proposal was approved without objection.	Approved. Issued in February 2024.

3rd meeting 2024.05.09	Discussion Topics: Motion 7: Proposal to approve the allocation of director remuneration for 2023. (Proposed by the Salary and Remuneration Committee)	(I) When determining the remuneration for independent directors, all independent directors recused themselves from the voting due to conflict of interest. The motion was unanimously approved by all non-independent directors present at the meeting. (II) When determining the remuneration for non-independent directors, all non-independent directors recused themselves from the voting due to conflict of interest. The motion was unanimously approved by all independent directors present at the meeting.	Issued in August 2024.
6th meeting 2024.11.12	Discussion Topics: Motion 6: Remuneration to the Company's chairman and new directors. (Proposed by the Salary and Remuneration Committee)	(I) Due to conflict of interest, Ms. Yun-Ju Chen and Mr. Yu-Hsiang Hsiao recused themselves from voting on this motion; Independent Director Mr. Chih-Cheng Wang was appointed as the chair of this motion. (II) The acting chairperson consulted with the other attending directors, and the proposal was approved without objection.	Implemented in accordance with the resolution of the Board of Directors.
7th meeting 2024.12.30	Discussion Topics: Motion 9: Distribution of compensation to the Company's founder. (Proposed by the Salary and Remuneration Committee)	(I) Due to conflict of interest, Ms. Yun-Ju Chen and Mr. Yu-Hsiang Hsiao recused themselves from voting on this motion; Independent Director Mr. Chih-Cheng Wang was appointed as the chair of this motion. (II) The acting chairperson consulted with the other attending directors, and the proposal was approved without objection.	Implemented in accordance with the resolution of the Board of Directors.

III. A publicly traded or OTC company shall disclose the information on evaluation cycle and period, scope, method and contents of the board's self (or peer) appraisal and fill out the attached table below regarding the execution of board appraisal

Execution of board appraisal

Evaluation cycle	Evaluation period	Scope of evaluation	Assessment methods	Assessment contents
Once a year.	Evaluating the performance of the Board of Directors from January 1 to December 31, 2024.	The scope includes the performance appraisal of the board, individual board members and functional committees	Internal self-assessment by the board, self-assessment by board members, peer assessment, appointment of external specialized institutions, experts or other appropriate methods to conduct performance appraisal.	(1) Board performance appraisal: Includes the participation in the operation of the Company, improvement of the quality of the board of directors' decision making, composition and structure of the board of directors, election and continuing education of the directors and internal control. (2) Individual board member performance appraisal: Includes the alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education and internal control. (3) Functional committee performance appraisal: The participation in the operation of the Company, awareness of the duties of the functional committee, improvement of quality of decisions made by the functional committee, composition of the functional committee and election of its members and internal control.

IV. An evaluation of targets (such as establishing an audit committee, improving information transparency and others) and performance for strengthening the functional competence of the board during the current and the most recent years.

1. The Company held seven board meetings throughout the year of 2024, and all motions were announced at the Market Observation Post System in accordance with the law, and the information was indeed made public.
2. The Company has built a strong board governance system and robust supervisory capabilities and reinforced management capabilities in line with the Board Meeting Rules of Procedures.
3. The board has approved the Measures for Self- or Peer-Evaluation of the Board in the meeting held on November 10, 2015. Starting 2020, self-appraisal questionnaires are sent to all board members and functional committee members in the 1st quarter every year to have them evaluate the operation of the board as a whole and the functional committees and their own performance of the previous year.

   After all the abovementioned questionnaires are collected, the board and relevant units conduct analysis based on the above measures and report the results to the board. The measures and results from the evaluation are disclosed on the Company's official website, and can be accessed at "Important Company Regulation -- Evaluation Measures for Performance of the Board" under the "Corporate Governance" category at http://www.luckygrp.com.tw/tw/index.asp?au_id=7&sub_id=49#
4. For the status on the individual performance self-appraisal of board members, please refer to http://www.luckygrp.com.tw/tw/index.asp?au_id=7&sub_id=73#

   The results of the most recent (2024) performance evaluation of the Board of Directors and each functional committee are as follows:

   (1) For the self-appraisal of board performance, the overall average score is 4.00 (out of 4.00).

   (2) For the self-appraisal of board members' performance, the overall average score is 4.00 (out of 4.00).

   (3) Performance self-appraisal of the functional committees:

   A. For the Audit Committee, the overall average score is 4.00 (out of 4.00).

   B. For the Salary and Remuneration Committee, the overall average score is 4.00 (out of 4.00).

   C. For the Corporate Sustainable Development Committee, the overall average score is 4.00 (out of 4.00).

   D. For the Nomination Committee, the overall average score is 4.00 (out of 4.00).

Note 1: For directors and supervisors who are legal persons, the name of the corporate shareholders and their representatives shall be disclosed.

Note 2: (1) If a director or supervisor leaves before the year ends, the resignation date, the rate of actual attendance or attendance as a non-voting participant shall be calculated based on the number of board meetings and the number of actual attendance in person or attendance as a non-voting participant.

(2) If there a re-election of directors and supervisors before the year end, the newly elected and incumbent directors and supervisors shall be listed. Their status of being the current, newly elected or re-elected and the re-election date shall be described in the remark field. The percentage of actual attendance or attendance as a non-voting participant shall be calculated based on the number of board meetings and the number of actual attendance in person or attendance as a non-voting participant.

(II) Operation of the Audit Committee: The Company elected 3 independent directors at the annual general meeting held on June 30 2022and set up the Audit Committee to replace the authority of supervisors in accordance with the Securities and Exchange Act.

The Audit Committee held meetings five times (A) in 2024, and the attendance of committee members are as follows:

Title	Name	Actual Attendance in Person (B)	Attendance by Substitution	Actual Attendance Rate (%) (B/A)	Remarks
Independent Director	Chih-Cheng Wang	5	0	100.00%	
Independent Director	Yan Chen	5	0	100.00%	
Independent Director	Yang-Wei Shao	5	0	100.00%	

Other issues to be recorded:

I. For matters listed in Article 14-5 of the Securities and Exchange Act and those that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors, the date, session, proposal content, and resolution specified and the opinion expressed by the Audit Committee, and the Company's handling of the Audit Committee's comments shall be specified: Not applicable.

II. For the recusal of independent directors due to conflicts of interests, please describe the name of the independent director, the content of motion, the reason for recusal and the participation in voting:
Discussion at the board meeting on May 9, 2024 Motion 7: Proposal to approve the allocation of director remuneration for 2023. When determining the remuneration for independent directors, all independent directors recused themselves from the voting due to conflict of interest. The motion was unanimously approved by all non-independent directors present at the meeting.

III. Communication between independent directors and internal auditing managers and accountants (communicate materiality, methods and results of the Company's financial and business conditions).

1. Communication between the Audit Department and independent directors:

Meeting Date	Type	Matters to be communicated	Recommendations from independent directors	Implementation results
2024.11.12	Separately and periodically (at least once a year)	1.Work focus report for Q3 2024 2. Summary of the 2024 Sustainability Information Management Internal Control System Seminar: (1) GHG inventory (2) GHG inventory assurance (3) IFRS S1/S2 introduction (4) Management of internal control system for sustainability information 3. Other report matters	Inquire for details (No opinions)	The Company established the Department of Sustainability and Circular Economy in response to ESG, energy saving and carbon reduction related issues.

2. Communication between the CPAs and independent directors:

Meeting Date	Type	Matters to be communicated	Recommendations from independent directors	Implementation results
2024.03.25 and 2024.11.12	Separately and periodically (at least once a year)	1. Identify and communicate key audit matters 2.Matters to be reminded for audit findings	Inquire for details (No opinions)	Cooperated with CPAs to complete the audit of annual financial reports and quarterly reports.

IV. Action areas of the audit committee:

1. Establish or amend the internal control protocols in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of the internal control protocols.
3. Establish or amend procedures major financial or operational actions, such as acquisition or disposal of assets, engaging in derivatives trading, lending funds to others, endorsements or guarantees to others, in accordance with Article 36-1 of the Securities and Exchange Act.
4. Review matters bearing on the personal interest of a director.
5. Review material asset or derivatives transaction.
6. Review material monetary loan, endorsement or provision of guarantee.
7. Review the offering, issuance or private placement of any equity-type securities.
8. Review the hiring or dismissal of an attesting CPA or the compensation given thereto.
9. Review the appointment or discharge of principal financial, accounting, or internal auditing officers.
10. Review annual financial reports and semi-annual financial reports.
11. Review any other material matter so required by the company or the Competent Authority.

Audit Committee	Proposal Content and Follow-up Implementation	Resolutions	Company's handling of audit committee's opinions
1st meeting in 2024 2024.03.15	Motion 1: The Company’s 2023 business report and financial statements.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 2: Proposed to distribute employees and directors remuneration of the Company in 2023.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 3: The Company's 2023 earnings distribution.	Unanimous vote by all attending independent directors to approve the proposal after the	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted

		chairperson consulted with the board on the proposal.	with the board on the proposal.
	Motion 4: The Company's issue of the 2023 "Statement of the Internal Control System".	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 5: The Company's 2023 performance evaluation of the Audit Committee.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 6: The subsidiary, Dai Shen Development Co., Ltd., intends to apply for a credit line of financing from the Company to meet business turnover needs.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 7: Disposal of significant assets and the closure of operations by the Company's subsidiary Lucky Cement Corp., Japan.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
2nd meeting in 2024 2024.05.09	Motion 1: 2024 Q1 financial statements.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 2: Provide endorsement guarantee for the subsidiary Luckicon Ready Mixed Concrete Factory.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 3: The subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd., intends to apply for a credit line of financing from the Company to meet business turnover needs.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 4: The subsidiary, Lucky Cement Corp., Japan., intends to apply for a credit line with the Company due to the need to resell the cement warehouse and to remove stagnant cement materials.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
3rd meeting in 2024 2024.08.12	Motion 1: The Company's 2024 Q2 financial statements.	Unanimous vote by all attending independent directors to approve the proposal after the	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted

		chairperson consulted with the board on the proposal.	with the board on the proposal.
	Motion 2: Proposed to establish the ex-dividend date, book closure period, and payment date for the distribution of cash dividends for 2024.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 3: Provision of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
4th meeting in 2024 2024.11.12	Motion 1: The Company's 2024 Q3 financial statements.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 2: Proposed not to distribute the cash dividends for the first half of 2024.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 3: The subsidiary, Lucky Cement Corp., Japan, (hereinafter referred to as "Japan subsidiary") intends to increase capital by NTD 10 million from the parent company.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 4: To establish the Company’s "Management Procedures for Sustainability Information”.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 5: Amendment to certain provisions of the "Rules for Financial and Business Matters Between Related Parties".	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
5th meeting of 2024 2024.12.30	Motion 1: Provide endorsement guarantee for the subsidiary Luckicon Ready Mixed Concrete Factory.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
	Motion 2: Authorized the chairman to handle all matters related to the Company’s credit line with financial	Unanimous vote by all attending independent directors to approve the proposal after the	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted

		institutions in 2025.	chairperson consulted with the board on the proposal.	with the board on the proposal.	
		Motion 3: Pre-purchase forward exchange within the Company's balance of foreign currency borrowing.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.	
		Motion 4: The Board of Directors authorized the chairman to provide endorsements/guarantees for subsidiaries in 2025, within a certain limited amount.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.	
		Motion 5: 2025 internal audit plan.	Independent director Wang suggested increasing the special project audit for the significant subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd. All other audits were approved as proposed without objections from attending independent directors.	Unanimous vote by all attending directors to approve the proposal by the Audit Committee after the chairperson consulted with the board on the proposal.	
		Motion 6: Proposed to deliberate on the periodic (once a year) assessment for the independence and competence of the CPAs.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal by the Audit Committee after the chairperson consulted with the board on the proposal.	
		Motion 7: Proposed the 2025 remuneration of the appointed CPAs of the Company.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal by the Audit Committee after the chairperson consulted with the board on the proposal.	
		Motion 8: Capital increase in cash by Rongfeng Mining Industry Co., Ltd.	Unanimous vote by all attending independent directors to approve the proposal after the chairperson consulted with the board on the proposal.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.	

(III) Status of corporate governance implementation and the differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
I. Does the Company follow "Corporate Governance Best Practice Principles" to establish and disclose its corporate governance practices?	V		The board has approved the Company's Corporate Governance Best Practice Principles on December 26, 2014. The Principles are amended in accordance with the regulations of the competent authority. Please see the Company's website (https://www.luckygrp.com.tw/tw/index.asp?au_id=7&sub_id=49&Page=1) for the Corporate Governance Best Practice Principles which have been disclosed.	No difference.
II. Shareholding structure and shareholders' equity (I) Does the Company have internal operating procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	V		The Company has established positions of spokesperson and acting spokesperson who work with the shareholder services agency "SinoPac Securities Corporation Shareholder Service Agency Department" to handle investor relations, shareholders' suggestions, concerns or disputes, etc.	No difference.
(II) Does the Company possess a list of principal shareholders and beneficial owners of these principal shareholders?	V		The Company tracks the shareholding of directors, officers and principal shareholders who own more than 10% of shares.	No difference.
(III) Has the Company built and executed a risk management system and "firewall" between the Company and its affiliates?	V		Mutual exchanges or transactions are handled in accordance with laws and regulations, or relevant practices established in the internal control system according to law.	No difference.
(IV) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V		Internal control system: C2-103 Management Procedures for Preventing Insider Trading have provided standards.	No difference.
III. Composition and responsibilities of the board of directors (I) Has the board established a diversity policy and specific management objectives, and have they been implemented accordingly?	V		1. In the Corporate Governance Best Practice Principles approved by the board for implementation, Article 20 of Chapter Three has policies on diversity of the board. The Articles of Incorporation stipulates that the nomination and election of directors adopts the candidate nomination approach, and the Company complies with the Procedures for Election of Directors and the Corporate Governance Best Practice Principles to ensure the diversity and independence of directors. 2. The members of the board have different professional backgrounds such as business, production, operation management, financial accounting and law to comply with relevant regulations. Please refer to the table on page 9 for a summary of the core	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			competencies of board members. 3. Among the 7 directors of the board, 28.6% of the directors hold a concurrent position as an employee; 42.9% of board members are independent directors (who do not concurrently work as employees), female directors account for 28.6% of the board seas, and all three independent director have served their term less than nine years. As of the publication date of the report, the age distribution shows that two are between 60 and 69 years old, and five are under 60 years old.	
(II) Other than the Compensation Committee and the Audit Committee which are required by law, does the Company plan to set up other functional committees?	V		The board resolution at the meeting held on December 23, 2011 approved the formulation of the Salary and Remuneration Committee Organizational Procedures to establish the Salary and Remuneration Committee in accordance with the law. The Committee assesses the remuneration policies and practices for directors and managerial officers from a professional and objective perspective, and reports the meeting minutes and implementation status at board meetings. The board resolution at the board meeting held on May 10, 2017 approved the formulation of the Establishment Measures for Corporate Social Responsibility Committee; the board resolution on July 10, 2017 authorized the chairman to appoint members of the Corporate Social Responsibility Committee; and the board meeting held on May 12, 2021 approved the name change of the Committee to the Sustainable Development Committee. The board meeting held on March 22, 2019 approved the formulation of the Audit Committee Organizational Procedures. On June 12, 2019, the Audit Committee was established in response to the election for directors.	No difference.
(III) Has the Company established its Board Performance Appraisal Measures and the evaluation methods, conducted the performance appraisal regularly every year and provided the results to the board as the reference for directors' remuneration and nomination and renewal?	V		1. The board approved the Measures for Self- or Peer-Evaluation of the Board in the meeting held on November 10, 2015, which was later amended and renamed the Board Performance Appraisal Measures at the board meeting held on August 11, 2020. Performance appraisal is conducted regularly every year, and the Measures are amended in accordance with the regulations of the competent authority. The results of the performance appraisal are disclosed on the	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			Company's website (http://www.luckygrp.com.tw/tw/index.asp?au_id=7&sub_id=73). 2. On March 22, 2019, the Board of Directors of the Company passed the amendment to the "Self-Evaluation or Peer Evaluation of the Board of Directors". In addition to the existing "Performance Evaluation of the Board of Directors" and "Board Member (Self-Evaluation or Peer) Evaluation", Performance Evaluation of Functional Committees" was added. Also, on August 11, 2020, the Board of Directors passed the amendments to rename is as “Board of Directors Performance Evaluation”, “Board Members Performance Evaluation”, and “Functional Committees Performance Evaluation”. These amendments were reviewed and approved by the Board of Directors on March 17, 2025. The overall performance of the Board of Directors, the members, and the functional committees in 2024 was deemed to be effectively operating. 3. Article 9 of the Board Performance Evaluation Measures states that the results of the board performance evaluation should be used as reference for selecting or nominating directors, and the performance evaluation results for each director are used as reference for determining the salary and remuneration.	
(IV) Does the Company regularly evaluate its external auditors' independence?	V		On November 10, 2015, the Board of Directors of the Company passed the “Regulations Governing the Suitability and Performance Evaluation of CPAs”. On March 24, 2020, the Board of Directors passed the amendments to partial articles, and on December 30, 2024, the Board of Directors conducted an annual evaluation of the independence and suitability of the CPAs, confirming that there were no issues. (Note)	No difference.
IV. Has the Company allocated qualified and sufficient number of personnel and appointed managers in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors and supervisors, assisting directors and	V		The Company's dedicated (part-time) unit responsible for corporate governance is the corporate governance project team, which is composed of the executive vice president and the heads of various departments. On June 30, 2021, the board of directors approved the appointment of the head of corporate governance, and the unit carries out tasks according to the Company's Corporate Governance Best Practice Principles. The status of	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
supervisors to comply with laws, handling matters relating to board meetings and shareholder meetings according to laws, recording minutes of board meetings and shareholder meetings, etc.)?			implementation is disclosed on the Company's website at http://www.luckygrp.com.tw/tw/index.asp?au_id=7&sub_id=97	
V. Has the Company established communication channels with stakeholders (including, but not limited to shareholders, employees, customers, and suppliers) and set up an area dedicated to stakeholders on the Company website and does the Company respond appropriately to corporate social responsibility issues that stakeholders consider important?	V		The Company has appointed a spokesperson and established a section on the website (http://www.luckygrp.com.tw) dedicated to communication with stakeholders. The section provides points of contact for investor relations, customer relations, employee relations, supplier relations, community relations and professional ethics, etc. Questions raised by different types of related parties are answered by the heads of the corresponding departments, and the status of implementation is disclosed on the CSR report every year. The spokesperson, acting spokesperson and the Company's shareholder services agency "SinoPac Securities Corporation Shareholder Service Agency Department" are responsible for handling and responding to suggestions or questions from investment stakeholders. The Company periodically (at least once a year) reports to the board on the communication with stakeholders and the Company's responses taken.	No difference.
VI. Has the Company designated an agent specializing in the handling of stock affairs to handle shareholder meeting affairs?	V		Name, address, and phone number of stock transfer agency: Name: Shareholder Services Department of SinoPac Securities Corporation Address: 3rd Floor, No. 17, Bo'ai Road, Zhongzheng District, Taipei City 100 Telephone: (02) 2381-6288 Website: http://www.sinotrade.com.tw	No difference.
VII. Information disclosure (I) Has the Company established a public website to disclose operational, financial and corporate governance information?	V		Relevant information is disclosed on the Company's website in accordance with the law. The Company's website is (http://www.luckygrp.com.tw).	No difference.
(II) Has the Company adopted other methods of information disclosure (e.g., setting up an English website, designating a specialist responsible for gathering and disclosing Company information, setting up a spokesperson system, uploading recordings of investor conferences onto the Company website)?	V		The Company has established positions of spokesperson and acting spokesperson responsible for information disclosure in accordance with regulations and releasing press releases simultaneously when necessary. In 2024, the Company held an investor conference. In addition to uploading the relevant Chinese and English presentations to the Market Observation Post System, it was also announced on the Company's website at	No difference.

<table>
<tr><th rowspan="2">Issues to be Assessed</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>the same time. The Company's official website is available in English, and it provides information on the business, finance, corporate governance, etc.</td><td></td></tr>
<tr><td>(III) Has the Company published and reported its annual financial report within two months after the end of a fiscal year and published and reported its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.</td><td></td><td>V</td><td>The Company submits its financial reports and the status on the monthly operations before the prescribed deadline.</td><td>The Company submits the information only before the prescribed deadline.</td></tr>
<tr><td>VIII. Does the Company have other important information to facilitate better understanding of the Company's corporate governance practices (including, but not limited to current status of employee rights, employee care, investor relations, supplier relations, stakeholder rights, director and supervisor training regimes, risk management policies, and risk measurement standards as well as the implementation of client policies and the Company's purchase of liability insurance for its directors and supervisors)?</td><td>V</td><td></td><td colspan="2">1. The Company has established an Employee Code of Conduct and the Employee Welfare Committee.
2. The Company provides employee education and training programs to strengthen their professional knowledge and occupational skills.
3. The Company handles its important information in accordance with the provisions of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities to protect the interests of shareholders, stakeholders and investors.
4. The Company has a comprehensive internal control system, and each segment handles its assigned tasks (such as protecting the rights of consumers or clients) in compliance with the relevant rules and regulations to fulfill the administrator's duty of care.
5. The Company's directors have undergone relevant training in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies issued by the Taiwan Stock Exchange Corporation.
<table>
<tr><th>Title</th><th>Name</th><th>Date of continuing education courses</th><th>Hours</th><th>Course name</th></tr>
<tr><td>Representative of legal person director</td><td>Liang-Chuan Chen</td><td>2024.07.03</td><td>6</td><td>2024 Cathay Sustainable Finance and Climate Change Summit</td></tr>
<tr><td rowspan="3">Representative of legal person director</td><td rowspan="3">Yun-Ju Chen</td><td>2024.07.03</td><td>6</td><td>2024 Cathay Sustainable Finance and Climate Change Summit</td></tr>
<tr><td>2024.11.06</td><td>3</td><td>Carbon Trading Mechanisms and Carbon Management Applications</td></tr>
<tr><td>2024.11.06</td><td>3</td><td>Nvidia's Three Trillion Miracle: New Thinking on Semiconductor Industry Revolution Behind Artificial Intelligence</td></tr>
<tr><td>Representative of legal person director</td><td>Yu-Hsiang Hsiao</td><td>2024.11.24 - 2024.11.25</td><td>12</td><td>Practical Workshop for Directors and Supervisors (including Independent) and Corporate Governance Officers</td></tr>
<tr><td>Director</td><td>Hsiang-Lin Chang</td><td>2024.07.03</td><td>6</td><td>2024 Cathay Sustainable Finance and Climate Change Summit</td></tr>
</table></td></tr>
</table>

<table>
<tr><th rowspan="2">Issues to be Assessed</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td colspan="2">

Director	Shang-Kai Cheng	2024.07.03	6	2024 Cathay Sustainable Finance and Climate Change Summit
Independent Director	Yan Chen	2024.07.03	6	2024 Cathay Sustainable Finance and Climate Change Summit
Independent Director	Chih-Cheng Wang	2024.06.21	6	2024 Seminar on Administrative Litigation Cases on Gender-based Incidents on Campus
		2024.07.03	6	2024 Cathay Sustainable Finance and Climate Change Summit
		2024.08.07	3	Risks of Artificial Intelligence for Businesses and Precautions
		2024.11.06	3	Prevention and Latest Practical Development of Insider Trading (Including Gender Equality)
Independent Director	Yang-Wei Shao	2024.07.03	6	2024 Cathay Sustainable Finance and Climate Change Summit

6. The Company's directors often nurture themselves with books, news and magazines reading on financial news and participate in various seminars in order to achieve the ideal goal of corporate governance.
7. The Company has specified in the Articles of Incorporation that the Company may take out liability insurance within the scope of business for the directors. The insurance was purchased from Cathay Century Insurance Co., Ltd., on May 17, 2024, with Policy Number: 1501-13DO01174, effective from June 28, 2024 to June 28, 2025. The renewal of directors' and supervisors' liability insurance was approved by the Board of Directors on May 9, 2024.
8. Supplier relationship: In addition to the management measures on procurement operation management, project contracting operation, supplier evaluation and assessment, etc., the Company has established a Supplier Code of Conduct based on the collaborative partnership with vendors or suppliers to jointly commit to fulfilling corporate social responsibilities, promoting environmental sustainability, valuing workers' rights, safety and health and protecting basic human rights.
9. The Company has established an information security risk management framework which includes the "Internet Security Policy" detailing regulations on information security duties, information security operations and protection, network security management, and system access control management, and the related personnel undergo education and training programs from time to time. The Company has not purchased information security insurance, but we regularly backs up data, and have established firewalls and access restrictions and other network security management measures, and update the virus code at any time to minimize the Company's information risks. As the issue of information security risk management becomes increasingly important, the necessity of purchasing information security insurance will also be carefully assessed in the future. Please refer to our website for further details.
10. The Company's remuneration system includes employee performance appraisal measures, and year-end bonuses are

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<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td colspan="2">distributed according to the Company's operating performance and employees' work performance.
11. The Company has established the Succession Plan for Board Members and Key Management Personnel. Please refer to our website for relevant plans and implementation.</td></tr>
<tr><td colspan="5">IX. Please explain improvements that have been made as well as priorities to improve the results of the Corporate Governance Evaluation issued by the Taiwan Stock Exchange Corporate Governance Center: (No need to fill this out if not listed as one of the rated companies)
The Company's 2024 corporate governance evaluation results ranked in 36% to 50% of all listed companies, and the Company will continue to improve corporate governance.</td></tr>
</table>

(Note) CPA Evaluation and Performance Appraisal Form (2024)

Item	Specific Indicators	Evaluation Criteria
Independence Indicators (60 points)		
1	The accountant has no direct or significant indirect financial interest relationship with the client.	5 points if there is no interest relationship, and 0 points if there is any.
2	The accountant has no undue interest relationship with the client.	5 points if there is no undue interest relationship, and 0 points if there is any.
3	Not auditing or verifying the financial statements of the organization within two years prior to the practice.	5 points if there is no violation, and 0 points if there is any.
4	The accountant's name shall not be used by others.	5 points if not used by others, and 0 points if it has been used.
5	The accountant and all members of the audit service team shall not hold the shares of the client.	5 points if they don’t own shares, and 0 points if they do.
6	Shall not have loaning or borrowing transactions with the client.	5 points if they don’t have any transaction, and 0 points if they do.
7	Shall not have a joint investment or benefits sharing with the client.	5 points if they don’t have any transaction, and 0 points if they do.
8	Shall not hold a concurrent position in the company to receive a fixed salary.	5 points if they don’t have any transaction, and 0 points if they do.
9	Shall not request any commission related to the tasks.	5 points if they don’t have any transaction, and 0 points if they do.
10	Has served as the client's CPA for more than seven consecutive years.	5 points if not, and 0 points if the duration has exceeded seven years.
11	Provide the Company with non-audit services that may directly affect the audit work.	5 points if they don’t have any transaction, and 0 points if they do.
12	The CPAs can generate a statement of independence.	5 points if they can, and 0 points if they cannot.
Performance Indicators (40 points)		
1	The official financial reports of the first three quarters should be reviewed within 45 days of the end of the quarter or the annual financial report should be audited within three months of the end of the year. (Official financial report)	4 points for completion at least 3 days ahead of schedule, 2 points for on-time completion, and 0 points for delay.
2	Time taken for the accountants to complete the Company's first three quarters of accounting review and complete the initial draft review data.	4 points are awarded if the reports from the first three quarters are reviewed within 30 days, 2 points are given if the review is completed within 40 days, and 0 points if it takes more than 40 days.
3	Time taken for the accountants to complete the Company's annual accounting audit and the initial draft review data.	4 points are awarded if the reports are audited within 60 days after the year ends, 2 points are given if the audit is completed within 70 days, and 0 points if it takes more than 70 days.
4	Time taken for the accountants to complete subsidiaries' annual accounting audit and the initial draft review data.	4 points are awarded if the reports are audited within 55 days after the year ends, 2 points are given if the audit is completed within 60 days, and 0 points if it takes more than 60 days.
5	The accountants have frequent interactions with Company's management personnel (internal auditors, etc.) and the records are retained.	4 points if they have, and 0 points if they don't have communication.
6	The accountants have appropriate communication with directors and officers and there are records kept before the audit planning and the issue of audit opinions.	4 points if they have, and 0 points if they don't have communication.
7	The accountants have made positive suggestions and kept records on the audit of the Company's system and internal control practices.	4 points if they have, and 0 points if they don't have communication.
8	Regularly and proactively update the Company on tax and securities laws and update and revise the IFRS accounting standards.	4 points if they have, and 0 points if they have not.
9	Stability of audit service team members.	4 points if they have, and 0 points if they have not.
10	Facilitate communication and coordination with competent authorities.	4 points if they have, and 0 points if they have not.
Total score (out of 100 points)		

Note: If there are reasons attributable to the Company that affect the results of the assessment, the standards for related matters will be adjusted according to the circumstances.

(IV) Operations of the Salary and Remuneration Committee

(1) Information on members of the Compensation Committee

Conditions / Name Status (Note 1)	Professional qualifications and experience		Independence (Note 2)				
	Work experience	Professional qualifications	Person, spouse, or relatives within the second degree are directors, supervisors or employees of the Company or the affiliates.	Number and percentage of company shares held by the person, spouse or second-degree relatives (or in the name of others)		Whether serving as a director, supervisor or employee of a company that has specific affiliation with the Company	The amount of remuneration received by providing the Company or its affiliates with business, legal, financial, accounting and other services in the last 2 years.
				Number of Shares	%		
Chih-Cheng Wang (Independent director and convener)	Vice president at Chinese Culture University. Professor of Department of Law at Chinese Culture University. Dean and Distinguished research professor (Professor emeritus) at National Chung-Cheng University. Independent director of Dyaco International Inc., Locus Cell Co., Ltd., Soft-World International Corporation. Member of Advisory Committee of Central Deposit Insurance Corporation.	Date of first appointment: 2016.06.15; has years of experience in the banking and securities industry and legal studies	No	—	—	No	—
Yang-Wei Shao (Independent director)	Honorary chairman of CCIM Taiwan Real Estate Investment Association. Vice chairman of Chung Hua Association for Financial and Economic Strategies. President of Ya-Bi-Si Construction.	Date of first appointment: 2019.06.12; has years of experience in the construction industry	No	—	—	No	—
Tsui-Chuan Tsai (Others)	MasterLink Securities Corporation	Date of first appointment: 2011.12.23; has years of experience in the securities industry.	No	—	—	No	—

Note 1: Please refer to Table 1 Director Information on p. 7 for the relevant professional qualifications and background experience of independent directors Chih-Cheng Wang and Yang-Wei Shao.

Note 2: Status of independence: Describe the independence of salary and remuneration committee members, including but not limited to whether the person, spouse or relative within the second degree of kinship are serving as directors, supervisors or employees of the Company or its affiliates; the number of shares and the shareholding percentage held by the person, spouse or relative within the second degree of kinship (or in the name of others); whether the person is serving as a director, supervisor or employee of a company that has a specific relationship with the Company; and the amount of remuneration received by providing the Company or its affiliates with business, legal, financial, accounting and other services within the last 2 years.

(2) Operations of the Salary and Remuneration Committee:

I. The Compensation Committee has 3 members.

II. The term of office of the current members: June 30, 2022 to June 29, 2025. In 2024, the Remuneration Committee held five meetings (A), and the qualifications and attendance of members are as follows:

Title	Name	Actual Attendance in Person (B)	Attendance by Substitution	Percentage of Actual Attendance (%) (B/A)	Remarks
Convener	Chih-Cheng Wang	5	0	100.00%	
Committee member	Yang-Wei Shao	5	0	100.00%	
Committee member	Tsui-Chuan Tsai	5	0	100.00%	

Salary and Remuneration Committee	Proposal Content and Follow-up Implementation	Resolutions	The Company's handling of the opinions of the Remuneration Committee
1st meeting in 2024 2024.01.15	Motion 1: Motion of year-end bonus for the Company's managers in 2023.	Unanimous vote by all attending committee members to approve the proposal.	Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.
2nd meeting in 2024 2024.03.15	Motion 1: Proposal for the 2023 remuneration of employees and directors of the Company.	Unanimous vote by all attending committee members to approve the proposal.	Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.
3rd meeting in 2024 2024.05.09	Motion 1: The Company's 2023 director governance ratings.	Unanimous vote by all attending committee members to approve the proposal.	Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.
	Motion 2: The Company's 2023 distribution of remuneration to directors.	Committee members Chih-Cheng Wang and Yang-Wei Shao recused themselves from the meeting due to conflict of interest; the motion was approved by member Tsui-Chuan Tsai.	1. When determining the remuneration for independent directors, all independent directors recused themselves from the voting due to conflict of interest. The motion was unanimously approved by all non-independent directors present at the meeting. 2. When determining the remuneration for non-independent directors, all non-independent directors recused themselves from the voting due to conflict of interest. The motion was unanimously approved by all independent directors present at the meeting.
4th meeting in 2024 2024.11.12	Motion 1: Remuneration to the Company's chairman and new directors.	Unanimous vote by all attending committee members to approve the proposal.	1. Ms. Yun-Ju Chen and Mr. Yu-Hsiang Hsiao recused themselves from voting on this motion; Independent Director Mr. Chih-Cheng Wang was appointed as the chair of this motion. 2. The acting chairperson consulted with the other attending directors, and the motion was approved without objection.
5th meeting of 2024 2024.12.30	Motion 1: Distribution of 2023 employee remuneration (including managers).	Unanimous vote by all attending committee members to approve the proposal.	1. Ms. Yun-Ju Chen and Mr. Yu-Hsiang Hsiao recused themselves from voting on this motion; Independent Director Mr. Chih-Cheng Wang was appointed as the chair of this motion. 2. The acting chairperson consulted with the other attending directors, and the motion was approved without objection.
	Motion 2 Amendments to the Company's employee compensation procedures.	Unanimous vote by all attending committee members to approve the proposal.	The amendments to the procedures were approved by the chairman.

	Motion 3: Distribution of compensation to the Company's founder.	Unanimous vote by all attending committee members to approve the proposal.	1. Ms. Yun-Ju Chen and Mr. Yu-Hsiang Hsiao recused themselves from voting on this motion; Independent Director Mr. Chih-Cheng Wang was appointed as the chair of this motion. 2. The acting chairperson consulted with the other attending directors, and the motion was approved without objection.

Other issues to be recorded:

I. If the board of directors does not adopt or amend the recommendations from the Salary and Remuneration Committee, it shall clarify the date, session, proposal content and resolution of the board and how the Company handles the recommendations of the Committee (such as that the salary and remuneration approved by the board are better than what the Committee recommended, and the differences and reasons should be clarified): None.

II. If the Committee members have objections or reservations and there are records or written statements from the meetings, the date, term, proposal content, opinions of all members and the handling of their opinions shall be clearly stated: Not applicable.

III. Duty of the Salary and Compensation Committee:

(1) Formulate and regularly review the performance evaluation of directors, independent directors in the Audit Committee and managerial officers, and the policies, systems, standards and structure for their salary and compensation.

(2) Regularly review and prescribe salary and remuneration for directors, independent directors in the Audit Committee and managerial officers.

(V) Profiles of nomination committee members and the information on the operation of the committee

(1) Qualifications and responsibilities of the members of the Company's nomination committee.

The Company has established a nomination committee in accordance with Paragraph 3, Article 27 of the Corporate Governance Best Practice Principles. The committee consists of three directors nominated by the board, of which more than half are independent directors. Its responsibilities are:

I. Specify the standards of professional knowledge, skills, experience, gender and independence required for board members and senior managers, and search, review and nominate candidates for directors and senior managers accordingly.

II. Construct and develop the organizational structure of the board and committees, conduct performance appraisal of the board, committees, directors and senior managers, and assess the independence of independent directors.

III. Formulate and regularly review the continuing education plan for directors and the succession plan for directors and senior managers.

IV. Establish the Company's Corporate Governance Best Practice Principles.

(2) Professional qualifications and experience of nomination committee members and the information on the operation of the committee

I. The nomination committee has 3 members.

II. The term of office of the current members: From June 30, 2022 to June 29, 2025. The Nomination Committee held 1 meeting in 2024, and the qualifications and experience of committee members, attendance, and discussed matters are as follows:

Title	Name	Professional qualifications and experience	Actual Attendance in Person (B)	Attendance by Substitution	Percentage of Actual Attendance (%) (B/A)	Remarks
Convener (Independent director)	Chih-Cheng Wang	Vice president at Chinese Culture University. Professor of Department of Law at Chinese Culture University. Dean and Distinguished research professor (Professor emeritus) at National Chung-Cheng University. Independent director of Dyaco International Inc., Locus Cell	1	0	100%	

		Co., Ltd., Soft-World International Corporation. Member of Advisory Committee of Central Deposit Insurance Corporation.				
Committee member (Director)	Yun-Ju Chen	EMBA. More than 20 years of experience in the cement industry. Executive Vice president and Chairman of Lucky Cement	1	0	100%	
Committee member (Independent director)	Yan Chen	Bachelor’s degree in business (accounting). Specializes in financial management. Financial consultant to Eorex Corporation. Senior VP at Zoyi Management Consulting.	1	0	100%	

Nomination Committee	Proposal Content and Follow-up Implementation	Resolutions	Company's handling of nomination committee's opinions
1st meeting in 2024 2024.03.15	Motion 1: The Company's 2023 Nomination Committee performance evaluation.	The proposal was unanimously approved by all attending members after consulting by the Chairman.	Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.
	Motion 2: The Company's Board of Directors and Functional Committee members' performance evaluation for 2023.	The proposal was unanimously approved by all attending members after consulting by the Chairman.	Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.

Other issues to be recorded:
State the meeting date, session, and content of main motions of the nomination committee, the content of the recommendations or objections of the committee members, the results of resolutions, and the Company's handling of the opinions of the nomination committee: None.

(VI) Status of promotion of sustainable development and its discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons:

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
I. Has the Company established a governance structure to promote sustainable development, and set up a dedicated (or one holding concurrent positions) unit to promote sustainable development, with the board authorizing the senior management to manage the organization which is supervised by the board?	V		1. The company has established a corporate social responsibility committee under the board in accordance with Article 9 of the Corporate Social Responsibility Best Practice Principle in 2017. In line with the government's promotion of the Corporate Governance 3.0 - Sustainable Development Blueprint, we have renamed the original Corporate Social Responsibility Committee as the Corporate Sustainable Development Committee in 2021 to fulfill the principles of enterprise sustainability. 2. We have established a part-time operating unit to promote sustainable development, and the Quality	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			Assurance Center is responsible for preparing the ESG report. The unit carries out relevant tasks in accordance with the Corporate Sustainability Best Practice Principles. For details, please refer to the Company's website. In addition to reporting to the Corporate Sustainability Responsibility Committee, it reports to the board at least once a year. 3. The Board of Directors' meeting held in May 2024 of the Company has reported on the execution status and review of sustainable development responsibilities.	
II. Has the Company conducted risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulated relevant risk management policies and strategies?	V		1. We have conducted risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies and strategies based on the Sustainable Development Best Practice Principles, which will be implemented after being approved by the board. The scope of the Company's risk management includes managing strategic risks, operational risks, financial risks, information security risks, and risks of climate change and failure to comply with environmental protection, climate-related regulations and other international regulations and agreements. 2. The Company has also established a risk management team to identify and measure risks and control them within an acceptable range according to the scope of work of each department on a regular basis every year. The team reports to the board at least once a year on the risk environment and the implementation of risk control measures and the operation of risk management. Please refer to the Company's website for the execution status of the risk management policy in 2024 (http://www.luckygrp.com.tw/tw/index.asp?au_id=11&sub_id=120).	No difference.
III. Environmental issues (I) Has the Company set up an environmental management system designed to industry	V		The Company has established the Safety and Environmental Protection Section, formulated labor safety and	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
characteristics?			health management measures, and regularly arranged dedicated personnel to check for air pollution and waste water.	
(II) Is the Company committed to improving energy efficiency and to the use of renewable materials with low environmental impact?	V		Recycle and reuse listed waste from partner factories to meet the policy objectives of resources sustainability, reduce over-exploitation of natural resources, and provide more resources for the future generations.	No difference.
(III) Has the Company assessed the current and future potential risks and opportunities from climate changes and taken measures to address climate-related issues?	V		1. Track the "Roadmap for the Sustainable Development of TWSE/TPEx Listed Companies" released by the Financial Supervisory Commission. As a cement company, the Company (parent company) has completed the inventory of emissions in 2023, with verification completed in 2024. The subsidiaries in the consolidated financial statements will complete the inventory in 2025, with verification be completed in 2027. 2. The Ministry of Environment announced three sub-laws on carbon fee on August 29, 2024, officially entering the era of carbon pricing in Taiwan. According to the Ministry of Environment, the Company's Dongao Plant must submit a self-determined reduction plan in order to obtain preferential rates. The Company's Board of Directors also places great emphasis on this matter and regularly monitors its carbon reduction plans. Please refer to the official website of the Company for relevant information:https://www.luckygrp.com.tw/upload/menu/20250205123416.pdf.	No difference.
(IV) Has the Company compiled the greenhouse gas emissions, water consumption and total weight of waste the past two years and established management policies for energy saving and reduction of greenhouse gas emission, water consumption and other wastes?	V		1. The Company keeps statistics on GHG, water consumption, and waste volume every year, and has management policies, targets, and measures in place to disclose the data in the sustainability report. 2. The Company has participated in the GHG voluntary reduction reporting program organized by the Industrial Development Bureau of the Ministry of Economic Affairs since 2014, and compiled and reported the emissions every year. Our GHG emissions have obtained the ISO-14064 third-party verification. Please refer to (VII) for the Company's climate-related	

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			information. 3. The Company has formulated relevant energy conservation and carbon emissions reduction policies, including GHG emissions reduction policies and energy management policies and the use of recycled water to clean vehicles to reduce water consumption. The relevant goals are as follows: The policy of saving electricity by 1% per year and reducing the total annual greenhouse gas emissions by more than 10% compared with the emissions in 2013 (base year). All goals in 2024 had been achieved.	
IV. Social Issues (I) Does the Company establish policies and procedures in compliance with regulations and internationally recognized human rights principles?	V		The Company has formulated the Employee Work Rules and other relevant personnel management measures in accordance with the Labor Standards Act and other government laws and regulations, and recognized and supported the United Nations Global Compact, the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work and other internationally recognized human rights standards. We also have established the Human Rights Policy which includes the specific management measures as follows: 1. Respect human rights and implement gender equality. 2. No child under the age of 16 years shall be employed. 3. Provide female employees with time for nursing (or collect breast milk), menstrual leave, maternity leave, childbirth or parental leave, pregnancy examination leaves, etc. 4. Provide workers with reasonable rest according to law, and do not apply forced labor. 5. Any type of discrimination is prohibited for employees who are hired, promoted, trained, and rewarded. 6. Respect employees who exercise rights to freedom of association, join trade unions, and seek nomination for or participate in labor committees. 7. Comply with labor health and occupational safety and health laws and regulations, reduce the danger	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			and potential hazards in the work environment, and prevent the occurrence of occupational disasters. 8. The salary policy complies with relevant laws and regulations. The salary of employees shall not be lower than the minimum wage requirements, and employees shall be entitled to statutory benefits, reasonable rest and overtime pay. 9. Policies for prevention of sexual harassment and sexual assault.	
(II) Has the Company established and implemented reasonable employee welfare measures (including remuneration, vacation and other benefits) and appropriately reflected the business performance or results in the employee remuneration policy?	V		According to the Articles of Incorporation, if the Company is profitable in the fiscal year, 3% of the profit shall be offered as bonuses for employees. 1. The Company's remuneration policy includes remuneration management (the Company establishes a transparent and fair remuneration system that is market-competitive to ensure that the salary level is on par with the industry standard), performance evaluation (providing salary adjustments and incentives based on employee performance and ensuring the fairness of the performance appraisal mechanism), and welfare measures (providing comprehensive labor health insurance, pension plan, extra subsidies, continuing education opportunities, and family-friendly benefits to improve employee well-being). 2. The Company is committed to the fairness of salaries (ensuring that all employees enjoy fair and reasonable remuneration and meeting market standards, avoiding gender or other unreasonable differences), employee care (regularly reviewing the salary structure to ensure that employees' remuneration are in line with economic fluctuations and cost of living, providing a stable working environment), and talent cultivation (combining remuneration and performance management, encouraging employees to continue to learn and grow, and improving overall competitiveness). 3. The short-term goal of the Company's remuneration and benefits is to review the salary adjustment mechanism every year to	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			ensure market competitiveness. Currently, the Company adjusts salaries according to market levels and strengthens non-monetary benefits, such as employee health management and career development opportunities, on a yearly basis. The Company formulates and implements reasonable employee welfare measures covering remuneration, vacation and other benefits, etc. For details, please refer to Chapter 5 Labor Relations of the annual report and the Company's website (http://www.luckygrp.com.tw/tw/index.asp?au_id=7&sub_id=99). Please refer to the "remuneration and benefits" and "talent cultivation" in the Company's sustainability report.	
(III) Does the Company provide employees with a safe and healthy working environment and regularly conduct safety and health training?	V		In order to provide employees with a safe and healthy work environment, the Company has established the Safety and Health Work Rules in accordance with the Enforcement Rules of the Occupational Safety and Health Act and implemented prescribed safety and health management measures for employees to follow, and regularly carries out safety and health checkups to protect employees' personal safety. The Company regularly conducts employee health checks and safety and health education and training sessions. For the relevant information, please visit the Company's website (http://www.luckygrp.com.tw/tw/index.asp?au_id=7&sub_id=101).	No difference.
(IV) Has the Company established effective career development training plans?	V		The Company reviews employees' career development training plan in the annual performance appraisal. Carried out by department heads.	No difference.
(V) Has the Company complied with the relevant regulations and international standards and formulated policies for protection of consumers and clients' rights and interests and grievance procedures with respect to consumer health and safety, customer privacy, marketing and labeling of products and services?	V		Portland Cement must comply with the CNS standards and obtain orthographic marks and ISO certification. epartments of the Company can handle mer complaints. The Company's website s points of contact that handle various ons and suggestions from various holders. Opinions and complaints are orwarded to relevant departments for ack as soon as possible. We discloses the number of customer complaints and resolution status in the Corporate Social Responsibility Report every year.	No difference.
(VI) Has the Company established supplier management policies	V		The Company has established a supplier management policy which	No difference.

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
which require suppliers to comply with regulations on environmental protection, occupational safety and health or labor rights and reported the implementation status?			covers five dimensions: 1. Supplier development and management. 2. Supplier evaluation and audit. 3. Supplier code of conduct and commitment to ethics and integrity. 4. Supplier audit, training, communication and coaching. 5. Operational method. Every year, the procurement department forms a task force to conduct self-assessment and inspection of suppliers in accordance with the relevant regulations of Lucky Cement suppliers and major issues such as environmental protection, occupational safety and health, labor rights, etc., and provide coaching, follow-up and improvement. For suppliers whose results do not meet the standards, rigorously enforce the audit every year. For those who still have not achieved improvement three years after the audit, transactions are suspended or rejected. The task force reports the status of implementation to the board at least once a year. The contracts signed by the Company and suppliers expressly require manufacturers to abide by the relevant provisions of the Labor Standards Act, and to comply with the Air Pollution Control Act and other relevant environmental protection laws, and take appropriate preventive measures. In terms of labor safety, vendors shall abide by the provisions of the Occupational Safety and Health Act and take necessary protective measures in advance against various disasters or incidents that may occur. Vendors must also purchase labor or accident insurance policies for employees. In terms of information security, it is prohibited to infringe on the intellectual property rights of others or harm the rights and interests of others. The Company has been promoting the Supplier Code of Conduct since 2016, which incorporates major issues such as ethical management, human rights and environmental protection, and requires vendors to follow them. If suppliers violate and damage the Company's goodwill or corporate image, the contract may be cancelled at any time.	

Issues to be Assessed	Implementation Status			Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons for discrepancies.
	Yes	No	Summary description	
			We have established the Supplier Evaluation and Audit Measures, and conducted evaluation of suppliers on a regular basis to ensure that they comply with relevant standards.	
V. Has the Company referred to international reporting standards or guidelines in its preparation of sustainability reports and other reports which disclose the Company's non-financial information? Have the abovementioned reports obtained the verification or assurance opinions from third-party certification organizations?		V	We have referred to the GRI Standards: Core published by the GRI in the preparation of our corporate social responsibility reports.	The report has not yet obtained confirmation or guarantee from a third-party verification unit.
VI. If the Company has established its own sustainability principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation in the Company: None.				

VII. Other important information for facilitating the understanding of CSR and its implementation:

1. The Company has established the Corporate Sustainable Development Committee composed of three directors, of which two are independent directors, and their responsibilities are:
   A. Formulate corporate sustainable development policies and systems.
   B. Deliberate over corporate sustainable development annual plan and strategic direction.
   C. Deliberate over corporate sustainable development projects and activities.
   D. Review corporate sustainable development report.
   E. Deliberate over issues with corporate sustainable development and participation in public affairs delegated by the board.
   The Corporate Sustainability Development Committee meets at least once a year. For details on its operations, please refer to the Company's website (http://www.luckygrp.com.tw/tw/index.asp?au_id=11&sub_id=102)

   Information on the members of the Corporate Sustainable Development Committee

Name	Status	Job title	Related expertise
Yun-Ju Chen	Chairman	Committee member	EMBA. More than 20 years of experience in the cement industry.
Yan Chen	Independent Director	Committee member	Financial management
Chih-Cheng Wang	Independent Director	Committee member	Vice president at Chinese Culture University. Professor of Department of Law at Chinese Culture University. Dean and Distinguished research professor (Professor emeritus) at National Chung-Cheng University. Independent director of Dyaco International Inc., Locus Cell Co., Ltd., Soft-World International Corporation. Member of Advisory Committee of Central Deposit Insurance Corporation.

2. Please refer to the chapter of environmental protection expenditure in this annual report.
3. Please refer to the Company's Sustainability Report.
   (Please refer to the Company's website https://www.luckygrp.com.tw/tw/index.asp?au_id=11&sub_id=53)

(VII) The Company's climate-related information

Item	Status of implementation
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and management.	**Supervision at the Board Level** The Board of Directors is the ultimate decision-maker and supervisor for the Company's climate risks and opportunities. All significant climate-related strategies and risk response policies shall be reviewed and approved by the Board of Directors. In 2024, the Company reported to the Board of Directors on the current status and identification results of climate risk governance, for reference in decision-making. In addition, according to the Company's "Sustainable Development Best Practice Principles", the Board of Directors is responsible for reviewing and supervising the risk of material environmental, social and governance (ESG) issues, and ensuring that relevant management policies can be properly promoted in accordance with laws and corporate operational needs. **Management execution** To strengthen the horizontal integration and cross-departmental coordination of climate issues, the Company has established the "Sustainability Committee" as the platform for the coordination of climate risk management. Several functional groups were formed under the Committee to integrate the operations of the Sustainability Committee. The Committee is responsible for the implementation of GHG inventories, carbon reduction action planning, compliance, alternative fuels and materials, and decarbonization of products. In addition, the "Risk Management Team" performs annual comprehensive risk assessment and control, and the scope of management covers risks derived from climate change, non-compliance with environmental protection, and climate-related laws and regulations and international agreements. The Risk Management Team compiles the risks of each department annually to assess the impact and controllability, and reports to the Board of Directors at least once a year on the progress of risk control and response operations. By doing this, we are able to strengthen the Company's overall risk resilience and operational sustainability.
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short-, medium-, and long-term).	Risk structure: Increase the pricing of GHG emissions The government has set the net zero target by 2050 in Climate Change Response Act, and will start levying carbon fees on industries with high direct or indirect emissions from 2025 onwards. This policy will have the following impact on the Company's operations, strategies and finances: **I. Financial impact (short-term to mid-term)** As a high-carbon emission industry, the main source of carbon emissions is the production of clinkers and fuel. It is estimated that the carbon fee will significantly increase operating costs after the carbon fee is levied. The CO_2e emissions of the Dongao Plant in 2024 was approximately 590,000 tons. According to the carbon fee plan of the Ministry of Environment: If the self-determined reduction plan is successfully implemented, the carbon expense will increase by approximately NTD 12 million to NTD 82 million each year. If the self-determined reduction plan is not approved, the annual expenses will increase from NTD 180 million to NTD 730 million, which is a major financial risk. **II. Impact on strategy and operation (mid- to long-term)** In the face of the carbon fee system's implementation and the net-zero pressure, the Company has planned to promote the following transformation strategies: Investment in the reform of production process system (e.g., improvement of equipment technology for heat efficiency); Introduction of alternative materials and alternative fuels (e.g., use of by-product minerals, biomass fuels); Adjustment of product portfolio (e.g., development of low-carbon cement formula, increase of the proportion of mixed products) Set the goals for the self-determined reduction plan, actively strive for carbon reduction and transformation incentives. The total investment amount from 2025 to 2030 is planned to be NTD 1 billion. **III. Long-term and mid-term opportunities**

	If the low-carbon transformation can be completed earlier, it will not only reduce the impact of carbon fees, but also help: Strengthen brand image and customer green procurement competitiveness; Strive for green financing and carbon reduction subsidies.
3. Describe the financial impact of extreme climate events and transformation actions.	**Changes in rainfall (water) patterns and extreme changes in climate patterns** In 2024, due to the impact of a strong typhoon and continuous heavy rainfall, localized landslides occurred on the slopes of the mine in the Heren area (Heren Plant). Although no personnel injury or death was caused, partial slope movements the mining access road to be damaged and the mining operation temporarily suspended, affecting mine source allocation and short-term supply stability. After investigation and analysis, the primary cause was extreme rainfall and that the existing drainage capacity in the slopes was overloaded, plus the loosening of the local geological structure. After the incident, the Company initiated the emergency response mechanism. Although the incident caused a certain degree of impact on the Company's mining source supply and short-term operations, it has been restored and normal operations have resumed within a reasonable timeframe. In the future, the Company will continue to strengthen the resilience management under extreme weather to reduce the impact of risks on the stability of production. **Average temperature rise** (1) The average temperature continues to rise, which increases energy consumption and operating costs slightly. If the temperature rises by 1.9℃ by 2050, the electricity consumption increases by 5%, and under the circumstance that the electricity tariff is unchanged, the electricity tariff increases by 5%, which is a moderate impact. The countermeasures include renewing air-conditioning equipment and increasing the green power consumption ratio. (2) The continuous rise of the average temperature will also increase the frequency of climate change (earthquake, typhoon), which will indirectly cause damage to the equipment in the factory area and the transportation system. In addition to railway transportation, the Company also considers sea transportation or land transportation for transporting gravel and cement. However, the transportation expenses may rise. (3) The average temperature rise will increase the demand for air-conditioning and other power consumption, which will indirectly lead to an increase in the GHG emissions of the power system, and then increase the overall electricity cost, causing an increase in the risk of rising transportation prices.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company has established a risk management policy and procedure (including climate risk management process), which are effectively operating. The results of the risk execution in 2024 will be reported to the Board of Directors.

1	The members of the Sustainable Development Committee are responsible for collecting the climate and environmental background information. Assessment of climate risk and scope of operation
2	Preparation of a list of climate risks and opportunities Establishment of an internal operation impact survey questionnaire
3	Analysis of the implementation of climate risk opportunities and operational impacts by the Sustainable Development Committee Determination of major risk items
4	Establishment of executive strategies and setting of targets
5	The effectiveness of the executive strategies and targets are reviewed on a rolling basis at the Sustainability Committee meeting

5. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.	1. Set the reference scenarios and 1.5℃ scenarios, identify and analyze the short, medium, and long-term climate risks and opportunities of the Company's scope of operations and the entire life cycle of assets. In terms of transformation risks, the baseline scenarios and the 1.5℃ scenarios are based on the RCP8.5 and RCP 2.6 climate scenarios published by the IPCC, and the immediate and long-term physical risks are assessed. 2. The average temperature continues to rise, which increases energy consumption and operating costs. In response to the rise in temperature by 1 degree in Taiwan, the power consumption increases by 6%. If the electricity tariff remains unchanged, the power consumption will increase by 27% and the derived electricity fee will increase by 6% in the next three years. 3. In terms of regulatory scenarios, in response to the government's carbon reduction fee in 2025, the Company follows the voluntary reduction plan promoted by the Ministry of Environment. Based on the emission of 590,000 tons of CO_2e in 2024, if the self-determined reduction plan is passed by the Ministry of Environment each year, the Company's expenses will increase by NTD 12 million to NTD 82 million. If the self-determined reduction plan is not passed, the annual increase of NTD 180 million to NTD 730 million is considered a high impact.
6. If there is a transformation plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	Planning stage
7. If internal carbon pricing is used as a planning tool, the basis for setting the pricing shall be stated.	Internal carbon pricing will be established in the following period
8. If climate-related goals have been set, specify the activities covered, the scope of GHG emissions, the planned schedule, and the progress made in each year. If carbon credits or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) shall be specified.	Emission reduction policy 1. Dongao Plant - Annual GHG emissions are reduced by more than 10% compared with 2013 (baseline year 1). 2. Starting in 2025, Dongao Plant will reduce emissions by more than 5% compared to the baseline year 2 (average of 2018-2022) in accordance with the Regulations Governing Self-determined Reduction Plans of the Ministry of Environment, which is the average value from 2018 to 2022. 3. Green power wheeling (Hsing-Fu Golf Club)

9. Greenhouse gas inventory and assurance status, as well as reduction goals, strategies, and concrete action plans (see 1-1 and 1-2).	The third-party (SGS) verification is expected to be completed by June 30, 2025.

1-1 GHG inventory and assurance for the most recent two years.

1-1-1 GHG inventory information

Describe the GHG emission volume (MtCO2e), intensity (MtCO2e/NTD million), and data coverage for the most recent two years.

According to the scope of disclosure of the Roadmap for the Sustainable Development of TWSE/TPEx Listed Companies:

(1) The parent company only company shall disclose the information on the inventory starting from 2023.

(2) The subsidiaries in the consolidated financial statements shall disclose the information on the inventory starting from 2025.

The Company has established the GHG inventory mechanism for the parent company in accordance with the ISO14064-1 GHG inventory standard published by the International Standards Organization (ISO).

The GHG inventory data for the most recent two years is based on the operation control approach, which includes the GHG emissions of the parent company. The details are as follows:

GHG emissions of Lucky Cement for the most recent two years					
Year/Scope		Emissions (tCO_2e)	Revenue (in NTD million)	Intensity (tCO_2e/million revenue)	Inventory locations
2023	Scope 1	572,909.78	5,095	112.4455	Headquarters, Dongao Plant, and business offices Storage and transportation station, Heren Plant, Puxin Plant
	Scope 2	46,704.20		9.1666	
	Total	619,613.98		121.6121	
2024 (to be confirmed)	Scope 1	550,951.44	4,867	113.2014	Headquarters, Dongao Plant, and business offices Storage and transportation station, Heren Plant, Puxin Plant
	Scope 2	43,194.76		8.8750	
	Total	594,146.10		122.0764	

Note 1: Direct emissions (Scope 1, i.e. directly from emission sources owned or controlled by the Company), indirect emissions from energy (Scope 2, i.e. indirect GHG emissions from imported electricity, heat or steam), and other indirect emissions (Scope 3, i.e., emissions from the Company's activities that are not indirect emissions from energy, but are from sources owned or controlled by other companies).

Note 2: The data coverage of direct emissions and indirect emissions from energy shall be handled in accordance with the schedule specified in Paragraph 2, Article 10 of the Rules. Other indirect emissions can be voluntarily disclosed.

Note 3: GHG inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Standards Organization (ISO).

Note 4: The intensity of GHG emissions can be calculated per unit of product/service or turnover, but at least the data calculated in terms of turnover (NTD million) should be stated.

1-1-2 GHG assurance information

A description of the assurance status for the most recent two years as of the publication date of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.
The Company shall, in accordance with the Roadmap for the Sustainable Development of TWSE/TPEx Listed Companies, perform at least the following assurance coverage: 1. The parent company has been disclosing its assurance information since 2024. 2. The subsidiaries in the consolidated financial statements shall disclose the information on the inventory starting from 2027. The Company's GHG inventory for the most recent two years is as follows:

Item		2023		2024 emissions	
		Emissions (tCO_2e)	Intensity (tCO_2e/million revenue)	Emissions (tCO_2e)	Intensity (tCO_2e/million revenue)
Parent company	Scope 1	572,909.78	112.4455	550,951.44	113.3878
	Scope 2	46,704.20	9.1666	43,194.76	8.8896
	Percentage of the inventory data disclosed in the above 1-1-1	100%		100%	
Assurance institution		SGS		SGS	
Assurance standard		ISO14064-3:2019		ISO14064-3:2019	
Assurance opinion		An unqualified opinion		We were unable to acquire complete GHG assurance opinion before the publication date of the annual report; the complete GHG information will be disclosed in the 2024 Sustainability Report.	

Note 1: The Company shall act in accordance with the schedule specified in Article 10, Paragraph 2 of the Guidelines. If the Company fails to obtain the full assurance opinion on GHG by the publication date of the annual report, it is necessary for the Company to indicate "Complete assurance information will be disclosed in the Sustainability Report". If the company does not prepare a sustainability report, specify "Complete assurance information will be disclosed on the Market Observation Post System" and disclose complete assurance information in the next annual report.

Note 2: The assurance institutions shall comply with the requirements set forth by the Taiwan Stock Exchange Corporation and the Taipei Exchange of the Republic of China for assurance institutions.

Note 3: Please refer to the Best Practice Examples on the website of the Corporate Governance Center of Taiwan Stock Exchange for disclosure.

1-2 GHG reduction goals, strategies and specific action plans

Describe the GHG reduction baseline year and its data, reduction targets, strategies, and concrete action plans, and achievement of the reduction targets.

Emission reduction target	Strategic action	Project schedule
1. Dongao Plant - Annual GHG emissions are reduced by more than 10% compared with 2013 (baseline year 1). 2. Starting in 2025, Dongao Plant will reduce emissions by more than 5% compared to the baseline year 2 (average of 2018-2022) in accordance with the Regulations Governing Self-determined Reduction Plans of the Ministry of Environment, which is the average value from 2018 to 2022. 3. Planning underway combined with the net zero 2050 goal.	1. Purchase energy-saving equipment and replace old energy-consuming facilities 2. Formulate an energy-saving plan for the year at the beginning of each year. 3. Initiate incentives to encourage each business group to improve energy conservation technology. Electricity saving by 1% per year. 4. In response to the government's Net Zero by 2050 Policy, the Company has set GHG reduction targets by combining the "Carbon Fee Sub-Laws" - Regulations Governing Self-determined Reduction Plans, announced by the Ministry of Environment on August 29, 2024, which is a voluntary reduction plan.	Compared to Dongao Plant's GHG emission volume in the GHG inventory baseline year (2013) of 759,327 tCO_2e/year and the GHG emission volume of 583,167 tons CO_2e/year (to be confirmed) in 2024, the reduction ratio was 23.2%. **1. 2025 - 2030** (1) Action adopted: Relevant reduction measures are established in accordance with the "Regulations Governing Self-determined Reduction Plans" of the Ministry of Environment. (2) Baseline emissions: Based on the average value from 2018 to 2022. (3) Target reduction rate: Reduce emissions by more than 5% in 2030 compared to the baseline year, and the accumulated GHG emission reduction volume is greater than 100,000 tons. (4) Key promotion measures: Alternative fuels, alternative raw materials, low-carbon cement, coal grinding modification. **2. 2030 - 2050** Product structure design of low-carbon cement products with klіln technology reform, surplus heat generation, and CCUS (carbon capture, carbon storage).

Note 1: An inventory shall be processed in accordance with the schedule prescribed in Article 10, Paragraph 2 of the Guidelines.

Note 2: The base year should be the year that the inventory is completed at the boundary of the consolidated financial statements. For example, according to Article 10, paragraph 2 of the Guidelines, a company with a capital of more than NTD 10 billion should complete the consolidated financial report of 2024 in 2025, so the base year is 2024. If the Company has completed the inventory of the consolidated financial statements ahead of schedule, the earlier of the base year can be used as the base year, and the data of the base year can be calculated by a single year or the average of several years.

Note 3: Please refer to the Best Practice Examples on the website of the Corporate Governance Center of Taiwan Stock Exchange for disclosure.

(VIII) Status of the Company's practice of ethical management and differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies:

The board approved the formulation of the Ethical Corporate Management Best Practice Principle in the meeting held on November 7, 2014. The ISO operations and relevant management measures have terms on the performance of ethical management, such as that employees' work rules have service discipline clauses and the procurement measures have related standards, so the Company's fulfillment of ethical management and the operations implementation measures are considered good.

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
I. Establish corporate conduct and ethics policy and implementation measures. (I) Does the company establish ethical management policies approved by the board and have bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures and the commitment regarding the implementation of such policy from the board and the executive management team?	V		On November 7, 2014, the Company formulated the Ethical Corporate Management Best Practice Principles approved by the board in reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies as the basis for implementing ethical management, which can be amended at any time at the competent authority's request. We promote the ethical management policy through education and training sessions and the signing of the Supplier Code of Conduct, and report the status of implementation to the board at least once a year. For the information on the work plan and status of implementation, please refer to the Company's website (http://www.luckygrp.com.tw/tw/index.asp?au_id=7&sub_id=51). The board approved the Company's Measures for Filing Grievances Against Illegal and Immoral or Unethical Behaviors in the meeting held on March 28, 2016. The action showed our commitment in implementing the business policy.	No difference.
(II) Has the Company established a risk assessment mechanism against unethical conduct, analyzed and assessed on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and established prevention programs accordingly which at least cover the prevention measures against the conducts listed in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPExListed Companies?	V		By establishing good corporate governance and risk control practices and comprehensive internal regulations, we rigorously put the Ethical Corporate Management Best Practice Principles into practice and prevent the occurrence of unethical behaviors listed in Paragraph 2 of Article 7 to create an environment for the sustainable development of the Company.	No difference.
(III) Has the Company defined operating procedures, conduct guidelines, disciplinary penalties	V		The Company has established Employee Work Rules, which clearly stipulate that employees shall not use	No difference.

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
and grievance process in the program preventing unethical conduct and put them in practice, and regularly reviewed and amended the program?			their power to seek illegal benefits, or accept gratuity, gifts, kickbacks, embezzlement of public funds or other illegal interests; the rules are to prevent unethical behavior from affecting business relations or transactions. The Company has established a website for whistleblowing and grievance filing measures. The status of implementation is reported to the board at least once a year as the basis for further review and revision.	
II. Practice ethical operations (I) Does the company assess the ethics records of whom it has business relationships with and include business conduct and ethics related clauses in the business contracts?	V		We confirm the company's authenticity through website of the Department of Commerce, Ministry of Economic Affairs at the time of transactions and purchases, and check vendors' records of transactions through various channels (such as credit reporting) to verify the business integrity of the transaction counterparty. We report the current status of each customer and supplier in the business and operation management meetings. If a transaction counterparty is found to be involved in unethical behaviors, we will immediately and strictly control the credit transactions, understand the current situation of the party’s risk exposure, and prudently evaluate whether we should terminate the transactions.	No difference.
(II) Has the Company established a specialized unit under the board responsible for the promotion of corporate ethics management, which regularly (at least once a year) reports policies on ethical operations, programs on prevention of unethical conduct and the status of supervision to the board?	V		For the purpose of improving ethical management, the Company has authorized the Chairman's Office for the formulation the Company's ethical management policy and the Human Resources Department as the part-time unit responsible for the promotion of the policy and reporting results of implementation to the board at least once a year and publishing the results on the Company's website.	No difference.
(III) Does the Company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?	V		The Company's Board Meeting Rules of Procedures stipulate that directors or other legal person representatives shall state the important aspects of the interested party relationship at the meeting, and recuse themselves from participating in discussion or voting on the matters for which they are the interested party, and may not act as another director's proxy to exercise voting rights on such matters. 1. Interest relationship with the directors or the legal persons they represent, which may cause harm to	No difference.

<table>
<tr><th rowspan="2">Issues to be Assessed</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>the Company's interest.
2. Directors believe that they should recuse themselves from the matters.
3. The board resolution determines that they shall recuse themselves from the matters.</td><td></td></tr>
<tr><td>(IV) Has the Company established an effective accounting and internal control system to put ethical operations management into practice and arranged for the internal audit unit to formulate audit plans based on the risk assessment of unethical conduct and audit the compliance to prevent unethical conduct, or commissioned independent auditors to conduct the audit?</td><td>V</td><td></td><td>The Company has a rigorous accounting system, and all final accounts are checked by certified accountants to ensure their fairness. We also have an independent dedicated audit unit, which regularly conducts various internal audits according to the annual audit plan. The head of auditing shall report the status of auditing to independent directors at least once a year.</td><td>No difference.</td></tr>
<tr><td>(V) Does the Company provide internal and external ethical conduct training programs on a regular basis?</td><td>V</td><td></td><td>We organize ethical management education and training sessions for new hires every year, and report the status of the education and training of the current year to the board.
Implementation status of education and training in 2024:
<table>
<tr><th>Course topics</th><th>Hours/ Session</th><th>Total number of people</th></tr>
<tr><td>Code of Business Integrity</td><td>30 minutes</td><td>17</td></tr>
</table></td><td>No difference.</td></tr>
<tr><td>III. Operations of the Company's grievance reporting system
(I) Does the Company establish specific complaint and reward procedures, set up conveniently accessible complaint channels and designate responsible individuals to handle the complaint received?</td><td>V</td><td></td><td>The Company has established rules for appraisal and reward and punishment. If there is any reason for employees to violate the ethical management regulations, the heads of the departments responsible for the appraisal will jointly review the reward and punishment matters and inform the related personnel of the content in a personnel order letter.</td><td>No difference.</td></tr>
<tr><td>(II) Does the Company establish standard operating procedures for investigating the complaints received, follow-up measures to be adopted and the related confidentiality measures after investigation?</td><td>V</td><td></td><td>The standard operating procedures for the investigation of reported matters are based on the Measures for Filing Grievances Against Illegal and Immoral or Unethical Behaviors. After the investigation, response matters are taken, and appropriate protective measures in accordance with laws are adopted to protect the personal data and privacy of the whistleblowers.</td><td>No difference.</td></tr>
<tr><td>(III) Does the Company adopt proper measures to shield a complainant from retaliation for filing complaints?</td><td>V</td><td></td><td>Unless otherwise stipulated by law, we keep the personal information of the whistleblowers confidential, and take appropriate protective measures to protect whistleblowers' personal data and privacy, so that they will not be mistreated.</td><td>No difference.</td></tr>
</table>

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
IV. Enhance information disclosure Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and the Market Observation Post System?	V		Our website (http://www.luckygrp.com.tw) has disclosed the philosophy of ethical management.	No difference.
V. If the company has established corporate governance policies based on the Ethical Corporate Management Best Practice Principles for the Listed Companies, please describe any discrepancy between the policies and their implementation in the Company: None.				
VI. Other important information to facilitate better understanding of the Company's corporate conduct and ethics compliance practices (such as reviewing and amending the Company's existing Ethical Corporate Management Best Practice Principles). None.				

(IX) **Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed:**

The board has approved the Corporate Social Responsibility Best Practice Principles, the Ethical Corporate Management Best Practice Principles and the Codes of Ethical Conduct on November 7, 2014. On December 26, 2014, the board approved the Corporate Governance Best Practice Principles and amended the provisions of the Corporate Social Responsibility Best Practice Principles and the Ethical Corporate Management Best Practice Principles. On March 24, 2015, the board approved the amendment to the provisions of the Corporate Governance Best Practice Principles and the Codes of Ethical Conduct. On December 21, 2015, the board approved the amendment to the provisions of the Ethical Corporate Management Best Practice Principles.

The board approved the Company's Measures for Filing Grievances Against Illegal and Immoral or Unethical Behaviors in the meeting held on March 28, 2016.

In accordance with the provisions of the Tai-Zheng-Zhi-Li-Zi Document #10800083781 dated May 23, 2019 and the Tai-Zheng-Zhi-Li-Zi Document #1090002299 dated February 13, 2020, the Company's Ethical Corporate Management Best Practice Principles were amended, and the 5th board meeting of 2019, held on August 12, and the 2nd board meeting of 2020, held on March 24, resolved to approved the amendments.

In accordance with the provisions of the Tai-Zheng-Zhi-Li-Zi Document #10900094681 dated June 3, 2020, the Company's Codes of Ethical Conduct were amended, and the 4th board meeting of 2020, held on August 11, resolved to approved the amendments.

In accordance with the provisions of the Tai-Zheng-Zhi-Li-Zi Document #11000241731 dated December 7, 2021, the Company's Corporate Sustainability Best Practice Principles were amended, and the 7th board meeting of 2021, held on December 28, resolved to approved the amendments proposed by the Corporate Sustainable Development Committee.

In accordance with the provisions of the Tai-Zheng-Zhi-Li-Zi Document #11100042501 dated March 8, 2022, the Company's Rules of Procedures for Shareholder Meetings were amended, and the 2nd board meeting of 2022 held on March 31, 2022 and the annual general meeting of shareholders held on June 30, 2022 resolved to approved the amendments.

(X) **Status of implementation of the Company's internal control protocols**

1. Statement on Internal Control

Lucky Cement Corporation
Statement on Internal Control:

Date: March 17, 2025

Based on the findings of a self-assessment, the Company states the following with regard to its internal control system during the year of 2024:

I. The Company's board and management are responsible for establishing, implementing and maintaining a proper internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability of our financial reporting and compliance with applicable laws and regulations.

II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. However, internal control system of the Company features a self-monitoring mechanism that enables immediate rectification of deficiencies upon discovery.

III. The Company evaluates the design and execution of its internal control system based on the criteria specified in "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Governing Principles") to determine whether or not the existing policies continue to be effective. The criteria adopted by the Governing Principles identify five key components of managerial internal control: 1. Control environment. 2. Risk assessment. 3. Control activities. 4. Information and communication. 5. Monitoring. Each component has its own items. Please see the Governing Principles for details.

IV. We have evaluated the design and operating effectiveness of our internal control system according to the aforementioned Governing Principles.

V. Based on the aforementioned evaluation results, the Company believes that the internal control system (including the supervision and management of subsidiaries) as of December 31, 2024, including the effect of understanding the effectiveness and the efficiency of operations, reporting reliability, timeliness, transparency, compliance with relevant regulations, and adherence to applicable laws and regulations, is effectively designed and implemented to reasonably ensure the achievement of the aforementioned objectives.

VI. This Statement will be an integral part of the Company's annual report and prospectus, and will be made public. Any falsehood, concealment or other illegality in the content made public will entail legal liability under Article 20, 32, 171 and 174 of the Securities and Exchange Act.

VII. This statement was approved by the Board of Directors of the Company on March 175, 2025. Among the seven directors present, none of them held any dissenting opinion, and all of them agreed with the content of this statement.

Lucky Cement Corporation

Chairman: Yun-Ju Chen

General Manager: Ming-Hsien Chen

2. No accountants were commissioned this year to review the internal control system.

(XI) **Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:**

(1) Contents and implementation status of important resolutions of the 2024 Annual General Meeting:

Date of Annual General Meeting	**Key Resolutions**
2024/06/18	I. Ratification of 2023 business report, financial statements. II. Ratification of 2023 earnings distribution.
Status of implementation	I. The Company's 2023 business report, financial statements, and earnings distribution. The net profit after tax was NTD 527,139,537, with a proposed cash dividend of NTD 1 per share, totaling NTD 404,738,049. The board meeting held on August 12, 2024 has resolved to approve the proposal to set the date of record for cash dividends, stock stop-transfer period and the payment date.

(2) **Contents of important resolutions of the Board of Directors in 2024 and as of the publication date of this annual report**

Meeting Number	**Meeting Date**	**Key Resolutions**	**Resolutions and status of implementation**
1	**2024/01/15**	I. Motion of the Remuneration Committee for the allocation of year-end bonus for the Company's managers in 2023.	(I) Mr. Liang-Chuan Chen, Ms. Yun-Ju Chen, Ms. Hsiu-Chu Wen, Mr. Wei-Jen Wang, and Mr. Ching-Tien Chang were related parties with conflict of interest. Therefore, they recused themselves from voting, and independent director Chih-Cheng Wang, an independent director, was appointed as the Chairman of this motion. (II) The acting chairperson consulted with the other attending directors, and the proposal was approved without objection.
2	**2024/03/15**	I. Ratification of the provision of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		II. The Company’s 2023 business report and financial statements.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		III. Distribution of remuneration to the Company's employees and directors for 2023.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IV. The Company's 2023 earnings distribution.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		V. Issuance of the 2023 "Statement of Internal Control System" of the Company.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VI. The Company’s 2023 "Performance Evaluation of the Board of Directors and Functional Committees".	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VII. The subsidiary, Dai Shen Development Co., Ltd., intends to apply for a credit line of NTD 200 million from the Company due to business turnover needs.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VIII. Disposal of significant assets and the closure of operations by the Company's subsidiary Lucky Cement Corp., Japan.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IX. Date and related matters of the 2024 annual general meeting.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		X. Shareholders' proposal rights.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
3	**2024/05/09**	I. Ratification of the provision of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		II. Ratification of the motion of providing endorsements/guarantees for subsidiary Dai Shen Development Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		III. The Company's 2024 Q1 financial statements.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IV. Ratification of the provision of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		V. The subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd., intends to apply for a credit line of financing from the Company to meet business turnover needs.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VI. The subsidiary, Lucky Cement Corp., Japan., intends to apply	Unanimous vote by all attending directors to approve the

Meeting Number	Meeting Date	Key Resolutions	Resolutions and status of implementation
3	2024/05/09	for a credit line with the Company due to the need to resell the cement warehouse and to remove stagnant cement materials.	proposal after the chairperson consulted with the board on the proposal.
		VII. The renewal of the "Director, Supervisor and Key Employees' Liability Insurance" for all directors.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VIII. The Company's 2023 director governance ratings.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IX. The report by the Remuneration Committee for the distribution of remuneration to directors for 2023.	(I) When determining the remuneration for independent directors, all independent directors recused themselves from the voting due to conflict of interest. The motion was unanimously approved by all non-independent directors present at the meeting. (II) When determining the remuneration for non-independent directors, all non-independent directors recused themselves from the voting due to conflict of interest. The motion was unanimously approved by all independent directors present at the meeting.
4	2024/08/12	I. Ratification of the provision of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		II. Ratification of the provision of endorsement/guarantee for the subsidiary, Lucky Cement Corp., Japan.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		III. Ratification of the motion of the renewal of the "Directors and Key Employees Liability Insurance" for all directors.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IV. The Company's 2024 Q2 financial statements.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		V. Ex-dividend date, book closure period, and payment date for the distribution of cash dividends for 2024.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VI. Ratification of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
5	2024/10/09	I. Election of the chairman.	All directors attending the meeting unanimously elected Director Yun-Ju Chen as the new chairman of the Company.
6	2024/11/12	I. Ratification of the provision of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		II. The Company's 2024 Q3 financial statements.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		III. Not to distribute the cash dividends for the first half of 2024.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IV. The subsidiary, Lucky Cement Corp., Japan, intends to increase capital by NTD 10 million from the parent company.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		V. To establish the Company's "Management Procedures for Sustainability Information".	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VI. Amendment to certain provisions of the "Rules for Financial and Business Matters Between Related Parties".	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VII. Remuneration to the Company's chairman and new directors.	(I) Due to conflict of interest, Ms. Yun-Ju Chen and Mr. Yu-Hsiang Hsiao recused themselves from voting on this motion; Independent Director Mr. Chih-Cheng Wang was appointed as the chair of this motion. (II) The acting chairperson consulted with the other attending directors, and the proposal was approved without objection.
7	2024/12/30	I. Ratification of the motion to the provision of joint guarantees for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		II. Ratification of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		III. Authorized the chairman to handle all matters related to the Company's credit lines with financial institutions in 2024.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IV. Pre-purchased forward exchange within the Company's balance of foreign currency borrowing.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board

Meeting Number	Meeting Date	Key Resolutions	Resolutions and status of implementation
7	2024/12/30		on the proposal.
		V. Authorized the chairman to provide endorsements/guarantees for the Company's subsidiaries in 2025, within a certain limited amount.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VI. 2025 internal audit plan.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VII. Regularly assess the independence and suitability of the Company's CPAs once a year.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VIII. Remuneration of the appointed CPAs of the Company in 2025.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IX. Distribution of 2023 employee remuneration for managers of the Company.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		X. Distribution of compensation to the Company's founder.	(I) Due to conflict of interest and Ms. Yun-Ju Chen and Mr. Yu-Hsiang Hsiao recused themselves from voting on this motion; Independent Director Mr. Chih-Cheng Wang was appointed as the chair of this motion. (II) The acting chairperson consulted with the other attending directors, and the proposal was approved without objection.
		XI. Capital increase in cash by Rongfeng Mining Industry Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.

Meeting Number	Meeting Date	Key Resolutions	Resolutions and status of implementation
1	2025/01/14	I. 2025 operating budget and capital expenditure.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		II. For the Remuneration Committee to propose year-end bonus for the Company's managers in 2024.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
2	2025/03/17	I. Ratification of the provision of endorsement/guarantee for the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		II. Approved the Company's 2024 business report and financial statements.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		III. Distribution of remuneration to the Company's employees and directors for 2024.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IV. The Company's 2024 earnings distribution.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		V. Issuance of the 2024 "Statement of Internal Control System" of the Company.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VI. The Company's 2024 "Performance Evaluation of the Board of Directors and Functional Committees".	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VII. Amendment to certain provisions of the Company's Articles of Incorporation.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		VIII. Approved the date and related matters of the 2025 annual general meeting.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		IX. Approval of the proposal rights of shareholders.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		X. Motion of the approval of the shareholders' motion.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.
		XI. The Company's needs for a bank loan for the purchase of imported coal and spare products.	Unanimous vote by all attending directors to approve the proposal after the chairperson consulted with the board on the proposal.

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

III. Audit fee of independent auditors

(I) Audit fee of independent auditors

Unit: In NT$1,000

Name of Accounting Firm	Name of Accountant	Audit Period	Audit Service	Non-Audit Service	Remarks
Deloitte Taiwan	Chao-Mei Chen	2024/01/01 — 2024/12/31	3,860	330	Non-audit fees are transfer pricing report fees
	Chiang-Hsun Chen				

(II) When the non-audit fees paid to the CPA, to the accounting firm of the CPA, and to any affiliate of such accounting firm are one quarter or more of the audit fees paid thereto, the amounts of audit and non-audit fees and the contents of non-audit services: None.

(III) When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.

(IV) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by ten percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None.

(V) Information on change of Auditors: None.

IV. Other matters to be stated

(I) If the chairman, president and managers in charge of the Company's finance and accounting operations held any positions within the Company's independent audit firm or its affiliates during the past one year: None.

(II) Personnel involved in the transparency of financial information who obtain the certificates specified by the competent authority:

1. Certified Internal Auditor (CIA) certification: 1 person in the Audit Department.

(III) Changes in and transfer and pledge of shareholding of directors, managers and principal shareholders

(1) Changes in shareholding of directors, managers and principal shareholders

Job title (Note)	Name	2024		As of April 29 of the current year	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairman (re-elected on 2022/6/30)	Shi-Yi Cement Corporation	0	0	0	0
	Representative: Yun-Ju Chen	1,000	0	0	0
Director (Newly elected on 2024/10/17)	Shi-Yi Cement Corporation	0	0	0	0
	Representative: Yu-Hsiang Hsiao	0	0	0	0
Director (re-elected on 2022/6/30)	Hsiang-Lin Chang	0	0	0	0
Director (re-elected on 2022/6/30)	Shang-Kai Cheng	0	0	0	0
Independent Director (re-elected on 2022/6/30)	Yan Chen	0	0	0	0
Independent Director (re-elected on 2022/6/30)	Chih-Cheng Wang	0	0	0	0
Independent Director (re-elected on 2022/6/30)	Yang-Wei Shao	0	0	0	0
President	Ming-Hsien Chen	0	0	0	0
Assistant President	Chen-Ku Huang*	0	0	0	0
Manager	Hsiu-Chu Wen	0	0	0	0
Manager	Wei-Jen Wang	0	0	0	0
Manager	Ching-Tien Chang	0	0	0	0
Principal shareholder	Chang Heng Investment Co., Ltd.	110,000	0	255,000	0

* Assistant President Chen-Ku Huang resigned August 31, 2024, and the change in shareholding was counted to that day.

Note: Shareholders with more than 10% of the Company's shares should be indicated as the principal shareholders and listed separately.

Note: If the counterparty of the stock trade or pledge is a related party, please also fill out the following table.

(2) Stock trade with a related party: None.

April 29, 2025

Name (Note 1)	Reasons for transfer of equity (Note 2)	Transaction Date	Counterparty	Relationship between the transaction counterparty and the Company, directors, managerial officers and principal shareholders holding more than 10% of the shares	Number of Shares	Transaction Price
—	—	—	—	—	—	—

Note 1: List the names of directors, managerial officers and principal shareholders holding more than 10% of the shares.

Note 2: Fill in whether it is an acquisition or disposal.

(3) Stock pledge with a related party: None.

April 29, 2025

Name (Note 1)	Stock pledge reason for change (Note 2)	Date of change	Counterparty	Relationship between the transaction counterparty and the Company, directors, managerial officers and principal shareholders holding more than 10% of the shares	Number of Shares	Ownership	Pledge ratio	Pledge loan (redemption) amount
—	—	—	—	—	—	—	—	—

Note 1: List the names of directors, managerial officers and principal shareholders holding more than 10% of the shares.

Note 2: Fill in whether it is a pledge loan or redemption.

(IV) Information on top ten shareholders and their mutual relationship

Name (Note 1)	Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Title, name and relationship of the top ten shareholders who have mutual relationship as spouse or blood relative within the second degree. (Note 3)		Remarks
	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Title (or name)	Relationship	
Chang Heng Investment Co., Ltd.	52,996,034	13.09%	0	0%	0	0%	—	—	—
Chang Heng Investment Co., Ltd. Responsible person: Ji Li	855	0.00%	0	0%	0	0%	—	—	—
Chang-Run Water Resources Biotechnology	30,378,008	7.51%	0	0%	0	0%	Yun-Ju Chen	Principal shareholder	—
Chang-Run Water Resources Biotechnology Representative: Jun Lin Liu	0	0%	0	0%	0	0%	—	—	—
Golden Legend Investment Limited	25,230,451	6.23%	0	0%	0	0%	Liang-Chuan Chen	Principal shareholder	—
Golden Legend Investment Limited Responsible person: Cheng-Liang Lin	69,228	0.02%	0	0%	0	0%	—	—	—
Ri Kon Construction Co., Ltd. (Note 4)	22,658,066	5.60%	0	0%	0	0%	Yong-Sheng Development Lucky Construction Takming University of Science and Technology	Same as the responsible person	—
Yong-Sheng Development Industrial (Note 4)	22,514,509	5.56%	0	0%	0	0%	Ri Kon Construction Co., Ltd. Lucky Construction Takming University of Science and Technology	Same as the responsible person	—
Lucky Construction (Note 4)	22,091,152	5.46%	0	0%	0	0%	Ri Kon Construction Co., Ltd. Yong-Sheng Development Takming University of Science and Technology	Same as the responsible person	—
Takming University of Science and Technology (Note 4)	11,794,250	2.91%	0	0%	0	0%	Ri Kon Construction Co., Ltd. Yong-Sheng Development Lucky Construction	Same as the responsible person	—
FIC Global	8,712,294	2.15%	0	0%	0	0%	—	—	—
FIC Global Responsible Person: Hai-Ping Cheng	7,203,724	1.78%	5,307,053	1.31%	0	0%	—	—	—
Hsiang-Lin Chang	7,539,587	1.86%	0	0%	0	0%	—	—	—
Yun-Ju Chen	7,952,298	1.96%	0	0%	0	0%	Ri Kon Construction Co., Ltd. Yong-Sheng Development Lucky Construction Takming University of Science and Technology	Responsible Person	—

Note 1: All the top ten shareholders shall be listed, with the legal person shareholders listing the name of the legal person and the representative separately.

Note 2: The calculation of shareholding percentage refers to the shares owned under one's name, the spouse or minor children or held in the name of others.

Note 3: The shareholders listed in the previous disclosure, including the legal persons and natural persons, shall disclose their mutual relationship in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

Note 4: Yun-Ju Chen is the person in charge of Ri Kon Construction Co., Ltd., Lucky Construction, and Takming University of Science and Technology and has been listed as one of the top ten shareholders, so she will not be listed again.

(V) The total number of shares and total equity stake held in any single enterprise by the Company, its directors, managerial officers, and any companies controlled either directly or indirectly by the Company

Unit: Share, %

Investee	Ownership by the Company		Ownership by Directors, Managers, and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership
Dai Shen Development Co., Ltd.	171,452,511	99.99%	2,245	0.00%	171,454,756	99.99%
Luckicon Ready Mixed Concrete Factory Co., Ltd.	74,542,000	100.00%	0	0.00%	57,340,000	100.00%
Luckyship Marine Agency Co., Ltd.	2,000,000	100.00%	0	0.00%	2,000,000	100.00%

Three. Financing Activities

Capital and Shares

I. Source of capital

1. Source of capital:

April 29, 2025 was the book closure date for the annual general meeting. Unit: NTD, shares

Year & Month	Issue Price	Authorized Share Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Capital Increase by Assets Other than Cash	Others
1974.03	100	4,000,000	400,000,000	1,000,000	100,000,000	Cash capital increase		
1976.08	100	4,000,000	400,000,000	1,500,000	150,000,000	Cash capital increase		
1977.07	100	4,000,000	400,000,000	2,500,000	250,000,000	Cash capital increase		
1977.09	100	2,500,000	250,000,000	2,500,000	250,000,000	Cash capital increase		
1977.11	100	8,000,000	800,000,000	4,000,000	400,000,000	Cash capital increase		
1978.06	100	8,000,000	800,000,000	4,500,000	450,000,000	Cash capital increase		
1979.09	100	8,000,000	800,000,000	5,500,000	550,000,000	Cash capital increase		
1979.12	100	8,000,000	800,000,000	6,500,000	650,000,000	Cash capital increase		
1980.03	100	8,000,000	800,000,000	8,000,000	800,000,000	Cash capital increase		
1980.12	10	80,000,000	800,000,000	80,000,000	800,000,000	Change face value		
1985.12	10	130,000,000	1,300,000,000	130,000,000	1,300,000,000	Cash capital increase		
1986.10	10	136,000,000	1,360,000,000	136,000,000	1,360,000,000	Cash capital increase		
1990.05	10	200,000,000	2,000,000,000	200,000,000	2,000,000,000	Cash capital increase of 334,000,000, capitalization of profits of 306,000,000		
1990.08	10	215,000,000	2,150,000,000	215,000,000	2,150,000,000	Capitalization of profits		
1991.08	10	225,750,000	2,257,500,000	225,750,000	2,257,500,000	Capitalization of capital surplus		
1992.08	10	248,325,000	2,483,250,000	248,325,000	2,483,250,000	Capitalization of profits of 112,875,000, capitalization of capital surplus of 112,875,000		
1993.09	10	273,157,500	2,731,575,000	273,157,500	2,731,575,000	Capitalization of profits of 124,162,500, capitalization of capital surplus of 124,162,500		
1994.08	10	314,131,125	3,141,311,250	314,131,125	3,141,311,250	Capitalization of profits of 191,210,250, capitalization of capital surplus of 218,526,000		
1995.08	10	329,837,682	3,298,376,820	329,837,682	3,298,376,820	Capitalization of profits		
1996.08	10	346,329,567	3,463,295,670	346,329,567	3,463,295,670	Capitalization of profits		
1997.07	10	520,000,000	5,200,000,000	363,646,046	3,636,460,460	Capitalization of profits		
1999.07	10	498,646,046	4,986,460,460	385,434,809	3,854,348,090	Capitalization of profits	Note 1	
2000.09	10	498,646,046	4,986,460,460	404,738,049	4,047,380,490	Capitalization of profits	Note 2	

Note 1: 1999.07.21 (88) Tai-Tsai-Zheng (I) Document #67585.

Note 2: 2000.07.19 (89) Tai-Tsai-Zheng (I) Document #62554.

2. Type of Shares

April 29, 2025 was the book closure date for the annual general meeting. Unit: NTD, shares

Types of shares	Authorized Share Capital			Remarks
	Shares outstanding (Note)	Un-issued Shares	Total	
Common Stock	404,738,049 (Already publicly traded)	93,907,997	498,646,046	—

Note: Please indicate whether the stock is a publicly listed or OTC stock (if it is a restricted listing or OTC stock, it should be noted).

3. Information on the shelf registration

April 29, 2025

Types of negotiable securities	Estimated number to be issued		Number already issued		Purpose of issue and expected benefits of the issued portion	Expected issue period for the un-issued portion Expected issue period for the un-issued portion	Remarks
	Total number of shares	Approved amount	Number of Shares	Price			

Note: This table does not apply to the Company.

II. List of principal shareholders

Baseline date: April 29, 2025 was the book closure date for the annual general meeting

Shares / Name of Main Shareholders	No. of Shares Held	Ownership
Chang Heng Investment Co., Ltd.	52,996,034	13.09%
Chang-Run Water Resources Biotechnology	30,378,008	7.51%
Golden Legend Investment Limited	25,230,451	6.23%
Ri Kon Construction Co., Ltd.	22,658,066	5.60%
Yong-Sheng Development Industrial	22,514,509	5.56%
Lucky Construction	22,091,152	5.46%
Takming University of Science and Technology	11,794,250	2.91%
FIC Global	8,712,294	2.15%
Yun-Ju Chen	7,952,298	1.96%
Hsiang-Lin Chang	7,539,587	1.86%

Name of shareholders who hold more than 5% of the total shares or are ranked top ten of all shareholders and the number of shares they own and the ownership percentage.

III. Company dividends policy and the implementation status:

1. Dividends policy:

Considering the Company's future capital needs and long-term financial planning, and to meet shareholders' expectation for cash flows, The Company's current net income after the annual final accounts, besides being used to making up for losses, has 10% set aside as the legal reserve, and also has special reserve allocated after the net deduction of other shareholders' equity incurred in the current year. The balance, together with the accumulated undistributed earnings of the previous year and the adjustment of the undistributed earnings of the current year, has 40% to 80% set aside as profit to be distribution. If it is set at 80%, and the dividends per share is still less than NT$0.1, the profit is retained and will not be distributed. The board is to determine the profit distribution proposal to be submitted to the shareholder meetings for ratification.

The percentage of profit allocation and the proportion of share and cash dividends are determined by the board based on the actual profitability and status of working capital of the year. The needs for investment capital and the extent of dilution by the earnings per share are also considered to determine whether or not the dividends are issued in cash or stocks. Stock dividends shall not exceed 20% of the issued share capital.

if the retained earnings transferred in the current year or the after-tax profit of the current year is insufficient to allocate the deduction of other shareholders' equity, it shall still be subject to the provisions of the law in which the profit is distributed only after allocating the transferred retained earnings or the accumulated undistributed profit from the previous year is recognized as special reserve, besides adopting the rule in the second paragraph for calculation.

2. Status of implementation:

The dividends distributed by the Company for the past five years are listed as follows:

Unit: NT$

Year	Cash dividends	As a percentage of distribution	Stock dividends	As a percentage of distribution	Total
2020	0.70	100%	0	0%	0.70
2021	0.60	100%	0	0%	0.60
2022	0.80	100%	0	0%	0.80
2023	1.00	100%	0	0%	1.00
2024	0.75	100%	0	0%	0.75

(Amount of proposed distribution for 2024)

The net profit after tax in 2024 was NTD 493,938,025. After the legal reserve, special reserve, and other additions or subtractions, the earnings available for distribution amounted to NTD 746,352,829. The Company proposes to distribute cash dividend of NTD 0.75 per share, with a total amount of NTD 303,553,537.

IV. The impact of bonus shares on the Company's operating performance and earnings per share: Not applicable.

V. Remuneration to employees and directors:

(I) **The percentages or ranges with respect to employees' and directors' remuneration specified in the Articles of Incorporation:**

Policy on the employee and director remuneration as specified in the Articles of Incorporation: If the Company is profitable in the fiscal year, it shall allocate 3% of the profit as the remuneration of employees in the form of stocks or cash as resolved by the board. Employees of subsidiaries are also entitled to receive remuneration. Up to 5% (inclusive) of the aforementioned profit may be distributed as director remuneration at the discretion of the board of directors.

(II) **The basis for estimating the amount of remuneration distributed to employees and directors in the current period, the basis for calculating the number of shares for distribution of stock-based remuneration, and the accounting treatment if the actual distributed amount is different from the estimated amount:**

In terms of the percentage distributed as the employee and director remuneration as specified in the Articles of Incorporation, if the Company is profitable in the fiscal year, it shall allocate 3% of the profit as the remuneration of employees in the form of stocks or cash as resolved by the board. Employees of subsidiaries are also entitled to receive remuneration. Up to 5% (inclusive) of the aforementioned profit may be distributed as director remuneration at the discretion of the board of directors. If the actual distributed amount is different from the estimated amount, it is regarded as a change in accounting estimates to be included in income of the year of distribution.

(III) **Information on the proposed distribution of remuneration to employees and directors approved by the board:**

1. In accordance with Article 30 of the Company's Articles of Incorporation this year (2025), the Board of Directors resolved to distribute NTD 18,569,690 as remuneration to employees for 2024, and it was recommended by the Remuneration Committee to allocate five percent of the earnings from 2024. The distribution of remuneration to directors amounts to NTD 30,949,483. All these amounts will be distributed in cash.
2. The percentage of profit sharing from earnings for employees distributed in stock to the total amount of net profit after tax and profit sharing from earnings for employees: Not applicable.

(IV) **Distribution of profit sharing from earnings for employees for employees and directors in the previous year:**

On March 15, 2024, the Board of Directors approved the distribution of directors' remuneration of NTD 33,482,814 and employees' remuneration of NTD 20,059,690, which was reported at the annual general shareholders' meeting on June 18, 2024. The actual distribution matched the amounts estimated in the accounts, with no differences, for remuneration to both directors and employees.

VI. Stock buybacks of the Company: None.

VII. Issue of corporate bonds and preferred stocks: None.

VIII. Global depository receipts, employee stock options and new share issuance in connection with mergers and acquisitions: None.

IX. Financing plans and implementation: The Company did not issue or complete any private placement of securities in the most recent three years.

Four. Overview of Operations

I. Description of Business

(I) Scope of business

1. Core business:

(1) C901050 Cement and Concrete Products Manufacturing.

(2) C901990 Other Non-Metallic Mineral Products Manufacturing.

(3) B202010 Mining of Non-metallic.

(4) J101030 Waste Disposing.

(5) J101040 Waste Collecting.

(6) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Core businesses and their proportion of the overall business

Item	2024 product proportion
Cement and clinker	45.33%
Cement Products	34.83%
Others	19.84%

3. Current products and new products development

(1) Current products:

①Portland Type I cement

②Portland Type II cement

③Blast furnace slag

④Cement products (ready-mixed concrete)

⑤Stone materials (limestone, dimension stones and sand and gravel)

(2) New product development plan: limestone cement

(II) Industry overview

1. Status and development of the industry

The cement industry is considered a matured industry. However, there is still a certain demand under the government's planned economic policies for domestic needs and private construction projects.

The cement industry is a part of the infrastructure for civil and national construction, as all residential buildings, public works, and national defense facilities use cement as the basic building materials. Cement is bulky, has high transportation costs, and is not durable for storage. It is mainly sold in domestic markets, and considered a domestic demand-oriented industry, whose growth and decline are driven by the prosperity of the construction industry and public works. In the second half of the year, the international coal prices have remained high, which also has kept the cement production price high, so the market price has been adjusted accordingly.

The market condition of cement products downstream of the cement industry is highly related to the cement market, and the price of sand and gravel, which accounts for the highest proportion of production costs, is deeply affected by the volume of sand and gravel imported from China, hence affecting the final selling price of cement products.

The Company's production plant is located in Dongao, Yilan, and the source of limestone is located in Heren of Hualien. In recent years, due to the constraints of the environment and resources, the increase of local taxes, and the impact of the related costs to be paid due to stricter mining regulations, the acquisition cost of limestone raw materials has been greatly increased.

Looking ahead to 2025, the original forecast that the economic growth should grow from last year, but the uncertainties of equal tariffs and other factors will make Taiwan's economy face more challenges, and the economic growth rate may be revised downward, which will affect the domestic housing market and corporate investment. Although the public construction expenditure is still high this year, the overall cement demand should be conservative.

2. Relations between upstream, midstream and downstream of the cement industry

The cement industry includes soil and stone mining, metal mining and iron and iron and steel metallurgy industries that provide limestone, clay, silica sand, iron slag, gypsum, etc. in the upstream, power supply, railway and road transportation, and fuel gas supply during the manufacturing process, as well as downstream industries that directly need the supply of cement products, such as construction industry, concrete industry and cement product industry (for cement bricks, asbestos boards, cement culverts, etc.).

The Company adopts the vertical integration strategy by combining subsidiaries such as Dai Shen Development and Luckicon Ready Mixed Concrete Factory.

3. Development trends and competition of products

There has not been an equivalent product that can completely replace the use of cement. However, in the ready-mixed concrete industry, blast furnace slag is added to reduce the manufacturing cost. In response to the market needs, we also manufacture ballast furnace slag to make up for the reduced sales of cement.

Cement and blast furnace slag products are heavy and supplied in large quantities, and are considered part of the domestic industry. We have continued to improve the production efficiency, reduce cost and maintain stable quality. We have also improved the logistics conditions and product coordination capabilities to be able to quickly supply customers and increase our overall competitive advantage.

(III) Overview of technology and R&D

1. The Company had no technology and R&D expenses incurred in 2024.
2. The Company is developing Portland limestone cement to achieve the national long-term GHG reduction goal. This gradual replacement of Portland Type I cement with limestone cement will reduce the carbon emissions generated during cement production.

(IV) Long- and short-term business development plans

1. Short-term business development plan:

   Taiwan has entered the phase of a developed country, and the it is not easy for the domestic cement industry to grow significantly. We will continue to optimize logistics conditions, improve product coordination capabilities to meet customer needs. The construction of our ready-mix plants can maintain market share, and our continuous investment in land development projects through the subsidiary Dai Shen will help improve our return on investment.
2. Long-term business development plan:
   (1) For sustainable operations, the Company actively invests in capital expenditures to improve equipment and enhance production efficiency, thereby reducing costs. Additionally, we are leveraging the abundant and high-quality limestone resources at the Heren Mine to develop related products such as sand and gravel, aiming to increase revenue and profit.
   (2) By leveraging the three high characteristics of the cement kilns process, namely “high temperature, long residence time, and high turbulence”, we are integrating waste treatment operations to secure high-margin orders. Additionally, we are increasing the use of alternative fuels and raw materials derived from recycled resources, thus advancing the development of circular economy value chain to increase profitability.

II. Markets, production, and marketing

(I) Market analysis

1. Major markets of the Company's products

Region	2024 proportion of major product sales regions
Northern	65.67%
Central	21.71%
Hualien and Taitung	11.52%
Others	1.10%

The Company has two cement plants, located in Dongao, Yilan and Puxin, Taoyuan, respectively, three ready-mix plants, and a mine, producing cement, blast furnace slag, cement products and limestone stone materials under the Lucky Cement brand. There are many delivery centers and business offices around Taiwan. Domestic sales are mainly for military, public and civilian customers in the northern, central, southern and Hualien-Taitung regions of Taiwan. Our sales volume ranks the third place among the domestic cement manufacturers, only after Taiwan Cement and Asia Cement, and ready-mixed concrete cement products mainly supply the northern region.

2. Market share

The Company's cement products are mainly for the domestic market, with a market share of about 6% for cement products and about 1-2% for by-products.

3. Future supply, demand and growth of the market

The domestic cement market is mature and stable, and the volume of imported cement has increased year by year due to the lower cost to capture the domestic market. However, the demand in the private construction industry is still stable, and the government's continuing implementation of strategic public construction works helps balancing the supply-demand condition of cement.

4. Favorable and unfavorable factors affecting the future outlook

Favorable and unfavorable factors affecting the future outlook of the cement industry are as follows:

(1). Favorable factors

Taiwan has entered the phase of a developed country, and it is not easy to significant grow demand. However, in the long run, the continuing repatriation of Taiwanese businesses has stabilized the private construction operators. The government's continuous efforts in public construction works and urban renewal projects are expected to facilitate the stable and continuous development of the cement industry. We also have ready-mix concrete plants and Heren Mine, plants related to the value chain of the cement industry, which will contribute to the sustainable development of the Company in the cement industry.

(2). Unfavorable factors:

- Cost advantage of imported cement continues to seize the market.
- Restrictions on the domestic CO_2 emissions and rising environmental protection awareness, making it difficult for the Company to expand.
- Excise tax, air pollution fee and local tax on raw materials have a negative impact on the cement industry.

(II) Main uses and production processes of major products

1. Main uses

(1). Product: Portland Type I cement
Purpose: For general civil and construction projects.

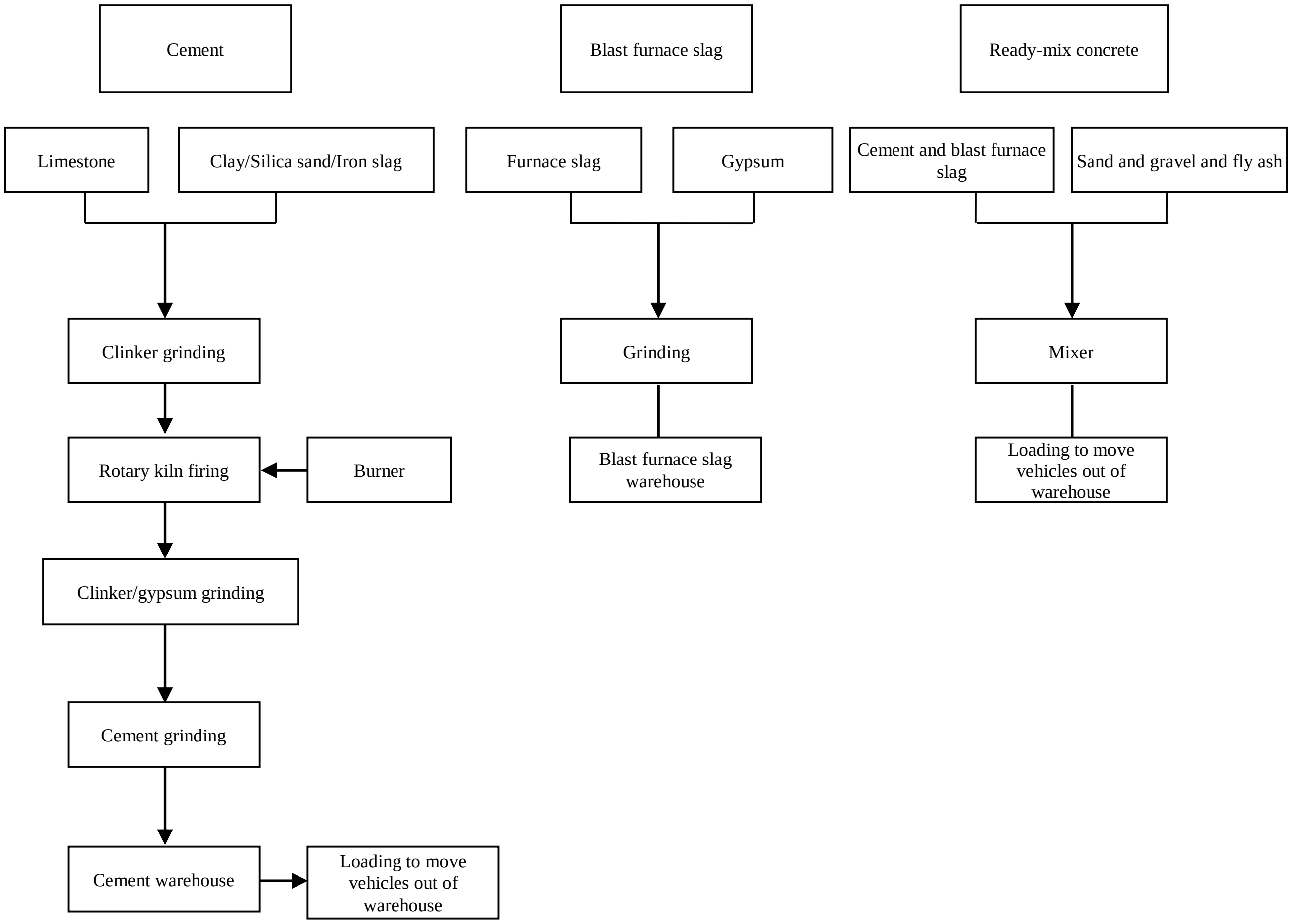
(2). Product: Portland Type II cement
Purpose:Underground infrastructure projects such as sewers, underpasses, tunnels, underground MRT, etc.
Mass concrete projects: Bridges, dams, reservoirs, etc.
Projects vulnerable to sea water and sea wind erosion: Docks, breakwaters, caissons, harbor projects, etc.

(3). Product: Blast furnace slag
Purpose: For general civil and construction projects, used by ready-mix concrete industry operators.

(4). Product: Cement products (ready-mixed concrete)
Purpose: Used in various construction projects.

(5). Product: Stone materials (limestone, dimension stones and sand and gravel)
Purpose: Limestone is the main raw materials used in the cement industry; Product: dimension stone is provided to steel mills and petrochemical plants; and sand and gravel is one of the main raw materials used by ready-mix concrete industry operators.

2. Production process



(III) Supply status of main raw materials

Raw materials	Status	Remarks
Limestone	We mine a small portion ourselves, and the major portion is sourced domestically.	—
Clay	Sourced domestically	—
Iron slag	Sourced domestically, and some are imported from Japan.	—
Silica sand	Sourced domestically	—
Gypsum	Sourced domestically	—
Coal dust	Imported from Australia and Russia	—
Slag	Imported from Japan	—
Fly ash	Sourced domestically	—
Sand and gravel	Some made in-house, some sourced domestically	—

For main raw materials, limestone, sand and gravel are either made in-house or sourced domestically, and others are sourced from at least two suppliers to stabilize the supply.

(IV) List of clients who account more than 10% of the purchase (sales) the past two years

1. Information on the main suppliers the past two years

Unit: NT$ million

	2023				2024 (Note 1)				2025 up to Q1 (Note 3)			
Item	Title (Note 2)	Amount	% of the net purchase of the year	Relationship	Title (Note 2)	Amount	% of the net purchase of the year	Relationship	Title (Note 2)	Amount	Percentage of the net purchase as of the end of Q1 in the year (%)	Relationship
1	Company N	465	19.6	Raw materials suppliers	Company N	241	11.1	Raw materials suppliers				
2	Company M	336	14.1	Raw materials suppliers	Company E	224	10.4	Raw materials suppliers				
3	Company D	306	12.9	Raw materials suppliers								
4												
5	Others	1,271	53.4		Others	1,699	78.5					
	Net purchase	2,378	100.0		Net purchase	2,164	100.0					

Note 1: Reasons for changes: None.

Note 2: It is stipulated in the procurement contract that the name of the supplier shall not be disclosed.

Note 3: As of the publication date of the annual report, there is no recent financial information audited or reviewed by accountants, so it has not been disclosed.

2. Information on the main customers the past two years

Unit: NT$ million

	2023				2024 (Note 1)				2025 up to Q1 (Note 3)			
Item	Title (Note 2)	Amount	% of the net sales of the year	Relationship	Title (Note 2)	Amount	% of the net sales of the year	Relationship	Title (Note 2)	Amount	Percentage of the net sales as of the end of Q1 in the year (%)	Relationship
1												
2												
3												
4												
5	Others	5,095	100.0		Others	4,867	100.0					
	Net purchase	5,095	100.0		Net purchase	4,867	100.0					

Note 1: Reason of change: None.

Note 2: The sales contract stipulates that the name of the customer shall not be disclosed.

Note 3: As of the publication date of the annual report, there is no recent financial information audited or reviewed by accountants, so it has not been disclosed.

III. Information on employees for the most recent two years and up to the publication date of the annual report

April 29, 2025

Year		2023	2024	Current year up to April 29, 2025
Number of Employees	Factory direct labor	223	189	191
	Factory indirect labor	99	96	99
	Company sales administration personnel	126	121	120
	Total	448	406	410
Average age		50.99	51.94	52.00
Average length of service		11.86	12.25	12.17
Distribution of Educational Background	Doctoral degree	0.67	0.74	0.73
	Master’s degree	2.90	2.46	2.44
	College	37.50	38.42	38.78
	Senior high School	38.62	38.92	39.27
	Below senior high school	20.31	19.46	18.78

IV. Environmental protection expenditure

(I) Amount of loss incurred due to pollution as of the most recent year and the date of publication of the annual report:

	2023	2024	As of April 29, 2025
Pollution status (type, severity)	1. The concentration of odor pollutants in the discharge pipeline exceeds the discharge standard. 2. The project for continuous automatic monitoring facilities in the exhaust pipelines of the cement rotary kiln cooler was found to be in violation of the opacity standard for particulate matter. (Note)	1. Failure to perform zero offset and full scale offset tests in accordance with Paragraph 1, Article 14 of the Measures for the Administration of Continuous Automatic Monitoring Facilities for Air Pollutants from Stationary Sources. 2. The project for continuous automatic monitoring facilities in the exhaust pipelines of the cement rotary kiln cooler was found to be in violation of the opacity standard for particulate matter. 3. The monitoring project for continuous automatic monitoring facilities in the exhaust pipelines of the cement rotary kiln dryer was found to be in violation of the opacity standard for particulate matter.	1. The project for continuous automatic monitoring facilities in the exhaust pipelines of the cement rotary kiln preheater was found to be in violation of the opacity standard for particulate matter.
Compensated parties or the government agencies handing out the fines	Department of Environmental Protection	Department of Environmental Protection	Department of Environmental Protection
Compensation amount or the status of punishment	NTD 2,670 thousand	NTD 2,260 thousand	NTD 730 thousand
Other losses	None	None	None

Note: An appeal has been filed for this case, and the original penalty was revoked by the Ministry of Environment's Letter Huan-Bu-Fa-Zi No. 1120109049, dated on March 26, 2024. After the revocation, the amount of penalty in 2023 will be reduced to NTD 480 thousand.

(II) Countermeasures:

1. In order to operate the sewage treatment efficiently, we have improved the equipment, added new facilities to divert the sewage and added a layer of sediment, so that the discharged water can meet the standard of laws and regulations.
2. In order to keep the machinery in the factories in normal condition at all time and reduce the cost of replacement for damage, we have formulated the "Measures for Machinery Repair and Maintenance", and the maintenance work is carried out with specific procedures and is inspected.

(III) Improvement plan:

1. Reinforce the maintenance and replacement of mechanical parts to reduce sudden failures.
2. Strengthen professional training and management of personnel to reduce human negligence, and improve emergency response capabilities.
3. Stop processing the sludge that has a strong smell and add a sludge treatment system to reduce the smell.
4. The on-site unit is required to inform the Safety and Environmental Protection Section to handle the relevant changes with the operating permit or apply for an installation permit when adding equipment.

(IV) The Company's future environmental protection priorities:

1. Improve equipment operation and maintenance to ensure the normal operation of environmental protection equipment and spare no efforts in reducing industrial waste to prevent the generation of pollutants.
2. Improve the research on waste recycling technology.
3. Reinforce the cleaning and greening of factory environment.

4. Install sewage diversion systems to improve the pollution of discharged water.
5. Strengthen management to ensure that operations are carried out in accordance with the quality assurance plan, and rigorously apply for and update various licenses.
6. The 2024 environmental protection expenditure was NTD 35,196 thousand.

V. Labor relations

(I) Employee welfare policy:

1. Employee welfare measures:
   (1) The Company has set up an employee welfare committee, which allocates welfare funds in accordance with the law and organizes various welfare activities. The allocation of employee welfare fund for 2024 was NTD 6,937 thousand.
   (2) Issue gold celebratory medals and certificates to recognize outstanding employees.
   (3) Issue gift money for three major national holidays and education subsidies.
   (4) Continue to improve the condition of job sites.
   (5) Purchase group insurance policy for employees and arrange employee health check. The related expenses in 2024 were NTD 1,746 thousand.
2. Status of implementation of continuing education and training systems:

   The Company has established employee training measures, which stipulate the training of employees and the methods. The Company's on-the-job training includes organizing various workshops, training courses, and commissioning training in cooperation with other training institutions or schools, or organizing short-term work drills based on work needs. The training expenses for various trainings this year were NTD 462 thousand.
3. Retirement system:

   The Labor Pension Act came into effect on July 1, 2005. Employees who were hired before June 30 and were still employed on July 1 may choose to continue their eligibility for the pensions under the "Labor Standards Act" and retain the service tenure under the conditions for which the eligibility applies. New employees who are hired after July 1, 2005 are only eligible to the pension system under the Labor Pension Act.

   The Labor Pension Act is applicable to the Company's pension system. Since July 1, 1994, it confirms the distribution and retirement plans and allocates 6% of an employee's monthly salary to a personal account at Bureau of Labor Insurance.

   The Company has established a retirement plan for the employees based on the Labor Standards Act, which is considered a defined-benefit pension plan. The payment of employee pension is calculated based on the length of service and the average salary of the six months before retirement. We allocate the pension reserve every month according to regulations, and contribute it to a retirement fund at the Bank of Taiwan, the trustee, under the name of the independent retirement fund committee.

   In 2024, 11 people retired with a total pension payment of NTD 22,550 thousand.

(II) Measures to protect the rights and interests of employees:

A harmonious employee-employer relationship is the cornerstone of enterprise development. The Company's employee-employer relationship has been about harmony, stability and shared prosperity over the years. We are committed to improving employee treatment, welfare and work environment and maintaining the employee-employer communications, and understand employees' difficulties and needs through seminars with the enterprise union. Feedback on issues is prioritized by managers at all levels who are ready to offer assistance.

(III) Status of labor disputes:

1. No labor disputes occurred in the most recent year and as of the publication date of the annual report.
2. Estimated amount of possible losses at present and in the future: None.

(IV) Fulfillment of social responsibilities:

1. Employee-employer meetings are regularly held to coordinate the relationship, promote collaboration and improve work efficiency.
2. Grievances filed by employees are handled by the Human Resources Department which is also responsible for handling cases involving employees who refuse disciplinary actions.
3. We have formulated sexual harassment prevention guidelines (which have been reported to the county government).
4. Employees are encouraged to participate in external education and training related to sexual assault and harassment prevention. Participants are given a paid leave registration and subsidies, and the relevant information is publicly disclosed in the workplace.

   Complaint hotline: 03-9986110, extension #103 or #109
   02-25092188, extension #2517
   Complaint dedicated fax: 03-9986066
   02-25093033
   Email for filing grievances: yu@luckygrp.com.tw
   kevinlee@luckygrp.com.tw
5. We carry out safety and health works in accordance with relevant laws and regulations on labor safety and health.

6. Employees should abide by the relevant regulations on safety and health and obey the guidance of safety and health management personnel.
7. Implementation of labor safety and health:
   a. Every on-site worker shall be provided with safety helmets and safety shoes, and shall have proper protective equipment that meets the needs of the nature of their work, such as fireproof clothing, fireproof shoes, dust masks, earplugs, etc., to ensure the health and safety of employees in workplaces with high temperature, dust and noise.
   b. We have established an occupational safety and health policy which requires all employees to abide by the laws and regulations for occupational safety and health, and provided necessary education and training for employees, including education and training for new hires, regular education and training for in-service personnel, disaster prevention and fire fighting, emergency rescue, escape and other drills. In every job site, bulletin boards are set up to remind employees of the potential hazards, and tell them how to prevent disasters and what kind of protective equipment to use, so as take correct safety protection measures in advance.
   c. In order to protect the work safety of employees and prevent occupational safety accidents, we have strengthened equipment maintenance to ensure operation safety, and also invested in improvements around the equipment, such as installing safety nets, stairs and railings, and required contractors to comply with the our management measures and relevant safety and health regulations when performing their jobs. The safety and security task force implements dynamic audit and inspection, so that employees and contractors can comply with safety regulations.
   d. The total expenditure related to labor safety in 2024 was approximately NTD 2,974 thousand.
8. In order to build a comprehensive safety and health management system, we have hired a consulting company to conduct the ISO 45001:2018 Occupational safety and health management systems guidance in December 2018. In July 2019, the TÜ V Nord was commissioned to conduct the system certification. We qualified for the ISO 45001:2018 certification on August 26, 2019, and the effective period of the certification is from August 26, 2019 to August 25, 2022. We obtained a renewal of the certification after the expiration, and the new certificate is valid from August 26, 2022 to August 25, 2025.

(V) Measures to enhance employee benefits or rights compared to the previous year: None.

VI. Cybersecurity management

(I) Although we have not yet established an information security management committee, the Information Management Center is authorized to formulate security policies and manage and review enterprise information security operations. In accordance with the announcement made by the Financial Supervisory Commission on December 28, 2021, we have appointed one head of information security (a concurrent position served by the head of the Center) and one information security specialist (a concurrent position served by the network administrator). The head of information security serves as the convener of the information security task force, with members being the supervisors of each segment, to coordinate various information security tasks and regularly report to the board on the results of information security implementation.

(II) The information security governance report and results were reported by the Board of Directors on December 28, 2023.

(III) In order to prevent the occurrence of information security incidents, we conduct security inspections, internal and external audits and information security drills every year, and strengthen employees' awareness of information security crisis and the capabilities of information security personnel to respond to incidents, hoping to prevent the incidents in advance and effectively detect and block out threats immediately.

(IV) The following are the assessments and countermeasures for various information security risks:

Scope of risk management	Risk items	Risk assessment (impact)	Response measures
Information security risks	1. Access control 2. Access control 3. External threats 4. System availability	1. Management measures for personnel account, authorization management, and system operation behavior 2. Control measures for personnel access to internal and external systems and data transmission channels. 3. Potential vulnerability in internal systems,	1. Effectively manage user accounts to ensure that only authorized users can access the corresponding information systems and data. This includes the regular review and updating of user permissions. 2. Identity verification and authorization, regular account reviews, application firewall to restrict communication, protecting connections between internal and external networks, email server with filtering mechanism to reduce the chances of users falling victim to social engineering attacks and sign information security agreements with external partners. 3. Compulsorily implement complex password requirements, stipulate regular password replacement, reduce the risk of password breakthrough, prohibit unauthorized USB devices, prevent malicious software from passing through portable media communications. In 2024, information equipment

		hacked channels and protective measures. 4. System availability status and response measures in case of service interruption.	weakness scanning and social engineering drills were conducted, increasing the users' awareness of social engineering attacks; encrypted software was also purchased in 2024 to protect the confidentiality of documents. 4. Implementing system/network availability monitoring and notification mechanisms, contingency measures for service interruptions, data backup and redundancy measures, onsite/offsite backup mechanisms, and conducting regular disaster recovery drills.

VII. Important contracts

April 29, 2025

Nature of Contract	Counterparty	Contract Period	Important Information	Restrictions
Loan contract	Taiwan Cooperative Bank, Ximen branch	2022/01/12-2027/01/12	Mortgage loan for intermediate-term land and buildings	—
Loan contract	Business Department of O-Bank	2022/12/28-2027/12/28	Intermediate-term loans backed by pledged land	—
Loan contract	Sunny Bank, Banqiao branch	2023/03/30-2026/03/30	Intermediate-term loans backed by pledged land	—
Loan contract	Bank of Taiwan, Zhongshan branch	2023/04/17-2026/04/17	Mortgage loan for intermediate-term land and buildings	—
Construction contract	Shyh Jia Enterprise	2023/05/01 to 2026/12/31	Level 3 Inspection for Self-provided Truck	—
Construction contract	Ching Yang Railway Machinery Co., Ltd.	2024/02/01 to 2026/12/31	3-tier inspection project for own trucks (40 stone trucks in total)	Only a maximum of 10 vehicles per batch can be inspected
Construction contract	Horng Wey Mechanical Co., Ltd.	Date of contract: 2024/3/4 3 months from the commencement date of work, and 2 months from the date of installation, starting from the date of installation.	#2 Packaging machinery added to the Wudu storage and transportation station	—
Construction contract	Chungwan Machine Co., Ltd.	Date of contract: 2024/9/20 150 days from receipt of deposit, 30 days for positioning and wiring	Design, manufacture and installation of crushing equipment	—

Five. Review and Analysis of the Financial Position and Performance and Risk Management

I. Financial position

Comparison of financial status (consolidated):

Unit: NTD thousand

Item \ Year	End of 2024	End of 2023	Difference	
			Amount	%
Current Assets	$5,998,794	$5,955,830	$42,964	0.72
Property, plant and equipment	3,810,755	3,415,001	395,754	11.59
Other Assets	621,718	599,042	22,676	3.79
Total assets	10,431,267	9,969,873	461,394	4.36
Current liabilities	4,163,555	3,297,728	865,827	26.26
Non-current Liabilities	1,081,968	1,601,320	(519,352)	-32.43
Total Liabilities	5,245,523	4,899,048	346,475	7.07
Capital stock	4,047,380	4,047,380	0	0.00
Capital surplus	18	18	0	0.00
Retained earnings	1,164,336	1,060,033	104,303	9.84
Other equity interests	(26,056)	(36,673)	10,617	28.95
Non-controlling interests	66	67	(1)	-1.49
Total shareholders equity	5,185,744	5,070,825	114,919	2.27

Analysis of percentage increase / decrease:
The increase in current liabilities and decrease in current liabilities was mainly due to the increase in long-term liabilities due within one year.
The increase in other equities was mainly due to decreased unrealized gains/losses on financial assets held for investments.

II. Financial performance

Comparison of operating results (consolidated):

Unit: NTD thousand

	End of 2024		End of 2023		Comparison of operating results (consolidated):	Change in % (%)
	Subtotal	Total	Subtotal	Total		
Total revenue	$4,874,002		$5,100,194		($226,192)	-4.43
Less: Sales discount	6,908		5,451		(1,457)	26.73
Net revenue		4,867,094		5,094,743	(227,649)	-4.47
Operating cost		3,939,390		4,211,831	(227,441)	-6.47
Gross profit		927,704		882,912	44,792	5.07
Operating expenses		288,837		272,879	15,958	5.85
Other net gains and losses		403		2,328	(1,925)	-82.69
Operating income (loss)		639,270		612,361	26,909	4.39
Non-operating income and expenses		(32,747)		47,389	(80,136)	-169.10
Pre-tax net income (loss) from continuing operation		606,523		659,750	(53,227)	-8.07
Income tax expense (benefit)		112,586		132,614	20,028	-15.10
Net gain of current year from continuing operations		493,937		527,136	(33,199)	-6.30
Loss from discontinued operations		0		0	0	-
Net income (loss) after tax		493,937		527,136	(33,199)	-6.30
Other comprehensive income for the year (net)		25,720		(38,310)	64,030	167.14
Total comprehensive income		$519,657		$488,826	30,831	6.31

Analysis of percentage increase / decrease:

1. The decrease in other income and expenses was mainly due to the decrease in gain on disposal of equipment.
2. The decrease in net non-operating income and expenses and the increase in other comprehensive income is mainly due to the decrease in dividend income from investment and the decrease in unrealized loss of investment financial assets.

III. Cash flow

<u>Review and Analysis of Consolidated Cash Flow Statement</u>

<u>Analysis of Cash Flow</u>

Unit: NT$ 1000

Opening Balance	Cash flow from operating activities	Cash used for the year	Amount of cash surplus (shortfall)	Remedy for insufficient cash	
				Investment plan	Financing plan
283,737	905,051	695,274	493,514	—	—

1. Analysis of the changes in cash flow of the current year:
   (1) Operating activities: Mainly from operating profit, etc.
   (2) Investing activities: Mainly due to the purchase of property, plant and equipment.
   (3) Financing activities: Mainly for paying dividends and repaying loans.
2. Remedy and flow analysis for the cash shortfalls: None.
3. Cash flow analysis for the coming year:
   Cash flow balance at the beginning of the year①＝NTD 493,514 thousand
   Expected net cash flow from operating activities for the year② = NTD 624,797 thousand
   Estimated cash outflow for the year③ = NTD 800,712 thousand
   Estimated cash surplus (deficit) amount① +② -③ = NTD 317,599 thousand

IV. Impact of major capital expenditures on financial operations:

In addition to the routine capital expenditures in 2024, the new plant of the subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd., located in Shulin District, New Taipei City and Luzhu District, Taoyuan City, is actively under construction.

The capital expenditure in 2024 amounted to NTD 571 million, which is expected to increase revenue and reduce expenses.

V. The Company's investment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving investment profitability, and investment plans for the coming year

In the most recent year, we have developed the industry related to our business to expand the scale of operations and achieve both vertical division of work and horizontal integration, hoping that investment in subsidiaries will improve the business.

Reinvestment status in 2024:

1. The land of Dai Shen Development Co., Ltd., was recognized as a loss based on the evaluation report, resulting in a loss in this period.
2. Luckicon Ready Mixed Concrete Factory Co., Ltd.. is benefiting from the stabilization of the real estate industry and the increase in demand. In addition, the Shulin and Luzhu plants are currently under construction and are expected to complete in the second half of 2025.
3. In 2021, Luckyship Marine Agency Co., Ltd., suffered continued losses due to its shipping business, and its Board of Directors decided to dispose of the vessel. Therefore, Luckyship Marine Agency Co., Ltd., currently has no main business items and plans to align with the parent company’s business in the future and move towards the construction and operation of ports and terminals.
4. Lucky Cement Corp., Japan had ceased operations after the Board of Directors resolved to dispose of assets on March 15, 2024 due to the difficulty in obtaining raw materials and aging assets and equipment. The dissolution and liquidation procedure was completed in October 2024.

VI. Analysis and assessment of risks

(I) **Impact of changes in interest rates and currency exchange and inflation on the Company's profit and loss and the response measures to be taken in the future:**

1. Exchange rate:

Except for some materials obtained through imports, all others are sourced domestically. Additionally, all products manufactured are for domestic sales. Therefore, the foreign currency exposure of the Company constitutes a small proportion of the total assets, mainly consisting of short-term loans maturing within a year. At the end of 2024, there was no foreign currency borrowing liabilities, and the foreign currency exchange gain in the current year was NTD 43 thousand. In order to reduce the risks arising from changes in the exchange rate, we conduct long-term monitoring of international economic and financial changes and review the Company's potential risk exposure in the position of foreign currency, and, depending on the need to plan for the use of foreign currency, avoid or reduce potential risks. Our financial hedging strategy is meant to avoid most market price or cash flow risks.

2. Exchange rate:

In 2024, we repaid the long- and short-term loans on time. The short-term borrowings increased by NTD 654,674 thousand, while the long-term borrowings decreased by NTD 269,500 thousand, and the total amount of borrowings was NTD 3,293,951 thousand, accounting for 31.58% of the total assets and an increase of 13.24% compared with 2023. Interest expenses for the year amounted to NTD 49,802 thousand, representing 1.02% of net revenue. Due to the fluctuation of interest rates being closely related to the prosperity of the economy, the Company's current financial structure is still considered safe. Although there is regional growth in the global economy, momentum remains unstable. Additionally, the domestic political and economic environment is turbulent, with a high possibility of future interest rate hikes. In order to reduce the possible increase in interest expenses in the future due to the rising interest rates, we continue to improve the financial structure, and will take more rigorous and effective capital planning and use measures.

3. Inflation:

As our product prices have a positive correlation with inflation, the impact of inflation on the profit and loss should not be too great.

(II) **The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees and derivatives transactions is the main reason contributing to its profits and losses and the response measures to be taken in the future:**

We do not engage in high-risk or highly leveraged investments. In the event of acquisition or disposal of mater assets, loaning funds to others, endorsement guarantees and derivative transactions, we follow the policies and procedures stipulated in the Measures for Handling Acquisition or Disposal of Assets; Procedures for Lending Funds to Others; Handling Procedures for Derivatives Transactions; and Operating Procedures for Loans to Others and Endorsement and Guarantee.

(III) **The most recent annual R&D plan, the current progress of the unfinished R&D plan, the additional R&D expenses to be committed, the estimated time to complete mass production, and the main factors affecting the success of R&D in the future:**

The Company operates in the cement manufacturing industry, producing mature products commonly used in construction materials. However, in order to achieve the national long-term GHG reduction targets, we are conducting R&D on Portland limestone cement to gradually replace Type I Portland cement. This transition will reduce the carbon footprint generated during cement production.

In the future, the Company will continue to optimize production equipment, increase operational rate, improve product quality, and provide customers with better products and services. In addition, we will active invest in the reuse of waste to reduce the consumption of natural resources, so that economic resources can be recycled.

(IV) **Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:**

1. The Company has cooperated with the competent authority In the revision of policies and laws in corporate governance, the Company Act, the Securities and Exchange Act and others, and currently there is no significant impact on the finances.
2. The implementation of the new labor pension system has no impact on the finances of the Company because the we have already allocated pensions in accordance with the law.
3. The pension reserves for employees who choose the old pension system have also been fully deposited to the pension fund account on March 31, 2016; and the shortfall amount will be deposited according to the actuary's report at the end of March every year.
4. The amendment of the Mining Act and the substantial increase in the special mining tax will inevitably increase cost to suppress our gross profit, so we will apply rigorous control of cost to make breakthroughs.

(V) **Impact of technological changes (including cybersecurity risks) on the Company's finances and countermeasures in most recent year:**

Our products are used in general public works and private construction projects. The construction methods and inspection standards have not been significantly changed, so there is no impact on the finances.

We have a clear policy on network security. The policy has strict control and management measures on information security duties, education and training, information security operations and protection, network security management, and system access control, so it has no impact on the Company's finances.

(VI) **Effect on the Company's crisis management from changes in the Company's corporate image, and measures to be taken in response:**

We have always adhered to the business philosophy of taking stable and conservative approach and prioritizing corporate image and risk control. However, the cement industry has entered a matured phase with limited growth, so we have been actively looking for new business opportunities.

(VII) **Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being taken in the most recent year:** None

(VIII) **Expected benefits and possible risks associated with any plant expansion, and mitigation measures being taken in the most recent year:**

The Company’s subsidiary, Luckicon Ready Mixed Concrete Factory Co., Ltd., aims to expand distribution channels and sustainably deepen its presence in the domestic cement market. To achieve this goal, it has acquired land in the Sanjiaopu section of Shulin District, New Taipei City, and the Fuhai section of Luzhu District, Taoyuan City. Currently, active planning is underway for the construction of a new plant. The two new plants will form a network with the two existing plants in Sanxia, New Taipei City and Puxin, Taoyuan, and provide better delivery and service quality to improve the market share. The cement industry is considered part of the cyclical industry, and the construction of the plants will help us mitigate the impact of the market fluctuations during economy cycles.

(IX) **Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being taken in the most recent year:**

We are well aware of the risk of concentrated purchase/sales, so we have always adopted a policy of diversifying sourcing in terms of purchases. Except for the purchase of special minerals and fixed suppliers, there is no concentrated purchase from the same supplier. In terms of sales, we also adopt the diversification of risks and implement credit management. Except for domestic publicly traded (or OTC) companies that have been evaluated according to their operations and financial situation, and our affiliated companies that are given credit sales, the rest mainly pay in advance. In terms of risk assessment of account recovery, the situation with public traded (or OTC) firms and our affiliates is considered good. As for clients who pay in advance, if the debt has not been incurred, we do not assess the checks received. Once the clients accept the delivery, the debt is incurred and the checks are not cleared, we estimate the debt provisions based on the part that has been due and not yet cleared.

(X) **Effect upon and risk to the Company in the event a major quantity of shares belonging to a director or shareholder holding greater than a 10% stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken:** None.

(XI) **Effect upon and risk to Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken:** None.

(XII) **Litigation or non-litigation incidents:** None.

(XIII) **Other important risks, and mitigation measures being or to be taken:**

In order to strengthen the control of business risks, we have structured an informal organizational system specifically for general day-to-day operating activities and emergencies to respond to:

1. Business meetings:

   Every month, the Accounting Department is responsible for compiling business review materials. The chairman personally chairs the business meetings, and convenes the supervisors of the Sales Department and factories to review the Company's operations, production and sales, track the budget implementation, and formulate improvement plans.

2. Supervisor meetings:

   Every month, the chairman convenes the top supervisors of all operating units to attend the meeting. They report the status of their works, review and follow up on the various works and assess the impact of internal and external economic or non-economic conditions on the existing business policies, strategies and objectives, and then formulate adjustment strategies and solutions after deliberation.

3. Emergency notification system:

In order to handle the occurrence of major emergencies and reduce possible damages, we have formulated the Operating Measures for Emergency Notification System as a guide for various operating units and personnel to take responsive measures in the event of emergency incidents.

4. Information security risk:

We have a clear policy on network security. The policy has strict control and management measures on information security duties, education and training, information security operations and protection, network security management, and system access control shown as follows:

(1) Information security responsibilities and training for education

- For those who handle sensitive and confidential information and those who need to be given system management authorization due to work requirements, we properly implement division of labor, assign power and responsibilities, establish an evaluation and assessment system, and establish a mutual support system for personnel as needed.
- For personnel who have resigned, taken a temporary leave or been suspended, we take appropriate procedures and immediately cancel the access authorization to various system resources.
- We organize information safety education, training and promotion sessions based on the roles and job functions of personnel at different levels to help them understand the importance of information security and various potential risk, improve their awareness and obey information security rules.
- We regularly organize information security seminars to improve the capabilities of information security personnel, and check for internal security gaps to reinforce the defense measures.

(2) Information security operating procedures and protection.

- Establish operating procedures for handling information security incidents, and assign necessary responsibilities to relevant personnel, so information security incidents can be resolved quickly and effectively.
- Establish change management notification measures for information facilities and systems in order to prevent loopholes in system security.
- Prudently handle and protect personal information in accordance with the relevant provisions of the Personal Information Protection Act.
- Establish system redundancy facilities and regularly perform necessary information, software backup and redundancy operations, so that operations can be quickly restored in the event of a disaster or storage media failure.
- Regular backup of SAP ERP system database and annual SAP system disaster recovery drills, and establish remote data backup and system redundancy to ensure that the system environment can be quickly rebuilt when a disaster occurs, maintaining the normal operation of the Company.
- The Company's email system policy refuses to receive compressed files and executable files from external parties.
- Access control should be implemented to the restricted areas of computer rooms.

(3) Network security management

- For the dots connected to the external network, establish firewalls to control data transmissions and resources access between the external and internal networks. Implement rigorous identification procedures to block unauthorized access from the internal and external networks.
- Confidential and sensitive information or documents are not stored in the information system open to outside parties, and confidential documents are not sent by e-mail.
- Regularly check the information security facilities and anti-virus functions of the internal network, install anti-virus software on the user side to reduce the risk of infection, and update the virus code and anti-virus engine of the anti-virus system and various security measures.

(4) System access control

- According to the operating system and security management requirements, establish procedures for and keep records of issuing and changing passwords.
- The system administration personnel of the Information Department set up accounts and passwords for personnel at all levels logging into the operating systems with authorization level appropriate for them, and regularly update the accounts and passwords.

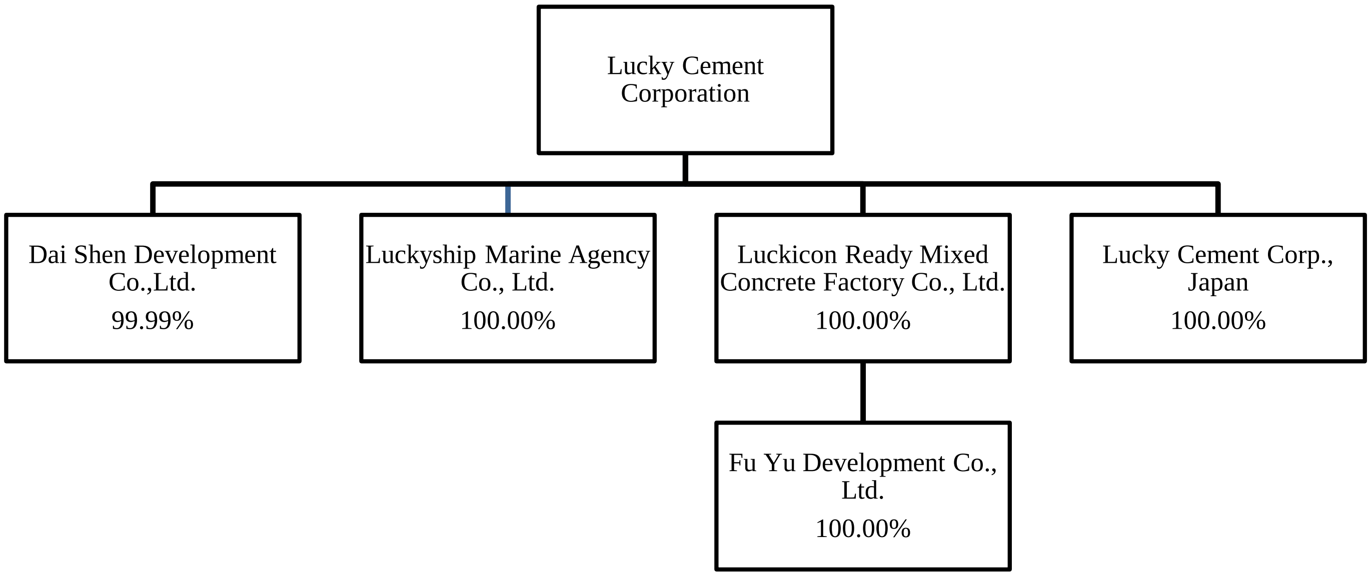
- We rigorously control the account and file access authorization levels for each system, and unauthorized personnel are prohibited from accessing the information not in their authorization levels, so as to ensure the confidentiality of the Company's information.
- Account access requires the passwords that have appropriate strength and number of characters, and must be a mix of alphanumeric characters and symbols for access.
- Add USB control software to register and control the use of external access devices in various departments. Only the storage devices certified by the Information Department can access data, so as to prevent computer infection caused by users carelessly plugging and unplugging USB devices.

VII. Other important matters: None

Six. Special Matters to be Included

I. Information related to the Company's affiliates.

1. Organizational chart of affiliates



Note: 1. On March 15, 2024, the Company's Board of Directors resolved to dispose of the main assets of Lucky Cement Corp., Japan and subsequently ceased its operations and proceeded with dissolution.

2. Lucky Cement Corp., Japan completed the dissolution and liquidation procedure in Japan in October 2024.

2. Basic information of each affiliate:

Company Name	Date of Establishment	Address	Paid-in capital	Main business activities or products
Dai Shen Development Co.,Ltd.	December 1969	14th Floor, No. 237, Songjiang Road, Zhongshan District, Taipei City	NTD 1,714,570 thousand	Construction business
Luckyship Marine Agency Co., Ltd.	July 1993	13th Floor, No. 237, Songjiang Road, Zhongshan District, Taipei City	NT$20,000 thousand	Shipping agent Maritime transport
Luckicon Ready Mixed Concrete Factory Co., Ltd.	May 1993	No. 191, Section 1, Meishi Road, Yong-Ping Village, Yangmei District, Taoyuan County	NTD 573,400 thousand	Manufacturing and sales of ready-mix concrete
Fu Yu Development Co., Ltd.	November 2007	13th Floor, No. 237, Songjiang Road, Zhongshan District, Taipei City	NT$10,000 thousand	Soil and stone mining industry

3. Information on the controlling and subordinate companies presumably sharing the same shareholders: None.

4. Directors and Supervisors of Affiliated Companies

December 31, 2024

Company Name	Title	Name or Representative	Shareholding	
			Number of Shares	Ownership
Dai Shen Development Co.,Ltd.	Chairman	Yun-Ju Chen (Lucky Cement)	171,452,511	99.99%
	Director	Ching-Chi Hsiao (Lucky Cement)	171,452,511	99.99%
	Supervisor	Cheng-Liang Lin	—	—
Luckyship Marine Agency Co., Ltd.	Chairman	Liang-Chuan Chen (Lucky Cement)	2,000,000	100.00%
	Director	Ching-Shui Kuo (Lucky Cement)	2,000,000	100.00%
	Director	Yun-Ju Chen (Lucky Cement)	2,000,000	100.00%
	Supervisor	Hsiu-Chu Wen	—	—
Luckicon Ready Mixed Concrete Factory Co., Ltd.	Chairman	Yun-Ju Chen (Lucky Cement)	74,542,000	100.00%
	Director	Hsiu-Chu Wen (Lucky Cement)	74,542,000	100.00%
	Supervisor	Wei-Ju Hsiao (Lucky Cement)	74,542,000	100.00%
Fu Yu Development Co., Ltd.	Chairman	Ching-Hung Chen (Luckicon)	1,000,000	100.00%
	Director	Chun-Jen Chen (Luckicon)	1,000,000	100.00%
	Director	Chia-Hui Lin (Luckicon)	1,000,000	100.00%
	Supervisor	Lung-Hsiung Chang (Luckicon)	1,000,000	100.00%

5. Business sectors covered by other affiliates:

(1) Manufacture, processing, sales and distribution of cement and cement products.
(2) Mining, manufacturing, processing, sales and distribution of raw materials for cement, raw materials for cement products and various ores
(3) Construction business
(4) Maritime transport
(5) Manufacturing and sales of ready-mix concrete
(6) Investment
(7) Shipping agent
(8) Soil and stone mining industry

6. Overview of the business operations of each affiliate

Unit: NTD in thousands; Earnings per share (NTD)
December 31, 2024

Company Name	Paid-in capital	Total assets	Total Liabilities	Net value	Operating revenue	Operating income	Profit and loss for the period (after taxes)	Earnings per share (after taxes) (NT$)
Dai Shen Development Co.,Ltd.	1,714,570	3,522,697	1,017,248	2,505,449	114	(25,660)	(48,537)	(0.28)
Luckicon Ready Mixed Concrete Factory Co., Ltd.	745,420	2, 679,761	1,601,380	1,078,381	1,695,510	186,960	146,045	1.96
Luckyship Marine Agency Co., Ltd.	20,000	20,332	4,042	16,290	—	(2,133)	(1,833)	(0.92)
Lucky Cement Corp., Japan	—	—	—	—	—	(12,853)	(12,641)	—
Fu Yu Development Co., Ltd.	10,000	23,231	14,383	8,848	73,950	(1,135)	806	0.81

7. Affiliated Enterprise Consolidated Financial Statements

Affiliated Enterprise Consolidated Financial Statements Declaration

In 2024 (from January 1 to December 31, 2024), companies that are required to prepare consolidated financial statements of affiliates according to the "Regulations Governing the Preparation of Consolidated Financial Statements of Affiliates and Related Reports" are the same as those required to prepare consolidated financial statements of parent and subsidiary companies according to IFRS No. 10. Furthermore, the relevant information required to be disclosed in the consolidated financial statements of affiliates has already been disclosed in the aforementioned consolidated financial statements of parent and subsidiary companies. Therefore, separate preparation of consolidated financial statements of affiliates is not required.

Very truly yours

Company Name: Lucky Cement Corporation

Person in charge: Yun-Ju Chen

March 27, 2025

II. Status of private placement of securities during the most recent fiscal year or up to the date of publication of the annual report: None

III. Other supplementary notes: None

Seven. Matters with Significant Impact on Shareholder Equity or Share Price in 2021 and as of the Date of Publication of Annual Report: None.

Lucky Cement Corporation

Chairman: Yun-Ju Chen