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卓越成功股份有限公司

SUCCESS PRIME CORPORATION

113 年度年報

2024 ANNUAL REPORT

中華民國 114 年 3 月 29 日刊印

Printed on March 29, 2025

This translation is intended for reference only and nothing else, the company hereby disclaims any and all liabilities whatsoever for the translation. The chinese text of the annual report shall govern any and all matters related to the interpretation of the subject matter stated herein.

I. Company Spokesperson and Acting Spokesperson

Spokesperson

Name: Shu Ling Tseng

Title: General Manager

Tel: (02) 2389-9200

E-Mail: tricia@chenliedu.com

Acting spokesperson

Name: Hsiang Yi Lo

Title: Manager

Tel.: (02) 2389-9200

E-Mail: iris@chenliedu.com

II. Headquarters, branch office, and factories

Headquarter: 22F-11, No. 50, Section 1, Zhongxiao West Road, Zhongzeng Dist, Taipei City

Tel: (02) 2389-9200

III. Stock Transfer Agency

Name: Grand Fortune Securities Co., Ltd.

Address: 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City

Website: www.gfortune.com.tw

Tel.: (02) 2371-1658

IV. Auditors

CPAs: Chien-Hui Lu, An-Chih Cheng

CPA Firm: KPMG

Address: No. 11, Zhanye 1st Rd., East Dist., Hsinchu City (300091)

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

Tel.: (03) 579-9955

V. Overseas Securities Exchange: N/A.

VI. Company Website: <https://www.chenliedu2496.com/tw/>

Contents

I. Report to the Shareholders	1
II. Corporate Governance Report	4
1. Directors, Supervisors, General Manager, Deputy General Manager, Departmental Manager, and Management Team	4
2. Remunerations to Directors (including Independent Directors), Supervisors, President, and Vice Presidents in recent years	10
3. Implementation of corporate governance	14
4. Compensation for the service of the CPAs	36
5. Information on Changes to Accountants	36
6. The Chairman, President and Financial or Accounting Managerial Officer of the Company who had worked for the Independent CPA or its affiliate in the past year	37
7. Share transfer by directors, supervisors, managerial officers and shareholders holding more than 10% equity and changes to share pledging by them in the past year and up to the date of report	37
8. Information on the relationship between any of the top ten shareholders (related party, spouse, or primary or secondary kin)	38
9. Number of shares held by the company, its directors, supervisors, managers, and businesses directly or indirectly controlled by the company in the same invested enterprise, and the comprehensive shareholding percentage calculated by combining them.	38
III. Capital Overview	39
1. Capital & Shares	39
2. Company Debt	42
3. Preferred Stock processing situation	42
4. Overseas Depository Certificate processing situation	42
5. Procedures of Employee Stock Option Certificate	42
6. Restricted Stock Awards for Employees	42
7. Mergers and acquisitions or transfer of other companies' shares to issue new shares	42
8. Implementation of the capital	42

IV. Operating Overview	43
1. Business Activities	43
2. Market and Sales Overview	48
3. Employees	52
4. Environmental Protection Expenditure Information	52
5. Employees-Employer Relations	52
6. Cyber security management	54
7. Important Contracts	55
V. Review and Analysis of Financial Position and Financial Performance, and a Listing of Risks	56
1. Analysis of Financial Status	56
2. Analysis of Financial Performance	57
3. Analysis of Cash Flow	58
4. Recent Years Major Capital Expenditures and Impact on Financial and Business	58
5. Reinvestment Policy for the Most Recent Fiscal Year, the Main Reasons for the Profits / Losses Generated Thereby, the Plan for Improving Re-Investment Profitability, and Investment Plans for the Coming Year	58
6. Risk Management	59
7. Other Significant Events	61
VI. Special Disclosure	62
1. Summary of Affiliated Companies	62
2. Private Placement Securities of the Most Recent Year and Up to the Printing Date of this Annual Report	64
3. Other Necessary Supplement	64
4. The Events Resulting in Significant Impact to Shareholders' Equity or Stock Prices Under Article 36(3) (ii) of Securities and Exchange Act in the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report	64

I. Report to the Shareholders

1. 2024 Annual Business Report

(1) Business Plan Outcome

In terms of finance, the consolidated net operating revenue for 2024 was NT\$835,832 in thousands, an increase of 9.29% from NT\$764,815 in thousands for 2023; the consolidated net profit attributable to the parent company's owners for 2024 was NT\$132,849 in thousands, an increase of 28.18% from NT\$103,644 in thousands for 2023. Revenue has grown steadily due to the continued expansion of the elementary and middle school markets and the establishment of direct-operated junior and high schools in areas of population growth. In terms of costs and expenses, lean control is implemented, and cost-effectiveness is regularly reviewed and adjusted for improvements. The overall operating conditions in 2024 will show significant improvements in revenue, gross profit margin, and net profit margin.

(2) Budget Implementation

The Company has not disclosed financial forecasts.

(3) Analysis of Financial Income, Expenditure and Profitability

Units: NT\$ in thousands; %

Item/Year			Consolidated		Individual	
			2024	2023	2024	2023
Income and expenditure	Operating Revenue		835,832	764,815	244,725	233,042
	Net Operating Income		149,440	122,007	31,453	30,757
	Non-operating Income and Expenses		14,507	3,325	108,250	79,722
	Profit before tax		163,947	125,332	139,703	110,479
	Profit		132,359	103,487	132,849	103,644
Analysis of profitability	Return on assets		9.57	7.83	14.70	11.94
	Return on equity		15.09	12.43	15.26	12.51
	Pre-tax profit to paid-in Capital ratio (%)		85.83	65.61	73.14	57.84
	Net Profit rate		15.83	13.53	54.28	44.47
	EPS (NT\$)	Non-adjusted	7.02	5.48	7.02	5.48
		Adjusted	-	-	-	-

(4) Analysis of Financial Income, Expenditure and Profitability

The Corporation's main business is education service with faculty and curriculum management for primary and secondary education, there is no R&D fee investments in 2024.

2. 2025 Business Plan Prospects

(1) Operation Strategy, Planning and Key Marketing Policies

- i. The professional teaching resources of "Chen Li Education" under the group provide complete planning and professional services from elementary school to private middle school, junior high school entrance examination, high school examination to subject examinations, second-level written and interviews, etc. Based on Chen Li Education's complete and comprehensive education platform, the number of students in all subjects in the junior high school of each branch will be increased and winter and summer camp courses will be opened. In 2025, private school classes for senior elementary students and high-end quality daycare will be expanded more actively, which is expected to become the growth engine of each branch.
- ii. In the population-growing Zhu-bei area, in addition to the three directly-operated junior and senior high schools that have already been established, the San-min branch school will also be acquired in downtown Hsin-chu in 2025 to specialize in the junior high school market and lay the foundation for high schools. The layout of the Greater Hsin-chu area will be the development focus in 2025.
- iii. Taichung has a vast territory. After the Taichung branch moved from its old site to its current location next to Taichung No. 1 Middle School in 2022, the Taichung Da-dun branch was added in the second half of 2024, facing the seventh phase central area to recruit elementary, middle and high school students. By cooperating with the well-known local kindergarten and primary school, revenue and profit are expected.
- iv. The Group will expand its investment in Southeast Asia in 2024 and establish Prime Global Co., Ltd. by combining with a human resources agency familiar with the local markets in Indonesia and Vietnam. It will start with the Chinese language for migrant care workers, which has huge bilateral demand and complementary supply and demand, and will continue with K12 mathematics online learning to establish a one-stop complete education platform with differentiated teaching materials and assessment systems. It is expected to become another major growth engine for the Group in the second half of 2025.

(2) Sales Volume Forecast and Basis

The Group's steadily growing general branch schools are expected to continue to grow slightly in 2025, with the main growth points being the expansion of locations, subjects and grades in elementary and junior high schools, and cooperation with regional elementary and junior high school cram schools. In addition, the Group is cooperating with star private elementary and secondary schools in the North District to assign teachers and teaching materials for mathematics, science and natural science subjects. With the increase in demand and the growth in the number of schools, it is expected that future revenue and profit will be contributed.

3. Impact from Future Development Strategies, External Market Environment, Legal Environment, and Global Environment

The cram school education industry is a licensed industry regulated by the central government and approved by the municipal government. Our corporate value is to operate legally and pay meticulous attention to public safety, which all of our business operating locations fit all the legal criteria.

Although Taiwan has a serious problem of declining birthrate, the population in certain emerging regions is still showing a positive growth trend, and these regions are also untapped markets for the Group. In the future, in addition to acquisitions, the company does not rule out the possibility of acquiring local start-up teams. Coupled with the Group's sound corporate governance, compliance auditing and financial management, it will surely bring about synergistic effects after the investment. In the future, the Group will also pay close attention to changes in the external competitive environment, regulatory environment and overall operating environment, and adjust the company's development strategy in a timely manner to ensure that the company maintains its competitive advantage and sustainable development in future development and returns shareholders' long-term support.

The corporation will try its best to generate more revenue streams, and we hope to reward the shareholders for their many years of support with better operating results.

Chairman: Shu-Ling Tseng

II. Corporate Governance Report

1. Directors, Supervisors, General Manager, Deputy General Manager, Departmental Manager, and Management Team

(1) Directors and Supervisors

March 29, 2025

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when elected		Current Shareholding		Spouses & Minor Shareholding		Shareholding by Nominee Arrangement		Experience/ Education	Current Positions at SPC or others	Other executives, directors, or supervisors within the spouse or 2 nd of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	R.O.C	Shu-Ling Tseng	F 67	2022.06.09	3	2019.01.23 (Note 1)	978,728	5.12%	1,403,728	7.35%	167,000	0.87%	-	-	(Note 5)	(Note 5)	Director	Min-Chun Chen	Spouse	Note 4
Director	R.O.C	Min-Chun Chen	M 67	2022.06.09	3	2019.01.21 (Note 2)	236,000	1.24%	167,000	0.87%	1,403,728	7.35%	-	-	(Note 5)	(Note 5)	Director	Yen-Shuan Chen	Within 2 nd degree	
																	Director	Yun Chen	Within 2 nd degree	
																	Chairman	Shu-Ling Tseng	Spouse	
Director	Samoa	Far Eastern Int'l Bank Be entrusted for Endow Capital Management Inc. Investment specific account	-	2022.06.09	3	2017.01.18	1,890,039	9.90%	1,890,039	9.90%	-	-	-	-	(Note 5)	(Note 5)	-	-	-	-
	R.O.C	Representative: Xiang-Qi Fang	M 46	2022.06.09	3	2019.05.02	-	-	-	-	-	-	-	-	(Note 5)	(Note 5)	None	None	None	-
	R.O.C	Representative: Jin-Ru Cheng	F 63	2022.06.09	3	2017.01.18 (Note 3)	140,933	0.74%	140,000	0.73%	-	-	-	-	(Note 5)	(Note 5)	None	None	None	-
Director	Samoa	Far Eastern Int'l Bank Be entrusted for Bash Consultant Inc. Investment specific account	-	2022.06.09	3	2019.05.02	1,890,039	9.90%	1,890,039	9.90%	-	-	-	-	(Note 5)	(Note 5)	-	-	-	-
	R.O.C	Representative: Yen-Shuan Chen	F 38	2022.06.09	3	2019.05.02	44,000	0.23%	260,000	1.36%	-	-	-	-	(Note 5)	(Note 5)	Director	Min-Chun Chen	Within 2 nd degree	-
	R.O.C	Representative: Yun Chen	F 28	2022.06.09	3	2019.05.02	58,000	0.30%	341,000	1.79%	-	-	-	-	(Note 5)	(Note 5)	Chairman	Shu-Ling Tseng	Within 2 nd degree	
Independent Director	R.O.C	Bing-Quan Shi	M 49	2022.06.09	3	2019.05.02	-	-	-	-	-	-	-	-	(Note 5)	(Note 5)	Director	Yun Chen	Within 2 nd degree	
Independent Director	R.O.C	Pei-Jun Hong	F 38	2022.06.09	3	2019.05.02	-	-	-	-	-	-	-	-	(Note 5)	(Note 5)	Director	Min-Chun Chen	Within 2 nd degree	-
Independent Director	R.O.C	Ying-De Wu	M 46	2022.06.09	3	2020.06.18	-	-	-	-	-	-	-	-	(Note 5)	(Note 5)	Chairman	Shu-Ling Tseng	Within 2 nd degree	-
Independent Director	R.O.C	Chih-Chieh Tsai	M 58	2023.06.16	Same as this term	2023.06.16	-	-	-	-	-	-	-	-	(Note 5)	(Note 5)	Director	Yen-Shuan Chen	Within 2 nd degree	-

Note 1: Acted as the director on 2019.01.23 while being the representative of Endow Capital Management Inc., and was elected as the natural person director at AGM on 2019.05.02.

Note 2: Acted as the director on 2019.01.21 while being the representative of Endow Capital Management Inc., and was elected as the natural person director at AGM on 2019.05.02.

Note 3: Acted as the director on 2017.01.18 while being the representative of Endow Capital Management Inc., then resigned after reassignment by the legal person on 2018.12.24; and was acted as the director on 2020.09.30 while being the representative of Endow Capital Management Inc. again.

Note 4: The Chairman of the Board, Shu-Ling Tseng, is also the President of the Company, and to strengthen the independence of the Board of Directors, the Company had added 1 more independent director in 2023 to improve the capacity of the Board and strengthen supervision. At present, the Company has implemented the following measures,

(1) The 4 independent directors are experts in finance and accounting and law and can effectively exert their functions of supervision.

(2) The directors are arranged to participate the continuing education courses designed for directors every year provided by external organizations such as SFC to improve the operational efficiency of the Board.

(3) Independent directors in the Audit Committee and Remuneration Committee can discuss freely and give suggestions to the Board of Directors for their reference so as to realize corporate governance.

(4) More than half of the directors of the Board are not the employees or managerial officers.

Note 5: Education/work experience and other concurrent positions within the Company or elsewhere of the directors and representative of the Company,

Title	Name	Work (Academic) Experience		Currently Holding Positions of the Company and Other Companies	
Chairman	Shu-Ling Tseng	<ul style="list-style-type: none"> National Taiwan University, Bachelor of Foreign Language Studies National Taiwan University, EMBA 		<ul style="list-style-type: none"> Success Prime Corporation, President Chen Li Education, Chairman Chen Li (Xiamen) Culture Communication, Representative Here Enterprise, Chairman Chen Li ELM, Chairman Prime Global Co., Ltd., Chairman 	<ul style="list-style-type: none"> Chenli Education Technology, Director Chen Li Education Foundation, Director Taitung Qidian International Experimental Education Institution, Chairman Future School Foundation, Director
Director	Min-Chun Chen	<ul style="list-style-type: none"> National Tsinghua University, EMBA National Tsinghua University, Bachelor of Industrial Engineering Bachelor 	<ul style="list-style-type: none"> Chen Li Education, Founder Success Prime Corporation, Chairman 	<ul style="list-style-type: none"> Chenli Education Technology, Chairman Chen Li Education Foundation, Chairman Taitung Qidian International Experimental Education Institution, Director Singularity Experimental Education Innovation Association, Chairman Future School Foundation, Chairman King's Metal Fiber Technologies Co., Ltd, Director 	<ul style="list-style-type: none"> TRI-I Advanced Technology Inc, Director TRI-I Biotech Inc, Director TRI-I International, Chairman Edclassic Inc., Chairman Star Energy Technology, Chairman
Representative	Xiang-Qi Fang	<ul style="list-style-type: none"> Fu Jen Catholic University, International Institute of Innovation and Entrepreneurship Fengjia University, Bachelor of Accounting 	<ul style="list-style-type: none"> Lung Ming Green Energy Technology Engineering, Director Federal Corporation, Director Advanced Communication Technology & Solutions Corporation, Supervisor 	<ul style="list-style-type: none"> SULDE International Consulting Corporation, Chairman and President SULDE Strategy, Chairman Keystone Intellectual Property Office, Director Lian Tat Company, CSO 	<ul style="list-style-type: none"> ACpay Co., Ltd., Independent Director JKO Asset Management Co., Ltd., Chairman Taiwan Numerical Powers Co., Ltd., Director Fu Jen Catholic University, Department of Business Administration, Adjunct Associate Professor
Representative	Jin-Ru Cheng	<ul style="list-style-type: none"> National Taiwan University, EMBA Chinese Culture University, Bachelor of Economics 	<ul style="list-style-type: none"> Chen Li Education, Vice General Manager Chen Li Education Foundation, Director 	<ul style="list-style-type: none"> Future School Foundation, Director 	
Representative	Yen-Shuan Chen	<ul style="list-style-type: none"> University of Washington, Bachelor of Graphic Design 	<ul style="list-style-type: none"> Chen Li Education, Graphic Designer Success Prime Corporation, Graphic Editor 	<ul style="list-style-type: none"> En Dian Asset Management, Supervisor 	
Representative	Yun Chen	<ul style="list-style-type: none"> McGill University, Bachelor of Finance 	<ul style="list-style-type: none"> Chen Li Education, Founder Executive Assistant 	<ul style="list-style-type: none"> None 	
Independent Director	Bing-Quan Shi	<ul style="list-style-type: none"> TamKang University, Masters of Accounting 	<ul style="list-style-type: none"> Deloitte & Touche, Audit Executive Manager 	<ul style="list-style-type: none"> JYH HER CPAs, Partner Accountant 	<ul style="list-style-type: none"> Lian Hong Art Company Limited, Independent Director
Independent Director	Pei-Jun Hong	<ul style="list-style-type: none"> National Taipei University, Bachelor of Law 	<ul style="list-style-type: none"> LCC Partners Law Firm, Attorney CHIH and WU Law Firm, Attorney 	<ul style="list-style-type: none"> Tengri International Law Firm, Attorney and Director 	<ul style="list-style-type: none"> Roo Hsing Co., Ltd, Independent Director
Independent Director	Ying-De Wu	<ul style="list-style-type: none"> USA Washington University in St. Louis, J.D. USA Washington University in St. Louis, L.L.M. USA Case Western Reserve University, L.L.M. Chinese Culture University, Bachelor of Law and Politics 	<ul style="list-style-type: none"> TMP Steel Corporation, Independent Director Chinese Culture University, Professor of Law Chinese Culture University, Dean of the Department of Law Chinese Culture University, Dean of the School of Law 	<ul style="list-style-type: none"> Fu Jen Catholic University, Professor of Department of Financial Law National Taipei University, Assistant Law Professor National Taiwan University International Business Department, Assistant Professor 	<ul style="list-style-type: none"> Mega Int'l Commercial Bank Co., Ltd, Director Qunsheng International Law Firm, Special Consultant Chinese Arbitration Association Taipei, Arbitrator/ Financial Arbitrator
Independent Director	Chih-Chieh Tsai	<ul style="list-style-type: none"> National Taipei University, Masters of Business Administration National Yang Ming Chiao Tung University Electrophysics 	<ul style="list-style-type: none"> San Far Property Limited, Chairman Global View Co., Ltd., Director WitsLight Technology Corporation Limited(Samoa) , Director 	<ul style="list-style-type: none"> Chien Ta CPAs, Director Chieh Teng Industrial Economic Consultant Co., Ltd, Chairman Tien Jen Chu Green Technology Co., Ltd, Chairman Tai Fu International Network Co., Ltd. , Supervisor 	<ul style="list-style-type: none"> Silergy Corp. , Independent Director Nishoku Technology Inc. , Independent Director Sunplus Technology Co., Ltd.

Major shareholders of the institutional shareholders

March 29, 2025

Name of Institutional Shareholders	Major Shareholders
Far Eastern Int'l Bank Be entrusted for Bash Consultant Inc. Investment specific account	CHEN,YEN-SHUEN (100%)
Far Eastern Int'l Bank Be entrusted for Endow Capital Management Inc. Investment specific account	CHEN TSENG,SHU-LING (100%)

i. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors

Criteria Name	Professional Qualification and Experience	Independence Criteria	Numbers of Concurrently Serving(Note)
Shu-Ling Tseng	National Taiwan University, EMBA. Have more than five years of working experience in company business. Success Prime Corporation, Director None of the provisions of Article 30 of the Company Law apply.	Employed by the Group. Appointed by the company as a director of the Group's subsidiary. She and her spouse hold about 8.22% of the Company's shares. Spouse of director Min-Chun Chen, and is within the second degree of kinship with directors Yen-Shuen Chen and Yun Chen.	-
Min-Chun Chen	National Tsinghua University, EMBA. Have more than five years of working experience in company business. Chen Li Education, Founder. None of the provisions of Article 30 of the Company Law apply.	Employed by the Group. He and his spouse hold about 8.22% of the Company's shares. Spouse of director Shu-Ling Tseng, and is within the second degree of kinship with directors Yen-Shuen Chen and Yun Chen.	-
Endow Capital Management Inc. Representative: Xiang-Qi Fang	Fengjia University, Bachelor of Accounting More than five years working experience in business, finance and accounting. None of the provisions of Article 30 of the Company Law apply.	As Corporate representative director. Do not own any shares of the company.	1
Endow Capital Management Inc. Representative: Jing-Ru Cheng	National Taiwan University, EMBA. Have more than five years of working experience in company business. Was Chen Li Education, Vice General Manager None of the provisions of Article 30 of the Company Law apply.	As Corporate representative director. Hold 0.73% of Company shares.	-
Bash Consulting Inc. Representative: Yen-Shuen Chen	University of Washington, Bachelor of Graphic Design Have more than five years of working experience in company business. Was Success Prime Corporation, Graphic Editor None of the provisions of Article 30 of the Company Law apply.	As Corporate representative director. Hold 1.36% of Company shares. Within the second degree of kinship with directors Min-Chun Chen, Shu-Ling Tseng and Yun Chen.	-
Bash Consulting Inc. Representative: Yun Chen	McGill University, Bachelor of Finance. Have more than five years of working experience in company business. Was Chen Li Education, Founder Executive Assistant. None of the provisions of Article 30 of the Company Law apply.	As Corporate representative director. Hold 1.79% of Company shares. Within the second degree of kinship with directors Min-Chun Chen, Shu-Ling Tseng and Yen-Shuen Chen.	-
Bing-Quan Shi	TamKang University, Masters of Accounting. More than five years working experience in finance and accounting. Holds R.O.C CPA License. In 2002, joined Deloitte & Touche as the Audit Executive Manager; In 2010, joined JYH HER CPAs as Partner Accountant. During practice, obtained the certification of evaluation accountant of the R.O.C. Convener of the Audit Committee. Remuneration Committee member. None of the provisions of Article 30 of the Company Law apply.	There are no matters in Article 3 of the "Measures for the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed", which is in line with the independence criteria. Neither the independent directors themselves, their spouses, or relatives within the second degree of relatives hold company shares, nor do they hold company shares in the name of others. No business, legal, financial, accounting or other services provided by the company or affiliated companies in the past two years.	1

Criteria Name	Professional Qualification and Experience	Independence Criteria	Numbers of Concurrently Serving(Note)
Pei-Jun Hong	National Taipei University, Bachelor of Law More than five years working experience in business and law. Holds attorney license of R.O.C. The main practice areas are general civil and criminal litigation cases, corporate and securities business incidents, administrative relief incidents, and government legal affairs. Member of Audit Committee. Convener of the Remuneration Committee. None of the provisions of Article 30 of the Company Law apply.	There are no matters in Article 3 of the "Measures for the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed", which is in line with the independence criteria. Neither the independent directors themselves, their spouses, or relatives within the second degree of relatives hold company shares, nor do they hold company shares in the name of others. No business, legal, financial, accounting or other services provided by the company or affiliated companies in the past two years.	1
Ying-De Wu	USA Washington University in St. Louis, J.D. USA Washington University in St. Louis, L.L.M. USA Case Western Reserve University, L.L.M. Chinese Culture University, Bachelor of Law and Politics More than five years working experience in law. Chinese Culture University, Law Professor Central Police University, Assistant Law Professor National Taipei University, Assistant Law Professor National Taipei University of Business, Assistant Finance Professor Member of Audit and Remuneration Committee. None of the provisions of Article 30 of the Company Law apply.	There are no matters in Article 3 of the "Measures for the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed", which is in line with the independence criteria. Neither the independent directors themselves, their spouses, or relatives within the second degree of relatives hold company shares, nor do they hold company shares in the name of others. No business, legal, financial, accounting or other services provided by the company or affiliated companies in the past two years.	-
Chih-Chieh Tsai	National Taipei University, Masters of Business Administration. More than five years working experience in finance and accounting. Holds R.O.C CPA License. Chien Ta CPAs, Director Member of Audit Committee. None of the provisions of Article 30 of the Company Law apply.	There are no matters in Article 3 of the "Measures for the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed", which is in line with the independence criteria. Neither the independent directors themselves, their spouses, or relatives within the second degree of relatives hold company shares, nor do they hold company shares in the name of others. No business, legal, financial, accounting or other services provided by the company or affiliated companies in the past two years.	2

ii. Diversity and Independence of the Board of Directors

(i) Diversity of the Board of Directors

The Company advocates and respects the policy of diversification of directors. In order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, the election of directors adopts a candidate nomination system, and the Board of Directors examines whether the candidates are in line with the Company's operations in accordance with the Company's Procedure for the Election of Directors in terms of diversified plans for operations, business model and development needs, including but not limited to, the gender, age, nationality, culture, and professional skills of the candidates. Specific management goals are as follows:

A. Each gender of the Board of Directors shall account for more than one-third (inclusive) of the total number of directors.

B.The number of the directors who are also the managerial officers of the Company shall not exceed one-third of the total number of the directors.

C.At least two independent directors shall serve no more than three consecutive terms.

The Company currently has 10 directors (including 4 independent directors), and the implementation of diversification is as follows:

A.5 male directors (including 3 independent directors), accounting for 50%; 5 female directors (including 1 independent director), accounting for 50%.

B.1 part-time managerial officer, accounting for 10%, 2 directors are also the employees of the Group (including managerial officers), accounting for 20%.

C.4 independent directors, accounting for 40%. No independent director has served more than three consecutive terms.

D.Diversification of the background of individual director

March 29, 2025

Title	Name	Nationality	Gender	Term of Independent Director	Age (years)			Professional background			Core capability				
					25~40	41~55	56~70	A1	A2	A3	B1	B2	B3	B4	B5
Director	Min-Chun Chen	ROC	M	-			✓	✓			✓	✓			✓
Director	Shu-Ling Tseng	ROC	F	-			✓	✓			✓	✓		✓	✓
Director	Xiang-Qi Fang	ROC	M	-		✓			✓		✓		✓	✓	
Director	Gin-Ru Cheng	ROC	F	-			✓	✓			✓	✓			✓
Director	Yen-Hsuan Chen	ROC	F	-	✓			✓			✓	✓			✓
Director	Yun Chen	ROC	F	-	✓			✓			✓	✓	✓		✓
Independent Director	Bing-Qan Shi	ROC	M	Second 4~6Y		✓		✓	✓		✓	✓		✓	
Independent Director	Pei-Jun Hong	ROC	F	Second 4~6 Y	✓			✓		✓		✓	✓		
Independent Director	Yin-De Wu	ROC	M	Second 4~6 Y		✓		✓		✓	✓	✓	✓		
Independent Director	Chih-Chieh Tsai	ROC	M	First Less than 3Y			✓		✓		✓			✓	

Note

Professional background			Core capability				
A1	A2	A3	B1	B2	B3	B4	B5
Industry	Finance & Accounting	Law	Business management	Industrial knowledge	Law	Finance and accounting	Marketing

(ii) Board's independence

The current Board of Directors is consisting of 10 directors and among which 4 are independent directors, accounting for 40%. More than half of the directors are not spouses or primary or secondary kins of each other and therefore meeting the provision set forth in Article 26-3, Paragraph 3 of the Securities and Exchange Act. In addition, the Company has established the Audit Committee and is therefore exempted from Article 26-3, Paragraph 4 of the Securities and Exchange Act. In summary, the Board of Directors of the Company is independent.

(2) President, Vice Presidents, Assistant Vice Presidents, and supervisors of Departments and Branches

March 29, 2025

Title	Nationality	Name	Gender	Date Elected	Current Shareholding		Spouses & Minor Shareholding		Shareholding by Nominee Arrangement		Experience/Education	Current Positions at other company	Executives within the spouse or 2nd of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
General Manager	ROC	Shu-Ling Tseng	F	2017.07.13	1,403,728	7.35%	167,000	0.87%	-	-	National Taiwan University Master of Management (EMBA) Department of Foreign Languages, National Taiwan University	Refer to p.5	None	None	None	Note1
Finance & Accounting Supervisor & Corporate Governance Officer	ROC	Hsiang-Yi Lo	F	2019.01.28 (Note 2)	17,000	0.05%	-	-	-	-	Finance & Accounting Manager of Chen-Li Education Group Co., Ltd. Manager of Deloitte & Touche Manager	Xue-mi Co., Ltd Representative	None	None	None	-

Note1 : The Chairman of the Board, Shu-Ling Tseng, is also the President of the Company, and to strengthen the independence of the Board of Directors, the Company had added 1 more independent director in 2023 to improve the capacity of the Board and strengthen supervision. At present, the Company has implemented the following measures,

(1) The 4 independent directors are experts in finance and accounting and law and can effectively exert their functions of supervision.

(2) The directors are arranged to participate the continuing education courses designed for directors every year provided by external organizations such as SFC to improve the operational efficiency of the Board.

(3) Independent directors in the Audit Committee and Remuneration Committee can discuss freely and give suggestions to the Board of Directors for their reference so as to realize corporate governance.

(4) More than half of the directors of the Board are not the employees or managerial officers.

Note2 : Concurrently the Corporate Governance Officer from August 6, 2024.

2. Remunerations to Directors (including Independent Directors), Supervisors, President, and Vice Presidents in recent years

(1) Remuneration to Directors (including Independent Directors)

December 31, 2024 Unit: NT\$ in thousands; thousand shares

Title	Name	Director's remuneration								Total compensation (A+B+C+D) and the ratio of total compensation (A+B+C+D) to net income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Total of A, B, C, D, E, F, and G and the ratio of the total of A, B, C, D, E, F, and G on the net income		Remuneration from investee companies other than subsidiaries or the parent company
		Remuneration (A)		Retirement pension (B)		Director's remuneration (C) (Note)		Fees for conducting business (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G) (Note)						
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	Cash	Stock	Cash	Stock			
Chairman	Shu-Ling Tseng	60	60	-	-	231	231	15	15	306 0.23%	306 0.23%	6,739	6,739	-	-	-	-	-	-	7,045 5.30%	7,045 5.30%	None
Director	Min-Chun Chen	60	60	-	-	231	231	15	15	306 0.23%	306 0.23%	-	1,346	-	66	379	-	436	-	685 0.52%	2,154 1.62%	None
Director	Endow Capital Management Inc. Representative: Xiang-Qi Fang	60	60	-	-	231	231	15	15	306 0.23%	306 0.23%	-	-	-	-	-	-	-	-	306 0.23%	306 0.23%	None
Director	Endow Capital Management Inc. Representative: Jin-Ru Cheng	60	60	-	-	231	231	12	12	303 0.23%	303 0.23%	-	-	-	-	-	-	-	-	303 0.23%	303 0.23%	None
Director	Bash Consultant Inc. Representative: Yen-Shuan Chen	60	60	-	-	231	231	12	12	303 0.23%	303 0.23%	-	-	-	-	-	-	-	-	303 0.23%	303 0.23%	None
Director	Bash Consultant Inc. Representative: Yun Chen	60	60	-	-	231	231	15	15	306 0.23%	306 0.23%	-	-	-	-	-	-	-	-	306 0.23%	306 0.23%	None
Independent Director	Bing-Quan Shi	120	120	-	-	231	231	15	15	366 0.28%	366 0.28%	-	-	-	-	-	-	-	-	366 0.28%	366 0.28%	None
Independent Director	Pei-Jun Hong	120	120	-	-	231	231	12	12	363 0.27%	363 0.27%	-	-	-	-	-	-	-	-	363 0.27%	363 0.27%	None
Independent Director	Ying-De Wu	120	120	-	-	115	115	12	12	247 0.19%	247 0.19%	-	-	-	-	-	-	-	-	247 0.19%	247 0.19%	None
Independent Director	Chih-Chieh Tsai	120	120	-	-	231	231	15	15	366 0.28%	366 0.28%	-	-	-	-	-	-	-	-	366 0.28%	366 0.28%	None

1. Description of the policy, system, standards and structure of the remuneration paid to the Directors and Independent Directors of the Company and explain the relevance of the amount of remuneration paid to them based on factors such as responsibility, risk and time commitment:

(1) According to the Company's Articles of Association, the remunerations paid to the Company's directors, regardless of operating profit or loss, may be determined based on individual contribution with reference to domestic and foreign industry standards by the Board of Directors upon authorization. For independent directors, reasonable remunerations may be determined separately and different from the general directors. In addition, as indicated in the Articles of Association that if there is profit in the year, no more than 5% shall be appropriated as the remunerations for directors.

(2) The remunerations paid to the Company's directors is determined by the Remuneration Committee based on the participation in and contribution of each director to the operation of the Company following linking the reasonableness and fairness of performance risks with the remuneration received and the evaluation results will be submitted to the Board of Directors for resolution.

2. Except as disclosed above, remuneration received by directors in the most recent year for services rendered to the all companies in the financial statements (e.g. acting as a non-employee consultant to parent company/all companies in the financial statements/investee companies):

(1) Director Min-Chun Chen, he serves as a teacher for the group, and the amount was NT\$621 in thousands.

Note: The remunerations paid to the directors and employees in 2024 have not yet been distribute. The numbers in this table is estimated in accordance with the regulations governing remunerations for directors, managerial officers, and functional members, and the remuneration for employees is estimated based on the proportion of the actual distribution of the last year.

(2) Remunerations to Supervisors: The SPC has established the Audit Committee to replace supervisors and therefore this is not applicable.

(3) Remunerations to President and Vice Presidents

December 31, 2024 Unit: NT\$ in thousands; thousand shares

December 31, 2021 (New York, New York)

Title	Name	Salary (A)		Retirement pension (B)		Bonuses and allowances, etc. (C)		Remuneration for employees (D) (Note)				(A+B+C+D) and the ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from investee companies other than subsidiaries or the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Shu-Ling Tseng	1,929	1,929	-	-	4,810	4,810	-	-	-	-	6,739 5.07%	6,739 5.07%	None

Note: The remunerations to the employees for 2024 have not been actually distributed. The numbers in the table is calculated based on the proportion of the actual distribution of the last year.

(4) Individual Remuneration Paid to Each of the Top Five Management Personnel

December 31, 2024 Unit: NT\$ in thousands; thousand shares

Title	Name	Salary (A)		Retirement pension (B)		Bonuses and allowances, etc. (C)		Remuneration for employees (D) (Note3)				(A+B+C+D) and the ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from investee companies other than subsidiaries or the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Shu-Ling Tseng	1,929	1,929	-	-	4,810	4,810	-	-	-	-	6,739 5.07%	6,739 5.07%	無
Finance & Accounting Supervisor & Corporate Governance Officer	Hsiang-Yi Lo	1,210	1,210	84	84	1,878	1,878	76	-	76	-	3,248 2.45%	3,248 2.45%	無
Corporate Governance Officer (Note 3)	Ching-Fen Lin	421	421	26	26	70	70	-	-	-	-	517 0.39%	517 0.39%	無

Note 1: In 2024, only 3 directors of the Company met the criteria of the "Top Five Managerial Officers" as specified by the competent authority.

Note 2: The remunerations to the employees for 2024 have not been actually distributed. The numbers in the table is calculated based on the proportion of the actual distribution of the last year.

Note 3: The position as Corporate Governance Officer was adjusted and stepped down on August 6, 2024. This table only discloses the remuneration he received during his tenure as Corporate Governance Officer.

- (5) Name of the managerial officer who distribute the remunerations to the employees and the status on distribution

December 31, 2024 ; Unit: NT\$ in thousands

	Title	Name	Stock	Cash	Total	Ratio of total amount to net income(%)
Executive Officers	President	Shu-Ling Tseng	-	76	76	0.06%
	Finance & Accounting Supervisor & Corporate Governance Officer	Hsiang-Yi Lo				
	Corporate Governance Officer	Ching-Fen Lin				

Note1: The remunerations to the employees for 2024 have not been actually distributed. The numbers in the table is calculated based on the proportion of the actual distribution of the last year.

Note2: The position of Corporate Governance Officer was adjusted on August 6, 2024, and concurrently by Chief Financial Officer Hsiang-Yi Lo.

- (6) Analysis and explanation of the total remunerations paid to Directors, President and Vice Presidents as a percentage of profit after tax reported in standalone or consolidated financial statements in the most recent two years, and description of the policy, standards, and packages of remuneration; the procedure for making such decisions; and relation to business performance and future risks

- i. Total remunerations to Directors, President and Vice Presidents of the Company as a percentage of profit after tax reported in standalone or individual financial statements in the most recent two years

Unit: NT\$ in thousands

Remuneration Item	The Company				All companies in the consolidated financial statements			
	2023		2024		2023		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Director	2,685	2.59%	3,172	2.39%	2,685	2.59%	3,172	2.39%
General Manager and Vice General Manager	5,771	5.57%	6,739	5.07%	5,771	5.57%	6,739	5.07%
Total	8,456	8.16%	9,911	7.46%	8,456	8.16%	9,911	7.46%

In 2024 and 2023, the total remuneration paid to the directors, managerial officers, and Vice Presidents by the Company and all companies in the consolidated statements accounted for 7.46% and 8.16% of the net profit after tax, respectively. The increase in total payment this year was mainly due to the increase in net income after tax compared with last year, and the performance bonus calculated based on profitability and operating results increased accordingly.

- ii. The policies, standards, and combination of paying remunerations and packages of remuneration; the procedure for making such decisions; and relation to business performance and future risks

The company's directors' remuneration is handled in accordance with the company's articles of association and the "Remuneration Management Measures for Directors, Managers and Functional Committee Members" (hereinafter referred to as the

"Remuneration Management Measures"). It is first assessed by the remuneration committee and then determined by the board of directors, including the performance of the company's duties. Regardless of the fixed remuneration paid from operating profits and losses, the travel expenses paid when attending the board of directors, and the distribution of no more than 5% of the profits of the current year as directors' remuneration, the amount of individual directors' remuneration is based on their participation in the company's operations (such as The level of attendance and participation in the board of directors) and the value of contribution are calculated and distributed in accordance with the regulations on remuneration management; for part-time employees, the distribution includes fixed salary, retirement pension allocated in accordance with the law and performance bonus calculated based on operating results, etc.

The company's managers' remuneration is also determined in accordance with the remuneration management regulations and is determined by the board of directors after assessment by the remuneration committee. In addition to fixed salaries, retirement pensions allocated in accordance with the law and allocations of not less than 3% based on the current year's profit status, In addition to employee remuneration, there are also year-end and performance bonuses calculated based on the company's annual operating results.

The company's procedures for setting remuneration and the combination of remuneration payment are determined in accordance with the organizational regulations of the Salary and Remuneration Committee and the Remuneration Management Measures. Its scope is consistent with the standards for remuneration of directors and managers in the standards for matters that should be recorded in the annual report of a publicly issued company, and is provided in advance. The remuneration committee will make an assessment and decide on it at the board of directors, and review the remuneration system in a timely manner based on the actual operating conditions and relevant laws. And because the remuneration package includes directors' remuneration and employee remuneration distributed based on the current year's profit status, as well as year-end and performance bonuses calculated based on the company's annual operating results, it can be seen that the amount of remuneration has a positive correlation with operating performance and future risks.

3. Implementation of corporate governance

(1) Operations of the Board of Directors

The BOD met 5 times in 2024. The details of attendance are as follows:

Title	Name	Actual Attendance Number of times	Attendance by proxy Number of times	Actual Attendance rate (%)	Note
Chairman	Shu-Ling Tseng	5	-	100%	
Director	Min-Chun Chen	5	-	100%	
Director	Endow Capital Management Inc. Representative: Xiang-Qi Fang	5	-	100%	
Director	Endow Capital Management Inc. Representative: Jin-Ru Cheng	4	1	80%	
Director	Bash Consultant Inc. Representative: Yen-Shuan Chen	4	1	80%	
Director	Bash Consultant Inc. Representative: Yun Chen	5	-	100%	
Independent Director	Bing-Quan Shi	5	-	100%	
Independent Director	Pei-Jun Hong	4	1	80%	
Independent Director	Ying-De Wu	3	2	60%	
Independent Director	Chih-Chieh Tsai	5	-	100%	New-appointed on 2023.06.16

Other matters that require reporting:

1. Should any of the following take place in a board meeting, the date and the ordinal number of the meeting, the content of proposal, Independent Director's opinions and the Company's response to such opinions shall be stated:

(1) Matters listed in Article 14-3 of the Securities and Exchange Act

Date and the ordinal number of board meeting	Agenda item(s)	Opinion(s) of the independent director(s)	Response of the Company to the independent director's opinion(s)	Resolution of the Board of Directors
2024.03.08 13th-term 10th	1. 2023 Evaluation of the Effectiveness of the Internal Control System and Statement of Internal Control System 2. 2023 Business Report and Financial Statements. 3. 2023 earnings distribution proposal.	No objection or qualified opinion.	Not applicable.	The Chair passed the matter without objection from all directors and independent directors in attendance.
2024.05.09 13th-term 11th	1. Consolidated financial report for Q1 2024. 2. Distribution of directors' remuneration for 2023. 3. Employee Remuneration Distribution for 2023.			
2024.08.06 13th-term 12th	1. Consolidated financial report for Q2 2024. 2. Change of Corporate Governance Officer. 3. Revised the company's internal control cycle.			
2024.11.08 13th-term 13th	1. Consolidated financial report for Q3 2024. 2. Added internal control procedures.			
2024.12.10 13th-term 14th	1. Revise the management regulations. 2. The third repurchase of the company's shares and transfer to employees. 3. Handling employee stock ownership trust plans.			

- (2) Aside from the above matters, other resolutions adopted by the Board of Directors to which an independent director has expressed objections or qualified opinions on record or in writing: N/A.

2. Status on recusals of directors due to conflicts of interests:

Date of board meeting	Name	Agenda item(s)	Reason for recusal due to conflicts of interests	Voting on the agenda item
2023.05.09	Shu-Ling Tseng Min-Chun Chen Yen-Hsuan Chen Yun Chen	Distribution of the employees' remuneration for 2023.	Shu-Ling Tseng and Min-Chun Chen received the distributed remuneration, Yen-Hsuan Chen and Yun Chen are secondary kins of Shu-Ling Tseng and Min-Chun Chen and therefore are considered to have conflicts of interests.	Recused in accordance with the laws and did not participate in the discussion and voting.
2023.05.09	Shu-Ling Tseng Min-Chun Chen Yun Chen	The third repurchase of the company's shares and transfer to employees.	Shu-Ling Tseng and Min-Chun Chen received the distributed remuneration, Yen-Hsuan Chen and Yun Chen are secondary kins of Shu-Ling Tseng and Min-Chun Chen and therefore are considered to have conflicts of interests.	Recused in accordance with the laws and did not participate in the discussion and voting.
2023.05.09	Shu-Ling Tseng Min-Chun Chen Yun Chen	Handling employee stock ownership trust plans.	Shu-Ling Tseng and Min-Chun Chen received the distributed remuneration, Yen-Hsuan Chen and Yun Chen are secondary kins of Shu-Ling Tseng and Min-Chun Chen and therefore are considered to have conflicts of interests.	Recused in accordance with the laws and did not participate in the discussion and voting.

3. Status on implementation of self evaluation of the Board of Directors

Cycle	Period	Scope	Method	Contents
At least once a year	Year 2024	Individual director member	Self-evaluation of the board members	Familiarity with the goals and missions of the Company: 9.77 Recognition of duties as Directors: 9.87 Degree of participation in Company operations: 9.53 Management of internal relations and communication: 9.67 Directors' professionalism and continuing education: 9.83 Internal controls: 9.77 Other: 10.00
		The overall Board of Directors	Self-evaluation of the board members	Degree of participation in Company operations: 9.69 Improving the quality of the Board of Directors' decision making: 9.92 Composition and structure of the Board of Directors: 9.87 Election and continuing education of the Directors: 9.70 Internal controls: 9.93
		Audit Committee	Self-evaluation of the committee members	Degree of participation in Company operations: 9.94 Knowledge of the duties of the functional committee: 10.00 Improvement of the quality of functional committee's decisions: 10.00 Functional committee composition and election of members: 9.88 Internal controls: 9.75
		Remuneration Committee	Self-evaluation of the committee members	Degree of participation in Company operations: 10.00 Knowledge of the duties of the functional committee: 9.89 Improvement of the quality of functional committee's decisions: 9.94 Functional committee composition and election of members: 10.00

The results of the 2024 performance evaluation were reported to the BOD on March 6, 2025. After reviewing the evaluation results, the scores of each item for 2024 were all excellent. Overall, the operating performance was good, the operation was smooth and meet the requirements of corporate governance.

4. An evaluation of the goals set for strengthening the functions of the Board of Directors and implementation status during the current and immediately preceding fiscal years

- (1) Periodic discussion and revision of various regulations to comply with the existing laws and regulations and meet the needs of management practices, so as to ensure the legitimacy of various regulations.
- (2) Take initiatives to arrange various continuing education courses for directors so as to facilitate directors' access to relevant information and upkeep their core value and professional advantages as well as abilities. All directors of the Company had completed the required number of hours of continuing education for directors and supervisors of listed companies in 2024, a total of 19 courses were taken and the total number of hours was 75 hours (see p. 23 of the Annual Report for detail).

- (3) To improve information transparency, the Company has designed "Information for Investors", "Corporate Governance", and "Stakeholders" sections on the official website and provides relevant information in Chinese and English. Important information of the Board of Directors was also published on <https://mops.twse.com.tw> promptly to avoid inconsistency in information.
- (4) The Company purchases the "liability insurance for directors and managerial officers and reviews the contents of the insurance policy periodically to verify that the amount insured and coverage meet the needs.

(2) Status on the operations of the Audit Committee

The Audit Committee of the Company is consisting of 3 independent directors, and for their professional qualifications and experiences, please see p.6~p.7 of the Annual Report.

The Audit Committee's primary responsibility is to assist the board of directors in performing its duty to oversee the accounting, auditing, and financial reporting processes in the Company and the quality of financial management. Matters reviewed by the Audit Committee according to its responsibility include,

- i. Formulation or revision of the internal control system in accordance with the provisions specified in Article 14-1 of the Securities and Exchange Act.
- ii. Evaluation of the Effectiveness of the Internal Control System.
- iii. Handling procedures for conducting major financial business such as asset acquisition or disposal, engaging in derivatives trading, providing loans to others, making endorsements for others or guarantees shall be in accordance with the provision of Article 36-1 of the Securities and Exchange Act.
- iv. Matters in which the director has an interest in.
 - v. Engaging in major assets or derivatives trading.
 - vi. Material loans, endorsements, or making guarantees.
 - vii. Raising, issuing or private placement of securities with equity nature.
 - viii. Appointment, dismissal or remuneration of the certified public accountants (CPAs).
 - ix. Appointment and dismissal of financial, accounting or internal audit supervisors.
 - x. The annual financial report signed or sealed by the Chairman, managerial officers and accounting supervisor.
- xi. Other major matters stipulated by the Company or the competent authority.

The Audit Committee met 5 times in 2024. The details of the attendance of independent directors are as follows,

Title	Name	Actual Attendance Number of times	Attendance by proxy Number of times	Actual attendance rate (%)	Note
Independent Director (Convener)	Bing-Qan Shi	5	0	100%	
Independent Director	Pei-Jun Hong	4	1	80%	
Independent Director	Yin-De Wu	4	1	80%	
Independent Director	Chih-Chieh Tsai	5	0	100%	Ner-appointed on 2023.06.16

Other matters that require reporting

1. The date of the Audit Committee meeting, the term, contents of the proposals, dissenting or qualified opinions given by independent directors or contents of major proposed items, resolutions of the Audit Committee, and the Company's response to the resolutions of the Audit Committee shall be recorded under the following circumstances during the operations of the Audit Committee.

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

Date and the ordinal number of board meetings held by the Audit Committee	Agenda item(s)	Contents of the objections, qualified opinions or major suggestions from independent directors	Resolutions of the Audit Committee	The Company's response to the Audit Committee's opinions
2024.03.08 13th-term 10th	1. 2023 Evaluation of the Effectiveness of the Internal Control System and Statement of Internal Control System 2. 2023 Business Report and Financial Statements. 3. 2023 earnings distribution proposal.	None.	The Chair passed the matter after consulting all the members in attendance.	The result was proposed to the Board of Directors of the Company for resolution.
2024.05.09 13th-term 11th	1. Consolidated financial report for Q1 2024.			
2024.08.06 13th-term 12th	1. Consolidated financial report for Q2 2024. 2. Revised the company's internal control cycle.			
2024.11.08 13th-term 13th	1. Consolidated financial report for Q3 2024. 2. Added internal control procedures.			
2024.12.10 13th-term 14th	1. Revise the management regulations. 2. The third repurchase of the company's shares and transfer to employees.			

(2) Aside from the above matters, other resolutions that are passed by a two-thirds majority or more of the directors but without being passed by the Audit Committee: N/A.

2. When there are recusals of independent directors due to conflicts of interests, names of the independent directors, contents of resolutions, reasons of recusal, and voting participation shall be stated: N/A.

3. Communication between Independent Directors and internal auditors and accountants

(1) After reviewing the monthly audit report, the internal audit supervisor will submit the report to each of the independent director withing the prescribed time limit and submit the report to the Board of Directors on a quarterly basis. In 2024, the independent directors did not raise objections to the relevant reports, and the communication was good. Communications were also conducted before commencing the Audit Committee's meeting, and related internal control system or management regulations were also revised accordingly in accordance with the amendment to the laws and regulations and actual operation conditions.

(2) The Company's CPAs communicate well with the independent directors and will attend the Audit Committee's meeting when necessary to separately discuss the matters such as the responsibility and independence of the annual report and the status on the inspection of the internal control system and key inspection items and other matters as required by laws with independent directors. During the process, the independent directors may discuss any questions or thoughts with the CPA and the CPA will provide further explanation. The independent directors and accountants have contact information, and can also communicate with each other by e-mail and telephone at any time according to their needs. The communication was good.

4. Summary of 2024 work priorities

(1) Review of the Financial Report

The BOD has prepared and submitted the 2023 Business Report, financial statements, consolidated financial statements, and individual financial statements, and earnings distribution proposal, and among which the consolidated financial statements and individual financial statements have been audited by Accountant Chien-Hui Lu and An-Chih Cheng of

KPMG and they have submitted an audit report with no reservations. The aforementioned Business Report, financial statements, consolidated financial statements, and individual financial statements have been reviewed by the Audit Committee as correctly portraying the Company's business activities. The 2024 Q1~Q3 Financial Report have also been reviewed and passed by the Audit Committee before being submitted for discussion by the Board of Directors.

(2) Evaluation of the effectiveness of the internal control system

The Audit Committee evaluated the effectiveness of the Company's internal control system policies and procedures (including the control measures like finance, business, risk management, information security, outsourcing, and regulatory compliance), and reviewed the Company's audit department, CPAs, and periodic reports from management, including risk management and regulatory compliance. The Audit Committee believes that the Company's risk management and internal control systems are effective, and that the Company has adopted the control mechanisms necessary to monitor and correct violations.

(3) Appointment of CPAs

The Audit Committee is charged with the responsibility of monitoring the independence of the auditing firm to ensure the fairness of the financial statements. In order to ensure the independence of the certified public accounting firm, the Audit Committee has prepared an independence assessment form in accordance with Article 47 of the Accounting Act and the Public Statement of Professional Ethics for Accountants No. 10, "Integrity, Fairness, Objectivity and Independence", to assess the independence, professionalism and suitability of the accountants, and whether they are related parties, have business or financial interests with the Company, etc. On December 5, 2023, the Audit Committee reviewed and approved that Accountant Chien-Hui Lu and An-Chih Cheng of KPMG met the independence assessment criteria and were qualified to serve as the Company's financial and tax certifying accountants, and appointed them as the Company's 2024 certifying accountants. On March 6, 2025, the Audit Committee reviewed and approved that Accountant Chien-Hui Lu and An-Chih Cheng of KPMG met the independence assessment criteria and were qualified to serve as the Company's financial and tax certifying accountants, and continued to appoint them as the Company's 2025 certifying accountants.

(3) Corporate governance practices and deviations with Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons

Assessment item	Operations (Note)			Deviations and reasons
	Y	N	Summary	
1. Has the Company set and disclosed principles for practicing corporate governance according to the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?" from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons	✓		To establish a good system of corporate governance, the Company has established the Corporate Governance Best-Practice Principles in 2017 and continued to make revisions in accordance with external laws and regulations while disclosing such information on the official website of the Company.	None
2. Shareholding structure & Shareholders' equity				
(1) Has the Company set internal operations procedures for dealing with shareholder proposals, doubts, disputes, and litigation as well as implemented those procedures through the proper procedures?	✓		In addition to the stock affairs agency, the Company also has established relevant departments such as spokespersons, proxy spokespersons, and stock affairs units to handle shareholder-related matters, and these departments can handle related issues effectively.	None
(2) Does the Company have a list of major shareholders of companies over which the Company has actual control and the list of ultimate owners of those major shareholders?	✓		The Company has a list of major shareholders of companies over which the Company has actual control and the list of ultimate owners of those major shareholders by interacting with the major shareholders and keep good communication while paying attention to important matters that may cause changes to the shares.	None
(3) Has the Company established and implemented risk control/management and firewall mechanisms between it and affiliated corporations?	✓		The management responsibilities of assets, finance and accounting between the Company and affiliated enterprises are operated independently. In addition, we have established the "Operational Guidelines for the Supervision of Subsidiaries" and all operations are comply with the provisions of the guidelines.	None
(4) Does the Company have internal regulations in place to prevent its internal staff from trading securities based on information yet to be public on the market?	✓		The Company have established the "Insider Trading Prevention Rules", which prohibits the internal staff from trading securities based on information yet to be public on the market.	None
3. Composition and responsibilities of the Board of Directors				
(1) Has the board of directors devised and implemented a plan for a more diverse composition of the board with concrete management goals?	✓		The Company has established the diversity policy in the Corporate Governance Best Practice Principles. The nomination and selection of members of the Board of Directors follows the provisions of the company's articles of association and adopts a candidate nomination system. In addition to evaluating the qualifications of each candidate's academic experience, relevant provisions of the Procedure for the Election of Directors and the Corporate Governance Best Practice Principles are also enforced to ensure the diversity and independence of the members of the Board of Directors. For the status on implementation of diversity of the Board of Directors, please Refer to p.8 of the Annual Report.	None

Assessment item	Operations (Note)		Deviations and reasons	
	Y	N		
(2) In addition to establishing a Remuneration Committee and an Audit Committee, which are required by law, is the company willing to also voluntarily establish other types of functional committees?		✓	The Company has established a Remuneration Committee and an Audit Committee, and we will also establish other types of functional committees as needed in the future.	Relevant committees will be established depending on future needs.
(3) Has the company established and implemented methods for assessing the performance of the Board of Directors and conducted performance evaluation annually? Does the Company submit results of assessments to the Board of directors and use results as the basis for the salary, remuneration, nomination and reappointment of individual Directors?	✓		The Company has established the guidelines governing performance evaluation of the Board of Directors and the evaluation is conducted at least once a year. The 2024 Board Performance Evaluation has been completed in early 2024 and the result was reported to the BOD on March 6, 2025. In the future, the Company will decide whether to utilize the evaluation result in determining the remuneration of individual director or nomination for consecutive terms depending on the overall operations. The evaluation results of the Board of Directors and functional committees for 2024 can be found on p.15 of the Annual Report.	None
(4) Does the Company periodically evaluate the level of independence of the CPA?	✓		The Audit Committee and the Board of Directors of the Company review the level of Independence and eligibility of CPAs every year. In addition to the requirements of submission of a declaration of independence and Audit Quality Indicators (AQI), the level of independence stipulated in Article 47 of the Accounts Law and the contents of “Integrity, Fairness, Objectivity, and Independence” stipulated in the Accounting Bulletin No. 10 of the Code of Ethics for Accountants, were referenced to formulate an assessment form for evaluating the level of independence of the CPAs. For key items relating to evaluation of CPA’s independence, see p.23 of the Annual Report. The most recent evaluation was approved by the Audit Committee and BOD on Mar 6, 2025.	None
4. For TWSE/TPEX-listed companies, are there suitable persons in an appropriate number and designated supervisors for corporate governance to take charge of related matters (including but not limited to providing directors and supervisors with materials required for them to carry out their tasks, helping directors and supervisors comply with the law, taking care of board of directors' meetings and shareholders' meetings as required by law, and preparing minutes of board of directors' meetings and shareholders' meetings)?	✓		The Company has designated a Corporate Governance Officer to be responsible for corporate governance-related matters in order to protect the interests of shareholders and strengthen the functions of the Board of Directors. The key responsibilities are as follows: 1.Process the Board of Directors’ and shareholders’ meeting-related matters in accordance with laws. 2.Prepare the minutes of the Board of Directors’ and shareholders’ meetings. 3.Assist in director appointment and continuing education. 4.Provide information required for the operation of the Board of Directors. 5.Assist directors to comply with laws and regulations. 6.Report to the BOD the results of its review of whether the qualifications of	None

Assessment item	Operations (Note)			Deviations and reasons
	Y	N	Summary	
			<p>independent directors at the time of nomination, election and during their term of office comply with relevant laws and regulations.</p> <p>7.Handle matters related to director changes.</p> <p>8.Other matters stipulated in the Articles of Incorporation or contracts.</p>	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including without limitation shareholders, employees, customers, suppliers, etc.), and properly respond to corporate social responsibility issues that stakeholders are concerned about?	✓		<p>The Company has set up a section specific for stakeholders on the official website to provide the contact information of spokesperson and relating business departments, so that the stakeholders' concern will be handled properly via a smooth communication channel.</p> <p>The Group also has a communication channel for employees to give feedback to communicate with the management of the Company.</p>	None
6. Has the Company hired a professional stock affairs agency to handle tasks and issues relating to convening shareholder's meetings?	✓		The Company has appointed a professional stock affairs agency, The Transfer Agency Department of Grand Fortune Securities Co.,Ltd., to handle matters relating to shareholder's meetings.	None
7. Information Disclosure				
(1) Has the Company established a corporate website to disclose information regarding the Company's financial, business and corporate governance status?	✓		The Company has established a website to disclose information regarding the Company's financial, business and corporate governance status. For the details of the website, see XI on the inside of the cover of the Annual Report.	None
(2) Has the company established other information disclosure channels (e.g., maintaining an English-language website, appointing responsible people to handle information collection and disclosure, appointing spokespersons, or webcasting investor conferences on the company website)?	✓		The Company has a spokesperson system, which represents the Company for making announcements. In general, the stock affairs unit is responsible for the disclosure of company information, and a bilingual website in Chinese and English is set up to facilitate the understanding of foreign investors.	None
(3) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?	✓		The Company announces and submits the annual financial report within the time limit specified by the law, and announces and submits its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.	No material deviation
8. Does the Company have other information that contributes to better understanding of its corporate governance standing (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, training completed by directors and supervisors, implementation of risk management policies and risk evaluation criteria, implementation of customer policies, liability insurance policies purchased for directors and supervisors)?	✓		<p>1. The Company has established an Employee Welfare Committee and implemented a pension system to protect the rights and interests of its employees, such as arranging regular health exams, organizing employee tours from time to time, and conducting various employee trainings, and to care for employees' physical as well as mental health and learning and development.</p> <p>2. The Company's official website has set up a section of Information for Investors, which includes a communication channel for stakeholders to ensure effective communication between stakeholders and the Company.</p> <p>3. All directors are required to complete at least 6 hours of continuing education</p>	None

Assessment item	Operations (Note)			Deviations and reasons
	Y	N	Summary	
			<p>courses. For status on continuing education, see p.23.</p> <p>4. The Company has established a internal control system and a number of internal rules in accordance with laws to conduct various risk management and evaluation. In addition, the internal audit unit will conduct periodic and random inspections to inspect the status on implementation of the internal control system.</p> <p>5. The Company maintains a good relationship with the customers and strictly adheres to the contracts signed with customers and relevant provisions to safeguard customers' rights and interests and provide good service quality.</p> <p>6. The Company has purchased liability insurance for directors from MSIG Mingtai Insurance Company, Limited. in the amount of US\$5,000,000 for 2023.</p>	

9. Please describe improvements in terms of the results of the Corporate Governance Evaluation System issued by the Taiwan Stock Exchange (TWSE) in recent years and propose areas and measures to be given priority where improvement will be needed.

No.	Topic	Improvements or prioritized items and measures
1.1	Does the company report the remuneration received by directors at regular shareholders' meetings, including the remuneration policy, individual remuneration content and amount?	It has been included in the 2025 AGM for reporting.
1.6	Will the company hold its regular shareholders meeting before the end of May?	The 2025 AGM will be held before the end of May.
3.6	Does the company disclose its interim financial report in English within two months after the deadline for filing the Chinese version of the interim financial report?	The company has evaluated and planned manpower for relevant document translation work

Note 1: Status on directors' participation in continuing education in 2024

Title	Name	Date	Organizer	Course Name	Hours
Director	Shu-Ling Tseng	2024/06/18	TWSE	Creating a new carbon era advocacy conference with sustainable knowledge	6
Director	Min-Chun Chen	2024/07/03	TWSE	2024 Cathay Pacific Sustainable Finance and Climate Change Summit	6
Legal Director Representative	Xiang-Qi Fang	2024/01/30	TCGA	Board Governance under Corporate Law	3
		2024/09/12	COSDA	ESG trends and the pandemic environment discuss global tax reform and corporate tax governance	3
Legal Director Representative	Gin-Ru Cheng	2024/10/29	TWSE	Creating a new carbon era advocacy conference with sustainable knowledge	6
Legal Director Representative	Yen-Hsuan Chen	2024/07/03	TWSE	2024 Cathay Pacific Sustainable Finance and Climate Change Summit	6
Legal Director Representative	Yun Chen	2024/07/03	TWSE	2024 Cathay Pacific Sustainable Finance and Climate Change Summit	6
Independent Director	Bing-Qan Shi	2024/12/12	SFI	Carbon trading mechanism and carbon management application	3
		2024/12/12	SFI	Audit Committee Operation Practice	3
Independent Director	Pei-Jun Hong	2024/07/03	TWSE	2024 Cathay Pacific Sustainable Finance and Climate Change Summit	6
Independent Director	Yin-De Wu	2024/03/22	COSDA	Corporate Governance 3.0, Capital Market Blueprint and Green Financing	3
		2024/03/26	TCGA	Integrity management code and how to avoid stepping on the red line of directors and supervisors' responsibilities	3
		2024/05/10	TCGA	Introduction to Nomination and Compensation Committees in US Law: Case Analysis	3
		2024/05/17	TCGA	Board of Directors' Information Security Governance Oversight Strategy	3
Independent Director	Chih-Chieh Tsai	2024/06/27	TCGA	New thinking on enterprise risk management integrating strategic development and ESG	3
		2024/08/21	SFI	Challenges and opportunities of sustainable development and introduction to greenhouse gas inventory	3
		2024/08/29	TCGA	Company director election and nomination committee, corporate governance practices	3
		2024/08/29	TCGA	Evaluation of the functions and effectiveness of the board of directors and the response and application of corporate governance evaluation	3
		2024/10/17	TCGA	Corporate Governance and Securities Regulations - Legal norms and risk responsibilities that directors, supervisors and insiders must know under corporate governance	3

SFI: Securities and Futures Institute

TWSE: Taiwan Stock Exchange

TCGA: Taiwan Corporate Governance Association

COSDA: Corporate Operating and Sustainable Development Association

Note 2: Important items for evaluation of CPA independence

Possible items that affect CPA independence	Evaluation results:
I. Is there any situation in which "independence is affected by self-interest" as stipulated in Article 8 of the Accounting Bulletin No. 10 of the Code of Ethics for Accountants?	No
II. Is there any situation in which "independence is affected by self-assessment" as stipulated in Article 9 of the Accounting Bulletin No. 10 of the Code of Ethics for Accountants?	No
III. Is there any situation in which "independence is affected by defense" as stipulated in Article 10 of the Accounting Bulletin No. 10 of the Code of Ethics for Accountants?	No
IV. Is there any situation in which "independence is affected by familiarity" as stipulated in Article 11 of the Accounting Bulletin No. 10 of the Code of Ethics for Accountants?	No
V. Is there any situation in which "independence is affected by coercion" as stipulated in Article 12 of the Accounting Bulletin No. 10 of the Code of Ethics for Accountants?	No
VI. Do the accountants in practice of the accounting firm have any of the situations stipulated in Article 47, Paragraph 1, Subparagraphs 1, 2, 4, and 5?	No
VII. Does the corporate accounting firm have any of the situations stipulated in Article 47, Paragraph 1, Subparagraphs 4-6? The KPMG are not corporate accounting firm and therefore this provision does not apply.	N/A.

(4) Composition, duties, and operation of the Remuneration Committee or Nomination Committee

i. Information on members of the Remuneration Committee

Identity	Criteria	Professional qualifications and experience	Independence status	Number of other public companies in which the member also serves as a member of their remuneration committee
Independent Director (Convener)	Pei-Jun Hong	Please Refer to p.6~p.7	Please Refer to p.6~p.7	1
Independent Director	Bing-Qan Shi	Please Refer to p.6~p.7	Please Refer to p.6~p.7	1
Independent Director	Yin-De Wu	Please Refer to p.6~p.7	Please Refer to p.6~p.7	-

ii. Work Focus the Remuneration Committee

The committee shall exercise the care of a good administrator in faithfully performing the official powers listed below, and shall submit its recommendations for deliberation by the board of directors.

- (i) Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors, supervisors and managerial officers.
- (ii) Periodically evaluate and prescribe the remuneration of directors, supervisors, and managerial officers.

iii. Information on the operation of the Remuneration Committee

- (i) The current Remuneration Committee of the Company has 3 members.
- (ii) Current term for Remuneration Committee members: From August 09, 2022 to June 08, 2025, of 3 meetings of the 2024 Remuneration Committee were held in the most recent year. The attendance was as follows:

Title	Name	Number of times of actual attendance	Number of times of attendance by proxy	Actual attendance rate (%)	Note
Convener (Independent Director)	Pei-Jun Hong	2	1	66.67%	
member (Independent Director)	Bing-Qan Shi	3	-	100%	
member (Independent Director)	Yin-De Wu	3	-	100%	

Other matters that require reporting:

1. If the Board of Directors did not adopt or revise the recommendations of the Remuneration Committee, the date of the Board meeting, term of the Board, agenda item, resolutions adopted by the Board, and actions taken by the Company in response to the opinion of the Remuneration Committee shall be indicated: None.
2. If a member opposes a resolution the Remuneration Committee has adopted or has reservations with a written record or a statement, the date and session of the meeting, the resolution, opinions of all the members, and the handling of their opinions shall be indicated: None.
3. Matters for communication and resolutions of the year

Date and the ordinal number of board meetings held by the Remuneration Committee	Agenda item(s)	Resolution	The Company's handling of the opinions of the Remuneration Committee members.
2024.03.08 6th-term 4nd	1.Distribution of remuneration to employees and directors for 2023.	The Chair passed the matter after consulting all the members in attendance.	The result was submitted to the Board of Directors and passed without objection by all directors in attendance.
2024.05.09 6th-term 5nd	1.Distribution of the amount of remuneration to directors for 2023. 2.Distribution of the amount of remuneration to employees for 2023.		
2024.12.10 6th-term 6rd	1.The third repurchased shares of the Company were transferred to the employee stock subscription list who are directors or managers. 2. Handling employee stock ownership trust cases.		

- iv. Composition, duties, and operation of the Nomination Committee: The Company has not yet established a Nomination Committee and therefore this provision does not apply.

(5) Status on the Company's implementation of sustainable development and deviations with Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Assessment item	Operations (Note1)			Deviations and reasons
	Y	N	Summary (Note2)	
1. Has the Company established a governance framework to promote sustainable development and a dedicated department (or have another department be responsible for related efforts) for fulfilling sustainable development, with the board of directors authorizing high-level managers to handle such efforts, and having relevant progress be supervised by the board of directors?	✓		The company has set up an ESG sustainability promotion team, with the general manager as the convener and the heads of various functional units as team members. The team assists the management in promoting corporate sustainable management and preparing a sustainability report, which will be submitted to the board of directors upon completion.	No material deviation
2. Does the Company perform assessments of risks in environmental, social, and corporate governance issues relevant to its business activities and devise risk management policies and strategies accordingly?	✓		<p>Considering the criticality of operations and the impact on major issues, the relevant risk assessment boundary is mainly based on the Company and important subsidiaries.</p> <p>The Company follows the principle of taking preventive measures in advance to reduce the losses caused by risks and regularly identifies, evaluates, handles and monitors potential risks that may keep the Company from achieving the goals as well as conducts periodic follow-ups and incorporates daily operation of relevant units.</p> <p>Risk management policies and strategies specific for environmental, social, and corporate governance were devised accordingly as follows:</p> <p>1.Environmental issues In terms of environmental protection, the Company has introduced various water-saving and power-saving measures and are committed to promoting and advocating the implementation of the recycling policies and made every effort to become an environmental friendly company.</p> <p>2.Social issues: (1)In terms of occupational health and safety, fire prevention managers are hired and various safety protection measures are established. We also conducted emergency drills such as fires and earthquakes periodically, and in response to the continued COVID-19 pandemic, all personnel entering and exiting are required to wear masks, measure temperature and carry out disinfection.</p> <p>(2) In terms of information security, we conducted periodic education and training for employees to improve their awareness of information security to avoid the risk of data breach, and we also have a confidentiality agreement and personal data protection to protect the rights and interests of stakeholders. In addition, we have established a firewall to</p>	None

Assessment item	Operations (Note1)			Deviations and reasons
	Y	N	Summary (Note2)	
			<p>enhance network security and avoid the risk of external malicious intrusion and attack.</p> <p>3. Corporate governance:</p> <p>(1) In terms of regulatory compliance, internal education and training were provided to advocate the corporate governance and regulations of the Company and to enhance the awareness of employees to comply with the regulations. In addition, internal control system were implemented to ensure every operation of the Company complied with relevant laws and regulations, and we also paid attention to the revisions of laws and regulations and review various internal rules to reduce the risk of non-compliance.</p> <p>(2) In terms of strengthening the functions of directors, relevant topics were planned for directors and directors were provided with the latest regulations, system development and policies, and liability insurance was purchased for directors to protect them from lawsuits or claims for compensation due to performing their duties.</p> <p>(3) In terms of stakeholders, various communication channels were established and frequent communications were conducted to reduce confrontation and misunderstanding, and we also set up an investor mailbox which was handled and replied by the spokesperson.</p>	
3. Environmental issues				
(1) Has the Company established a proper environmental management system based on the characteristics of the industry?	✓		The Company manages the environment in accordance with the local relevant environmental safety and hygiene regulations.	None
(2) Is the company committed to achieving efficient use of resources, and using renewable materials that produce less impact on the environment?	✓		The Company promotes recycling and is committed to activities such as the implementation of garbage sorting and recycling of available resources so as to protect the earth's resources and protect environmental hygiene.	None
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓		In response to the impact of climate change on operating activities, the company maintains an active focus on energy conservation, carbon reduction and greenhouse gas reduction.	No material deviation
(4) Has the company made statistics on greenhouse gas emissions, water consumption and total waste weight in the past two years, and formulated policies for greenhouse gas reduction, water reduction or other waste management?	✓		The BOD has approved and set the greenhouse gas inventory and verification schedule, and has begun the first inventory operation. Although the company has no explicit relevant management policies, it has taken practical actions such as electronicizing form documents, increasing the setting temperature of air conditioners to save energy, and recycling resources.	The first greenhouse gas inventory operation will begin in 2024.

Assessment item	Operations (Note1)			Deviations and reasons
	Y	N	Summary (Note2)	
4. Social issues				
(1) Has the Company formulated appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		The Company carries out such policies and procedures in accordance with the Labor Standards Act and Labor Insurance Act, Employees' Welfare Funds Act, and relevant laws.	None
(2) Has the company established and implemented reasonable employee benefits (including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation appropriately?	✓		The Company manages employee salaries and leave systems in accordance with the Labor Standards Act, manages the relevant welfare measures in accordance with the Employees' Welfare Funds Act, and allocates no less than 3% of the profits of the year to employees' remuneration according to the Articles of Association based on the number of years worked and performance evaluation results. In addition, we also have mid-year and year-end bonus systems, allowances for perfect attendance on holidays, summer recruitment award, and bonuses for recruitment and stay on duty, etc. to motivate our employees to work together for the Company's goal.	None
(3) Does the Company provide a safe and healthy working environment and provide employees with regular safety and health training?	✓		In order to provide a safe and healthy working environment, we hired Type A occupational safety and health supervisors, fire prevention managers, strengthened the training and popularization of first-aid personnel, established various safety protection measures, conducted regular emergency escape and evacuation drills for fires and earthquakes, and provided on-site services of occupational medical treatment and occupational nursing twice a year and twice a month, respectively, in accordance with the provision stipulated in Article 4 of the Labor Health Protection Regulations of the Ministry of Labor.	None
(4) Does the Company have in place effective tools to help employees with career planning and development?	✓		The Company provides comprehensive education and training for new employees and conduct professional courses and training for specific positions and related agents periodically, and we also actively cultivate management talents at all levels and perform fire and disaster prevention training and periodic on-the-job trainings for the advancement of first-aid personnel and employee skills.	None
(5) Customer health and safety for specific products and services Does the Company comply with relevant laws and international standards in relation to customer privacy, marketing, and labeling of products and services and has the Company formulated relevant policies and complaint procedures to protect consumers' or customers' rights?	✓		The Company importance to customer opinions, and has provided a contact window and email on the official website and has also set up a specific section for stakeholders to ask questions, file a complaint or make a suggestion. The Company upholds the principle of good faith to properly handle and give feedback to protect the rights and interests of customers.	None

Assessment item	Operations (Note1)			Deviations and reasons
	Y	N	Summary (Note2)	
(6) Has the Company formulated supplier management policies that require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, and labor rights and requested their reports on the implementation of such regulations?	✓		Prior to cooperation, the Company will evaluate the suitability of suppliers according to internal procedures and conduct regular audits and evaluations to ensure that suppliers follow relevant norms on issues such as environmental protection, safety or hygiene.	None
5. Does the company prepare sustainability reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Does the company obtain third-party assurance or guarantees for the reports above?		✓	We has started compiling the sustainability report, but currently there is no timetable for obtaining confirmation or guarantee opinions from a third-party verification unit.	No material deviation
6. Describe the deviations, if any, between actual practice and the sustainable development regulations, if the company has formulated such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies: The Board of Directors passed the "Corporate Responsibility Principles" of the Company in June, 2017 and the revised version of the aforementioned principles in November, 2021 to strengthen the implementation of corporate social responsibility. The Company conducts periodic review on the implementation status and make improvements based on the results, and no material deviation has been reported thus far.				
7. Other important information to facilitate a better understanding of the Company's implementation of sustainable development: None.				

(6) Status on ethical corporate management and deviations with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Assessment item	Operations (Note1)		Deviations and reasons
	Y	N	
<p>1. Establishment of the policies and approaches for ethical corporate management</p> <p>(1)) Has the Company established the ethical corporate management policies approved by the Board of Directors and stated the policies and practices in its bylaws or external correspondence to maintain business integrity? Are the Board of Directors and the managerial officers committed in fulfilling this commitment?</p> <p>(2)) Has the company established a risk assessment mechanism against unethical conduct, analyzed and assessed operating activities with higher risk of unethical conducts on a regular basis, and established prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies"?</p> <p>(3) Does the Company have any measures against dishonest conducts? Are these measures supported by proper procedures, behavioral guidelines, disciplinary actions and complaint systems? Does the Company review the policies on a regular basis?</p>		<p>✓</p> <p>✓</p> <p>✓</p>	<p>No material deviation</p> <p>None</p> <p>None</p>
<p>2. Implementation of ethical corporate management</p> <p>(1) Does the Company evaluate the integrity record of the counterparty and clearly stipulate the terms of good faith behavior in the contract signed with the counterparty involved in the transaction?</p> <p>(2) Does the Company have a unit under the Board of Directors that is charged with promoting ethical corporate management and regularly (at least once every year) reports to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?</p> <p>(3) Has the Company established policies to prevent conflicts of interests, implemented such policies, and provided adequate channels of communications?</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p></p> <p>✓</p> <p></p>	<p>None</p> <p>No material deviation</p> <p>None</p>

Assessment item	Operations (Note1)		Deviations and reasons
	Y	N	
		Summary (Note2)	
(4) Has the Company established effective accounting systems and internal control systems for enforcing ethical corporate management? Has the Company designated its internal audit unit to devise relevant audit plans and audit the compliance with the prevention programs accordingly based on the results of assessment of the risk of involvement in unethical conduct or commissioned a CPA to conduct the audit?		✓ The Company has established internal audit plans and internal audit personnel conduct various audits by following these plans and report to the Board of Directors to ensure the design of the system and implementation remain effective.	No material deviation
(5) Did the Company periodically provide internal and external training programs on integrity management?		✓ The Company has not yet periodically provide internal and external training programs on ethical corporate management.	Relevant internal and external education and training will be planned and arranged.
3. Implementation of the Company's whistleblowing System			
(1) Has the Company established concrete whistleblowing system and reward system and have a convenient reporting channel in place, and assign an appropriate person to communicate with the accused?	✓	The Company has established the Personnel Regulations and reward and punishment rules in addition to a suggestion box. In case of a (suspected) violation, the staff can report such event to the Company directly and designated personnel will be assigned specifically for the complaine.	None
(2) Has the company established standard operating procedures for investigating reported issues, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms?	✓	The Company has established the Personnel Regulations and reward and punishment rules and the complainant's information will be kept confidential as required.	No material deviation
(3) Has the Company adopted measures for protecting the whistle-blower against improper treatment or retaliation?	✓	The Company has established the Personnel Regulations and reward and punishment rules and the complainant's information will be kept confidential as required to protect the complainant from inappropriate treatment due to filing the complaint.	None
4. Enhancing information disclosure Has the company disclosed the contents or its ethical corporate management principles as well as relevant implementation results on its website and on the Market Observation Post System?		✓ The Company has not yet established the principles of ethical corporate management.	Such principles will be formulated depending on the situation of the Company.
5. The Company shall establish its own Code of Business Integrity based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" and clearly articulate the differences between its operations and the established code. The Company has not yet established the principles of ethical corporate management as of this moment.			
6. Other important information to facilitate a better understanding of the Company's implementation of ethical corporate management:			
(1) The Company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act or other laws or regulations regarding commercial activities as the underlying basic premise to facilitate ethical corporate management.			
(2) The Company signs a confidentiality agreement with its employees and all employees are prohibited to disclose the secrets of the Company known in handling of affairs and business and have the obligation to keep the Company's business secrets confidential.			
(3) The Company has established the Insider Trading Prevention Rules, which clearly stipulate that directors, managerial officers, and employees of the Company are not allowed to disclose important information of the Company to others and are prohibited to inquire or collect the Company's undisclosed Material Inside Information from those who possess such information, and Material Inside Information that is not gained in the process of performing their business must not be disclosed to others.			

- (7) Other useful information for explaining corporate governance practices: None.
- (8) Status on implementation of internal control system
- Statement on Internal Control: Refer to p. 34.
 - If the Company engages an accountant to examine its internal control system, disclose the CPA audit report: N/A.
- (9) Important resolutions adopted in shareholders meetings and Board of Directors' meetings in the past year and up to the date of printing: Refer to p.35.
- (10) Dissenting or qualified opinions of directors or supervisors against an important resolution passed by the board of directors that are on record or stated in a written statement in the past year and up to the printing date of this annual report: None.

Implementation of Climate-Related Information

Item	Implementation status		
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The BOD is the highest supervisory body for climate change risk governance. The ESG Sustainability Promotion Group is the highest organization for climate change risk management. The ESG group, led by the general manager, completes the climate change risk assessment and reports the results and response measures, as well as the achievement of relevant goals, to the board of directors.		
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	In order to further assess the possible financial impact of climate change risks, the ESG team uses a risk matrix to prioritize and determine the most important climate-related risk issues, and then conducts relevant financial assessments and response strategies. Its purpose is to ensure that operations continue without interruption so that the enterprise can operate sustainably.		
	Strategies and management measures for risk factors with greater impact:		
	Climate change risks	Financial impact	Response measures
	Energy and Greenhouse Gas Regulations	Increased operating costs	Continue to implement waste reduction and recycling programs to reduce impact on the environment.
	The rising cost of greenhouse gas emissions	Carbon reduction equipment installation Increased operating costs	Conduct greenhouse gas inventory and strive to reduce greenhouse gas emissions
	Company Image	Damage to goodwill	Increase positive exposure and shape the ESG corporate image.
	Typhoon (immediate)	Property damage Revenue decline	When a typhoon comes, keep track of the regulations on whether employees should go to work or stop working and the alarm information.
	Flood (immediate)	Business affected	Cooperate with relevant response measures of various county and city governments.
	Average temperature rise (chronic)	Increased operating costs	Continuously evaluate and replace inefficient energy-consuming equipment.
	Strategies and management measures for climate change opportunities:		
	Opportunity Factor	Financial impact	Response measures
	Energy efficiency improvement	Reduce energy costs	Regularly review the current status of energy management and implementation of energy-saving projects at each operating location.
Enhance the positive image of the company	Reduce energy costs	Regularly review the current status of energy management and implementation of energy-saving projects at each operating location.	
3. Describe the financial impact of extreme weather events and transformative actions.	In order to reduce the financial impact caused by risks, the Company is committed to incorporating climate change risks into operational decisions, while facing the crisis of global warming and resource depletion, fully responding to the trend of energy conservation and carbon reduction, and carrying out carbon reduction and adaptation activities.		
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The company's ESG sustainability team disclosed environmental information for the first time and will conduct risk assessments every year in the future , manage the climate-related risks and opportunities currently identified, and regard climate change risks and opportunities as management priorities; after reporting to the board of directors, the results will be disclosed in the corporate sustainability report.		

Implementation of Climate-Related Information

Item	Implementation status
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The Company currently has no plans to use scenario analysis to conduct relevant assessments.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	The Company does not yet have a transformation plan in place to manage climate-related risks.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company currently has no internal carbon pricing plans.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	The company has not yet set any climate-related goals, but has taken the following specific actions: 1. Promote the use of public transportation to and from get off work to reduce greenhouse gas emissions. 2. Promote "energy conservation and carbon reduction, create a green future together" and encourage the use of environmentally friendly and recycled products. 3. Promote paperless process and digitize document forms to reduce paper usage. 4. Promote the use of double-sided copy paper and encourage the reuse of internal envelopes to reduce paper consumption. 5. Encourage colleagues to use environmentally friendly tableware and bags, etc. to reduce waste generation.
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	The Company has established a greenhouse gas inventory schedule, which is monitored and reported to the Board of Directors on a quarterly basis. The inventory work has been completed in 2024, but the reduction targets and strategies have not yet been set.

Success Prime Corporation

Statement on Internal Control System

Date: March 6, 2025

This Statement of Internal Control System is issued based on the self-evaluation results of the Company for year 2024:

- I. The Company is fully aware that the establishment, implementation and maintenance of its internal control system is the responsibility of the Board of Directors and managerial officers. In this regard the Company has already established such a system. The purpose is to provide reasonable assurance to the effectiveness and efficiency of business operations (including profitability, performance, and security of assets), reliability, promptness, and transparency of reports, and compliance with relevant regulatory requirements in reaching compliance targets.
- II. Internal control regulations possess inherent shortcomings. Regardless of its design, an effective internal control system can only provide reasonable assurance of the three objectives as mentioned above. Furthermore, its effectiveness may change due to changes in the Company's environment and circumstances. However, self-supervision measures were implemented within the Company's internal control system to facilitate immediate rectification once procedural flaws have been identified.
- III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the items in Governing Regulations for Public Company's Establishment of Internal Control System (hereinafter called "Governing Regulations") that are related to the effectiveness of internal control systems. The internal control system judgment criteria adopted by the Regulations divide internal control into five elements based on the process of management control: 1. Control environment, 2. Risk assessment, 3. Control operation, 4. Information and communication, and 5. Monitoring. Each element further contains several items. For more information on the abovementioned items, please refer to the Regulations.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
- V. Based on the findings of the evaluation mentioned in the preceding paragraph, the Company believes that as of December 31, 2024, its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for knowledge of the degree of achievement of operational effectiveness and efficiency objectives, reliability of reporting, and compliance with applicable laws and regulations, is effectively designed and operating, and reasonably assures the achievement of the above-stated objectives.
- VI. This Statement will become a major part of the content 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 Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This Statement has been passed by the Board of Directors Meeting of the Company held on March 8, 2024, where the 10 attending Directors, no director expressed dissenting opinions and all affirmed the content of this Statement.

Success Prime Corporation
Chairman: Shu-Ling Tseng
President: Shu-Ling Tseng

Important resolutions of the shareholders' meeting and board of directors in the most recent year and up to the publication date of this Annual Report

i. Major resolutions made at the AGM and status on their implementation

Convene Date	Important resolutions	Status on implementation
June 13, 2024 AGM (Physical)	1.Approval of the Business Report and Financial Statements for 2023. 2.Approval of the earnings distribution proposal for 2023.	1.Proceed in accordance with the resolutions. 2.April 19, 2024 was set as the Ex-dividend date and cash dividends was distributed on May 10, 2024.

ii. Important resolutions of the BOD

Convene Date	Important resolutions
2024/03/08	1.2023 Evaluation of the Effectiveness of the Internal Control System and Statement of Internal Control System 2.Distribution of remuneration to employees and directors for 2023. 3.Business Report, individual financial Statements, and consolidated financial report for 2023. 4.Distribution of earnings for 2023. 5.Distribution of earnings-cash dividends for 2023. 6.Setting the date, location, and reason for convening shareholders' meeting for 2024.
2024/05/09	1.Consolidated financial report for Q1 2024. 2.Distribution of the directors' remuneration for 2023. 3.Distribution of the employees' remuneration for 2023.
2024/08/06	1.Consolidated financial report for Q2 2024. 2.Renew of the line of credit to Taipei Fubon Bank. 3.Changes in the person in charge of corporate governance. 4.Revise the company's internal control cycle. 5.The International Business Department was established, with General Manager Shu-Ling Tseng as the department head.
2024/11/08	1.Consolidated financial report for Q3 2024. 2.Audit plan for 2025. 3.Add the company's internal control procedures. 4.Revised the company's approval authority table.
2024/12/10	1.Internal budget for 2025 2.Revise the company's management regulations. 3.The third time the company's shares were repurchased and transferred to employees. 4.Handling employee stock ownership trust plans.
2025/03/06	1.2024 Evaluation of the Effectiveness of the Internal Control System and Statement of Internal Control System 2.Distribution of remuneration to employees and directors for 2024. 3.Business Report, individual financial Statements, and consolidated financial report for 2024. 4.Distribution of earnings for 2024. 5.Distribution of earnings-cash dividends for 2024. 6.Amend the company's articles of association. 7.Election of the 14th Board of Directors (including independent directors). 8.List of candidates for nomination of directors (including independent directors). 9.Lifting the non-compete restrictions on new directors (including independent directors). 10.Setting the date, location, and reason for convening shareholders' meeting for 2025. 11. Appointment of Audit Supervisor. 12. Independence assessment, appointment and remuneration of visa accountants. 13. Proposed formulation of the general principles of the company's pre-approval policy for non-assertion services of KPMG. 14. Revised the "Administrative Measures for Preventing Insider Trading".

4. Compensation for the service of the CPAs

- (1) The amount of the audit and non-audit fees paid to certifying accountants, the firm of the certifying accountants, and its affiliates, and the contents of the non-audit service

Unit: NT\$ in thousands

Name of accounting firm	Name of Accountant:	Period Covered by CPA's Audit	Audit fee	Non-audit fee	Total	Note
KPMG	Chien-Hui Lu	2024	1,650	470	2,120	-
	An-Chih Cheng					

Note: The non-audit fee was NT\$270,000 for tax certification and NT\$200,000 for transfer pricing report.

- i. The Company changes accounting firm and the amount of audit fee paid in the year of change is less than that in the year before: None.
- ii. the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed.
 - (i) the reduction in the amount of audit fees, reduction percentage:
Reduction of NT\$250 in thousands, a reduction of 13.16%.
 - (ii) reason:
Consider the company's future operational development and internal management needs.

5. Information on Changes to Accountants

- (1) Regarding previous CPA

Date of change	June 7, 2023		
Reasons for change and explanation	Internal adjustment of the certifying accounting firm		
Termination initiated by client or accountant declined to accept the appointment	Counterparty		Client
	Scenario	CPA	
	Termination initiated by client		✓
	CPA declined to accept (continue) the appointment		
Audit opinions other than unqualified opinions issued in the past two years and reasons	N/A.		
Opinions different from those of issuer	Yes		Accounting principles or practices
			Disclosure of financial report
			Scope or procedures of auditing
			Others
	None	✓	
	Explanation:		
OTHER DISCLOSURES (Situations required to be disclosed as stipulated in Article 10, Subparagraph 6, Items 1, Point 4 to Point 7 of the Regulations)	N/A.		

(2) Regarding succeeding CPA

Name of firm	KPMG
Name of Accountant:	Chien-Hui Lu, An-Chih Cheng
Date of appointment	June 7, 2023
Consultation given on accounting treatment or accounting principle adopted for any specific transactions and on possible opinion issued on financial report prior to appointment and results	None
Succeeding CPAs' written opinions that are different from those of the previous CPAs	None

(3) The former CPA's reply to Article 10, Subparagraph 6, Item 1 and Item 2, Point 3 of the Regulations: None.

6. The Chairman, President and Financial or Accounting Managerial Officer of the Company who had worked for the Independent CPA or its affiliate in the past year: None.

7. Share transfer by directors, supervisors, managerial officers and shareholders holding more than 10% equity and changes to share pledging by them in the past year and up to the date of report

(1) Change in share equity among directors, supervisors, managerial officers, and major shareholders

Unit: shares

Title	Name	2024		As of March 29, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman & General Manager	Shu-Ling Tseng	-	-	(38,000)	-
Director	Min-Chun Chen	(84,000)	-	(69,000)	-
Legal Person as Director	Endow Capital Management Inc. Investment specific account	-	-	-	-
Representative of Legal Person	Representative of Endow Capital Management Inc. Xiang-Qi Fang	-	-	-	-
Representative of Legal Person	Representative of Endow Capital Management Inc. Jin-Ru Cheng	(933)	-	-	-
Legal Person as Director	Bash Consultant Inc. Investment specific account	-	-	-	-
Representative of Legal Person	Representative of Bash Consultant Inc. Yen-Hsuan Chen	-	-	44,000	-
Representative of Legal Person	Representative of Bash Consultant Inc. Yun Chen	33,000	-	54,000	-
Independent Director	Bing-Qan Shi	-	-	-	-
Independent Director	Pei-Jun Hong	-	-	-	-
Independent Director	Yin-De Wu	-	-	-	-
Independent Director	Chih-Chieh Tsai	-	-	-	-
Finance & Accounting Supervisor	Hsiang-Yi Lo	-	-	7,000	-
Corporate Governance Officer	Ching-Fen Lin (Note)	-	-	-	-

Note: He stepped down on August 6, 2024 due to job adjustment.

(2) The related parties of equity transfers: None.

(3) Share pledge information: None.

8. Information on the relationship between any of the top ten shareholders (related party, spouse, or primary or secondary kin)

March 29, 2025; Unit: shares

Name	Current Shareholding		Spouses & Minor Shareholding		Shareholding by Nominee Arrangement		Name and relationship between the top ten shareholders, or spouses or relatives within 2 nd degrees		Note
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Far Eastern Int'l Bank Be entrusted for Endow Capital Management Inc. Investment specific account	1,890,039	9.90%	-	-	-	-	-	-	-
Far Eastern Int'l Bank Be entrusted for Bash Consultant Inc. Investment specific account	1,890,039	9.90%	-	-	-	-	-	-	-
Witty Sino Investment Co., Ltd.	1,737,020	9.09%	-	-	-	-	-	-	-
Shu-Ling Tseng	1,403,728	7.35%	167,000	0.87%	-	-	Shu-Cheng Tseng Wei Chen Yen-Hsuan Chen Yun Chen	Within 2 nd degree Within 2 nd degree Within 2 nd degree Within 2 nd degree	-
Shu-Cheng Tseng	831,564	4.35%	-	-	-	-	Shu-Ling Tseng	Within 2 nd degree	-
Wei Chen	527,251	2.76%	-	-	-	-	Shu-Ling Tseng Yen-Hsuan Chen Yun Chen	Within 2 nd degree Within 2 nd degree Within 2 nd degree	-
Taipei Fubon Bank Be entrusted for Optimistic Forward Inc. Investment specific account	431,000	2.26%	-	-	-	-	-	-	-
Yun Chen	341,000	1.79%	-	-	-	-	Shu-Ling Tseng Yen-Hsuan Chen Wei Chen	Within 2 nd degree Within 2 nd degree Within 2 nd degree	-
Yen-Hsuan Chen	260,000	1.36%	-	-	-	-	Shu-Ling Tseng Yun Chen Wei Chen	Within 2 nd degree Within 2 nd degree Within 2 nd degree	-
En Dian Asset Management Co., Ltd	253,000	1.33%	-	-	-	-	-	-	-

9. Number of shares held by the company, its directors, supervisors, managers, and businesses directly or indirectly controlled by the company in the same invested enterprise, and the comprehensive shareholding percentage calculated by combining them.

December 31, 2024; Unit: Shares

Affiliated Enterprises (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Chen Li Education Co., Ltd.	6,000,000	100%	-	-	6,000,000	100%
Here Co., Ltd.	1,000,000	100%	-	-	1,000,000	100%
Chen Li Elm Co., Ltd.	1,000,000	100%	-	-	1,000,000	100%
Li-Ren Education Co., Ltd.	300,000	60%	-	-	300,000	60%
Prime Global Co., Ltd.	1,500,000	75%	-	-	1,500,000	75%
Xuemi Co., Ltd.	260,000	20%	-	-	260,000	20%

Note: Investment of the Company made by the equity method.

III. Capital Overview

1. Capital & Shares

(1) Sources of Capital Stock

March 29, 2025 : Unit: NT\$ in thousands / thousands shares

Years	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares (Thousands)	Amount (NT\$ Thousands)	Shares (Thousands)	Amount (NT\$ Thousands)	Sources of Capital	Note	Other
1991.06	10	10,000	100,000	5,000	50,000	Cash replenishment 37,500 Replenishment of technical units 12,500	-	1990.12.29(79) Yuan Tou Zi No.15123
1992.11	10	10,000	100,000	10,000	100,000	Cash replenishment 37,500 Replenishment of technical units 12,500	-	-
1993.11	10	20,000	200,000	12,500	125,000	Cash replenishment 25,000	-	1993.11.16(82) Yuan Tou Zi No.14737
1994.09	10	20,000	200,000	17,500	175,000	Cash replenishment 50,000	-	-
1996.07	10	40,000	400,000	40,000	400,000	Cash replenishment 225,000	-	1996.05.16(85) Yuan Tou Zi No.07414
1997.09	10	120,000	1,200,000	60,000	600,000	Cash replenishment 200,000	-	1997.07.17(86) Taiwan Financial Certificates(1) No. 53384
2000.08	10	120,000	1,200,000	62,000	620,000	Cash replenishment 20,000	-	2000.07.11 (89) Taiwan Financial Certificates(1) No. 59923
2002.07	10	120,000	1,200,000	74,330	743,300	Surplus to increase capital 123,300	-	2002.07.17 (91) Taiwan Financial Certificates(1) No.0910139852
2004.08	10	120,000	1,200,000	42,801	428,010	Reduction of capital 315,290	-	2004.08.09 PSC (1)No.0930132052
2007.04	10	120,000	1,200,000	66,521	665,211	Overseas convertible Corporate debt transfer to equity 237,201.36	-	2007.05.29 (96) Yuan Shang Zi No.14395
2008.04	1.98	250,000	2,500,000	206,925	2,069,252	Overseas convertible Corporate debt transfer to equity 395,959.61	-	2008.05.26 (97) Yuan Shang Zi No.14228
2008.12	1.17	250,000	2,500,000	221,027	2,210,277	Private Cash Replenishment 1 41,025.65	-	2008.12.18 (97) Yuan Shang Zi No.36121
2009.11	1.81	250,000	2,500,000	237,602	2,376,023	Private Cash Replenishment 1 65,745.86	-	2009.11.09 (98) Yuan Shang Zi No.30801
2010.02	-	250,000	2,500,000	36,133	361,336	Reduction of capital 12,014,687.4 (In-circulation shares include 4,665,995 Shares for private equity, not yet on the market)	-	2010.02.24 (99) Yuan Shang Zi No.4674
2013.07	10	250,000	2,500,000	39,133	391,336	Private Cash Replenishment 30,000	-	2013.08.09 (102) Yuan Shang Zi No.1020024195
2015.06	6.3	250,000	2,500,000	46,133	461,336	Private Cash Replenishment 70,000	-	2015.06.29 (104) Zhu Tou Zi No.20150018177
2016.03	10	250,000	2,500,000	46,757	467,576	The exercise of shareholding voucher 6,240	-	2016.03.10 (105) Zhu Shang Zi No.1050006170
2016.08	10	250,000	2,500,000	46,917	469,176	The exercise of shareholding voucher 1,600	-	2016.08.02 (105) Zhu Shang Zi No.1050021155
2016.08	-	250,000	2,500,000	7,560	75,600	Reduction of capital 393,575.86	-	
2016.09	73.25	250,000	2,500,000	15,760	157,600	Private Cash Replenishment 82,000	-	2016.09.12 (105) Zhu Shang Zi No.1050025323
2017.08	10	200,000	2,000,000	16,548	165,480	Capital reserve transfer and replenishment 7,880	-	2017.09.06 (106) Zhu Shang Zi No.1060024094
2018.03	10	200,000	2,000,000	16,628	166,280	The exercise of shareholding voucher 800	-	2018.05.04 (107) Zhu Shang Zi No.1070013752
2018.08	10	200,000	2,000,000	17,459	174,594	Capital reserve Transfer of capital 8,314	-	2018.08.06 (107) Zhu Shang Zi No.1070023770
2020.07	10	200,000	2,000,000	19,185	191,854	Capital reserve Transfer of capital 17,260	-	2020.08.18 (109) Zhu Shang Zi No.1090023115
2021.07	10	200,000	2,000,000	19,100	191,004	Cancellation of treasury shares reduce capital by 850	-	2021.09.03 (2021) Fu Industrial Business No. 11050958140

Note: Capital Increased by Assets Other than Cash.

March 29, 2025 : Unit: shares

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Shares	19,100,440	180,899,560	200,000,000	Shares of listed companies.

(2) List of Major Shareholders

March 29, 2025

Name	Shares	Shareholding (shares)	Ratio(%)
Far Eastern Int'l Bank Be entrusted for Endow Capital Management Inc. Investment specific account		1,890,039	9.90%
Far Eastern Int'l Bank Be entrusted for Bash Consultant Inc. Investment specific account		1,890,039	9.90%
Witty Sino Investment Co., Ltd.		1,737,020	9.09%
Shu-Ling Tseng		1,403,728	7.35%
Shu-Cheng Tseng		831,564	4.35%
Wei Chen		527,251	2.76%
Taipei Fubon Bank Be entrusted for Optimistic Forward Inc. Investment specific account		431,000	2.26%
Yun Chen		341,000	1.79%
Yen-Hsuan Chen		260,000	1.36%
En Dian Asset Management Co., Ltd		253,000	1.33%

(3) Dividend policy and implementation status of the Company

i. Dividend allocation policy as stipulated in the Articles of Incorporation

If there is a profit after-tax in the company's annual final accounts, it shall first make up for losses in previous years and allocate 10% as the legal surplus reserve, except when the legal surplus reserve has reached the paid-in capital. Depending on operational needs or legal requirements, the special surplus reserve may be set aside or reversal. If there is any remaining balance, and it is the same as the accumulated undistributed earnings of previous years, considering the company's business needs and retaining it as undistributed earnings, the board of directors will prepare a surplus distribution plan and submit it to the shareholders' meeting for resolution.

The Company is in a stable growth stage. The dividend policy will consider the industrial environment and earnings status, future capital expenditure needs and long-term financial planning. If there is any surplus to distribute dividends, the total dividends distributed to shareholders should not be less than 10 % of the current year's earnings minus the adjustments. The proportion of cash dividends shall not be lower than 10% of the total dividends distributed in the current year, and the remaining part shall be distributed in the form of stock dividends.

The shareholders' meeting of our company on June 9, 2022 passed a resolution to amend the company's articles of association in accordance with Articles 240 and 241 of the Company Act, authorizing the board of directors to distribute cash dividends and bonuses, and to distribute capital reserves or statutory surplus reserves in cash in accordance with the provisions of the Company Act with the attendance of more than two-thirds of the directors and the resolution of a majority of the directors present, and report to the shareholders' meeting.

This year, the Company intends to amend the dividend distribution policy of the Articles of Incorporation, and the additional amendments are as follows:

The Company's dividend policy will take into account the industry environment and profit status, future capital expenditure needs and long-term financial planning. If there is any profit distribution, the total amount of dividends distributed to shareholders shall not be less than 10% of the net profit after tax for the current

period. The proportion of cash dividends shall not be less than 10% of the total dividends distributed for the year, and the rest shall be distributed in the form of stock dividends.

The Company may distribute profits or make up losses in accordance with Article 228-1 of the Company Act after the end of each semi-annual fiscal year. Profit distribution in cash shall be handled by resolution of the board of directors.

ii. The proposed dividend distribution of the AGM

The company's articles of association authorize the board of directors to make a special resolution to distribute cash dividends and report to the shareholders' meeting.

The 2024 earnings distribution plan was approved by the BOD on March 6, 2025, with a cash dividend of NT\$108,490,499 (NT\$5.68 per share), and will be report in the AGM on May 27, 2025.

(4) The Impact of issuance of bonus shares on the Company's business performance, earnings per share and shareholders' return on investment

There is no issuance of bonus shares proposed at the shareholders meeting, hence it is not applicable.

(5) Remuneration of employees, directors and supervisors

i. The extent or scope of remuneration of employees and directors contained in the Articles of Incorporation

If the Company has any profit in the year, it shall make no less than 3% Remuneration and not higher for employees 5% Remuneration for directors. However, when the Company has accumulated losses, it should pre-reserve the amount of the repair code. The person to whom the preceding employee is paid for stock or cash, including employees of subordinate companies who meet certain conditions.

ii. The estimated basis for the evaluation of the remuneration amount of employees and directors in this period, the basis for calculating the number of shares in the distribution of stock dividends and the accounting treatment if the actual distribution amount is different from the estimated number of accounts.

In 2023, the basis for evaluating the remuneration of employees and directors is to set aside 3% of the pre-tax net profit before deducting the remuneration of employees and directors in the current year as employee compensation and 1.5% as director compensation. If employee compensation is distributed in shares, the basis for calculating the number of shares is based on the closing price on the day before the resolution of the board of directors. If there is a difference between the actual distribution amount and the estimated amount, it will be treated as a change in accounting estimates and listed as profit or loss for the following year.

iii. The Board of directors and distribution of remuneration

- (i) Employee compensation distributed by cash or stock and compensation of directors and supervisors

Unit: NT\$

Distributed Items Allotment status	Employee Remuneration -Stock	Employee Remuneration -Cash	Board remuneration
Actual distributed amount approved by the Board	-	4,388,566	2,194,283
Annual estimated amount of expenses recognized	-	4,388,566	2,194,283
Differences	-	-	-
Differences and explanations	N/A	N/A	N/A

- (ii) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation

The Board of Directors does not propose to distribute employee remuneration by stocks this time, so it is not applicable.

- iv. The actual distribution of employee, director, and supervisor compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor compensation, additionally the discrepancy, cause, and how it is treated.

Unit: NT\$

Distributed Items Allotment status	Employee Remuneration -Stock	Employee Remuneration -Cash	Board remuneration
Actual distributed amount approved by the Board	-	3,470,548	1,735,274
Annual estimated amount of expenses recognized	-	3,470,548	1,735,274
Differences	-	-	-
Differences and explanations	N/A	N/A	N/A

(6) Buy-back Shares in the Company

- Completion of the implementation in the most recent year and up to the date of printing of the annual report: None.
- Continued implementation in the most recent year and up to the date of printing of the annual report: None.

2. Company Debt: None.

3. Preferred Stock processing situation: None.

4. Overseas Depository Certificate processing situation: None.

5. Procedures of Employee Stock Option Certificate: None.

6. Restricted Stock Awards for Employees: None.

7. Mergers and acquisitions or transfer of other companies' shares to issue new shares: None.

8. Implementation of the capital: N/A.

IV. Operating Overview

1. Business Activities

(1) Business Scope

i. Main areas of business operations

The main business is to provide tutoring staffing and course management services, as well as tutoring services for elementary, middle and high school students in all major subjects.

ii. Revenue distribution

Unit: NT\$ in thousands

Item	Revenue distribution	2024	
		Total Sales	%
Education Services		835,803	100.00%
Others		29	0.00%
Total		835,832	100.00%

iii. Current products / services

Our education business covers physical tutoring, consulting, digital learning, etc., and is a comprehensive education platform.

(i) High School Division

We provide comprehensive services including single-subject progression courses such as Chen Li Math, Prime English, Chiang Hao English, Chang Yung Physics, Lee Che Chemistry, Li Yan Chinese, and Yin Chin Biology, as well as comprehensive tutorial courses for college entrance exams, Advanced Subjects Test (AST), and admission written/oral interviews. We also offer courses that cater to the specific needs of students such as pre-exam intensive learning camp, learning resume certifications, TMT, and AMC testing.

(ii) Junior High and Elementary School Division

Junior high school subject comprehensive courses: We use a large group classroom teaching method combined with one-on-one or one-to-many individual instructions, including subject comprehensive courses for seventh to ninth-grades. We follow the curriculum to teach test-taking skills to help students excel in the education system.

STEM science and mathematics, basic mathematics, core mathematics, and critical thinking mathematics course series courses for elementary school students: We offer small group parent-child learning mode to teach students logical and reasoning abilities, combining science, mechanical modules, programming languages, and math skills to help students establish the foundation for becoming future elites.

We also have courses aligned with elementary school curriculums such as mathematical ability and logical mathematics, as well as classes or licensed teaching materials in cooperation with institutions such as private elementary schools, day care centers, and children's English learning centers.

(iii) Digital services

Since our in-person education services cover all subjects and age groups from preschool to senior high school, we have started to develop cloud-based learning services to provide more comprehensive services to students with different needs in different regions. We aim to areas that are beyond the reach of the in-person mode in order to achieve the goal of real and the virtual integration.

Currently, our main courses and services include providing cross-platform, cross-device (Android/iOS; computer/mobile/tablet) video courses in high school mathematics, vocational mathematics, and university calculus concepts. We also offer online Q&A services for students.

iv. New products/services under development

Due to the widespread availability of digital devices and bandwidth, as well as the gradual decrease in costs, coupled with the government's policy guidance and promotion, parents and students have become more accepting of digital learning. Additionally, data analysis and suggestions from digital services or tools can strengthen students' learning competency. Therefore, the company will develop new products/services based on our complete and solid in-person foundation.

- (i) The elementary school STEM science and math course already has a complete teaching and faculty system, and has performed well in local and international math-related competitions. Further planning is to develop digital courses and learning platforms, creating the only STEM science and math flagship product and service in Taiwan that combines in-person and digital learning modes, extending the concept of science and math education to elementary school level. In addition to collaborating with various local children's English education systems, we have also started to collaborate with well-known private elementary schools, providing comprehensive advance math and science education courses, cultivating core competitiveness from early childhood and elementary school.
- (ii) We adopted an active development strategy for digital education products and services, integrated internal faculty, marketing, teaching materials, and online digital learning service system app resources through cloud-based schools, and actively developed cloud-based smart digital courses for high school and junior high school, including online teaching materials and online problem-solving Q&A services.
 - A. Digital courses and printed teaching materials: High school math, college entrance exam/general review, college calculus.
 - B. Smart test evaluation and diagnosis system: Elementary school, Junior high school, high school, all subjects.
 - C. Online tutoring services.

- (iii) Developed by Prime Global, the one-stop multilingual learning platform, recorded courses, assessment system, and complete sales and charging system cover everything from language assessment for intermediate Southeast Asian talents, Chinese for migrant workers, basic care for caregivers to K12 math learning competitions, from elementary school to junior high school, from math to other subjects, from Chinese to English, Indonesian and other languages. It not only enhances learning efficiency, but is also the best engine to accelerate company growth.

(2) Industry Overview

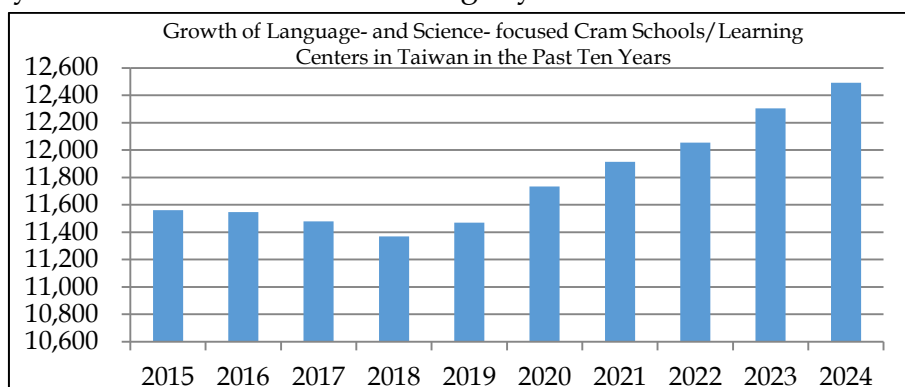
i. Current trends and outlook of the industry

The prevalence and diversity of Taiwan's advancement-oriented cram school/learning center (tutoring) culture has made it a commonplace phenomenon in the daily lives of students and parents. Under the dominance of the academic advancement-oriented and degree-focused culture, the cram school industry provides various types of educational services, which gradually developed into a systematic and chain-like enterprise structure.

In recent years, the Department of Statistics, Ministry of Education, pointed out that due to the deepening impact of declining birth rates, the educational culture of valuing academic achievement, combined with the knowledge-based economy, lifelong learning and return-to-education programs, it has offset the impact of the declining birth rate. Therefore, the GDP has remained relatively stable from 2009 to 2023.

In 2021, the worsening COVID-19 pandemic accelerated the growth of the online course market share, even in the K12 education field, which requires in-person guidance and tutoring. As the pandemic situation improved, parents began pushing their children back to physical classrooms when online courses showed lower effectiveness compared to in-person ones. However, regional and individual guidance for the lower age group in junior high and elementary schools has risen from 5% to over 10% in the past five years.

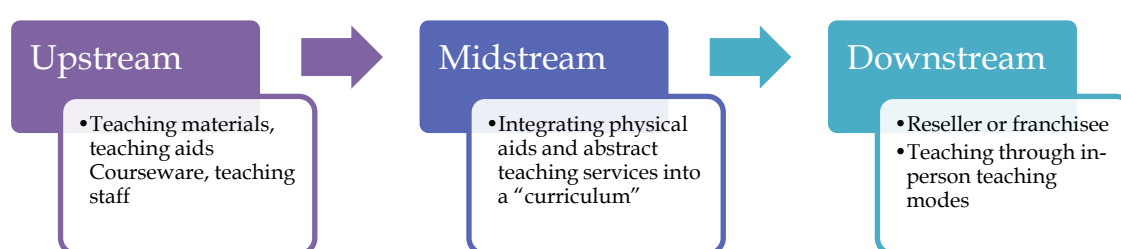
Although the overall education and training market size seems to have remained the same, the expansion and market size of academic-oriented tutoring industry is gradually becoming saturated. According to the statistics of the Ministry of Education in the past decade, the growth of language and science tutoring classes has gradually slowed down and shown a slightly saturated trend.



Source: Information management system for short-term tutoring classes in special municipalities and cities/counties of the Ministry of Education in 2025.

ii. The correlation among upstream, midstream, and downstream industries

Due to its special nature of selling “teaching services,” the tutoring industry’s products are abstract courses and services, and tangible teaching materials and aids are its supplements. Most tutoring businesses are not of large-scale or franchising nature and require external procurement of raw materials such as teaching materials and aids since they lack the ability to develop teaching materials and train teaching staff. Chen Li Educational Group, on the other hand, has the capability of self-developing teaching materials, courseware, and training teaching staff, which is not influenced by upstream industrial fluctuations. As a wholly-owned direct operation education group, it is not constrained by downstream industries. Therefore, it is an all-around education group with a complete industrial chain.



iii. Various trends in product development

In the current situation where the market demand is limited and companies need to continuously expand profits, if Taiwan’s academic advancement tutoring industry wants to create higher corporate profits, it needs to compete fiercely with its peers domestically, seek digital transformation, pursue refinement and high-cost service models, and expand corporate territory through mergers, integrations, or seek external development by seeking larger markets and profits to expand into new markets.

In order to create positive future development and leverage the resources of various education departments under the Group, a dual-track strategy of “direct operation + alliance” will be used to quickly develop blank markets and expand market share. The development strategy will be based on the physical branches of Chen Li Educational Group, a subsidiary of the Group, which includes:

- (i) In response to the implementation of the Curriculum Guidelines of 12-Year Basic Education, the high school department has gradually launched certification courses, digital courses, testing courses, and related planning such as adjusting the progress and classification of exam-related courses.
- (ii) Continuously expand into the fields of general subjects for junior high and elementary schools.

Chen Li Elm, a subsidiary of the Group, focuses on STEAM education for preschool and elementary school students. It has already negotiated the introduction of formal courses for the entire school year with private schools, and has also carried out cooperation projects with other tutoring channels in the form of “teacher dispatch + textbook sales” or “teacher training + textbook sales” through alliances.

Li Ren Education, a subsidiary of the Group, has brought together the top

brand in biology and nature, Chiang Meng Xi, to make its product curriculum more diverse and competitive.

iv. Competition

Chen Li Educational Group, a subsidiary of the Group, is the most comprehensive and competitive education and tutoring company in Taiwan that integrates the 12-Year Basic Education. It has 13 branches across the north, central, and southern regions of Taiwan, and has gradually extended from the specialized field of high school mathematics to high school general subjects, junior high general subjects, and elementary school gifted education program, making it a leading enterprise in Taiwan's academic advancement education.

The establishment of Chen Li Elementary has expanded downward to focus on preschool and elementary school education, improving the one-stop platform and education service to enhance the competitiveness of academic advancement education and liberal education.

(3) Overview of Technology and R&D

i. R&D expenses of the latest year, up to the print date of the annual report

The Group's main business is to provide short-term tutoring services and teacher dispatch services, and there is no dedicated R&D department. There was no R&D expenditure in the fiscal year 2024.

ii. Successfully developed technologies and products

(i) High school general education, vocational high school mathematics, junior high school mathematics, elementary school curriculum mathematical ability, elementary school STEM digital electronic courseware.

(ii) Elementary school, junior high school, high school general education smart diagnostic testing system.

(iii) Online tutoring services and integrated services for problem-solving Q&A

(4) Long- and Short-Term Business Development Plans

i. Short-term Development

(i) Continuously improve the market share of the "Chen Li Educational Group," "Chen Li Elementary," and "Here Educational Corporation" brands.

In addition to the existing high school tutoring business, we will vigorously develop the education segment for junior high and elementary schools, and continue to expand the number of branch schools under the K12 framework. In 2023, seven physical classrooms of the primary school were set up, one-to-many individual instruction was provided to comprehensively carry out the curriculum ability mathematics and Olympic gold medal class small classes, and the full cooperation with the Anqin Children's American Class Department under the epidemic situation was helpful to the development of Chenli Primary School Revenue growth.

(ii) Continuously increase the variety of course products and expand into junior high and elementary schools, while continuing to deepen the customer base in private elementary schools and children's English, in order to accelerate revenue and profit growth.

(iii) In the northern, central and southern regions where the population is growing, directly-operated and cooperative elementary, junior high and high schools

have been opened one after another.

ii. Mid-term Development

Continuing to invest resources in online courses, increasing investment in optimizing the course system, and striving to develop related fields of online learning can become a major growth engine for the company.

iii. Long-term Development

SPC will continue to take root with its leading brand and competitiveness, and formulate a cooperation model with high-end primary school quality management teams, expanding from emerging densely populated areas in the northern region to major cities, and across the strait to the south to Southeast Asian countries, to build an education service platform for Chinese people around the world.

2. Market and Sales Overview

(1) Market analysis

i. Major product sales regions

Sales regions	2024		2023	
	Amount	%	Amount	%
Taiwan	832,832	100.00%	764,815	100.00%
Total	832,832	100.00%	764,815	100.00%

ii. Future market supply and demand and future growth

The severe pandemic situation in 2021 accelerated the growth and deployment of digitalization, but after the pandemic eased from 2022, physical classrooms still demonstrated an indispensable necessity. The impact of declining birth rate and the pandemic has led to the continuous phenomenon of the “strong getting stronger and the weak disappearing” in the education industry. Although the impact of declining birth rates has prevented explosive growth in the education industry, the unwavering demand is still a characteristic of the industry, and market demand and expansion potential still exist.

Under the banner of Success Prime, its subsidiaries, which mainly operate physical classrooms, are actively expanding their market share in junior high schools and elementary schools while maintaining their own growth momentum. Relying on strong management and marketing capabilities and experience, the company provides various cooperation models for regional cram schools at various metropolitan branch schools, such as introducing teacher marketing or profit sharing, providing course materials and brand licensing, and introducing individual tutoring and small group classes, to provide parents with multiple choices and meet their one-stop needs.

The future trend of market polarization will further help Success Prime develop high-end product courses for younger age groups. Externally, it aims for double-digit growth in junior high schools and elementary schools, and provides high-end course content to increase per capita consumption. Internally, it aims for lean management to reduce personnel and increase performance to achieve the highest efficiency and effectiveness.

iii. Competitive niches

Chen Li Educational Group, the most important subsidiary of Success Prime, has been around for more than 30 years since it started as a cram school, becoming Taiwan’s largest education service group, as well as the most comprehensive and

competitive education and tutoring company in Taiwan that integrates the 12-Year Basic Education. It has 13 branches across Taiwan, and has gradually extended from the specialized field of high school mathematics to high school general subjects, junior high general subjects, and elementary school gifted education program, making it a leading enterprise in Taiwan's academic advancement education. Whether it's the quality and sophistication of teaching, marketing, enrollment, curriculum, products, management, and service, Chen Li Educational Group is a leader in the industry.

Therefore, the core competitiveness of Chen Li Educational Group is as follows:

(i) Superior teaching staff replication system

Most of Taiwan's cram schools/learning centers starts with famous teachers, creating cram school myths through the halo of one well-known teacher. However, the teaching effectiveness of Chen Li Educational Group's teacher training is evident, and it has gradually become the leader in Taiwan's cram school industry, with its brand image established.

(ii) Directly-operated branch schools throughout Taiwan for more than 20 years

Most of the tutoring industries in Taiwan are expanding through franchising chain stores. The number of directly-operated physical branches is limited, and it is difficult to accurately maintain the teaching quality and brand image. Chen Li Education operates through a directly-operated model, and the Chen Li brand can be seen everywhere. Most of the management of each branch is composed of senior teachers and core executives who have received systematic training and are diversified talents in teaching, administration, and marketing. They are stationed in each branch to operate and plan the business, in order to maintain operational stability and high quality, and strive to live up to the expectations of students and parents.

(iii) A three-in-one business model that integrates teaching faculty, administrative management, and brand management

The successful formula for a supplementary education company is a three-in-one business model that balances the quality of teaching faculty, administrative efficiency, and brand management.

(iv) An integrated model with physical classes as the core supported by virtual services: Physical courses as the main mode of operation, providing free virtual services

The subsidiary Chen Li Educational Group's has established a student market with physical branches as its main business and revenue stream, which are the primary channels for teaching and enrollment. It has also created a virtual education platform and a mobile app, providing free personalized educational services for in-class students and parents. Through the advantages of the virtual platform, such as no time or space restrictions, the platform offers features such as pre-class preparation, post-class review, testing and diagnosis, remedial recommendations, scheduling systems, and important scheduling reminders. Parents can also use the platform to check their children's attendance and learning progress. The company aims to convert virtual traffic into sales and promote its brand and educational services through virtual recommendations. The company also provides free trial services for new students, encouraging them to enter the physical market for face-to-face

courses through the promotional offers available online. It offers diagnostic analysis for large-scale tests for returning students, recommending remedial courses and creating personalized learning plans.

Chen Li Educational Group, which focuses on high school students, has expanded its business to include middle and elementary schools. Chen Li Elementary, established specifically for elementary school children, uses major children's English brands as channels to quickly expand its STEMath courses. It has entered various elite private schools with courses on mathematics, science, and nature, becoming the most competitive differentiated course for elite education supply. The company's market reputation and revenue growth have grown in parallel, making it the growth engine for the Group's future.

iv. Favorable and unfavorable factors to long-term development and response measures

(i) Favorable factors

- A. With more than 40 years of experience in the Taiwanese supplementary education industry and having gone through the transition from quantity to quality in the market, the company is skilled in detailed management of teams, and creating high-quality educational services.
- B. The high cost of cultivating renowned teachers and building teaching teams to serve as continuity and extension.
- C. Standardized R&D, teaching, and administrative processes to establish the brand's durability and stability.
- D. Individualized guidance and learning strategies to help each child with different learning performances to achieve comprehensive layout and learning planning, seeking the best effort strategy and gaining individual learning performance.
- E. As Taiwan's largest comprehensive supplementary education provider, integrate real and virtual through the strength and high penetration of the physical stores.

(ii) Unfavorable factors

- A. Due to Taiwan's declining birth rate and changes in education policies, the market for elementary, junior high, high school, and digital education is changing dramatically. The company focuses mainly on the high school market, but needs to actively expand into the elementary and preschool markets and increase digital market share to cope with changes.
- B. Teachers must be quantified to meet the huge market demand and business model, while the high turnover rate of part-time teachers, whose administrative control and quality of teaching cause endless problems.

(iii) Response measures

- A. Maintain stable profitability based on the continuity of business in Taiwan. We will not excessively shift our focus due to cross-border markets but maintain a steady footing to reduce investment risks.
- B. Using physical branches as the main charging area, while virtual apps and websites provide free educational services to establish an integrated strategy of physical supported by the virtual, and controlling input costs in accordance with the acceptance level of virtual markets.

- C. The pandemic has accelerated the acceptance and penetration of online education, adjusting the proportion of online and offline virtual integration, adapting to the second-level math of the Curriculum Guidelines of 12-Year Basic Education in Taiwan, learning resumes, and independent learning. Using the expansion of the “one school district, one Chen Li” through various channels for elementary schools, provide digital system platforms and set up formal courses such as thinking math, DIY, and science experiments, as well as summer and winter camps. Improve teacher training and high retention rates, create a high ranking list and revenue for franchise authorized schools, and work together to create a win-win situation, becoming a key driving force for growth, and driving the Group to create another peak.
- D. We will form alliances with other industries, combine with human resources agencies that have deep roots in the Southeast Asian market, integrate resources, and cooperate with the Southbound Policy to solve Taiwan’s labor shortage problem and exert synergies to develop in Indonesia, the world’s fourth most populous country, and Vietnam, which has rapid development needs.

(2) Major applications and manufacturing processes of core products

i. Major applications of core products

The company mainly provides short-term academic counseling and related consulting and management services for elementary, junior high, and high school subjects’ tutorial courses to assist students in preparing for entrance exams.

ii. Manufacturing processes of products

The company mainly provides labor services and does not have a production process, so this question is not applicable.

(3) Supply status of primary raw materials

The company mainly provides labor services and does not have a production process, so this question is not applicable.

(4) Customers who accounted for more than 10% of the total purchase (sales) in the last two years

i. Major suppliers in the last two calendar years

Unit: NT\$ in thousands

Item	2023				2024			
	Company Name	Amount	% of net supplies	Relationship with issuer	Company Name	Amount	% of net supplies	Relationship with issuer
1	036	36,735	15.46	None	036	34,431	13.93	None
2	Others	200,954	84.54	None	Others	212,819	86.07	None
	NetSupplies	237,689	100.00		NetSupplies	247,250	100.00	

Note: The company’s main suppliers in the education business are teachers and textbook printers.

ii. Major clients in the last two calendar years

In the group, education (tutoring business) is the main business. Its sales mainly come from tuition fees from physical tutoring classes. Due to the nature of the industry, sales are relatively dispersed, and there were no customers accounting for more than 10% of the total sales in the past two years. The consolidated company net sales in 2023 and 2024 were NT\$ 764,815 thousands and NT\$ 835,832 thousands, respectively.

3. Employees

Item \ Year		2023	2024	As of March 29, 2025
Number of employees	Indirect labor	219	219	228
	Production line labor	-	-	-
	Total	219	219	228
Average age		36.25	36.82	36.63
Average years of service		6.18	6.29	6.22
Academic qualification	PhD	-	-	-
	Master	5.5%	5.9%	5.7%
	University/College	84.4%	84.5%	85.1%
	High school	8.7%	8.2%	7.9%
	Below high school	1.4%	1.4%	1.3%

4. Environmental Protection Expenditure Information

List the losses suffered due to pollution of the environment in the most recent years up to the publication date of this annual report (including compensation and results of environmental protection audits that violated environmental protection laws and regulations; specify the date of the penalty, penalty number, violated articles in regulations, contents of violation, and the contents of penalties), and disclose the estimated amount arising both at present and in the future and the corresponding countermeasures. If the amount cannot be reasonably estimated, the reason for the inability to provide a reasonable estimation shall be explained: None.

5. Employees-Employer Relations

(1) The company's employee welfare measures, continuing education, training, retirement regulations and their actual implementation, along with employer-employee agreements, and measures for protecting employee rights.

i. Employee welfare measures

- (i) In order to enable all colleagues to work together and create a better future, the company not only allocates no less than 3% of the annual profit as employee remuneration, but also provides employees with the opportunity to buy shares to enhance employee cohesion and team spirit, so that they can participate in the company's growth together.
- (ii) The company not only complies with regulations to insure each employee for labor insurance, health insurance, and pension, but also provides additional group accident insurance for employees, arranges regular health checkups, and introduces on-site medical services with occupational doctors and nurses to ensure employee health.
- (iii) The company respects the spirit of human rights and gender equality, actively promotes gender equality, and implements it in our system. We establish a substantive gender equality environment by not discriminating based on gender in employee salary, performance evaluation, or promotion opportunities. We also employ disadvantaged workers, practice workplace safety and health management, emphasize employee education and training, strengthen team consensus and organizational identity, and provide operation department birthday leave to enhance employee motivation and efficiency. These efforts have resulted in significant achievements.

- (iv) The company is committed to providing a friendly environment and related measures to help employees balance work and family. These include: family care leave, maternity leave, paternity leave, childbirth benefits, childcare allowance, and childcare extended unpaid leave without discrimination based on gender or job position.
- (v) The Employee Welfare Committee provides subsidies for marriage and funerals, as well as birthday, holiday, and Teacher's Day bonuses. Additionally, we occasionally organize employee travel or provide travel subsidies to alleviate work stress and promote the relations among personnel and their families, thereby improving morale.

ii. continuing education and training

The company has always been dedicated to cultivating talent. New employees receive comprehensive new employee education and training, while specific job positions and relevant agents receive regular professional training. We actively cultivate management talent at all levels, provide on-the-job study incentives to encourage personnel to continue their education, and occasionally invite professional lecturers for training to strengthen our company's human capital and enhance our market competitiveness.

In 2024, we held 70 training classes in employee education, with a total of 502 trainees and 1,501 training hours, at a total cost of approximately NT\$693 in thousands. The employee education and training statistics are as follows:

Item	Classes	Persons	Hours	Cost (thousands)
New staff	22	24	55	-
Professional functions	17	447	1,164	536
Supervisory functions	1	1	96	107
Licenses and legal requirements	30	30	186	50
Total	70	502	1,501	693

iii. Retirement System

The company's local employees are fully subject to the new retirement system under the Labor Pension Act. Retirement pension is allocated to the personal account of each employee at the Bureau of Labor Insurance, with 6% of each employee's monthly salary contributed. The allocated amount for 2024 was NT\$ 8,337 thousands.

The retirement application procedure and criteria for our local employees are shown in the following table:

	Employee-initiated retirement	Company-initiated retirement
Criteria	(1) Employees aged 55 or older who have worked for 15 years or more (2) Employees who have worked for 25 years or more (3) Employees aged 60 or older who have worked for 10 years or more	(1) Employees who are aged 65 or older (2) Employees who are physically or mentally unable to perform their duties.
Procedure	The application is initiated by the employee and becomes effective upon approval.	The company notifies the employee of the relevant procedures and the application becomes effective.

iv. Labor-management agreement status

The company continuously listens to employee feedback through various channels and responds and communicates promptly. At the same time, we hold regular labor-management meetings in accordance with the law, and maintain a harmonious and friendly labor-management relations through rational communication.

v. Measures for protecting employee rights

The company adopts a positive attitude in actively protecting the rights and benefits that employees are entitled to under the law. When formulating relevant policies, we fully consider the impact on employee rights and strive to achieve the maximum balance between the interests of the company and its employees. We also emphasize two-way communication and are committed to providing open and transparent communication channels between managers and personnel at all levels, in order to ensure that all employees can communicate and share their ideas with management without fear of discrimination, retaliation, threats, or harassment regarding work conditions, management methods, etc.

- (2) List the losses suffered due to labor disputes in the most recent two years up to the publication date of this annual report (including violations of the Labor Standards Act in the results of labor inspections; specify the date of the penalty, penalty number, violated articles in regulations, contents of violation, and the contents of penalties), and disclose the estimated amount arising both at present and in the future and the corresponding countermeasures. If the amount cannot be reasonably estimated, the reason for the inability to provide a reasonable estimation shall be explained.

Both labor and management agreements of the company are based on the Labor Standards Act and relevant laws, and comply with the personnel management regulations established for employees when they enter the company. No significant labor-management disputes have occurred in the current and previous fiscal year up to the date of printing of this annual report.

6. Cyber security management

- (1) Cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management

i. Cyber security risk management framework

The information unit of the company is responsible for coordinating and executing information security policies, promoting information security messages, enhancing the awareness of employees on information security, and conducting periodic information security checks to strengthen information security management. The audit unit conducts periodic audits according to the audit plan each year to evaluate the effectiveness of the company's internal control over information operations.

ii. Cyber security policy

- (i) Strengthen employees' awareness of information security to prevent accidental errors caused by human factors.
- (ii) Prevent the leakage of sensitive data and maintain physical environment security.

- (iii) Implement daily maintenance effectively to ensure sustainable operation.
- iii. Concrete management programs
 - (i) Conduct periodic information security and personal information protection education and promotion operations. Newly hired personnel must sign a confidentiality agreement.
 - (ii) Personnel who may have access to confidential or sensitive information through hiring/appointment should undergo appropriate security assessments. Access permissions should be adjusted immediately when personnel change their job positions or leave the company.
 - (iii) Before scrapping information equipment, confirm that confidential, sensitive data, and copyright software have been removed or overwritten from the hard drive.
 - (iv) Personal computers are installed with antivirus software and updated regularly with virus code updates. Unauthorized software is prohibited from use. User login accounts and passwords should be managed by designated personnel, and employees should be required to change system passwords periodically to maintain account security. External connections should have security control mechanisms such as firewalls.
 - (v) Appropriate backup, redundancy, or monitoring mechanisms have been established for important information systems or equipment, and periodic recovery and emergency prevention drills are conducted.
 - (vi) Periodically evaluate and update information security policies to ensure compliance with relevant laws and regulations. Execute security assessments regularly to ensure that if any information security incidents occur, they can be responded to and handled promptly and appropriately.
- iv. Investments in resources for cyber security management

The company places great emphasis on information security and sets an appropriate budget each year to strengthen information technology and security protection. In 2024, the company invested approximately NT\$ 446 in thousands in software and hardware expenses related to information security management.

- (2) Any losses suffered by the company in the most recent year and as of the date the annual report was printed due to significant cybersecurity incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

7. Important Contracts

the contracting parties, major content, restrictive clauses, and the commencement dates and expiration dates of supply/distribution contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the annual report, or expired in the most recent fiscal year: None.

V. Review and Analysis of Financial Position and Financial Performance, and a Listing of Risks

1. Analysis of Financial Status

Unit: NT\$ in thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	404,046	503,411	99,365	24.59%
Long term investment	46,960	31,410	(15,550)	(33.11%)
Property, plant and equipment	281,430	277,575	(3,855)	(1.37%)
Right-of-use assets	100,291	83,090	(17,201)	(17.15%)
Intangible assets	487,748	485,833	(1,915)	(0.39%)
Other assets	44,936	47,259	2,323	5.17%
Total assets	1,365,411	1,428,578	63,167	4.63%
Current liabilities	455,865	476,203	20,338	4.46%
Other liabilities	55,583	52,889	(2,694)	(4.85%)
Total liabilities	511,448	529,092	17,644	3.45%
Ordinary shares	191,004	191,004	-	-
Capital surplus	293,962	295,479	1,517	0.52%
Legal reserve	52,468	62,832	10,364	19.75%
Legal reserve	2,517	2,659	142	5.64%
Unappropriated retained earnings	324,426	355,211	30,785	9.49%
Other equity	(2,659)	(2,517)	142	(5.34%)
Treasury shares	(12,406)	(12,406)	-	-
Total equity attributable to owners of the Company	849,312	892,262	42,950	5.06%
Total equity	853,963	899,486	45,523	5.33%
<p>Analysis of changes in the increase and decrease ratio exceeding 20%:</p> <p>1. Increase in current assets: Mainly due to operating profit, cash and cash equivalents and financial assets measured at amortized cost.</p> <p>2. Long-term investment reduction: The main purpose was to dispose of 27.43% of the shares of Xue-Mi, resulting in a reduction in long-term investment.</p>				

2. Analysis of Financial Performance

Unit: NT\$ in thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Net operating income	764,815	835,832	71,017	9.29%
Operating costs	362,649	379,872	17,223	4.75%
Gross profit	402,166	455,960	53,794	13.38%
Operating expenses	280,159	306,520	26,361	9.41%
Net Income from operations	122,007	149,440	27,433	22.48%
Non-operating income and expenditure	3,325	14,507	11,182	336.30%
Net profit before tax	125,332	163,947	38,615	30.81%
Income Tax expense	(21,845)	(31,588)	(9,743)	44.60%
Net profit (loss) for the year	103,487	132,359	28,872	27.90%
Other consolidated gains and losses	(237)	(2,763)	(2,526)	1,065.82%
Total consolidated gains and losses for the year	103,250	129,596	26,346	25.52%
<p>Analysis of changes in the increase and decrease ratio exceeding 20%:</p> <ol style="list-style-type: none"> 1. Increase in operating net profit, net profit before tax, net profit for the year and total comprehensive profit or loss for the year: The main reason is the expansion of small and medium-sized business revenue growth and effective control of costs and expenses. 2. Increase in non-operating income and expenses: The main reason is the disposal of 27.43% equity of Xue-Mi and the recognition of disposal investment benefits. 3. Increase in income tax expense: The main reason is the increase in net profit before tax, which leads to the increase in income tax expense. 4. Decrease in other comprehensive income: The main reason is the disposal of the equity interest in Zhunxun International and the recognition of unrealized valuation gains and losses on equity instrument investments measured at fair value through other comprehensive income. 				

3. Analysis of Cash Flow

(1) Cash Flow Analysis for the Current Year

Unit: NT\$ in thousands

Item \ Year	2023	2024	Amount of change
Operating activities	233,044	239,963	6,919
Investing activities	(151,610)	(39,973)	111,637
Financing activities	(115,345)	(143,842)	(28,497)
Analysis of changes in cash flow:			
1. Decrease in cash outflows from investing activities: The main reason for the cash inflow from investing activities was the use of idle funds as time deposits with an original maturity date of more than 3 months and the disposal of 27.43% of the equity interests in Xue-Mi.			
2. Increase in cash outflows from financing activities: The main reason is the increase in cash dividends paid, which led to an increase in cash outflows from financing activities.			

(2) Analysis of responses to liquidity risks and cash liquidity in the coming year

Unit: NT\$ in thousands

Cash Balance beginning period (1)	Estimated net cash flow from operating activities throughout the year (2)	Estimated annual cash outflow (3)	Estimated amount of cash surplus (insufficient) (1) + (2) - (3)	Remedy for Liquidity shortfall	
				Investment Plan	Financial Plan
240,225	240,000	249,637	230,588	-	-
Remedial measures and liquidity analysis of expected cash shortfall: None.					

4. Recent Years Major Capital Expenditures and Impact on Financial and Business:

None.

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

(1) Reinvestment policy in the recent year, main reasons for its profit or loss, and improvement plan

December 31, 2024

Item \ Explanation	Investment amount (NT\$ in thousands)	Policies	The main reason for profit or loss	Improvement Plan
XUEMI Co., Ltd.	14,328	Expand the online learning and education market.	The company's operation is stable.	N/A
Xueli Technology Co., Ltd.	400	Looking for educational digital training system providers of strategic alliances to establish long-term cooperative relations.	The company's operation is still in a rudimentary stage.	N/A
Min Medical Co., Ltd.	3,500	Expand the mental health online digital platform market.	The company's operation is still in a rudimentary stage.	N/A

(2) Investment plan for the coming year

In the future, the Company will still consider the market demand, operating conditions, and future capital situation. The Company carefully evaluates the need for long-term investment following the operating policies.

6. Risk Management

(1) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

i. Interest rate fluctuations

The interest on our bank loans in 2023 and 2024 is 0, and changes in interest rates will not have a significant impact on the Company's profit and loss.

In the future, we will regularly evaluate bank borrowing interest rates and maintain good relations with banks in order to obtain a more favorable interest rate when there is a demand for borrowing and reduce interest expenses.

ii. Foreign exchange rate fluctuations

The company's exchange (loss) profit in 2023 and 2024 was mainly due to exchange rate changes in holding foreign currency fixed deposits. As a result, the exchange (loss) profit of the company in 2023 and 2024 was loss NT\$77 and profit NT\$1,329 in thousands respectively, accounting for (0.01%) and 0.16% of the net operating income respectively, accounting for the pre-tax The net profit was (0.06%) and 0.81% respectively, and the exchange rate change would not have a significant impact on the Company's profit or loss.

iii. Inflation

Due to the characteristics of the industry, the company has only a few procurement items, and inflation does not impose significant impact on the company's profit or loss.

(2) Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Loans of funds to Others or Endorsement Guarantees, and Derivatives Transactions

The Company has established the Procedures for Loaning of Funds to Others, the Operating Procedures for Endorsements and Guarantees, the Procedures for Handling Derivatives Transactions, and the Procedures for Acquisition and Disposal of Assets. All processes adhere strictly to these procedures in order to keep operation and financial risks under control.

As of the beginning of 2019 to the printing date of this Annual Report, the Company has not engaged in high-risk and leveraged financial investments. Neither did the Company loan any funds or provide any endorsements/guarantees to other parties.

(3) Future R&D Projects and the Expected Expenditure

The Company's core business is the education service of contracting tutoring teachers and course management labor services, engaging in tutoring courses of various major subjects in primary schools, middle schools, and high schools as well. The Company has no investment in research and development costs.

(4) Changes in Domestic and Overseas Policies and Laws That Have an Impact on the Company's Financial and Business and the Countermeasures

In addition to the jurisdiction of the Ministry of Education of the central government, the education department of each county and city government also stipulates its individual laws and regulations. Therefore, the establishment and management of tutorial classes will vary in different counties and cities. Cheng also has differences in different counties and cities, so the company regularly inquires about the latest

changes in laws and regulations of each county and city government to reduce the significant impact on the company's financial business.

(5) Impact of Changes in Technology and Industry to the Company's Finance and Business and the Countermeasures

The education industry that mainly focuses on physical courses has rapidly developed online parts. In addition to online tutoring services, the Company follows the 108 syllabus to develop multiple courses such as second-stage interviews, learning resumes, and independent learning. In response to the impact of the coronavirus pneumonia epidemic, the Company adjusted the operating strategy, adopted a teaching method of suspending classes without stopping learning, and provided cram school students with live broadcast courses, online makeup lessons, online tutoring, and other services to provide educational services continually.

In the most recent year and up to the date of publication of the annual report, the company has not had any material impact on the company's financial business due to technological changes (including information security risks) and industrial changes.

(6) Impact of Corporate Image Change on Risk Management and Response Measures: None.

(7) Expected Benefits and Potential Risks of Merger and Acquisition: None.

(8) Expected Benefits and Potential Risks of Merger and Acquisition: None.

(9) Risks Relating to the Concentration of Purchasing or Sales and the Countermeasures

Since the core of the Corporation is mainly education, its purchase are mainly teaching fees and printing costs. The Corporation generally maintain good long-term liaison with existing suppliers; many projects have more than two suppliers to avoid the risk of supply shortages.

Because it is mainly education (tutoring business), its sales are mainly tuition income from physical tutoring classes. Due to industrial characteristics, sales customers are more scattered. There have been no customers who accounted for more than 10% of net sales in the last two years Therefore, there should be no risk of concentration of sales.

(10) The Impact of Mass Transfer of Equity or Change by Directors, Supervisors, or Shareholders with over than 10% Interest on the Company, Associated Risks and Response Measures

In the most recent year and as of the date of publication of the annual report, the company 's directors or large shareholders holding more than 10% of the shares, maintained a generally stable shareholding ratio. Do not cause significant adverse effects.

(11) The Impact of Change of Operating Rights on the Company, Associated Risk and Response Measures: None.

(12) Litigation or non-litigation events shall list the major litigation of the company and its directors, supervisors, general managers, substantive principals, major shareholders holding more than 10% of the shares and subordinate companies that have been determined by judgment or are still in the department , Non-litigation or administrative litigation events, the results of which may have a significant impact

on shareholders' equity or securities prices, should disclose their disputed facts, the amount of the target, the date of the start of the lawsuit, the main parties involved in the litigation and the handling situation as of the date of publication of the annual report: None.

(13) Other Important Risks and Countermeasures: None.

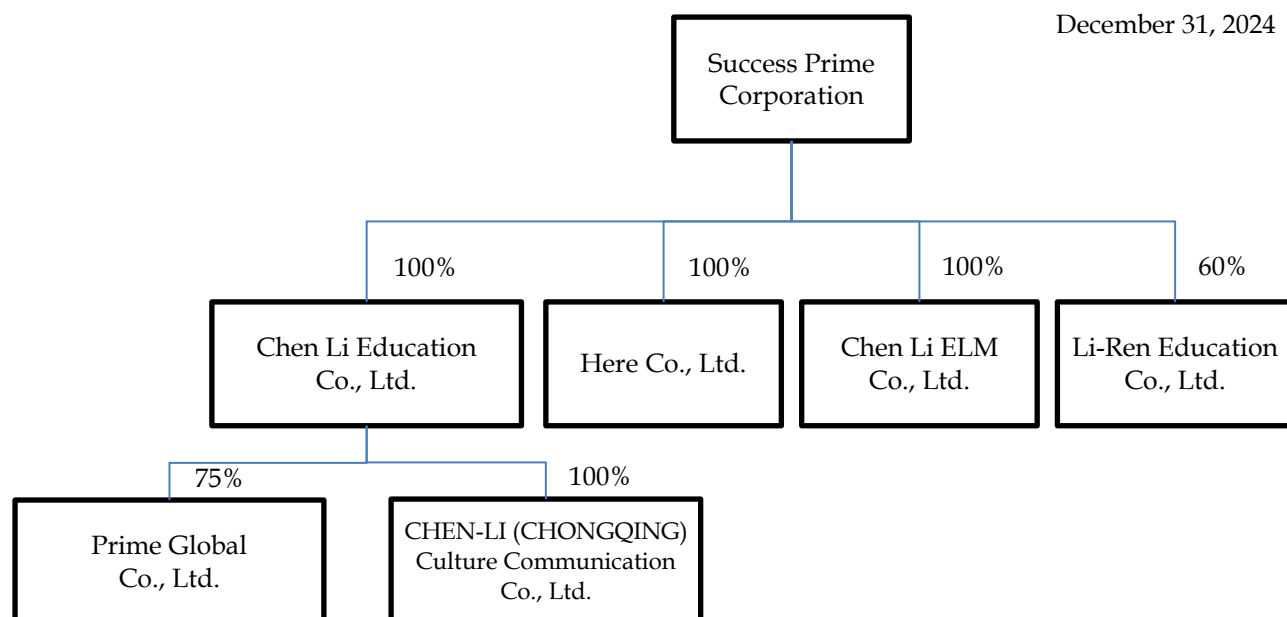
7. Other Significant Events: None.

VI. Special Disclosure

1. Summary of Affiliated Companies

(1) Overview of related companies

i. Corporate Affiliation Chart



ii. Basic information of related subsidiaries

December 31, 2024, Unit: NT\$ in thousands

Company Name	Date of establishment	Address	Amount of capital received	Main business Operations
Chen Li Education Co., Ltd.	2010/11	22F-11, No. 50, Section 1, Zhongxiao West Road, Zhongzeng Dist, Taipei City	60000	Education services
Chen-Li (ChongQing) Culture Communication Ltd.	2016/06	No. 25-1, Building 1, No. 18 Shiyang Road, Jiulongpo District, Chongqing, China	28,516	Culture Communication
Prime Global Co., Ltd.	2024/09	22F-11, No. 50, Section 1, Zhongxiao West Road, Zhongzeng Dist, Taipei City	20,000	Online education platform
Here Co., Ltd.	2018/01	1F, No.163 Baotai Road, Qianzhen District, Kaohsiung City	10,000	Education services
Chen Li ELM Ltd.	2018/04	22F-11, No. 50, Section 1, Zhongxiao West Road, Zhongzeng Dist, Taipei City	10,000	Education services
Li-Ren Education Co., Ltd.	2020/01	9F-4, No. 2, Sec. 1, Kaifeng St., Zhongzheng Dist., Taipei City	5,000	Education services

iii. Presumed to be in Effective Control of the Same Shareholder Information with the Affiliate: None

iv. Overall Business Scope of Affiliated Companies

It is mainly engaged in education services for elementary schools, junior high schools and senior high schools, short-term cram school classes and education consulting services.

v. Directors, Supervisors, and President in all Affiliated Companies

December 31, 2024, Unit: NT\$ in thousands

Company Name	Title	Name or Representative	Shares Held	
			Shares	%
Success Prime Corporation	Chairman	Shu-Ling Tseng	1,441,728	7.55%
	Director	Min-Chun Chen	236,000	1.24%
	Corporate Director	Endow Capital Management Inc.	1,890,039	9.90%
		Representative: Xiang-Qi Fang	-	-
		Representative: Jing-Ru Cheng	140,000	0.73%
	Corporate Director	Bash Consultant Inc.	1,890,039	9.90%
		Representative: Yen-Shuen Chen	216,000	1.13%
		Representative: Yun Chen	287,000	1.50%
	Independent Director	Bing-Quan Shi	-	-
	Independent Director	Pei-Jun Hong	-	-
	Independent Director	Ying-De Wu	-	-
	Independent Director	Chih-Chieh Tsai	-	-
Chen Li Education Co., Ltd.	Corporate Director	Success Prime Corporation	6,000,000	100.00%
		Representative : Shu-Ling Tseng	-	-
CHENLI (CHONGQING) Culture Communication Co., Ltd.	Corporate Director	Chen Li Education Co., Ltd.	(Contribution) 28,516	100.00%
		Representative : Shu-Ling Tseng	-	-
	Supervisor	Xue-Hua Hu	-	-
Prime Global Co., Ltd.	Corporate Director	Chen Li Education Co., Ltd.	1,500,000	75.00%
		Representative : Shu-Ling Tseng	-	-
	Supervisor	Yen-An Chen	-	-
Here Co., Ltd.	Corporate Director	Success Prime Corporation	1,000,000	100.00%
		Representative : Shu-Ling Tseng	-	-
Chen Li ELM Co., Ltd.	Corporate Director	Success Prime Corporation	1,000,000	100.00%
		Representative : Shu-Ling Tseng	-	-
Li-Ren Education Co., Ltd.	Corporate Director	Success Prime Corporation	300,000	60.00%
		Representative : Li-Ren Yin	200,000	40.00%
	Supervisor	Wei Chen	-	-

vi. Operational Highlights of Affiliated Companies

December 31, 2024, Unit: NT\$ in thousands

Company Name	Capital	Total Assets	Total Liabilities	Net Value	Operating Revenue	Operating Profit	Net Profit (Loss) (after tax)
Success Prime Corporation	191,004	926,031	33,769	892,262	244,725	31,453	132,849
Chen Li Education	60,000	680,416	481,971	198,445	697,900	98,685	81,290
CHENLI (CHONGQING) Culture Communication Co., Ltd.	28,516	8	-	8	-	-	-
Prime Global Co., Ltd.	20,000	18,862	504	18,358	-	(1,671)	(1,642)
PT GXI Digital Edtech (Note)	7,000	-	-	-	-	(1,613)	(1,370)
Here Co., Ltd.	10,000	41,414	25,397	16,017	82,455	8,805	7,178
Chen Li ELM Co., Ltd	10,000	29,176	8,917	20,259	39,039	10,535	8,894
Li-Ren Education Co., Ltd	5,000	8,224	1,636	6,588	11,578	1,410	1,174

Note : Sold out the shares in August 2024.

(2) Consolidated financial statements of Affiliates

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of Success Prime Corporation as of and for the year ended December 31, 2024, under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are all the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards 10 “Consolidated Financial Statements”. In addition, all the relevant information required to be disclosed in the consolidated financial statements have been disclosed. Hence, we do not prepare a separate set of consolidated financial statements.

Very truly yours,

Company Name: Success Prime Corporation
Chairman: Shu-Ling Tseng
March 6, 2025

(3) Affiliation Report : None.

2. Private Placement Securities of the Most Recent Year and Up to the Printing Date of this Annual Report: None.

3. Other Necessary Supplement: None.

4. The Events Resulting in Significant Impact to Shareholders' Equity or Stock Prices Under Article 36(3) (ii) of Securities and Exchange Act in the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report.: None.

Success Prime Corporation

**Chairman
Shu-Ling Tseng**