Stock Code: 7791

Lucky Royal Co., Ltd.

2025 Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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Annual report inquiry URL: https://mops.twse.com.tw

Company website: https://www.luckyroyal.com.tw

I. Spokesperson Information:

	Spokesperson	Deputy spokesman
Name	Ming-Fen Chou	Shih-Yun Lin
Title	Chairman	Senior Manager
Telephone	(02) 2535-1084	(02) 6619-3266
E-Mail	elly@duroyal.com	lin.jennifer@duroyal.com

II. Addresses and Phone Numbers of the Head Office, Branch Offices, and Factories:

Company	Address	Telephone
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Branch Company	2F, No. 291, Sec. 2, Huanhe North Road, Taipei City	(02)2535-1084
Lucky Royal Co., Ltd. Taoyuan Plant II	3F, No. 35, Xingbang Road, Shanding Vil., Guishan Dist., Taoyuan City	(03) 367-7162
Lucky Royal Co., Ltd. Taoyuan Plant	No. 35 & No. 35-1, Xingbang Road, Shanding Vil., Guishan Dist., Taoyuan City	(03) 361-5571
Lucky Royal Co., Ltd. Tainan Plant	No. 182-1, Zhongshan Road, Yongzho Vil., Xincheng District, Tainan City	(06) 599-4745
Lucky Royal Co., Ltd. Zhongli Plant	No. 16, Jilin Rd., Fuxing Vil., Zhongli Dist., Taoyuan City, Taiwan	(03) 452-1340

III. Stock Transfer Information:

Name of Stock Transfer Agency	Stock Affairs Agency Department, KGI Securities
Address	5F, No. 2, Chongqing South Road Sec. 3, Taipei
Telephone	(02) 2389-2999
Website	https://www.kgi.com.tw

IV. Certified Public Accountant for the Most Recent Year:

Name of Firm	KPMG
Name of CPA	CPA Chong-Shun Wu, CPA Lin Wu
Address	68F, No. 7, Section 5, Xinyi Road, Taipei City
Telephone	(02) 8101-6666
Website	https://www.kpmg.com.tw

V. Name of Trading Site for Listed Securities Overseas and Inquiry Information: None

VI. Company website: https://www.luckyroyal.com.tw

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One. Letter to Shareholders

I. 2025 Annual Business Report

(I) Results of Business Operations:

The Company's consolidated revenue was NTD 2,577,628 thousand in 2025, a decrease of NTD 90,411 thousand (-3.4%) from NTD 2,668,039 thousand in 2024. The profits amounted to NTD 403,431 thousand in 2025, an increase of NTD 25,751 thousand (+6.8%) from NTD 377,680 thousand in 2024. The increase in profit in 2025 compared to 2024 was mainly due to the management team's ability to capture changes in consumer behavior and respond quickly, significantly boosting profits in ice cream products and frozen noodles.

(II) Budget Execution:

Unit: NTD thousands

Item	Full Year Plan	Actual Amount	Achievement Rate
Operating revenues	2,900,569	2,577,628	89%
Operating costs	1,817,183	1,687,920	93%
Gross operating profit	1,083,386	889,708	82%
Operating expenses	712,192	537,194	75%
Operating income	371,194	352,514	95%
Net income before tax	484,674	467,618	96%

(III) Analysis of Financial Income, Expenses and Profitability:

Regarding financial revenues and expenses, the consolidated total assets for 2025 amounted to $4,197,458 thousand, consolidated total liabilities amounted to $562,192 thousand, with a debt ratio of 13.39%, compared to consolidated total liabilities of $765,371 thousand and a debt ratio of 19.55% for 2024, representing a decrease in liabilities of $203,179 thousand and a reduction in the ratio of 6.16%. For 2025, the net cash inflow from operating activities amounted to $294,720 thousand, the net cash outflow from investing activities amounted to $221,740 thousand, and the net cash inflow from financing activities amounted to $433,290 thousand. The current ratio for 2025 was 297.69%, a significant increase compared to 122.78% in 2024. The overall financial condition of the Company remains stable and sound.

Unit: NTD thousands

Item \ Year			2024	2025
Financial Income and Expenditures	Operating revenues		2,668,039	2,577,628
	Operating costs		1,698,361	1,687,920
	Gross operating profit		969,678	889,708
	Operating income		323,028	352,514
	Net income before tax		443,466	467,618
	Net income after tax		377,680	403,431
	Earnings per share (NT$)		5.34	5.61
	Return on total assets (%)		9.65	10.07
	Return on equity (%)		11.99	11.89
	Proportion to paid-in capital (%)	Operating income	46.15	44.06
		Net income before tax	63.35	58.45
	Net profit margin (%)		14.16	15.65

(IV) Research and Development Status:

Details of R&D expenditures for the past two years:

Unit: NTD thousands

Item \ Year	2024	2025
R&D Expenses	40,284	38,816
Operating revenues	2,668,039	2,577,628
R&D expenditure as a percentage of operating revenue	1.51%	1.51%

II. Summary of 2026 Business Plan

Lucky Royal upholds its core values of “deliciousness, innovation, safety, and quality” and continues to develop high-value-added products with a focus on the Taiwanese market. We will closely monitor market trends and consumer preferences, launching innovative and delicious new products annually to revitalize the brand and drive sales growth.

For the marketing strategy, we will continue investing in television and digital media to promote our products and brands, with a greater focus on targeted social engagement to strengthen the connection between brands and consumers. The business model continues to emphasize a balanced strategy of B-to-B, B-to-C, OEM, and ODM, while actively expanding into more potential niche channels and overseas markets, seeking cross-industry collaboration to create a winning outcome for consumers, customers, society, and the Company.

(I) Iced products:

(1) Competitive niche and desirable factors for development prospects

A. Long-term devotion to product innovation has rendered differential products with entry barriers.

B. Continued investment in brand advertising revitalizes classic brands and keeps them fresh and relevant.

C. Safe, high-quality, and stable raw materials are carefully selected, coupled with rigorous manufacturing processes and quality control, to establish consumer confidence.

D. Having a complete low-temperature storage and logistics system to maintain the display, quality, and stable supply of ice products.

E. Highly automated production has achieved economies of scale, effectively controlling costs and enhancing market competitiveness.

(2) Undesirable factors for development prospects

The intensifying extreme climate change globally affects the yield and price fluctuations of raw materials. Consumers' rising health awareness is driving greater demand for products with simple and natural ingredients; coupled with the impact of inflation on disposable income, this may reduce consumption of non-essential goods.

(3) Countermeasures

A. Establish a global raw material procurement network to strengthen the resilience of the raw material supply chain.

B. Develop simple, natural, and functional ice products to align with health trends.

C. Proactively establish channel layouts to respond to increasingly diversified consumer behavior.

(II) Frozen noodles:

(1) Competitive niche and desirable factors for development prospects

A. Long-term focus on product innovation, developing various differentiated and unique noodle products to create high-added value.

B. Continuously develop and secure trend-setting customers to expand and deepen market penetration.

C. Strictly select safe, excellent, and stable raw materials, with strict oversight of manufacturing processes and quality control for safety and hygiene.

D. Standardized quality control for frozen cooked noodles ensures consistent results, significantly alleviating labor shortages in the food service industry.

(2) Undesirable factors for development prospects

Uncertainties such as climate change and raw material price fluctuations could lead to supply instability and increased costs.

(3) Countermeasures

A. The operation and development of emerging channels are emphasized equally to cope with the change in consumption patterns.

B. The Company is strengthening the resilience of its raw material supply chain by seeking a diversified supplier base and regularly evaluating suppliers' operational capabilities, quality, safety, and other criteria.

(III) Sales forecast and basis:

Based on an assessment of the industry environment and future market supply and demand, the Company's expected sales targets for various products in 2026 are as follows:

Unit: Box

Segment Product Category	Sales Volume in 2025	Expected Sales Volume in 2026
Iced products	3,262,105	3,400,000
Frozen noodles	1,355,402	1,600,000

III. Future Development Strategies and Impact from the External Environment

(I) Future Development Strategies

Lucky Royal will continue to deepen its roots in Taiwan's core business, increasing investment in talent development, automated production, and research and innovation within its ice product and noodle product segments. Product development is closely aligned with “high-standard food safety”, “delicious taste”, and “health”. For our global market strategy, we will focus on seeking international partners to expand into overseas markets.

(II) Competitive Environment

In the face of fierce competition from domestic and international brands, we will continue to gain insights into market needs, leverage data analysis and consumer feedback, and respond quickly to market changes. By developing differentiated, trend-driven innovative products aligned with international food and beverage trends, the Company aims to meet the expectations of both consumers and customers.

(III) Regulatory Environment

We not only comply with current food hygiene regulations but also raise our self-management standards to international levels as social demands for corporate responsibility increase. In response to the growing global focus on net-zero carbon emissions, the Company will actively implement ESG (Environmental, Social, and Governance) principles, taking initiatives in areas such as packaging material reduction, energy-saving and carbon-reduction in manufacturing processes, and the adoption of green energy, in order to build a sustainable enterprise with green competitiveness.

(IV) Overall Environment

Looking back on 2025, the global economic recovery remained uneven, and the monetary policy directions of major economies along with exchange rate fluctuations continued to affect raw material import costs and export competitiveness. Ongoing international regional conflicts, supply chain restructuring, and increasingly extreme climate events have become the norm, directly impacting the stable supply of agricultural raw materials. The rapid penetration of AI technology across all industries is accelerating the transformation of how consumers access information and make purchasing decisions.

In light of the changing business environment mentioned above, the Company will continue to move forward with a more flexible operating strategy. We will manage risks more prudently, proactively capitalize on trends, and dedicate ourselves to creating long-term, stable investment value for all shareholders and stakeholders.

To
Lucky Royal General Shareholders' Meeting

Chairman Chou Ming-Fen

Two. Corporate Governance Report

I. Background Information on Directors, Supervisors, General Managers, Vice General Managers, Assistant Vice Presidents, and Heads of Various Departments and Branches

Director and Supervisor Information (I)

March 27, 2026

Title (Note 1)	Nationality	Name	Gender and age (Note 2)	Date of Election/ Inauguration Date	Tenure	Initial date of inauguration (Note 3)	Number of shares held at the time of election		Number of shares currently held		Current shares held by spouse and minors		Shares held in someone else's name		Main experience/education (Note 4)	Positions served at the Company and other companies at present	Other supervisors, directors or supervisors that are a spouse or within second degree of kinship			Remarks (Note 5)
							Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	R.O.C.	Namchow Holdings Co., Ltd. Representative: Ming-Fen Chou	Female Age 61-70	2025/2/13	3 years	2022/01/05 2022/01/05	48,657,185 0	69.51% 0%	48,217,185 33,870	60.27% 0.04%	0	0.00%	0	0.00%	Master of Educational Technology, Texas A&M University Entrepreneurship Class, National Chengchi University	Director of Namchow Holdings Co., Ltd. Director/General Manager of Chow Ho Enterprise Co., Ltd. Director of Namchow (Thailand) Ltd. Director of Shanghai Qiaohao Trading Co., Ltd. Director of Tianjin Yoshi Yoshi Co., Ltd. Director of Guangzhou Yoshi Yoshi Co., Ltd Director/General Manager of Huciang Industry Co., Ltd. Director of Namchow Oil and Fat Co., Ltd. General Manager of Dian Shui Lou Restaurant Business Co., Ltd.	None	None	None	None
Vice Chairman	R.O.C.	Chang-Ching Kao	Male Age 61-70	2025/5/28	3 years	2022/01/05 2022/01/05	34,302	0.05%	44,302	0.06%	0	0.00%	0	0.00%	Department of Mechanical Engineering, Tungnan Junior College of Technology	General Manager of Lucky Royal Co., Ltd.	None	None	None	(Note 8)

Title (Note 1)	Nationality	Name	Gender and age (Note 2)	Date of Election/ Inauguration Date	Tenure	Initial date of inauguration (Note 3)	Number of shares held at the time of election		Number of shares currently held		Current shares held by spouse and minors		Shares held in someone else's name		Main experience/education (Note 4)	Positions served at the Company and other companies at present	Other supervisors, directors or supervisors that are a spouse or within second degree of kinship			Remarks (Note 5)
							Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio			Title	Name	Relationship	
Director	R.O.C.	Namchow Holdings Co., Ltd. Representative: Cheng-Wen Chen	Male Age 61-70	2025/2/13	3 years	2023/05/10 2023/05/10	48,657,185 1,967,858	69.51% 2.81%	48,217,185 1,967,858	60.27% 2.46%	112,502	0.14%	0	0.00%	Master of Science in Finance, Golden Gate University (San Francisco, U.S.)	Chairman of Namchow Holdings Co., Ltd. Director of Qizhi Culture Co., Ltd. Director of Namchow BV Ltd. Director of Nacia International Corporation Director of Namchow (Cayman Islands) Holding Corp. Director of Tianjin Namchow Food Co., Ltd. Director of Tianjin Yoshi Yoshi Co., Ltd. Chairman of BLN Restaurants & Caterings Director of Namchow (Thailand) Ltd. Chairman of Shanghai Qiaohao Trading Co., Ltd. Director of Guangzhou Namchow Food Co., Ltd. Executive Director of Shanghai Qizhi Business Consultation Company. Chairman of Namchow Food Group (Shanghai) Co., Ltd. Executive Director of Shanghai Qiaohao Business Administration Co., Ltd. Executive Director of Shanghai Qiaohao Food Co., Ltd. Director of Shanghai Namchow Food Co., Ltd. Director of Tianjin Qiaohao Food Co., Ltd. Executive Director of Chongqing Qiaoxing Co., Ltd. Director of Guangzhou Yoshi Yoshi Co., Ltd Chairman of Namchow Oil and Fat Co., Ltd. Executive Director of Wuhan Qiaoxing Co., Ltd. Director of Namchow Trading Singapore Pte. Ltd. Chairman of Chongqing Namchow Food Co., Ltd. Director of Namchow Trading Hong Kong Pte. Ltd. Director of Namchow Food (Bangkok) Ltd.	Director	Yi-Wen Chen	Siblings	None

Title (Note 1)	Nationality	Name	Gender and age (Note 2)	Date of Election/ Inauguration Date	Tenure	Initial date of inauguration (Note 3)	Number of shares held at the time of election		Number of shares currently held		Current shares held by spouse and minors		Shares held in someone else's name		Main experience/education (Note 4)	Positions served at the Company and other companies at present	Other supervisors, directors or supervisors that are a spouse or within second degree of kinship			Remarks (Note 5)
							Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio			Title	Name	Relationship	
Director	R.O.C.	Namchow Holdings Co., Ltd. Representative Yu-Wen Chen	Male Age 51-60	2025/2/13	3 years	2023/05/10 2023/05/10	48,657,185 3,245,097	69.51% 4.89%	48,217,185 3,245,097	60.27% 4.28%	387,231	0.48%	0	0.00%	Bachelor of Accounting, George Brown University, Canada	Vice chairman of Namchow Holdings Co., Ltd. Director of Chow Ho Enterprise Co., Ltd. Director of Qizhi Culture Co., Ltd. Director of Namchow (Thailand) Ltd. Director of Dian Shui Lou Restaurant Business Co., Ltd. Director of Namchow Food Group (Shanghai) Co., Ltd. Director of Namchow Consultancy Co., Ltd. Director of Namchow Oil and Fat Co., Ltd. Director of Huciang Industry Co., Ltd.	None	None	None	None

Title (Note 1)	Nationality	Name	Gender and age (Note 2)	Date of Election/ Inauguration Date	Tenure	Initial date of inauguration (Note 3)	Number of shares held at the time of election		Number of shares currently held		Current shares held by spouse and minors		Shares held in someone else's name		Main experience/education (Note 4)	Positions served at the Company and other companies at present	Other supervisors, directors or supervisors that are a spouse or within second degree of kinship			Remarks (Note 5)
							Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio			Title	Name	Relationship	
Director	R.O.C.	Yi-Wen Chen	Female Age 61-70	2025/2/13	3 years	2023/05/10	1,163,035	1.66%	1,163,035	1.45%	0	0.00%	0	0.00%	Master of Arts, University of San Francisco	Director of Namchow Holdings Co., Ltd. Supervisor of Chow Ho Enterprise Co., Ltd. Supervisor of Qizhi Culture Co., Ltd. Director of Namchow BV Ltd. Director of Nacia International Corporation Director of Namchow (Cayman Islands) Holding Corp. Chairman of Tianjin Namchow Food Co., Ltd. Chairman of Tianjin Yoshi Yoshi Co., Ltd. Vice Chairman of BLN Restaurants & Caterings Director of Namchow (Thailand) Ltd. Director of Shanghai Qiaohao Trading Co., Ltd. Chairman of Dian Shui Lou Restaurant Business Co., Ltd. Chairman of Guangzhou Namchow Food Co., Ltd. Director of Namchow Food Group (Shanghai) Co., Ltd. Supervisor of Shanghai Qiaohao Business Administration Co., Ltd. Chairman of Shanghai Qiaohao Food Co., Ltd. Chairman of Shanghai Namchow Food Co., Ltd. Chairman of Namchow Japan Co., Ltd. Supervisor of Namchow Consultancy Co., Ltd. Chairman of Tianjin Qiaohao Food Co., Ltd. Supervisor of Chongqing Qiaoxing Co., Ltd. Chairman of Guangzhou Yoshi Yoshi Co., Ltd Director of Namchow Oil and Fat Co., Ltd. Chairman of Huciang Industry Co., Ltd. Supervisor of Hwa Zhin Co., Ltd.	Director	Cheng-Wen Chen	Siblings	(Note 6)

Title (Note 1)	Nationality	Name	Gender and age (Note 2)	Date of Election/ Inauguration Date	Tenure	Initial date of inauguration (Note 3)	Number of shares held at the time of election		Number of shares currently held		Current shares held by spouse and minors		Shares held in someone else's name		Main experience/education (Note 4)	Positions served at the Company and other companies at present	Other supervisors, directors or supervisors that are a spouse or within second degree of kinship			Remarks (Note 5)
							Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	R.O.C.	Hsu-Sung Kuo	Male Age 61-70	2025/2/13	3 years	2025/2/13	0	0.00%	0	0.00%	0	0.00%	0	0.00%	PhD in Health Policy and Management, Yale University M.S. in Public Health, National Taiwan University Bachelor of Medicine, National Yang-Ming University	Chairman of Taiwan Bio Therapeutics Inc. Independent Director of Acer Medical Inc.	None	None	None	(Note 7)
Independent Director	R.O.C.	Chia-Hsiu Chen	Male Age 61-70	2025/2/13	3 years	2025/2/13	0	0.00%	0	0.00%	0	00.00%	0	0.00%	Department of Accounting, Soochow University Certified Public Accountant in R.O.C. Passed the Chinese Certified Public Accountant Examination Experience Director of Soochow University Department of Accounting Cultural and Educational Foundation Director of Taiwan Provincial CPA Association Audit Committee Member of Taipei CPA Association Taxation Committee Member of Taiwan Provincial CPA Association Senior Partner of KPMG Taiwan	Independent Director of Shilin Development Company Limited Director of Omni Media International Incorporation	None	None	None	(Note 7)
Independent Director	R.O.C.	Li-Han Kao	Male Age 51-60	2025/2/13	3 years	2025/2/13	0	0.00%	0	0.00%	0	0.00%	0	0.00%	PhD, Institute of Management of Technology, National Chiao Tung University	Wayi International Digital Entertainment Co., Ltd. Independent Director Independent Director of M.J. International Group	None	None	None	(Note 7)

Note 1: Corporate shareholders shall list the names and representatives of corporate shareholders separately (if it is a representative of a juristic person shareholder, the name of the juristic person shareholder should be indicated); and the following Table 1 should be filled in.

Note 2: Please state the actual age of shareholders in a specific age range (i.e., 41~50 or 51~60).

Note 3: Fill in the time of first serving as director or supervisor of the company. If there is any interruption, it should be noted.

Note 4: For the experience relevant to the current position, such as employment at an audit and certification accounting firm or an associated enterprise during the said period, the title and responsibilities shall be specified.

Note 5: If the Company's chairman and general manager or equivalent (top manager) are the same person, spouses, or first-degree relatives, it should explain the reasons, rationale, necessity, and corresponding measures (such as increasing the number of independent directors and ensuring that more than half of the directors do not concurrently serve as employees or managers).

Note 6: Director Yi-Wen Chen resigned on February 27, 2025 due to busy official duties.

Note 7: The Company convened the First Extraordinary Shareholders' Meeting of 2025 on February 13, 2025, to re-elect directors and establish an Audit Committee to replace the supervisors. Director Chang-Ching Kao was also removed from his position as director on the same day.

Note 8: Director Chang-Ching Kao was dismissed from his position as a director at the first extraordinary shareholders' meeting on February 13, 2025, and consequently ceased to be a representative of Namchow Holdings Co., Ltd. He was also elected as a director at the shareholders' meeting on May 28, 2025, and elected as vice chairman by the Board of Directors on October 22, 2025.

Table 1: Major shareholders of institutional shareholders

March 27, 2026

Name of corporate shareholder (Note 1)	Principal shareholder of the corporate shareholder (Note 2)	Shareholding ratio
Namchow Holdings Co., Ltd.	Lucky Royal Co., Ltd.	15.65%

Note 1: If the directors and supervisors are representatives of juristic person shareholders, the name of the juristic person shareholders should be filled in.

Note 2: Fill in the name of the main shareholder of the juristic person shareholder (whose shareholding ratio falls in the top ten) and its shareholding ratio. If its major shareholder is a juristic person, it should be disclosed in Table 2 below.

Note 3: When the juristic person shareholder is not a company organizer, the names of shareholders and shareholding ratios that should be disclosed beforehand are the names of the funders or donors (refer to Judicial Yuan Announcement Query) and their contributions or contribution ratios. If a donor had passed away, please denote said donor as “deceased”.

Table 2: Major shareholders of major shareholders who are institutions

March 27, 2026

Name of institution	Serial No.	Name of major shareholder of the institution	Shareholding ratio
Lucky Royal Co., Ltd.	1	Namchow Holdings Co., Ltd.	60.27%
	2	Yu-Wen Chen	4.28%
	3	Cheng-Wen Chen	2.46%
	4	ABICO Asia Capital Corporation	1.61%
	5	Yi-Wen Chen	1.45%
	6	First Shiny International Investment Holdings Limited	1.25%
	7	KGI Venture Capital Co. Ltd.	1.24%
	8	Shin Kong Mitsukoshi Venture Capital Co. Ltd.	1.13%
	9	CDIB Venture Capital Corporation	1.13%
	10	E.SUN Venture Capital Co., Ltd.	1.09%

Note 1: If the main shareholder is a juristic person as shown in Table 1 above, the name of the juristic person should be filled in.

Note 2: Fill in the name of the main shareholder of the juristic person (whose shareholding ratio falls in the top ten) and its shareholding ratio.

Note 3: When the juristic person shareholder is not a company organizer, the names of shareholders and shareholding ratios that should be disclosed beforehand are the names of the funders or donors (refer to Judicial Yuan Announcement Query) and their contributions or contribution ratios. If a donor had passed away, please denote said donor as “deceased”.

Director and Supervisor Information (II)

I. Director and Supervisor Professional Qualifications and Independent Director Independence Disclosure:

Requirement / Name	Professional qualifications and experience (Note 1)	Compliance with the independence requirement (Note 2)	Number of other public offering companies where the position of part-time independent director is held
Namchow Holdings Co., Ltd. Representative: Ming-Fen Chou	With no less than five years of work experience in a business, financial, accounting or corporate entity without any violation of offenses described in Article 30 of the Company Act.	Not an independent director and thus not applicable (For more information on the Board's independence, please refer to (II) Board of Directors' Independence on page 15 in this Report).	0
Namchow Holdings Co., Ltd. Representative: Cheng-Wen Chen	With no less than five years of work experience in a business, financial, accounting or corporate entity without any violation of offenses described in Article 30 of the Company Act.		0
Namchow Holdings Co., Ltd. Representative: Yu-Wen Chen	With no less than five years of work experience in a business, financial, accounting or corporate entity without any violation of offenses described in Article 30 of the Company Act.		0
Chang-Ching Kao	With no less than five years of work experience in a business, financial, accounting or corporate entity without any violation of offenses described in Article 30 of the Company Act.		0

Requirement / Name	Professional qualifications and experience (Note 1)	Compliance with the independence requirement (Note 2)	Number of other public offering companies where the position of part-time independent director is held
Hsu-Sung Kuo	With no less than five years of work experience in a business, financial, accounting, or corporate entity, previously served as the Director-General of the Centers for Disease Control, Ministry of Health and Welfare, and without any violation of offenses described in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its associated enterprise. 3. Not a natural person shareholder that holds by himself/herself or by his/her spouse or minor child in someone else's name more than 1% of all circulating shares of the Company or is on the Top 10 shareholding list. 4. Not a manager of those listed in 1., or someone having a relationship with those listed in 2 or 3, including a spousal relationship, a second-degree kinship or closer, or an immediate blood relative within three degrees of kinship. 5. Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its a representative to serve as a director or supervisor of the company under Article 27, Paragraph 1 or 2 of the Company Act. 6. The majority of the company's director seats or voting shares and those of any other company are not controlled by the same person: a director, supervisor or employee of that other company. 7. The chairperson, general manager or person holding an equivalent position of the company and a person in any of those positions at another company or institution	2
Chia-Hsiu Chen	With no less than five years of work experience in a business, financial, accounting, or corporate entity, he has passed the CPA National Examination and has no prior violation of offenses described in Article 30 of the Company Act.		1

Requirement / Name	Professional qualifications and experience (Note 1)	Compliance with the independence requirement (Note 2)	Number of other public offering companies where the position of part-time independent director is held
Li-Han Kao	With no less than five years of work experience in a business, financial, accounting or corporate entity, he currently serves in the Department of Accounting at Soochow University without any violation of offenses described in Article 30 of the Company Act.	are not the same person or spouses: a director (or governor), supervisor, or employee of that other company or institution. 8. Not a director, supervisor, manager or a shareholder holding more than 5% of the shares of a specific company or institution with financial or business activities with the company. 9. Not a partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, financial, accounting services or consultation to the company or any affiliate of the Company for amounts exceeding NTD 500,000 in the past two years. 10. Not the spouse or a relative within the second degree of kinship to any other director of the Company. 11. No election was made by the government, a legal entity, or their representative as stipulated in Article 27 of the Company Act.	2

Note 1: Professional qualifications and experience: State the professional qualifications and experience of individual directors and supervisors. If they are members of the audit committee and possess accounting or financial expertise, their accounting or financial background and work experience should be detailed. Additionally, state whether they are free from any circumstances stipulated in Article 30 of the Company Act.

Note 2: Independent directors shall disclose circumstances that meet the independence requirements, including but not limited to whether the director, their spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the Company or its affiliated enterprises; the number and proportion of shares held by the director, their spouse, or relatives within the second degree of kinship (or held under another person's name) in the Company; whether they serve as directors, supervisors, or employees of companies with specific relationships to the Company (refer to Article 3, Paragraph 1, Items 5-8 of the Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration received in the past two years for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises.

II. Board Diversity and Independence:

(I) Board Diversity:

In addition to the company's Articles of Incorporation, Namchow has also established its Procedure of Directors Appointment, which explicitly requires that candidates must be nominated and reviewed to verify their eligibility before the Board of Directors resolve their nomination for election and appointment at the Shareholders' Meeting. Pursuant to Article 3 of "Board of Directors Appointment Procedure", composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic conditions and values: gender, age, nationality and culture, etc.
2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

1. The ability to make judgments about operations.
2. accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. Perspective of international market
7. Leadership ability.
8. Decision-making ability.

The Company's current Board of Directors consists of 7 directors. The specific management objectives and achievements of its board composition diversity policy are as follows:

Management Goal	Status of Achievement
The Board of Directors shall have at least 1 female member	Achieved
No independent director shall serve as a member of the Board for more than three terms	Achieved
The number of independent directors must be at least one-third of the total number of directors.	Achieved
Board members shall contribute diverse professional knowledge and skills that are relevant and applicable	Achieved

The Company's Board of Directors is selected based on a comprehensive assessment of their professional competence, industry experience, and corporate governance needs. Currently, the gender ratio of the Board of Directors is less than one-third. However, the Company places a high priority on gender diversity and continues to optimize its board structure. In the future, the company will actively seek female director candidates with professional competence and diverse backgrounds to enhance decision-making diversity and improve the quality of corporate governance.

The implementation status of our Board Diversity policy is as follows:

Item of diversification / Name of director	Basic composition					Professional background			Professional knowledge and skills				
	Nationality	Gender	Age	Also serving as an employee at the company	Tenure as an independent director (3years or less)	Business	Financial	Industry	Business Management	Knowledge of the industry.	Finance and Accounting	Perspective of international market	Risk management
Namchow Holdings Co., Ltd. Representative: Ming-Fen Chou	R.O.C.	Female	61-70			V	V	V	V	V	V	V	V
Namchow Holdings Co., Ltd. Representative: Cheng-Wen Chen		Male	61-70			V	V	V	V	V	V	V	V
Namchow Holdings Co., Ltd. Representative: Yu-Wen Chen		Male	51-60			V	V	V	V	V	V	V	V
Chang-Ching Kao		Male	61-70	V		V	V	V	V	V	V	V	V
Chia-Hsiu Chen		Male	61-70		V	V	V	V	V		V	V	V
Hsu-Sung Kuo		Male	61-70		V	V		V	V	V		V	V
Li-Han Kao		Male	51-60		V	V	V	V	V		V	V	V

(II) Board independence: The Company's current Board of Directors consists of 7 members, including 1 female director and 3 independent directors, with independent directors accounting for 43% of the total board members. None of the 3 independent directors have violated Clauses 3 and 4 of Article 26-3 of the Securities and Exchange Act. As of the date of the annual report publication, there are no spousal or second-degree kinship relationships among the board members. For the education and work experience of each director, please refer to pages 5-9 of this annual report.

(II) Background Information of General Managers, Vice General Managers, Assistant Vice Presidents and Heads of Various Departments and Branches.

Job title (Note 1)	Nationality	Name	Gender	Date of Election/ Inauguration Date	Quantity of shares		Current shares held by spouse and minors		Shares held in someone else's name		Major experience (education) (Note 2)	Positions at other companies held at present	Managers who are a spouse or a relative within the second degree of kinship			Remarks (Note 3)
					Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	R.O.C.	Ming-Fen Chou	Female	1997/09/09	33,870	0.05%	0	0.00%	0	0.00%	Educational Technology, Texas A&M University Master Entrepreneurship Class, National Chengchi University	Director of Namchow Holdings Co., Ltd. Director/General Manager of Huciang Industry Co., Ltd. Director of Namchow Oil and Fat Co., Ltd. Director/General Manager of Chow Ho Enterprise Co., Ltd. Director of Tianjin Yoshi Yoshi Co., Ltd. General Manager of Dian Shui Lou Restaurant Business Co., Ltd. Director of Shanghai Qiaohao Trading Co., Ltd. Director of Namchow (Thailand) Ltd. Director of Guangzhou Yoshi Yoshi Co., Ltd	None	None	None	None
Vice Chairman and General Manager	R.O.C.	Chang-Ching Kao	Male	2024/12/18	44,302	0.06%	0	0.00%	0	0.00%	Department of Mechanical Engineering, Tungnan Junior College of Technology	None	None	None	None	None
Assistant Vice President	R.O.C.	Ming-Chen Yen	Male	2012/04/15	43,870	0.05%	0	0.00%	0	0.00%	Department of Food Science, Tunghai University	None	None	None	None	None
Assistant Vice President	R.O.C.	Shu-Min Chiu	Male	2025/01/16	27,322	0.03%	0	0.00%	0	0.00%	National Zhongli Senior High School	None	None	None	None	None
Senior Manager and Accounting Supervisor	R.O.C.	Lin Shih-Yun	Female	2025/03/10	13,000	0.02%	0	0.00%	0	0.00%	Department of Accounting, Tamkang University	None	None	None	None	None

* On October 22, 2025, the Board of Directors unanimously approved the appointment of General Manager Chang-Ching Kao as Vice Chairman and General Manager of the Company.

Note 1: This should include information on the general manager, deputy general manager, Assistant Vice Presidents, and heads of departments and branches; furthermore, any individual holding a position equivalent to that of general manager, deputy general manager, or Assistant Vice President regardless of their official title should also be disclosed.

Note 2: For the experience relevant to the current position, such as employment at an audit and certification accounting firm or an associated enterprise during the said period, the title and responsibilities shall be specified.

Note 3: When the general manager or equivalent (top manager) and the chairman are the same person, or spouse or relative within one degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be explained (e.g., the number of independent directors should be increased, more than half of the directors should not be concurrent employees or managers, etc.).

II. Remunerations paid to Directors, Supervisors, General Managers, and Vice General Managers in recent years

(I)

(1-1) Remuneration of general directors and independent directors

Title	Name	Remuneration for directors								Sum of A, B, C, and D and the ratio to after-tax earnings (Note 10)		Remunerations for part-time employees								Sum of A, B, C, D, E, F, and G (%) and its ratio to after-tax earnings ratio of the (Note 10)		Remuneration received from investee companies outside of subsidiaries or from the parent company (Note 11)
		Remunerations (A) (Note 2)		Retirement and pension (B)		Remunerations for directors (C) (Note 3)		Operational expenditure (D) (Note 4)				Salary, bonuses, and special allowances, etc. (E) (Note 5)		Retirement and pension (F)		Remunerations for employees (G) (Note 6)						
																The Company		All companies within the Financial Report (Note 7)				
		The Company	All companies within the Financial Report (Note 7)	The Company	All companies within the Financial Report (Note 7)	The Company	All companies within the Financial Report (Note 7)	The Company	All companies within the Financial Report (Note 7)	The Company	All companies within the Financial Report (Note 7)	The Company	All companies within the Financial Report (Note 7)	The Company	All companies within the Financial Report (Note 7)	Current value	Stock value	Current value	Stock value	The Company	All companies within the Financial Report (Note 7)	
Chairman	Namchow Holdings Co., Ltd. Representative Ming-Fen Chou	0	0	0	0	0	0	0	0	0	0	26,683,983	26,683,983	214,128	214,128	99,653	0	99,653	0	26,997,764 6.69%	26,997,764 6.69%	None
Director	Namchow Holdings Co., Ltd. Representative Cheng-Wen Chen																					
Director	Namchow Holdings Co., Ltd. Representative Yu-Wen Chen																					
Director	Yi-Wen Chen																					
Vice Chairman	Chang-Ching Kao																					
Supervisor	Zhou-Jing Chen	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Supervisor	Hsu, Pai-Tsai																					
Independent Director	Chia-Hsiu Chen	0	0	0	0	0	0	3,600,000	3,600,000	3,600,000 0.89%	3,600,000 0.89%	0	0	0	0	0	0	0	0	3,600,000 0.89%	3,600,000 0.89%	None
Independent Director	Hsu-Sung Kuo																					
Independent Director	Kao Li-Han																					

*Director Yi-Wen Chen ceased to be an employee of Lucky Royal Co., Ltd. starting from August 1, 2024, and resigned from her position as a director on February 27, 2025.

*In 2024, the Company operated under a supervisor system. The Company convened the First Extraordinary Shareholders' Meeting of 2025 on February 13, 2025, to conduct a complete re-election of directors and establish an Audit Committee in accordance with the law to replace the supervisor system.

* The three independent directors, Hsu-Sung Kuo, Chia-Hsiu Chen, and Li-Han Kao, all assumed office on February 13, 2025.

1. Please state the policies, systems, standards and structure of independent directors' remuneration, and, according to the responsibilities, risks, time invested and other factors, describe the relevance to the remuneration amount: Independent directors of the Company are paid travel expenses, and are paid monthly regardless of profit or loss including business execution related expenses, and they do not participate in the Company's annual profit distribution. No other compensation, remuneration or expenses shall be paid.

2. Besides those disclosed in the above table, remunerations paid to directors in the most recent year for having provided services to all companies covered in the Financial Report (such as working as a consultant at the parent company/all companies covered in this Report/spin-off companies who is not an employee): None

Remuneration bracket table

Remuneration level of each director of the Company	Name of director			
	Sum of the said four types of remunerations (A+B+C+D)		Sum of the said seven types of remunerations (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies within the Financial Report (Note 9) H	The Company (Note 8)	All companies within the Financial Report (Note 9) I
Less than NTD 1,000,000				
NTD 1,000,000 (inclusive) - NTD 2,000,000 (exclusive)				
NTD 2,000,000 (inclusive) - NTD 3,500,000 (exclusive)				
NTD 3,500,000 (inclusive) - NTD 5,000,000 (exclusive)				
NTD 5,000,000 (inclusive) - NTD 10,000,000 (exclusive)				
NTD 10,000,000 (inclusive) - NTD 15,000,000 (exclusive)			Chang-Ching Kao	Chang-Ching Kao
NTD 15,000,000 (inclusive) - NTD 30,000,000 (exclusive)			Namchow Holdings Co., Ltd. Representative Ming-Fen Chou	Namchow Holdings Co., Ltd. Representative Ming-Fen Chou
NTD 30,000,000 (inclusive) - NTD 50,000,000 (exclusive)				
NTD 50,000,000 (inclusive) - NTD 100,000,000 (exclusive)				
Over NTD 100,000,000				
Total			2 people	2 people

Note 1: Names of directors shall be listed separately (both the name of the institution and its representative shall be listed for an institutional shareholder), and listing general directors and independent directors separately, and individual payments made shall be disclosed through a summary. If the director is also a general manager or vice general manager, this table and the following table shall be completed (Remuneration of general manager and deputy general manager).

Note 2: The remunerations paid to directors in the latest year (including salaries, additional pay, service pay, various prizes, rewards, among others)

Note 3: The value of remunerations approved to be assigned to directors by the Board of Directors in the most recent year

Note 4: Related expenses for carrying our tasks incurred by directors in the latest year (including transportation, special expenditure, various allowances, dormitory, and car, among other actual items provided) For housing, automobiles and other transportation tools or expenses that are specific to individuals, the nature and cost of the assets provided, the actual or market-value-based rental, the cost of gasoline and other payments shall be disclosed. If a driver is assigned, please indicate the pay available for the driver but it may not be included in the calculation of remunerations.

Note 5: Salaries, additional pay, service pay, various prizes, rewards, transportation, special expenditure, various allowances, dormitory, cars and other actual items that are claimed by directors and employees (including part-time general managers, vice general managers, other managers and employees) in the latest year. For housing, automobiles and other transportation tools or expenses that are specific to individuals, the nature and cost of the assets provided, the actual or market-value-based rental, the cost of gasoline and other payments shall be disclosed. If a driver is assigned, please indicate the pay available for the driver but it may not be included in the calculation of remunerations. In addition, salaries recognized in accordance with IFRS 2: "stock-based payment transaction", including employee stock option certificates, restricted employee shares, and participation in subscribing shares in cash capital increase, shall also be included as part of the remunerations.

Note 6: This means that directors and employees (including part-time general managers, vice general managers, other managers, and employees) having claimed employee remunerations (including shares and cash) shall disclose employee remunerations distributed through the Board of Directors in the most recent year. If it is impossible to estimate the value planned to be distributed this year, follow the actual value distributed last year and calculated proportionally and Table 1-3 shall be completed.

Note 7: The total value of remunerations paid to directors of the Company by all companies in the Consolidated Report (including the Company) shall be disclosed.

Note 8: For the total value of various remunerations paid to each director by the Company, disclose the name of the director in the respective bracket.

Note 9: For the total value of various remunerations paid to each director of the Company by all companies (including the Company) in the Consolidated Report, disclose the name of the director in the respective bracket.

Note 10: Net profit after tax refers to the net profit after tax in the most recent year's individual or separate entity financial reports.

Note 11: a. The value of related remunerations claimed by directors of the Company from reinvested businesses other than subsidiaries or the parent company shall be specified in this column. (If there is none, please fill in "None")

b. In the event that directors of the Company claim related remunerations from reinvested businesses other than subsidiaries or the parent company, the said remunerations shall be combined in Column I of the remuneration bracket table and the name of the column shall be changed to "parent company and all reinvested businesses."

c. Remunerations are the compensation, rewards (including rewards for employees, directors, supervisors) and operational expenditures claimed by supervisors of the Company who serve as the director, supervisor, or manager at a reinvested business other than the subsidiary or at the parent company.

* The content of the remunerations disclosed in this table differs from the idea of income indicated in the Income Tax Act. As such, the purpose of this table is for disclosure of information only, not for taxation.

Remunerations for general managers and vice general managers

Title	Name	Salaries (A)(Note 2)		Retirement and pension (B)		Bonuses, special expenditure and etc. (C)(Note 3)		Employee remunerations (D)(Note 4)				Sum of A, B, C, and D and their respective percentages (%) of after-tax earnings (Note 8)		Remuneration received from investee companies outside of subsidiaries or from the parent company (Note 9)
		The Company	All companies within the Financial Report (Note 5)	The Company	All companies within the Financial Report (Note 5)	The Company	All companies within the Financial Report (Note 5)	The Company		All companies within the Financial Report (Note 5)		The Company	All companies within the Financial Report (Note 5)	
								Current value	Stock value	Current value	Stock value			
Vice Chairman and General Manager	Chang-Ching Kao	4,642,932	4,642,932	126,000	126,000	6,827,600	6,827,600	99,653	0	99,653	0	11,696,185 2.90%	11,696,185 2.90%	None
Vice General Manager	Shu-Hsien Hsiang													

*The Company's Vice General Manager, Mr. Shu-Hsien Hsiang, resigned on February 28, 2025, due to personal career planning.

* Regardless of their title, the information has to be disclosed as long as their ranking is equivalent to that of a general manager or vice general manager (e.g. president, chief executive officer, general director, etc.).

Remuneration bracket table

Bracket by which remunerations are paid to respective general managers and vice general managers of the Company	Name of General Manager/Vice General Manager	
	The Company (Note 6)	All companies within the Financial Report (Note 7) E
Less than NTD 1,000,000	Shu-Hsien Hsiang	Shu-Hsien Hsiang
NTD 1,000,000 (inclusive) - NTD 2,000,000 (exclusive)		
NTD 2,000,000 (inclusive) - NTD 3,500,000 (exclusive)		
NTD 3,500,000 (inclusive) - NTD 5,000,000 (exclusive)		
NTD 5,000,000 (inclusive) - NTD 10,000,000 (exclusive)		
NTD 10,000,000 (inclusive) - NTD 15,000,000 (exclusive)	Chang-Ching Kao	Chang-Ching Kao
NTD 15,000,000 (inclusive) - NTD 30,000,000 (exclusive)		
NTD 30,000,000 (inclusive) - NTD 50,000,000 (exclusive)		
NTD 50,000,000 (inclusive) - NTD 100,000,000 (exclusive)		
Over NTD 100,000,000		
Total	2 people	2 people

Note 1: Names of general managers and vice general managers shall be listed separately and individual payments made shall be disclosed through a summary. If the director is also a general manager or vice general manager, this table and the above table (1-1) shall be completed.

Note 2: Salaries, additional pay, and service pay for general managers and vice general managers in the latest year.

Note 3: Various prizes, awards, transportation, special expenditure, various allowances, dormitory, cars, and other actual items provided and other compensations for general managers and vice general managers in the latest year. For housing, automobiles and other transportation tools or expenses that are specific to individuals, the nature and cost of the assets provided, the actual or market-value-based rental, the cost of gasoline and other payments shall be disclosed. If a driver is assigned, please indicate the pay available for the driver but it may not be included in the calculation of remunerations. In addition, salaries recognized in accordance with IFRS 2: "stock-based payment transaction", including employee stock option certificates, restricted employee shares, and participation in subscribing shares in cash capital increase, shall also be included as part of the remunerations.

Note 4: Employee remunerations (including stock and cash) distributed to general managers and vice general managers as approved by the Board of Directors in the latest year. If it is impossible to estimate the value planned to be distributed this year, follow the actual value distributed last year and calculate proportionally. In addition, the attached Table 1-3 shall be completed.

Note 5: The total value of remunerations paid to general managers and vice general managers of the Company by all companies in the Consolidated Report (including the Company) shall be disclosed.

Note 6: For the total value of various remunerations paid to each general manager and vice general manager by the Company, disclose the name of the general manager and the vice general manager in the respective bracket.

Note 7: For the total value of various remunerations paid to each general manager and vice general manager of the Company by all companies (including the Company) in the Consolidated Report, disclose the name of the general manager and vice general manager in the respective bracket.

Note 8: Net profit after tax refers to the net profit after tax in the most recent year’s individual or separate entity financial reports.

Note 9: a. The value of related remunerations claimed by General Manager and Vice General Manager of the Company from reinvested businesses other than subsidiaries or the parent company shall be specified in this column. (If there is none, please fill in "None")

b. In the event that general managers and vice general managers of the Company claim related remunerations from reinvested businesses other than subsidiaries or the parent company, the said remunerations shall be combined in Column E of the remuneration bracket table and the name of the column shall be changed to "the parent company and all re-invested businesses."

c. Remunerations are the compensation, rewards (including rewards for employees, directors, and supervisors) and operational expenses, among others, claimed by general managers and vice general managers of the parent company who serve as the director, supervisor, or manager at a reinvested business other than the subsidiary.

* The content of the remunerations disclosed in this table differs from the idea of income indicated in the Income Tax Act. As such, the purpose of this table is for disclosure of information only, not for taxation.

(II) Names and distribution of managers assigned with employee rewards

	Title (Note 1)	Name (Note 1)	Stock value	Current value	Total	After-tax earnings ratio (%)
Manager	Vice Chairman and General Manager	Chang-Ching Kao	0	277,821	277,821	0.07%
	Assistant Vice President	Ming-Chen Yen				
	Assistant Vice President	Shu-Min Chiu				
	Senior Manager	Lin Shih-Yun				

Note 1: The name and title of the individual shall be disclosed but distribution of profits may be disclosed through a summary.

Note 2: Employee remunerations (including stock and cash) distributed to managers through the Board of Directors in recent years. If it is impossible to estimate the value planned to be distributed this year, follow the actual value distributed last year and calculate proportionally. After-tax pure earnings are those in the latest year. When the International Financial Reporting Standards are adopted, after-tax pure earnings are those indicated in the entity or individual financial report from the most recent year.

Note 3: For the applicability of managers, follow the Tai-Cai-Zheng-San No. 0920001301 letter dated March 27, 2003.
(1) General Managers and people of equivalent ranking
(2) Vice general managers and people of equivalent ranking
(3) Assistant Vice Presidents and people of equivalent ranking
(4) Head of Department of Finance
(5) Head of Accounting Department
(6) Other people handling corporate affairs and signature rights

Note 4: If directors, general managers, and vice general managers receive employee remunerations (including stock and cash), this table needs to be completed in addition to Table 1-1.

(III) Compare and describe separately the analysis of ratios of total remunerations paid to directors, supervisors, general managers, and vice general managers of the Company for the past two years by the Company and all companies in the Consolidated Report in after-tax earnings indicated in the entity or individual financial reports. In addition, describe correlation among the remuneration payment policy, standards and combination, remuneration establishing procedures, and management efficacy and risks in the future.

1. Analysis of ratios of total remunerations paid to directors, supervisors, general managers, and vice general managers of the Company for the past two years by the Company and all companies in the Consolidated Report in after-tax earnings indicated in the entity or individual financial reports.

Year	The Company				All companies in the Consolidated Report			
	2024		2025		2024		2025	
	Total (NTD)	Percentage in net income after tax	Total (NTD)	Percentage in net income after tax	Total (NTD)	Percentage in net income after tax	Total (NTD)	Percentage in net income after tax
Total remuneration of directors and supervisors	30,564,889	8.1%	30,597,764	7.58%	30,564,889	8.1%	30,597,764	7.58%
Total remuneration of general managers and vice general managers	33,379,252	8.8%	11,696,185	2.90%	33,379,252	8.9%	11,696,185	2.90%
Net profit after tax	377,680,113	16.9%	403,430,653	10.48%	376,874,812	17.0%	403,430,653	10.48%

2. Correlation among the remuneration payment policy, standards and combination, remuneration establishing procedures, and management efficacy and risks in the future:

(1) Policies, standards and combinations of remuneration

A. The Company has established a Remuneration Committee in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter". The Committee evaluates and decides on the remuneration payment policy according to the company's management strategy, manpower utilization policy, and payment capability and establishes and periodically reviews the remuneration levels for directors and managers of the Company and provides the Board of Directors with suggestions in accordance with the latter's reference while making decisions by referring to the findings obtained by the Company through the compensation survey conducted by a professional compensation survey institution.

B. Pursuant to Article 26 of the Company's Articles of Incorporation, directors and supervisors may receive travel and subsistence allowances in accordance with industry standards, and employees' salaries and allowances shall be paid regardless of the Company's profitability.

(2) Procedures for determining remuneration

A. To periodically evaluate the compensation of directors and executives, the Company relies on the evaluation results obtained in accordance with the Company's "Board of Directors Performance Evaluation Guidelines" and the "Performance Management Guidelines" applicable to executives and employees. Additionally, the compensation of the Company's General Manager and Deputy General Manager is determined based on their individual performance and contribution to the Company's overall operations, and taking into account market salary levels as surveyed by professional institutions. Such compensation is reviewed by the Remuneration Committee and submitted to the Board of Directors for approval.

B. The performance evaluations and the appropriateness of remuneration for the Company's directors and executives are assessed and reviewed annually by the Remuneration Committee and the Board of Directors. In addition to considering individual performance achievement rates and contributions to the Company, these evaluations take into account the Company's overall operational performance, future industry risks, and development trends. The compensation system is reviewed as needed in light of business conditions and relevant laws and regulations. Furthermore, reasonable compensation is provided after comprehensively considering current corporate governance trends, with the aim of balancing the Company's sustainable operations and risk management. The actual amounts of remuneration paid to directors and executives for 2025 were reviewed by the Remuneration Committee and approved by the Board of Directors.

(3) Correlation between business performance and future risks:

A. The review of the Company’s compensation policy, including benefit standards and systems, is primarily based on the Company’s overall operational performance and long-term sustainable development. It involves a comprehensive assessment of annual performance achievement rates, the scope of responsibilities undertaken, and substantive contributions to the quality of corporate governance, with the aim of enhancing the overall effectiveness of the organizational team

   In performance evaluation, beyond operating results, the Company also considers corporate governance, risk management mechanisms, the effectiveness of internal controls, and organizational sustainability. This ensures the remuneration system is aligned with the Company’s long-term value creation and the maintenance of stakeholder trust.

   In addition, we refer to industry salary standards and conduct external market comparisons to ensure that the salary levels of our management are both competitive and reasonable, in order to retain and attract management talent with professional capabilities.

B. The performance objectives of the Company’s managers are aligned with risk management and corporate governance requirements to ensure that operational, financial, and compliance risks within their scope of responsibility have been identified, managed, and mitigated.

   The performance evaluation considers a range of factors, including overall operational results, the success of key strategic initiatives, corporate governance quality, organizational stability, and key talent development. Ratings are determined based on actual performance and are linked to relevant human resources and compensation policies.

   Important decisions by the Company’s management are made after careful consideration of various risks and their long-term impact on development. The results of these decisions are reflected in the Company's overall operating performance and sustainable development momentum, and are reasonably linked to the remuneration mechanism.

III. Status of Corporate Governance

(I) Information on the operation of the Board of Directors

The Board of Directors met 10 times (A) in the latest year. Attendance of directors in the meetings is as follows:

Title	Name (Note 1)	Actual frequency of attendance (being seated) in meetings B	Frequency of attendance through proxy	Actual attendance rate (%) [B/A] (Note 2)	Remarks
Chairman	Namchow Holdings Co. Ltd. Representative Ming-Fen Chou	10	0	100%	
Director	Namchow Holdings Co. Ltd. Representative Cheng-Wen Chen	6	4	60%	
Director	Namchow Holdings Co. Ltd. Representative Yu-Wen Chen	9	1	90%	
Director	Yi-Wen Chen	1	1	50%	Resigned on February 27, 2025
Director	Chang-Ching Kao	6	1	86%	Elected by the shareholders' meeting on May 28, 2025
Independent Director	Chia-Hsiu Chen	9	0	100%	Elected at the first extraordinary shareholders' meeting of 2025 on February 13, 2025
Independent Director	Hsu-Sung Kuo	8	1	89%	Elected at the first extraordinary shareholders' meeting of 2025 on February 13, 2025
Independent Director	Li-Han Kao	9	0	100%	Elected at the first extraordinary shareholders' meeting of 2025 on February 13, 2025
Other details to be documented: I. The items included in Article 14-3 of the Securities and Exchange Act and other comments					

objected or retained by other Independent Directors in record or the resolutions of the Board of directors in a written statement should indicate the date, period, content of the motion, opinions of all Independent Directors and how the company handles the opinion of the Independent Directors.

During 2025, the Company held a total of 10 board meetings. There were no matters listed in Article 14-3 of the Securities and Exchange Act, nor were there any board resolutions regarding other matters to which independent directors objected or expressed reservations, as documented in the minutes or through written statements.

II. When directors recuse themselves from voting on proposals involving conflicts of interest, the following information must be provided: the director's name, the details of the proposal, the reason for recusal, and the voting record.

1. Article 31 of the Company's Corporate Governance Best-Practice Principles stipulates: Directors of the Company shall be highly self-disciplined. For proposals brought forth by the Board of Directors that will undermine the interests of directors themselves and the Company's interests, the directors shall recuse themselves and may not take part in the discussion and voting process. They may not exercise voting rights on behalf of other directors in this case, either. Self-discipline shall be expected among directors, too. No inadequate mutual support is allowed.

   For spontaneous recusals of directors, they shall be specified in the meeting agenda of the Board of Directors.

2. Article 15 of the Board of Directors Meeting Rules of the Company stipulates:

   For matters to be discussed in the meeting that concern the interests of participating directors or the institutions they represent, there should be descriptions of important contents concerning conflicts of interest in the current meeting. In cases of undermining interests of the Company, the directors may not take part in the discussion and voting process and shall recuse themselves during discussion and voting and they may not exercise voting rights on behalf of other directors.

   For a resolution, the votes that directors are not allowed to exercise as voting rights as indicated in the foregoing paragraph are entitled to will not be counted in the overall number of voting rights.

3. Proposals relating to the Company's Board of Directors and concerning directors in the latest year up to the date of printing of Annual Report:

   (1) In January 16, 2025, the Board of Directors discussed a proposal submitted by the Remuneration Committee regarding the individual amounts of year-end bonuses for two directors and two executives of the Company for 2024. The two directors of the Company, Chairman Ming-Fen Chou and Director Chang-Ching Kao, recused themselves from the discussion in accordance with the Company Act and Article 15 of the Board of Directors Meeting Rules of the Company: Directors who are stakeholders of matters being discussed shall recuse themselves.

   Voting outcome of this proposal: The proposal was approved unanimously among the attending directors, without taking into account Chairman Ming-Fen Chou and Director Chang-Ching Kao as they recused themselves from voting.

   (2) On May 12, 2025, the Board of Directors discussed a proposal submitted by the Remuneration Committee regarding the distribution of executive compensation for 2024. In accordance with the Company Act and Article 15 of the Company's Rules of Procedure for Board Meetings, which stipulate that directors must recuse themselves from matters in which they have a personal interest, the Company's Chairwoman, Ming-Fen Chou, recused herself from the discussion.

   Voting results for this proposal: With the exception of Chairwoman Ming-Fen Chou,

who recused herself from the vote, all other directors present voted in favor of the resolution.

(3) On July 18, 2025, the Board of Directors ratified the decision to transfer the core operations of the frozen cooked noodle sales business to Huaciang Industry Co., Ltd. in July 2023 in accordance with adjustments to the Company's business strategy. Subsequently, effective April 2024, to fully optimize management efficiency, the Company purchased the inventory and fixed assets related to the frozen cooked noodle division at Zhongli Plant from Huaciang Industry Co., Ltd. Three directors of the Company, Chairwoman Ming-Fen Chou, Director Cheng-Wen Chen, and Director Yu-Wen Chen, have recused themselves from deliberations on matters in which they have a personal interest, in accordance with the Company Act and Article 15 of the Company's Rules of Procedure for Board Meetings.
Voting results for this proposal: With the exception of Chairwoman Ming-Fen Chou, Director Cheng-Wen Chen, and Director Yu-Wen Chen, who recused themselves from voting, all other directors present voted in favor of the resolution.

(4) On July 18, 2025, the Board of Directors ratified that, due to business needs, the Company entered into contracts and agreements with its affiliated companies between 2019 and 2024 regarding rental income, fee collection, and cost allocation. Upon review, it was confirmed that all contracts and agreements pertaining to the aforementioned related-party transactions were executed by the Company's authorized signatory at the time and the relevant affiliated companies. Three directors of the Company, Chairwoman Ming-Fen Chou, Director Cheng-Wen Chen, and Director Yu-Wen Chen, have recused themselves from deliberations on matters in which they have a personal interest, in accordance with the Company Act and Article 15 of the Company's Rules of Procedure for Board Meetings.
Voting results for this proposal: With the exception of Chairwoman Ming-Fen Chou, Director Cheng-Wen Chen, and Director Yu-Wen Chen, who recused themselves from voting, all other directors present voted in favor of the resolution.

(5) On August 11, 2025, the Board of Directors discussed a proposal submitted by the Remuneration Committee regarding the individual amounts of the 2025 mid-year bonuses for the Company's Chairman and four executives. The two directors of the Company, Chairman Ming-Fen Chou and Director Chang-Ching Kao, recused themselves from the discussion in accordance with the Company Act and Article 15 of the Board of Directors Meeting Rules of the Company: Directors who are stakeholders of matters being discussed shall recuse themselves.
Voting outcome of this proposal: The proposal was approved unanimously among the attending directors, without taking into account Chairman Ming-Fen Chou and Director Chang-Ching Kao as they recused themselves from voting.

(6) On September 1, 2025, the Board of Directors discussed a proposal submitted by the Remuneration Committee regarding the allocation of new shares issued through a pre-IPO cash capital increase to management. Director Chang-Ching Kao recused himself from the discussion in accordance with the Company Act and Article 15 of the Company's Rules of Procedure for Board Meetings, which stipulate that directors must recuse themselves from matters in which they have a personal interest.
Voting results for this proposal: With the exception of Director Chang-Ching Kao, who recused himself from the vote, all other directors present voted in favor of the resolution.

(7) The Board of Directors discussed the appointment of members to the Company's first Sustainability Committee on September 1, 2025. The two directors of the Company,

Chairman Ming-Fen Chou and Director Chang-Ching Kao, recused themselves from the discussion in accordance with the Company Act and Article 15 of the Board of Directors Meeting Rules of the Company: Directors who are stakeholders of matters being discussed shall recuse themselves.
Voting outcome of this proposal: The proposal was approved unanimously among the attending directors, without taking into account Chairman Ming-Fen Chou and Director Chang-Ching Kao as they recused themselves from voting.

(8) On February 2, 2026, the Board of Directors discussed the proposal submitted by the Remuneration Committee regarding the individual amounts of year-end bonuses for the Company's directors and executives for 2025. The two directors of the Company, Chairman Ming-Fen Chou and Director Chang-Ching Kao, recused themselves from the discussion in accordance with the Company Act and Article 15 of the Board of Directors Meeting Rules of the Company: Directors who are stakeholders of matters being discussed shall recuse themselves.
Voting outcome of this proposal: The proposal was approved unanimously among the attending directors, without taking into account Chairman Ming-Fen Chou and Director Chang-Ching Kao as they recused themselves from voting.

III. Information regarding the evaluation cycle, period, scope, methods, and content of the Company's Board of Directors' self-evaluation, as well as the status of the evaluation's implementation:

Period of Evaluation	Duration of Evaluation	Range of Evaluation	Method of Evaluation	Content of Evaluation
Conducted annually	Performance was evaluated from January 1, 2025 to December 31, 2025	The Board of Directors, individual directors, and functional committees (Audit Committee, Remuneration Committee, and Sustainability Committee)	Internal self-assessments by the Board of Directors, individual directors, and functional committees (Audit Committee, Remuneration Committee, and Sustainability Committee)	1. Overall Evaluation of the Board of Director: Including participation in the operation of the company; quality of board of directors' decision making; composition and structure of the board of directors; election and continuing education of the director; and internal control. Total of 10 questions in five major aspects. 2. Individual Evaluation of the Board of Directors: Including alignment of the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationship and communication; the director's professionalism and continuing education; and internal control. Total of 18 questions in six major aspects. 3. Performance evaluation of the Audit committee: This evaluation covers five key areas, such as level of involvement in company operations, understanding of functional

				committee responsibilities, quality of functional committee decision-making, composition and selection of functional committee members, and internal controls, comprising a total of 22 questions. 4. Performance evaluation of the Remuneration Committee: This evaluation covers four key areas such as level of involvement in company operations, understanding of the responsibilities of functional committees, quality of decision-making by functional committees, and the composition and selection of members of functional committees, comprising a total of 19 questions. 5. Performance evaluation of the Sustainability Committee: This evaluation covers five key areas such as level of involvement in company operations, understanding of the responsibilities of functional committees, quality of decision-making by functional committees, composition and selection of members for functional committees, and internal controls, comprising a total of 19 questions.

IV. Goals for strengthening the board's functions during the current and most recent fiscal years (e.g., establishing an audit committee, enhancing transparency, etc.) and an assessment of their implementation.

1. The Board of Directors resolved to adopt the Company's "Code of Ethical Conduct" and "Audit Committee Charter" on March 11, 2024.
2. The Board of Directors resolved to amend the "Board of Directors Performance Evaluation Guidelines", the "Corporate Governance Best Practice Principles", the "Rules of Procedure for Shareholders' Meetings", and the "Regulations on the Election of Directors" on June 7, 2024.
3. At the extraordinary general meeting of shareholders held on June 24, 2024, a resolution was passed to amend Article 21 of the Company's Articles of Incorporation to establish independent directors in accordance with the law.
4. On August 12, 2024, the Board of Directors resolved to establish the Company's "Rules Governing the Scope of Powers of Independent Directors", "Procedures for Handling Material Inside Information", and "Rules Governing the Exercise of Rights and Participation in Resolutions by Juristic Person Shareholders with Controlling Power".
5. On September 30, 2024, Mr. Hsu-Sung Kuo, Mr. Chia-Hsiu Chen, and Mr. Li-Han Kao were appointed as members of the Company's first Remuneration Committee.
6. On February 13, 2025, the Audit Committee was formally established, comprising independent directors Hsu-Sung Kuo, Chia-Hsiu Chen, and Li-Han Kao.

7. To achieve the objectives of fostering a sustainable environment, promoting social welfare, advancing corporate governance, and enhancing the disclosure of sustainability information, the Board of Directors resolved to establish a Sustainability Committee on September 1, 2025 under the Board of Directors to strengthen the board's functions and management mechanisms, and to adopt the "Corporate Sustainability Committee Charter".

(1) Operational status:

The Sustainable Development Committee's organizational rules were established in accordance with the Company's "Corporate Governance Best Practice Principles", "Sustainable Development Best Practice Principles", and related corporate governance regulations. The Committee serves as the decision-making and supervisory body for the Company's sustainability initiatives, encompassing the three key pillars of corporate governance (G), environment (E), and society (S). Its purpose is to strengthen the Company's operational systems, enhance environmental stewardship, and fulfill its social responsibilities, thereby enabling the Board of Directors to effectively safeguard the rights and interests of the Company, its employees, shareholders, and stakeholders. The committee consists of three members, two of whom are directors. The committee has convened at least once each year.

(2) Main responsibilities:

- ■ Establishment of the Company's sustainable development policy.
- ■ The Company's sustainable development includes the formulation of objectives, strategies, and implementation plans for sustainable governance, ethical corporate management, and environmental and social goals.
- ■ The Company reviews, tracks, and revises the implementation and effectiveness of its sustainable development initiatives, and reports to the Board of Directors regularly.
- ■ Focus on issues of concern to stakeholders, including shareholders, customers, suppliers, employees, governments, non-profit organizations, communities, and the media, and oversee communication plans.
- ■ Implementation of sustainability-related information management policies and the quality of their disclosure.

(3) A total of 1 meeting was held in 2025 with the following topics:

Date	Topics for discussion
2025.12.26	<u>Report matters</u> 1. Greenhouse gas inventory and verification results for 2024 and 2025. 2. The "Corporate Governance Evaluation" was transformed and renamed "ESG Evaluation" in 2026. 3. Implementation progress and plans for the 2025 Sustainability Report. <u>Items for discussion</u> 1. The process and results of the 2025 sustainability report's materiality assessment.

(4) Member information (please refer to page 16 of this annual report for details on members' educational background and experience)

Member	Title	Name	Expertise
Convener	Chairman	Ming-Fen Chou	■ Proficiency in operations management, sustainable development, industry knowledge, risk management and sound judgment. ■ Participate in ESG education and training

Committee member	Vice Chairman	Chang-Ching Kao	■ Proficiency in business management, sustainability, industry knowledge, and risk management ■ Participate in ESG education and training
Member	Title	Name	Expertise
Committee member	Assistant Vice President	Ming-Chen Yen	■ Proficiency in business management, sustainability, industry knowledge, and risk management ■ Participate in ESG education and training

(5) The following matters have recently been reported to the Board of Directors:

Date	Report matters	Directors' feedback and comments
115.03.09	1. Establish a Sustainable Development Committee (1) The Company held its inaugural Sustainable Development Committee meeting on December 26, 2025. (2) The main proposals reported at the first meeting included: ✓ Report on the implementation of the greenhouse gas inventory and verification for 2024 and 2025 ✓ "Corporate Governance Evaluation" was transformed and renamed "ESG Evaluation" in 2026 ✓ Implementation progress and plans of the 2025 Sustainability Report 2. Greenhouse gas inventory and information disclosure The Company appointed SGS Taiwan Ltd. to complete the 2024 greenhouse gas verification on December 5, 2025, and preliminarily completed the 2025 greenhouse gas inventory in February 2026. 3. Implementation progress and plans for the 2025 Sustainability Report (1) The 2025 Sustainability Report was prepared in accordance with the GRI Standards, referencing international issues of concern and the United Nations Sustainable Development Goals, and incorporating ESG-related issues. Internal and external stakeholder surveys were conducted to identify six material topics based on their impact and likelihood of occurrence: ✓ Climate change mitigation and adaptation ✓ Product liability and safety ✓ Talent acquisition and development ✓ Operational strategies and financial performance ✓ Customer service management ✓ Supplier management and other material sustainability issues (2) The follow-up progress plan is as follows:	The directors offer the following comprehensive recommendations regarding the promotion of sustainable development initiatives: 1. Continuously improving the preparation of sustainability reports helps all stakeholders understand the Company's progress in sustainability. 2. We continue to carry out various environmental sustainability projects and greenhouse gas inventories. 3. We will continue to strengthen training on sustainability, resource sharing, and cross-departmental collaboration to enhance the effectiveness of sustainability efforts. 4. Continuously engage in charitable activities to enhance the Company's image. 5. Implementation and enforcement of sustainability policies.

Work items	Estimated (or actual) completion time
Collect and compile information on assurance review items	Completed in March 2026
Complete the on-site assurance review	Expected to be completed in April 2026
Collect and compile data for the preparation of sustainability report	Expected to be completed in May 2026
The draft report has been submitted to the members of this committee for review	Estimated completion in June 2026
The final draft of the report has been submitted to the Committee and the Board of Directors for approval	Scheduled for completion in August 2026

4. Performance evaluation of the Board of Directors and functional committees in 2025
   (1) The evaluation period was from January 1, 2025 to December 31, 2025, and the scope of the evaluation included the performance evaluation of the entire Board of Directors, individual board members and functional committees. The evaluation process included self-assessments by the Board of Directors, its members, and functional committee members, all completed via questionnaires.
   (2) Self-evaluation of the Board of Directors' internal performance:
   During the board performance evaluation period, 10 meetings were held. The evaluation criteria covered five major areas, comprising a total of 10 items, and the board's internal self-evaluation score was 100 points.
   (3) Self-evaluation of board members' performance:
   During the performance evaluation period for board members, 10 meetings were held. The evaluation criteria covered six major areas, comprising a total of 18 items, and the assessment rating was exceeding standards.
   (4) Performance self-assessment of the Audit Committee:
   During the Audit Committee's performance evaluation period, 7 meetings were held. The evaluation criteria covered five major areas, comprising a total of 22 items, and the

	committee received a rating of significantly exceeding standards. (5) Performance self-assessment of the Remuneration Committee: The Remuneration Committee held 4 meetings during the performance evaluation period. The evaluation criteria covered four major areas, comprising a total of 19 items, and the assessment rating was exceeding standards. (6) Performance self-assessment of the Sustainability Committee: The Sustainability Committee held 1 meeting during the performance evaluation period. The evaluation criteria covered five major areas, comprising a total of 19 indicators, and the committee received a rating of significantly exceeding standards.	

8. On October 1, 2025, the Company has taken out directors' and officers' liability insurance with a coverage period from October 1, 2025 to October 1, 2026, with a coverage amount of NT$300 million in order to mitigate the legal liability risks faced by directors and officers and enhance corporate governance capabilities.
9. On December 22, 2025, in accordance with the Operation Directions for Compliance with the Establishment of Board of Directors and the Exercise of Powers by TWSE Listed Companies, the Board of Directors resolved to adopt the "Standard Operating Procedure for Handling Demands by Directors".
10. On December 22, 2025, regarding the Board of Directors' report, the professional qualifications and independence of the Company's current independent directors have been reviewed by the Company's corporate governance officer and found to be in compliance with relevant laws and regulations.

Note 1: If directors and supervisors are institutions, names of shareholders and the representative of the institutions shall be disclosed.

Note 2: (1) In the event that directors or supervisors leave before a year is completed, the date when they leave should be indicated in the memo column. The actual attendance (seated) rate (%), on the other hand, shall be calculated by the number of Board of Directors meetings held during service and the frequency number of attendance (being seated) in the meetings.

(2) If there are changes in the composition of the Board of Directors or supervisors prior to the end of the fiscal year, both the outgoing and incoming directors and supervisors must be listed, and the remarks column must indicate whether each director or supervisor is outgoing, incoming, or re-elected, along with the date of the election. The actual attendance (seated) rate (%), on the other hand, is to be calculated by the number of Board of Directors meetings held during service and the frequency number of attendance (being seated) in the meetings.

(II) Information on the operations of the Audit Committee

The Company's Audit Committee was established on February 13, 2025, and is composed of 3 independent directors. The Audit Committee aims to assist the Board of Directors in fulfilling its oversight of the quality and integrity of the accounting, auditing, reporting, and financial control practices of the Company.

From its establishment through March 2026, the Company's Audit Committee held nine meetings to review the following matters: audit of financial statements and accounting policies and procedures, appointment of the Chief Financial Officer and Chief Accounting Officer, internal control systems and related policies and procedures, the 2025 annual business report and separate and consolidated financial statements, the 2025 earnings distribution proposal, proposed individual amounts for the Chairman's and management's mid-year and year-end bonuses for 2025, the independence and suitability of the certifying public accountants, and the acquisition of right-of-use assets from related parties.

● Reviewing Financial Statements

The Board of Directors has prepared the Company's 2025 annual report, financial statements, and a proposal for the distribution of earnings. The financial statements have been audited by KPMG Taiwan and the audit report has been issued. The above-stated Business Report, Financial Statement and Proposal of Earning Distribution have been reviewed by the Audit Committee and found no discrepancy.

● Evaluating the effectiveness of internal control system

The Audit Committee evaluates the effectiveness of the policies and procedures of internal control system (including finance, operating, risk management, information safety, law compliance and other control measures); and examines the audit department of the company, the CPAs and the regular report of management, including risk management and law compliance. The Audit Committee considered that the risk management and internal control system of the company is effective, the company takes the required control systems to monitoring and correct its irregularities.

● Engagement of CPAs

On December 22, 2025, in accordance with Article 29 of the Corporate Governance Code, the Company's Board of Directors assessed the independence and suitability of the Company's certified public accountants to enhance the quality of financial reporting information.

The Audit Committee is entrusted with the responsibility of overseeing the independence and suitability of the certifying accounting firm to ensure the fairness of the financial statements. In general, the CPAs' were not allowed to provide other services to the company except the services related to tax and the special approved items. The criteria for assessing the suitability of certified public accountants have been established in accordance with Article 47 of the Certified Public Accountant Act and Bulletin No. 10 of the Code of Professional Ethics for Certified Public Accountants. These criteria address relevant factors such as the auditor's independence and suitability, years of audit service experience, absence of conflicts of interest with the Company and its affiliates, and absence of involvement in the management of the Company and its affiliates responsible for decision-making, The Company has requested that the certified public accountants and the accounting firm provide relevant information and declarations, and has submitted the assessment results to the Audit Committee and the Board of Directors. These results were reviewed and approved by the Board of Directors on December 22, 2025, and by the 7th meeting of the 1st Audit Committee. On December 22, 2025, in accordance with the Audit Quality Indicators (AQIs) evaluation procedures, the Board of Directors used five key

dimensions, including professionalism, quality control, independence, oversight, and innovation, and 13 specific indicators as a basis for selecting a new certifying auditor, with the aim of enhancing the quality of financial reporting.

In 2025 and up to the date of publication of the annual report, the Audit Committee held nine meetings (A). The attendance records of the independent directors are as follows:

Title	Name	The actual frequency of attendance in the meetings (B)	Frequency of attendance through proxy	Actual attendance rate (%) (B/A) (Note 1. Note 2)	Remarks
Independent Director	Hsu-Sung Kuo	9	0	100%	
Independent Director	Chia-Hsiu Chen	9	0	100%	
Independent Director	Li-Han Kao	9	0	100%	

Other details to be documented:

I. If the Audit Committee's operations involve any of the following circumstances, the date and session of the Audit Committee meeting, the content of the proposal, any dissenting or reserved opinions of independent directors or significant recommendations, the resolution of the Audit Committee, and the Company's handling of the Audit Committee's opinions shall be stated.

(I) Items of Article 14-5 of the Securities and Exchange Act and other important resolution matters. Operational status for 2025 and as of the date of publication of the annual report:

Audit Committee Date	Period	Content of the matters	Contents of suggestions/oppositions from Independent Director	Result of Audit Committee Resolution	The Company's handling of the opinions of the audit committee
2025.03.10	1st Board 1st Meeting	1. Appointment of Finance and Accounting Director. 2. Review of the Company's 2024 annual business report and parent only and consolidated financial statements. 3. Proposal for the Company's 2024 earnings distributions. 4. Design of internal control system in 2024 and implementation of valid "Statement of Internal Control System." 5. Appointed certifying auditors for 2025 and assessed their independence and suitability in accordance with AQI criteria. 6. Acquisition of right-of-use assets from related parties.	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None
2025.05.12	1st Board The second	1. The Company's consolidated financial statements for the first quarter of 2025 2. Proposal to approve the Company’s pro forma consolidated financial statements for 2023 and 2024.	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None
2025.07.18	1st Board The third	1. Ratify the purchase of inventory and fixed assets related to Zhongli Plant from Huaciang Industry Co., Ltd. in 2024. 2. The Company intends to ratify related-party transactions that occurred between 2019 and 2024.	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None

2025.08.11	1st Board The fourth	1. The Company's consolidated financial statements for the second quarter of 2025. 2. Capital expenditure budget for the expansion of the Company's Tainan plant.	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None

Audit Committee Date	Period	Content of the matters	Contents of suggestions/oppositions from Independent Director	Result of Audit Committee Resolution	The Company's handling of the opinions of the audit committee
2025.09.01	1st Board The fifth	1. The Company intends to conduct a public offering of new shares issued through cash capital increase prior to its initial public offering. 2. The Company's Board of Directors has established a Sustainability Committee and adopted the "Sustainability Committee Charter".	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None
2025.11.12	1st Board 6th	1. The Company's consolidated financial statements for the third quarter of 2025.	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None
2025.12.22	1st Board 7th	1. The Audit Department has drafted the Company's audit plan for 2026. 2. Proposal to approve the Company's 2026 operating budget. 3. Engagement of Independent Auditors and Audit Fees for Fiscal Year 2025. 4. The Company proposes that, starting from fiscal year 2026, the financial reports be audited and certified by CPAs Huang Tsai-Juan and Wu Chong-Shun. 5. Proposal to enact the Internal Management Regulation: "Standard Operating Procedure for Handling Requests from Directors".	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None

2026.02.02	1st Board 8th	1. Revision to the Company's internal control system, specifically the "Salary Management Regulations", to clearly define the scope of application for entry-level employees and add provisions for periodic evaluations and adjustments.	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None
2026.03.09	1st Board 9th	1. The Company's 2025 annual report and individual and consolidated financial statements. 2. The Company's proposal for the distribution of profits for 2025. 3. This is the "Statement on Internal Control" confirming that the design and implementation of the Company's internal control system for 2025 were effective.	None of the independent directors opposed or provided qualified opinion	Unanimous resolution from all participating members	None

(II) Apart from the matters mentioned above, other matters that were not approved by the Audit Committee but were resolved with the consent of more than two-thirds of all directors: No such situation.

II. For the enforcement of recusal upon conflicts of interest among independent directors, the name of the independent director, content of the proposal, reason for the recusal, and participation in the voting process or not shall be described: No such situation.

III. Communication between independent directors and the internal audit head and the CPA (Should include major matters, methods and results of communication on the company's financial and business conditions).

(I) In accordance with the 2025 audit plan approved by the Board of Directors, the Company prepares a monthly "Audit Report" for review by the Audit Committee members. These reports have been completed on a monthly basis as scheduled. Furthermore, in compliance with the Guidelines for the Establishment of Internal Control Systems by Public Companies, the Audit Report and follow-up findings are submitted to or made available to the independent directors for review, providing them with audit conclusions and various disclosure materials for their reference.

(II) Each audit report must track the status of corrective actions taken to address internal control deficiencies and irregularities, and a quarterly follow-up report must be prepared and submitted to the members of the Audit Committee.

(III) In accordance with regulations, the head of internal audit attends the Audit Committee and Board of Directors meetings on a quarterly basis to report on audit activities and communicates with independent directors through the Audit Committee.

(IV) The following is a summary of communications between independent directors and the head of internal audit for 2025 and up to the date of publication of the annual report:

Date	Communication meeting	Communication items	Communication results
2025.03.10	Audit Committee	Internal audit results report from November 2024 to January 2025	No comments at this meeting
2025.05.12	Audit Committee	Report on the results of the internal audit for February - March 2025	No comments at this meeting
2025.08.11	Audit Committee	Report on the results of the internal audit for April - June 2025	No comments at this meeting
2025.11.12	Audit Committee	Report on the results of the internal audit for July - September 2025	No comments at this meeting
2025.12.22	Audit Committee	Report on the results of the internal audit for October - November 2025	No comments at this meeting
2026.02.02	Audit Committee	Report on the results of the internal audit for December 2025	No comments at this meeting
2026.03.09	Audit Committee	Report on the results of the internal audit for January - February 2026	No comments at this meeting

(V) The Company will report the results of the certified public accountants' quarterly audits or reviews to the Audit Committee and will schedule a briefing and presentation by the certified public accountants to the Audit Committee at a later date. Communication between the Company's Audit Committee and the certified public accountants is effective.

Communication between independent directors and accountants is summarized as follows:

Date	Communication items	Communication results
2025.03.10	1. Explanation of audit matters for the 2024 financial report, explanation of key audit matters, and communication regarding the latest securities and exchange regulations. 2. Updates to key accounting standards or interpretations, securities regulations, and internal control guidelines. 3. IFRS Sustainability Disclosure Standards Implementation Plan.	No comments at this meeting
2025.05.12	1. Communication regarding the scope, responsibilities, and contents of the review of the consolidated financial statements for the first quarter of 2025, including accounts receivable, inventory, legal compliance, and internal control. 2. Important regulatory updates (information reporting procedures and major news for emerging stock companies, major changes to IFRS 18, etc.) 3. IFRS Sustainability Disclosure Standards Implementation Plan.	No comments at this meeting
2025.08.11	1. Communication regarding the scope, responsibilities, and contents of the review of the consolidated financial statements for the second quarter of 2025, including accounts receivable, inventory, legal compliance, and internal control. 2. Important regulatory updates (major changes to IFRS 18, guidelines for matters to be recorded in the annual reports of publicly traded companies, etc.).	No comments at this meeting
2025.11.12	1. Communication regarding the scope, responsibilities, and contents of the review of the consolidated financial statements for the third quarter of 2025, including accounts receivable, inventory, legal compliance, and internal control. 2. Important regulatory updates (regulations on matters to be	No comments at this meeting

	included and compliance requirements for shareholders' meeting manuals of publicly traded companies; guidelines on matters to be included in annual reports of publicly traded companies; amendments to Article 10-1 of the Industrial Innovation Act regarding equipment investment tax credits, etc.	
2026.03.09	1. Explanation of audit matters for the 2025 financial report, explanation of key audit matters, and communication regarding the latest securities and exchange regulations. 2. Updates to key accounting standards or interpretations, securities regulations, and internal control guidelines.	No comments at this meeting

Note 1: In the event that independent directors resign before a year is completed, the date of resignation should be indicated in the remark column. The actual attendance rate (%), on the other hand, shall be calculated by the number of Audit Committee meetings held during service and the frequency number of attendance in the meetings.

Note 2: Before a year is completed, upon any re-election of independent directors, names of the said independent directors, new and old, shall be listed and it shall be specified in the remarks column that a specific independent director is old, new, or re-elected and the date of re-election. The actual attendance rate (%), on the other hand, is to be calculated by the number of Audit Committee meetings held during service and the frequency number of attendance in the meetings.

(III) Corporate governance implementation status and deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
I. Has the Company established and disclosed a corporate governance best practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?	V		To establish a sound corporate governance framework and enhance transparency, and in accordance with the relevant provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", the Company adopted the "Corporate Governance Best Practice Principles" following approval by the Board of Directors on June 7, 2024. The principles have been disclosed on the Company's official website (URL: luckyroyal.com.tw) and the Taiwan Stock Exchange's Market Observation Post System.	None
II. The Company's equity structure and shareholders' equity				
(I) Does the Company have internal operating procedures in place to deal with shareholder recommendations, doubts, disputes and litigation matters according to the procedures?	V		(I) Establish internal operating procedures in accordance with the Corporate Governance Best Practice Principles to deal with shareholder suggestions, doubts, disputes and litigation, and implement them in accordance with the procedures; Establish a spokesperson and proxy spokesperson system for communication to ensure the rights and interests of shareholders, and there is also an investor contact platform on the website to handle shareholder suggestions, doubts, disputes or inquiries.	None
(II) Does the company have a list of major shareholders that have actual control over the Company and a list of	V		(II) The Information of changes were offered by the directors, managerial officers and major shareholders of the company every month, and declared in accordance to the rules. The Company has entrusted the Stock	None

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
ultimate owners of those major shareholders?			Affairs Agency Department of KGI Securities Co., Ltd. to be exclusively responsible for handling shareholder affairs and to effectively monitor the shareholding distribution of major shareholders and the equity changes of the ultimate controlling party of major shareholders.	
(III) Has the Company established and implemented risk management and firewall mechanisms regarding related parties?	V		(III) The Company has established procedures to govern related party transactions, endorsement guarantees, and capital lending between the Company and its affiliates, in order to effectively manage risk control mechanisms and maintain firewalls between affiliates.	None
(IV) Has the company established internal rules against insiders trading with undisclosed information?	V		(IV) The Company has established the "Regulations on the Prevention of Insider Trading", the "Code of Ethical Conduct", and the "Procedures for Ethical Management and Guidelines for Conduct", which apply to all employees, managers, and directors of the Company, as well as any person who has access to Company information by virtue of a professional or supervisory relationship, and prohibit any conduct that may constitute insider trading.	None
III. Composition and responsibilities of the Board of Directors				
(I) Has the Board of Directors established policies of diversification with specific management goals and made relevant	V		(I) The Board of Directors is responsible for formulating diversity policies, setting specific management objectives, and ensuring their implementation. 1. To strengthen corporate governance and promote the sound	None

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
implementations?			development of the Board of Directors' composition and structure, Article 20, Paragraph 3 of the "Corporate Governance Best Practice Principles" states: The composition of the Board of Directors should take diversity into account, and the board should formulate appropriate diversity policies based on its own operations, business model, and development needs. Such policies should include, but are not limited to, standards in the following two major areas: ● Basic characteristics and values: gender, age, nationality, and culture, among others. ● Professional knowledge and skills: professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. 2. Members of the Board of Directors should generally possess the knowledge, skills, and qualifications necessary to perform their duties. To achieve ideal corporate governance, the board as a whole should possess the following capabilities: (1) Operational judgment ability. (2) Accounting and financial analysis skills. (3) Business management capabilities. (4) Crisis management capabilities.	

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			(5) Industry knowledge. (6) International market perspective. (7) Leadership skills. (8) Decision-making ability. 3. Implementation of board members' diversity (1) Basic characteristics and values: gender, age, nationality, and culture, among others. The Company's current Board of Directors consists of seven directors, including four directors and three independent directors. The members possess extensive experience and expertise in areas such as accounting, business, and management. The Company also places a strong emphasis on its gender equality policy, aiming to increase women's participation in decision-making and improve the composition of the Board of Directors. The target is for women to hold at least one-third of the board seats. Currently, there is one female director among the seven board members, representing 14.3% of the total. (2) Professional knowledge and skills: professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. ● Please refer to pages 5-9 of the annual report for details on the	

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			directors' educational backgrounds. ● Please refer to page 15 of the annual report for information on the professional backgrounds and capabilities of the board members. 4. The Board of Directors and independent directors operate in compliance with applicable laws and regulations, the Company's Articles of Incorporation, and shareholder resolutions. The composition of the Board of Directors and the formulation of diversity policies are disclosed on the Company's website.	
(II) Does the Company voluntarily establish other functional committees in addition to Remuneration Committee and Audit Committee that are established as required by laws?	V		(II) In addition to the legally established Remuneration Committee and Audit Committee, the Company established Sustainability Committee by resolution of the Board of Directors on September 1, 2025 to strengthen the board's oversight and promotion of sustainable development goals. The inaugural committee consists of three members, including two directors and one Assistant Vice President of the Production Management Department.	None
(III) Does the company formulate the board's performance assessment and evaluation method, conduct performance evaluation annually and regularly, and report the results of	V		(III) 1. On June 7, 2024, the Company's Board of Directors approved the "Rules for Performance Evaluation of Board of Directors" for implementation. According to the Company's Rules for Performance Evaluation of Board of Directors, the Company conducts an internal evaluation of the Board of Directors' performance annually and an	None

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
the performance evaluation to the board of directors, and apply it to individual directors' remuneration and nomination renewal?			external evaluation every three years, with completion by the end of the first quarter of the following year. 2. The Company completed an internal evaluation in 2025, which included the overall Board of Directors, individual board members, and functional committees, and reported the results to the board on March 9, 2026. (Note 2) 3. The Board of Directors' performance evaluations have been used as a reference for selecting and nominating directors (including independent directors) and determining individual director's compensation.	
(IV) Does the Company assess the independence of CPAs on an annual basis?	V		(IV) 1. According to Article 29 of the Company's "Corporate Governance Best Practice Principles", the Company regularly (at least once a year) assessed the independence and suitability of the appointed CPAs. 2. The criteria for assessing the suitability of certified public accountants have been established in accordance with Article 47 of the Certified Public Accountant Act and Bulletin No. 10 of the Code of Professional Ethics for Certified Public Accountants. These criteria address relevant factors such as the auditor's independence, years of experience in providing audit services, the absence of any conflicts of interest with the Company or its affiliates, and the absence of involvement in the management of the Company or its affiliates	None

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			responsible for decision-making. The Company has requested that the certified public accountants and the accounting firm provide relevant information and declarations, and has submitted the assessment results to the Board of Directors; the most recent submission date was December 22, 2025. (Note 3) 3. On December 22, 2025, in accordance with the Audit Quality Indicators (AQIs) evaluation procedures, the Board of Directors used five key dimensions, including professionalism, quality control, independence, oversight, and innovation, and 13 specific indicators as a basis for selecting a new certifying auditor, with the aim of enhancing the quality of financial reporting. (Note 3)	
IV. Do listed and OTC-listed companies have a sufficient number of qualified corporate governance personnel and designate a corporate governance officer to be responsible for matters related to corporate governance (including, but not limited to, providing directors and supervisors with the information necessary for the performance of their duties, assisting	V		(I) The Board of Directors of the Company resolved on May 12, 2025 to appoint a corporate governance officer, whose relevant corporate governance affairs must include at least the following: 1. Handle matters related to board meetings and shareholders' meetings in accordance with the law 2. Prepare minutes of board meetings and shareholders' meetings 3. Assist directors in taking office and their continuing education 4. Provide directors with the information required to perform their duties 5. Assisting directors in legal compliance 6. Report to the Board of Directors on	None

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
directors and supervisors in complying with laws and regulations, handling matters related to board of directors and shareholders' meetings in accordance with the law, and preparing minutes of Board of Directors and shareholders' meetings)?			the results of its review regarding whether the independent directors' qualifications comply with relevant laws and regulations at the time of their nomination and election, as well as during their tenure. 7. Handling matters related to changes in directors. 8. Other corporate governance related matters. To ensure the effective operation of the corporate governance mechanism and compliance with regulatory requirements. (II) The following was a summary of operations for 2025: 1. Assisted in organizing and convening 10 board meetings, 7 audit committee meetings, 1 annual general meeting, and 1 extraordinary general meeting, including matters related to procedural compliance and the legality of resolutions. 2. Assist independent directors and general directors in obtaining the information necessary to perform their duties. 3. Assist directors in completing at least 6 hours of continuing education. 4. Assist in advancing the Company's sustainable development goals. 5. Draft notices for board meeting agendas, convene meetings, and provide meeting materials; provide advance notice of any conflicts of interest regarding agenda items; and complete the minutes of the board meeting within twenty days after the	

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			meeting. 6. Handle the advance registration of the date of shareholders' meeting in accordance with the law, and prepare the meeting notice, agenda, and minutes within the statutory timeframe. (III) Continuing education: A total of 18 hours of study were conducted during 2025. Please refer to (Note 4).	
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), created a dedicated stakeholder section on its website, and appropriately addressed key corporate social responsibility issues of concern to stakeholders?	V		(I) The Company maintains a spokesperson system and makes effective use of its public information system to ensure shareholders and stakeholders are fully informed about its financial performance, business operations, and corporate governance. (II) The Company's official website features a "Stakeholder Section" that covers customers/consumers, suppliers, employees, investors, and other relevant stakeholders, and clearly lists the contact persons and contact information for each category. The Company values and responds appropriately to stakeholders' concerns regarding corporate social responsibility issues, ensuring effective communication and transparent information disclosure. Details of the outcomes and achievements of these communications are provided in the "Stakeholder Engagement and Outcomes" section of the Company's Sustainability Report and in the Stakeholder section of the Company's website. The results of these stakeholder communications are reported to the Board of Directors annually, with the next report scheduled for the board	None

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			meeting in May 2026. (III) The Company has established a customer service hotline to facilitate smooth communication channels with consumers and other business counterparties.	
VI. Does the company appoint a professional shareholder affairs agency to handle shareholder meeting matters?	V		The Company has appointed the Shareholder Services Department of KGI Securities to handle matters related to the shareholders' meeting.	None
VII. Information disclosure (I) Has the company established a corporate website to disclose information regarding the company's financial, business and corporate governance status?	V		(I) The Company maintains a website at https:// luckyroyal.com.tw/, and discloses relevant financial, operational, and corporate governance information in the “Investor Relations” section.	None
(II) Does the company have other information disclosure channels (e.g., maintaining an English website, appointing responsible people to handle information collection and disclosure, creating a spokesperson system, webcasting investor conference	V		(II) Established by the Company 1. English website: https://luckyroyal.com.tw/en. 2. The Accounting Department has designated a dedicated staff member to handle the collection and dissemination of all types of company information. This individual is responsible for regularly updating the Company's website in accordance with relevant laws and regulations, disclosing important information as needed, and linking to the Taiwan Stock Exchange’s “Market	None

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
on company website)?			Observation Post System" to ensure full compliance with disclosure requirements. 3. Established a spokesperson system, designating one spokesperson, one acting spokesperson, and providing contact information. 4. Information regarding the investor briefing has been disclosed in the "Investor Relations" section of the Company's website.	
(III) Does the Company announce and declare its annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation as early as possible within the prescribed time limit?		V	(III) In accordance with applicable laws and regulations, the 2025 financial report was announced and filed within 75 days of the end of the fiscal year; the financial reports for the first, second, and third quarters of 2025, as well as the monthly operating results were all announced within the prescribed time limits.	The Company completed the announcement and filing requirements before the deadline set by the competent authority.
VIII. Does the Company have any other important information that would help understand the operation of its corporate governance (including but not limited to employee benefits, employee	V		(I) Employee rights and employee care: 1. The Company has established employee work rules in accordance with the Labor Standards Act and related regulations, clearly defining the rights and obligations of employees. 2. The Company continuously and systematically works to enhance the quality of its workforce. In addition to conducting regular employee training	None

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
welfare, investor relations, supplier relations, stakeholder rights, the continuing education of directors and supervisors, the implementation of risk management policies and risk assessment criteria, the implementation of customer policies, and the Company's purchase of liability insurance for directors and supervisors)?			and providing opportunities and funding for external training, we cultivate top talent through job rotations, project participation, and mentorship from senior managers. 3. The Company has established an Employee Welfare Committee. In addition to providing regular holiday and birthday gifts, the Committee organizes employee club activities and offers travel subsidies. The Company also provides allowances to employees for weddings, funerals, other celebrations, childbirth, and medical treatment or injury. Furthermore, it arranges regular health checkups for employees and provides group accident and medical insurance. 4. The Company promotes occupational safety and health and has a comprehensive suggestion system to encourage employees to contribute ideas for continuous improvement and innovation. Additionally, the corporate culture emphasizes a stable and pragmatic team spirit, fostering a work environment built on mutual respect and support when facing challenges. (II) Investor relations: 1. The Company maintains ongoing engagement with investors, including the disclosure of financial information and regular communication through various events (such as investor briefings and investor meetings organized by brokerage firms). We take investor feedback into account to guide our improvements and adjustments.	

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			2. The Company discloses all company-related information required by law and regulation on the Market Observation Post System (MOPS) and its website to protect the rights and interests of investors, and maintains an investor relations contact and shareholder contact information to foster a positive relationship with its shareholders. (III) Supplier relationships: maintain good relationships with suppliers. We ensure the reasonableness of raw material prices through price comparisons and control the quality of raw materials and equipment in accordance with food safety and hygiene management regulations, including HACCP, ISO 9001, ISO 22000, FSSC 22000, and health food certification requirements, as well as the recommended criteria for epidemic prevention products. We require suppliers to provide corresponding product inspection certificates to maintain product quality, hygiene, and safety. (IV) Stakeholder rights: we provide diverse communication channels and disclose information to maintain open dialogue and communication with our stakeholders. We identify issues of concern to them and assess whether our activities effectively address their needs. For more information, please visit our official website and review our Sustainability Report. (V) Continuing education of directors and audit committee members: In 2025, the continuing education hours for the	

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			Company's directors and audit committee members met the statutory requirements. Details regarding the annual continuing education of directors and audit committee members are disclosed on the "Market Observation Post System" and in the annual report; please refer to Note 5. (VI) Implementation of risk management policies and risk measurement standards: The Company ensures that all major proposals including significant operational policies, investment projects, guarantees, loans, and bank financing are evaluated and analyzed by the appropriate departments, submitted to the Audit Committee and the Board of Directors for resolution, and implemented only after approval. The Audit Department also formulates its annual audit plan based on the results of risk assessments and ensures its thorough implementation to enforce oversight mechanisms and monitor the execution of various risk management measures. (VII) Implementation of customer policies: 1. Consumer rights: our policy is to provide safe, hygienic, and high-quality products so that consumers can eat with confidence and peace of mind. Related certifications on the manufacture and the sanitary, safe, and healthy benefits of products have been obtained; products of optimum quality are provided to consumers. The liability insurance has been purchased for products. In addition, there is the 0800 hotline for customer service.	

Assessed areas	Operational status (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			2. Competitive advantage with industry clients: our policy is to maximize benefits by creating a win-win, mutually beneficial, and shared-prosperity relationship with our downstream industry clients. We provide our downstream business customers with company information through our corporate website, Outlook, and ERP system. We also maintain product quality, hygiene, and safety by obtaining various certifications and promoting brand awareness. (VIII) Details regarding the Company's purchase of liability insurance for directors and audit committee members: The Company has taken out directors' and officers' liability insurance for all directors and audit committee members.	
IX. Please describe the improvements made in response to the corporate governance assessment results published by the Corporate Governance Center of the Taiwan Stock Exchange Corporation for the most recent fiscal year, and propose priority areas for improvement and corresponding measures for any issues that have not yet been addressed: The Company was listed on the Taiwan Stock Exchange Corporation on October 28, 2025. As the period covered by the 2025 assessment data was less than one year, the Company was not included in the assessment.				

Note 1: Regardless of the answer, "Yes" or "No", descriptions need to be provided in the summary column.

Note 2: The guidelines for the 2025 Board of Directors' internal performance evaluation are as follows:

	Self-evaluation indicators	Issues	Score and evaluation results
Board of Directors	1. Participation in company operations 2. Improve the quality of board decisions 3. Composition and structure of the Board of Directors 4. Election and continuing education of directors 5. Internal control	10	The Board of Directors' internal performance self-assessment was 100 points (Maximum score: 100 points)
Board members	1. Company goals and responsibilities 2. Awareness of directors' responsibilities 3. Participation in company operations 4. Internal relationship management and communication 5. Directors' professional qualifications and continuing education 6. Internal control	18	Board members' self-assessment of performance was 3.97 out of 4, with the evaluation result rated as exceeding standards
Remuneration Committee	1. Participation in company operations 2. Understanding the responsibilities of functional committees 3. Enhance the quality of decision-making by functional committees 4. Composition and selection of members of functional committees	19	The Remuneration Committee's self-assessment of performance was 3.97 out of 4, with the evaluation result rated as exceeding standards
Audit Committee	1. Participation in company operations 2. Understanding the responsibilities of functional committees 3. Enhance the quality of decision-making by functional committees 4. Composition and selection of members of functional committees 5. Internal control	22	The Audit Committee's self-assessment of performance was 4.0 out of 4, and the evaluation result was rated as significantly exceeding standards
Sustainability Committee	1. Participation in company operations 2. Understanding the responsibilities of functional committees 3. Enhance the quality of decision-making by functional committees 4. Composition and selection of members of functional committees 5. Internal control	19	The Audit Committee's self-assessment of performance was 4.0 out of 4, and the evaluation result was rated as significantly exceeding standards

Note 3: The following are the assessment criteria for CPA's independence, competence, and audit quality indicators (AQIs):

Evaluation of CPAs' independence:

Item	Evaluation results	Does it meet the independence requirements?
1. Does the CPA have a direct or material indirect financial interest in the Company?	No	Yes
2. Has the CPA engaged in any financing or guarantee transactions with the Company or any of its directors?	No	Yes
3. Does the CPA have a close business relationship with the Company, and is there a potential employment relationship?	No	Yes
4. Have the CPAs and members of their audit team served as directors or managerial officers of the Company, or held positions that could significantly affect the audit work within the past two years?	No	Yes
5. Does the CPA provide the Company with non-audit services that could directly affect the audit work?	No	Yes
6. Does the CPA hold shares of the Company?	No	Yes
7. Have the principal and concurring CPAs served continuously for more than seven years?	No	Yes
8. Have the CPAs brokered any of the Company's stocks or other securities?	No	Yes
9. Has the CPA served as a legal advocate for the Company or represented the Company in resolving disputes with other third parties?	No	Yes
10. Whether the CPA is related to any of the Company's directors, managers, or individuals with a significant role in audit engagements.	No	Yes

Evaluation of CPAs' suitability:

Item	Does it meet the requirements for competence?
1. As of the latest engagement, there have been no cases of unchanged CPAs for seven years.	Yes
2. There is no significant financial interest between the party and the client.	Yes
3. Avoid any inappropriate relationships with the client.	Yes
4. CPAs must ensure their assistants maintain honesty, impartiality, and independence.	Yes
5. Financial statements of the entity where the individual worked during the two years prior to commencing practice may not be audited or certified.	Yes

Item	Does it meet the requirements for competence?
6. The name of a certified public accountant may not be used by others.	Yes
7. They do not hold any shares in the company or its related companies.	Yes
8. There have been no loans to or from the Company or its affiliated enterprises.	Yes
9. There is no relationship of joint investment or profit sharing with the Company or its affiliates.	Yes
10. Not currently employed in a full-time position with the Company or its affiliates, and not receiving a fixed salary.	Yes
11. This does not involve management functions that make decisions for the Company or its affiliates.	Yes
12. He/she does not engage in other businesses that might compromise his/her independence.	Yes
13. They have no spousal, lineal, lineal in-law, or collateral blood relationship with any of the Company's management personnel.	Yes
14. No commissions related to the business were received.	Yes
15. To date, there has been no disciplinary action or breach of the principle of independence.	Yes

CPA's Audit Quality Indicators (AQIs) evaluation:

Five aspects	NO	AQI index	Key considerations	Evaluation results
Professional expertise	1	Audit experience	Do senior auditors have enough audit experience to carry out the audit?	V
	2	Training hours	Do accountants and senior auditors receive sufficient continuing education and training each year to maintain their professional knowledge and skills?	V
	3	Turnover rate	Does the firm maintain a sufficient number of experienced human resources?	V
	4	Professional support	Does the accounting firm have enough qualified personnel (such as appraisers) to support the audit team?	V
Quality control	5	CPA's workload	Is the workload for CPAs too heavy?	V
	6	Audit input	Whether the audit team members were appropriately involved in each stage of the audit.	V
	7	EQCR review status	Does EQCR assess whether the CPA has devoted sufficient time to reviewing the audit engagement.	V
	8	Quality control support capabilities	Does the firm have sufficient quality control staff to support the audit team?	V
Independence	9	Non-audit service fees	Impact of non-audit service fees on independence	V
	10	Customer familiarity	The impact of cumulative number of years an audit firm has certified annual financial reports on independence	V
Supervision	11	External inspection deficiencies and disciplinary actions	Whether the firm's quality control and audit engagements are conducted in accordance with applicable laws, regulations, and standards.	V
	12	The regulatory authority issued a letter requesting corrective action		V
Innovation capability	13	Innovative plans or initiatives	The accounting firm's commitment to improving audit quality includes innovative governance and employee empowerment, innovative audit tools, process digitization, and the innovation capabilities and planning of its audit support center.	V

Note 4: Corporate governance officer's continuing education for 2025

Course date	Event organizer	Course name	Number of training hours	Total hours
2025/12/17	Taiwan Corporate Governance Association	Legal considerations for insider shareholding management and equity trading	3.0	18.0
2025/05/26	Taiwan Corporate Governance Association	Corporate governance and securities regulations	3.0	
2025/06/12	Securities and Futures Institute	Opportunities and Challenges for Taiwan's Industrial Transformation Amid Geopolitical Shifts - An Exclusive Analysis by PMI/NMI	3.0	
2025/06/13	Taiwan Corporate Governance Association	Trump 2.0: Corporate Strategies for Addressing Global Tax Reform and Supply Chain Restructuring	3.0	
2025/11/26	Taiwan Corporate Governance Association	A Dual-Track Transformation to Strengthen Organizational Resilience: AI Governance and Sustainability Governance	3.0	
2025/12/17	Taiwan Corporate Governance Association	Legal considerations for insider shareholding management and equity trading	3.0	

Note 5: Directors' continuing education for 2025

Title	Name	Course date	Event organizer	Course name	Number of training hours	Total hours
Representative of the corporate director	Ming-Fen Chou	2025/12/17	Taiwan Corporate Governance Association	Legal considerations for insider shareholding management and equity trading	3.0	6.0
		2025/05/26	Taiwan Corporate Governance Association	Corporate governance and securities regulations	3.0	
Representative of the corporate director	Cheng-Wen Chen	2025/05/26	Taiwan Corporate Governance Association	Corporate governance and securities regulations	3.0	6.0
		2025/07/16	Taiwan Corporate Governance Association	Sustainable Development Awareness Seminar - Taipei Session	3.0	
Representative	Yu-Wen	2025/05/26	Taiwan	Corporate governance and	3.0	

Title	Name	Course date	Event organizer	Course name	Number of training hours	Total hours
of the corporate director	Chen		Corporate Governance Association	securities regulations		6.0
		2025/07/16	Taiwan Corporate Governance Association	Sustainable Development Awareness Seminar - Taipei Session	3.0	
Director	Chang-Ching Kao	2025/05/26	Taiwan Corporate Governance Association	Corporate governance and securities regulations	3.0	12.0
		2025/11/26	Taiwan Corporate Governance Association	A Dual-Track Transformation to Strengthen Organizational Resilience: AI Governance and Sustainability Governance	3.0	
		2025/12/16	Taiwan Corporate Governance Association	The “Legalization” of Stablecoins: Sparking Global Currency Competition	3.0	
		2025/12/17	Taiwan Corporate Governance Association	Legal considerations for insider shareholding management and equity trading	3.0	
Independent Director	Hsu-Sung Kuo	2025/05/16	Taipei Foundation of Finance	Corporate Governance and AI-Related Issues: The Business Value and Digital Risks of Generative AI	3.0	6.0
		2025/05/26	Taiwan Corporate Governance Association	Corporate governance and securities regulations	3.0	
Independent Director	Chia-Hsiu Chen	2025/04/11	Taiwan Institute of Directors	Upgrading Corporate Governance: Forging a New Path to Talent Competitiveness	3.0	24.0
		2025/04/24	Taiwan Institute of Directors	IFRS 18 Presentation and Disclosure of Financial Statements: Future Income Statements	3.0	

Title	Name	Course date	Event organizer	Course name	Number of training hours	Total hours
		2025/05/26	Taiwan Corporate Governance Association	Corporate governance and securities regulations	3.0	
		2025/06/12	Taiwan Institute of Directors	A Comprehensive Overview of Leasing Practices: A Detailed Analysis of IFRS 16 Accounting Treatment	3.0	
		2025/08/26	Taiwan Institute of Directors	Analysis of IFRS 16 Leases and Renewable Energy Power Transactions	3.0	
		2025/09/16	Taiwan Institute of Directors	Assessment of Corporate Investment Planning and Legal Risks in Investment and Financing	3.0	
		2025/11/25	Taiwan Institute of Directors	Practical Analysis of IFRS 15: Revenue from Contracts with Customers	3.0	
		2025/12/16	Greater China Financial and Economic Development Association	The “Legalization” of Stablecoins: Sparking Global Currency Competition	3.0	
Independent Director	Li-Han Kao	2025/05/23	Taiwan Corporate Governance Association	Duties and roles of the corporate governance officer	3.0	15.0
		2025/05/26	Taiwan Corporate Governance Association	Corporate governance and securities regulations	3.0	
		2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6.0	
		2025/08/12	Securities and Futures Institute	An Analysis of the Effectiveness of Directors' Due Diligence, Corporate Governance, and Internal Control Systems (Including Insider Trading)	3.0	

4. If the Company has a Compensation Committee, the composition, responsibilities, and operations of the Committee shall be disclosed.

1. Information on members of the Remuneration Committee

Status	Requirement / Name	Professional qualifications and experience		Compliance with the independence requirement	Number of other public offering companies with part-time membership of their Remuneration Committee
Remuneration Committee	Hsu-Sung Kuo	Academic Credentials: ● Graduated from the Executive Program at Harvard University's Kennedy School of Government ● Ph.D. in Health Policy, Yale University ● Master of Public Health, Division of Preventive Medicine, Graduate Institute of Public Health, National Taiwan University ● Bachelor of Medicine, Department of Medicine, National Yang-Ming University	Experience ● National Yang-Ming University - President (8th term) ● Ministry of Foreign Affairs of the Republic of China - Ambassador-at-Large (Health and Medical Affairs) ● Ministry of Health and Welfare, Executive Yuan - Advisor ● Distinguished Professor, School of Public Health, Taipei Medical University ● Centers for Disease Control, Ministry of Health and Welfare, Executive Yuan - Director General ● Taipei Economic and Cultural Representative Office in the United States - Health Advisor and Chief of the Health Section ● Centers for Disease Control, Department of Health, Executive Yuan - Director General	In accordance with the provisions of the Company's Articles of Incorporation and the Corporate Governance Best-Practice Principles, election of directors was done applying the nomination system. The Company has obtained a written statement, work experience, current employment certificate and kinship form provided by each director at the time of nomination and selection of the Board members to verify and confirm the independence of himself, his spouse and direct blood relative within the third degree of kinship from the Company. The Company has also verified that the two independent directors listed left have met the eligibility requirements stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public	2

Status	Requirement / Name	Professional qualifications and experience		Compliance with the independence requirement	Number of other public offering companies with part-time membership of their Remuneration Committee
			● Director of the Liaison Office, Executive Yuan SARS Prevention and Relief Committee ● Associate Professor and Director, Institute of Health Informatics and Decision Sciences, National Yang-Ming University ● Chief of Staff, National Yang-Ming University ● Chairperson, Department of Social Medicine, National Yang-Ming University ● Associate Chairperson, Department of Medicine, National Yang-Ming University ● Associate Professor, Department of Social Medicine, National Yang-Ming University	Companies" issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act within the two years prior to their appointment and during their tenure, and that the independent directors have been granted the authority to fully participate in decision-making and express opinions in accordance with Article 14-3 of the Securities and Exchange Act, and have independently performed relevant functions and powers. During the two years prior to his appointment and during his term of office, he did not violate the independence provisions of Article 6 of the "Regulations Governing the Appointment and Exercise of Powers by	

Status	Requirement / Name	Professional qualifications and experience		Compliance with the independence requirement	Number of other public offering companies with part-time membership of their Remuneration Committee
Remuneration Committee	Chia-Hsiu Chen	Academic Credentials: Soochow University Bachelor of Accounting	Experience ● Senior Partner and Certified Public Accountant, Audit Department, KPMG Taiwan (September 1986 - January 2020) ● Head of Risk Management, Audit Department, KPMG Taiwan ● Member of the Public Offerings Review Committee, Audit Department, KPMG Taiwan ● Member of the Procurement and Negotiation Committee, KPMG Taiwan ● Senior Consultant, KPMG Taiwan ● Director of the Cultural and Educational Foundation of Soochow University Department of Accounting Alumni Association ● Director, Taiwan Provincial Accountants Association ● Member of the Audit Committee of the Taipei City Institute of Certified Public	the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange."	1

Status	Requirement / Name	Professional qualifications and experience		Compliance with the independence requirement	Number of other public offering companies with part-time membership of their Remuneration Committee
			Accountants ● Member of the Tax Committee, Taiwan Provincial Accountants Association		
Remuneration Committee	Li-Han Kao	Academic Credentials: National Chiao Tung University PhD, Institute of Management of Technology	● Associate Professor and Chairperson of the Department of Accounting at Soochow University ● Secretary-General of the Chinese Association of Valuation ● Member of Evaluation Standards Committee of the Accounting Research and Development Foundation ● Member of the Digital Audit Development Committee, Audit Department ● Program Director, Bachelor of Business Administration (Part-Time) Program, Soochow University ● Assistant Professor,		2

Status	Requirement / Name	Professional qualifications and experience		Compliance with the independence requirement	Number of other public offering companies with part-time membership of their Remuneration Committee
			Department of Accounting, Soochow University ● Adjunct Lecturer, Department of Accounting, Soochow University ● Research Associate, Chung-Hua Institution for Economic Research ● Editor at International Journal of Innovation and Incubation ● Auditor at Deloitte Taiwan		

2. Information on the operations of the Remuneration Committee

(1) The Company's Remuneration Committee has 3 members in total.

(2) Term of office for the current committee members: This is the second term of the committee, which runs from February 13, 2025 to February 12, 2028. The Remuneration Committee held six meetings during the most recent fiscal year and up to the date of publication of the annual report (A). The qualifications and attendance records of the committee members are as follows:

Title	Name	The actual frequency of attendance in the meetings (B)	Frequency of attendance through proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Hsu-Sung Kuo	6	0	100%	
Member	Chia-Hsiu Chen	6	0	100%	
Member	Li-Han Kao	6	0	100%	

Other details to be documented:

I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it shall specify the date and session of the board meeting, the details of the proposal, the outcome of the board's resolution, and the Company's handling of the Remuneration Committee's recommendations (if the remuneration approved by the board exceeds the Remuneration Committee's recommendations, the board shall specify the nature of the discrepancy and the reasons).

II. If any member of the Remuneration Committee expresses opposition or reservations regarding a resolution, and such views are recorded or stated in writing, the following information shall be provided: the date and session of the Remuneration Committee's meeting, the content of the resolution, the opinions of all members, and how those opinions were addressed: None.

III. The dates, sessions, agenda items, and resolutions of the Remuneration Committee's meetings for the past year and up to the date of publication of the annual report, as well as the Company's handling of the Remuneration Committee's recommendations, are as follows:

Remuneration Committee	Content of the matters	Resolution	The Company's handling of the opinions of the Remuneration Committee
2nd Term 1st Meeting 2025/03/10	Proposal 1. Proposal for Deliberating the Individual Salary and Compensation Package and Amount for the Company's Newly Appointed Manager. Proposal 2. Proposal for Evaluating and Determining the Proposed Distribution of Employee (including Managers) Compensation for 2024.	The entire committee in attendance agreed unanimously	Proposed to the Board of Directors and agreed by the attending directors unanimously.
2nd meeting of the 2nd term 2025/05/12	Proposal 1: To evaluate and finalize the proposed remuneration allocation plan for the Company's managerial staff for 2024. Proposal 2: Define the scope of the Company's entry-level employees.	The entire committee in attendance agreed unanimously	Proposed to the Board of Directors and agreed by the attending directors unanimously.

3rd meeting of the 2nd term 2025/08/11	Proposal 1: Proposal for the Company's 2024 employee compensation allocation. Proposal 2: To evaluate and determine the specific details and amounts of the mid-year bonuses to be awarded to the Company's Chairman and executives for 2025.	The entire committee in attendance agreed unanimously	Proposed to the Board of Directors and agreed by the attending directors unanimously.
4th meeting of the 2nd term 2025/09/01	Proposal 1: To establish the Company's "2025 Employee Stock Subscription Plan for the Cash Capital Increase". Proposal 2: Proposal for the allocation of new shares to underwriters in connection with the Company's pre-IPO cash capital increase.	The entire committee in attendance agreed unanimously	Proposed to the Board of Directors and agreed by the attending directors unanimously.
5th meeting of the 2nd term 2026/02/02	Proposal 1: To evaluate and determine the specific details and amounts of the year-end bonuses to be awarded to the Chairman and executives of the Company for 2025.	The entire committee in attendance agreed unanimously	Proposed to the Board of Directors and agreed by the attending directors unanimously.
6th meeting of the 2nd term 2026/03/09	Proposal 1: To evaluate and formulate a proposal regarding the remuneration to be paid to the Company's directors and employees for 2025.	The entire committee in attendance agreed unanimously	Proposed to the Board of Directors and agreed by the attending directors unanimously.

IV. Information on the composition and operations of the Nomination Committee: Not applicable

Note: (1) If a member of the Remuneration Committee resigns before the end of the fiscal year, the date of resignation must be noted in the remarks column. The actual attendance rate (%) shall be calculated based on the number of Remuneration Committee meetings held during the member's tenure and the number of meetings the member actually attended.

(2) If the Remuneration Committee is up for reelection prior to the end of the fiscal year, both the outgoing and incoming members of the Remuneration Committee must be listed, and the remarks column must indicate whether each member is outgoing, incoming, or reappointed, along with the date of the election. The actual attendance rate (%), on the other hand, is to be calculated by the number of Remuneration Committee meetings held during service and the frequency number of attendance in the meetings.

(V) The implementation status of promoting sustainable development and the differences between this practice and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
I. Has the Company established a governance framework to promote sustainable development, set up a dedicated or part-time unit to advance sustainable development, authorized senior management to handle such matters, and implemented oversight by the Board of Directors?	V		(I) To promote the Company's sustainable development and foster economic, environmental, and social progress, thereby achieving sustainability goals. On September 1, 2025, the Company's Board of Directors resolved to establish the "Sustainability Committee" and adopted the "Sustainability Committee Organizational Regulations". The Committee operates as a functional committee under the Board of Directors, with the Chairman serving as its convener and chairperson. To strengthen the implementation of sustainable management, three working groups, including the "Corporate Governance Group", the "Environmental Sustainability Group", and the "Social Responsibility Group" have been established in accordance with their respective functions and responsibilities. A group of senior executives from various fields jointly assess the Company's core operational capabilities. The vision and mission of the Company's sustainability policy designate the Board of Directors as the highest decision-making body for sustainability-related matters. The Sustainability Committee serves as a cross-departmental communication platform to identify sustainability issues relevant to the Company's operations and stakeholders' concerns, formulate corresponding strategies and action	None

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			plans, plan and execute annual initiatives, and monitor implementation outcomes to ensure that sustainability strategies are fully integrated into the Company's daily operations. (II) The Chairman of the Sustainability Committee convened a meeting at least once a year to report on the results of implementation and future work plans. The Sustainability Committee held its first meeting on December 26, 2025. The agenda included the following items: (1) the implementation status of greenhouse gas inventories and verification for 2024 and 2025; (2) the transition of the "Corporate Governance Evaluation" to the "ESG Evaluation" in 2026; and (3) the progress and plans for the 2025 Sustainability Report. (III) The Company's Board of Directors reviews the progress of ESG initiatives on a quarterly basis, including: (1) the progress of greenhouse gas inventory and verification; and (2) the progress of sustainability-related work and related plans. The management team must stay abreast of developments in domestic and international ESG standards, use this information to review and improve the Company's existing ESG-related systems, and make adjustments as necessary to enhance the effectiveness of its corporate social responsibility initiatives.	

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
II. Does the Company conduct risk assessments of environmental, social, and corporate governance issues related to its operations in accordance with the materiality principle, and establish relevant risk management policies or strategies?	V		(I) In accordance with the organizational boundaries established by Lucky Royal Co., Ltd., operational activities serve as the boundaries for risk assessment. Including the Taipei headquarters, all branch offices, and the Taoyuan, Zhongli, and Tainan manufacturing facilities. (II) In 2025, the Company adopted the materiality principle and, by researching international trends, analyzing the focus areas of leading companies, and referencing GRI indicators, developed a list of sustainability issues. Subsequently, through surveys of internal and external stakeholders, and following discussion and approval by the Sustainability Committee, the Company identified the annual material issues and reported them to the Board of Directors. In response to these material topics across various aspects, the Company established relevant risk assessment and management policies and strategies.	None
III. Environmental Issues (I) Has the Company established a suitable environmental management system based on its industrial characteristics?	V		(I) 1. The Company strictly complies with food safety regulations and ensures that our production environment meets environmental standards. 2. The Company has adopted the methodologies of GHG Protocol to establish Lucky Royal's Greenhouse Gas Inventory Procedure Manual, which was issued following approval by the Vice Chairman and General Manager. In accordance with the provisions of the Procedure Manual, the Company conducted its first	None

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			greenhouse gas emissions inventory for 2024 across all major sites. The scope of the inventory included Lucky Royal's Taipei headquarters and six branch offices, as well as Lucky Royal's Taoyuan plant, Zhongli plant, and Tainan plant. 3. Since 2025, we have completed greenhouse gas inventories for major sites for both 2024 and 2025. The 2024 inventory passed SGS verification and received a verification statement, while the 2025 inventory is scheduled to undergo SGS verification by the end of July 2026.	
(II) Has the Company endeavored to improve the efficiency of energy utilization and used recycled materials which have a low impact on the environment?	V		(II) 1. The Company actively promotes various energy-reduction initiatives by selecting equipment with high energy efficiency and energy-saving designs to reduce energy consumption in both our operations and products. We are also expanding the use of renewable energy to optimize energy efficiency. Reducing energy consumption is our top priority in carbon reduction efforts, which includes replacing fuel oil with low-pollution natural gas and implementing annual energy-saving projects. These projects include measures such as equipment replacement and retrofitting, optimization of equipment parameters, and adjustments to production processes. 2. The Company primarily manufactures food products, and all materials used must comply with food-grade standards. In line with commitment to	None

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
(III) Does the Company assess the potential risks and opportunities of climate change for the Company now and in the future, and take measures to deal with climate-related issues?	V		environmental responsibility and sustainability, we prioritize the use of fresh packaging materials certified under the FSC MIX forest certification program. In 2025, the procurement value of fresh-cut packaging materials with FSC MIX forest certification accounted for 11.79% of the total procurement value of paper-related products. (III) The Company has established a Sustainability Committee, chaired by the Chairman, to serve as the central body for climate change management. The Committee continuously monitors the impact of climate change on operations and actively implements measures to improve resource efficiency, reduce waste, and minimize environmental impact. To mitigate the risks and challenges posed by climate change, following internal assessments and deliberations, we have completed organizational greenhouse gas inventory for 2025. We plan to undergo a verification process to ensure the accuracy of the data and compliance with relevant regulations. Concurrently, we will review the effectiveness of our greenhouse gas reduction and energy conservation strategies, assess the impact of climate change on operations, and develop a future action plan. Relevant results are reported to the Board of Directors on a quarterly basis to ensure the implementation of	None

<table>
<tr><th rowspan="2">Actions</th><th colspan="3">Implementation status (Note 1)</th><th rowspan="2">Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>(IV) Did the company count greenhouse gas emissions, water consumption and the volume of total waste in the past two years, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water management or other waste management?</td><td>V</td><td></td><td>sustainable development goals.
(IV) 1. The Company has independently compiled annual reports covering the past two years, including greenhouse gas emissions, water consumption, total waste weight, the status of environmental target achievement, and related data. In 2025, greenhouse gas emissions, total water consumption, and the total volume of general industrial waste increased significantly compared to 2024. This was primarily due to the fact that the frozen cooked noodle production line at Zhongli plant was added in April 2024, resulting in a nine-month operational period during 2024. (Please refer to section 1-1-1 for greenhouse gas inventory information)
<u>Greenhouse gas emissions in the last two years:</u>
(Information covers the head office and all production bases)
Unit: metric tons of CO2e
<table>
<tr><th>Year</th><th>Scope 1</th><th>Scope 2</th></tr>
<tr><td>2024</td><td>4,350.42</td><td>9,082.74</td></tr>
<tr><td>2025</td><td>4,869.50</td><td>9,673.84</td></tr>
</table>
Each production site discloses information related to greenhouse gas inventories and verification in accordance with the timeline set out in the sustainability roadmap, and reviews the effectiveness of energy conservation and carbon reduction efforts on an annual basis.</td><td>None</td></tr>
</table>

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			2. In addition to continuously promoting water conservation measures and improving wastewater treatment operations, the Company regularly reviews water usage at each of its facilities and utilizes the World Resources Institute (WRI) Water Risk Map tool to assess water risk indicators at each location. These assessments serve as a key basis for developing water usage improvement plans and water conservation strategies. In terms of promoting water conservation initiatives, the Company continues to implement various improvement measures. Zhongli plant recycles boiler steam condensate as boiler makeup water and recirculates cooling water from the process cooling system back to the process cooling towers to meet the water demands of IQF facilities, cold storage, and process storage air conditioning. Additionally, a portion of the wastewater is diverted into the recycling system to enhance the efficiency of water resource recycling and reuse. In addition, the Company continues to raise employee awareness of water conservation and promote water management practices to reduce unnecessary water consumption. By conducting regular inspections of on-site pipelines, promptly repairing leaks, and implementing daily water conservation measures,	

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>we are improving overall water use efficiency and maximizing the benefits of water resources.
<u>Water consumption over the past two years:</u>
(Information covers the head office and all production bases)
Unit: cubic meters
<table>
<tr><th>Year</th><th>Total water consumption</th><th>Water use intensity</th></tr>
<tr><td>2024</td><td>269,451</td><td>0.1033</td></tr>
<tr><td>2025</td><td>324,609</td><td>0.1259</td></tr>
</table>
3. In accordance with government regulations, the Company’s factories carry out the removal, treatment, or recycling of industrial waste, submit reports electronically on a regular basis, and check and confirm the status of the removal, treatment, and recycling of industrial waste online within the specified timeframes.
<u>Waste generation in the last two years:</u>
(Information covers the head office and all production bases)
Unit: metric tons
<table>
<tr><th>Year</th><th>Total general industrial waste</th></tr>
<tr><td>2024</td><td>940</td></tr>
<tr><td>2025</td><td>1,025</td></tr>
</table>
Each plant continues to adhere to 3R (Reduce, Recycle, Reuse) to teach employees about waste reduction and how to create value from waste. Production attrition targets were also set to reduce waste.
4. Continuously monitor and review</td><td></td></tr>
</table>

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			the progress and effectiveness of energy-saving and emissions-reduction initiatives at each facility; collect relevant domestic and international data to assess trends; and gradually develop policies and related management objectives for improving energy conservation, carbon reduction, greenhouse gas reduction, water conservation, and other waste management practices.	
IV. Social Issues (I) Has the Company established relevant management policies and procedures in accordance with applicable laws and regulations and international human rights conventions?	V		(I) 1. In order to fulfill corporate social responsibility and safeguard the fundamental human rights of all employees, customers, and stakeholders, the Company endorses and adheres to the spirit and fundamental principles of human rights protection as set forth in international human rights conventions such as the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization Conventions. We respect and treat all employees equally, and strictly prohibit any acts that infringe upon or violate human rights. 2. All the operating branches of the company in compliance of the labour laws, regulations and administrative orders to enacted the internal rules and procedures, to protect the human rights within the occupational environment, respect the basic rights to our regular	None

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>employees, contract personnel, temporary personnel and interns.
The company requested that the contracts between the Company and its major suppliers include termination or dismissal clauses which come into force once the suppliers breach the corporate social responsibility policy and cause significant impact on the environment and society.
The Company's management policies are as follows:
<table><tr><th>Policy</th><th>Explanation</th></tr><tr><td>Prohibition of forced labor and compliance with labor laws</td><td>We strictly comply with the applicable laws and regulations of the regions where the operations are located, strictly prohibit child labor, and prohibit all forms of forced labor.</td></tr><tr><td>Safeguarding human rights in the workplace</td><td>We are committed to fostering an equitable and inclusive workplace. We do not engage in differential treatment or any form of discrimination based on race, class, language, ideology, religion, political affiliation, place of origin, birth, gender, sexual orientation, age, marital status,</td></tr></table></td><td></td></tr>
</table>

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	

	physical appearance, facial features, physical or mental disabilities, or past union membership, thereby ensuring equality in the workplace.
Building a healthy and safe workplace	Pursuant to pertinent occupational safety and health regulations, the company implements routine health checkups for employees and assessment of safety hazards in the workplace so as to create a healthy, safe and comfortable working environment.
Harmonious labor/ management relations	The company has established diverse channels of communication to disseminate company policies, systems, benefits and relevant activities on top of organizing scheduled labor-management meetings in order to ensure harmonious, “win-win” labor/management relations.

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
(II) Has the Company formulated and implemented reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflected business performance or results in employee compensation?	V		(II) 1. Employee compensation: The Company determines compensation based on each employee's educational background, work experience, skills, and the requirements of the position applied for. Our compensation system upholds the fundamental principle of gender equality in the workplace and does not discriminate based on gender. To encourage employees to attach importance to the Company's business goals, we determine the amount of year-end bonus or performance bonus based on the profitability of each business unit, the strategic targets, and the nature of each business while referencing each employee's personal performance to motivate them to perform well. Employee bonuses shall be calculated in accordance with the Company's Articles of Incorporation, based on no less than 1% of the Company's profits for the current fiscal year; of the total amount allocated for employee bonuses, no less than 30% shall be distributed to entry-level employees. 2. Employee benefits: The Company has established an Employee Welfare Committee to systematically implement various employee welfare initiatives. Each employee receives an annual basic welfare allowance of at least	None

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			NT$11,000, which covers comprehensive insurance and retirement benefits, health care and medical support, as well as diverse talent development programs and certification subsidy schemes. The Company also offers opportunities for job rotation within the group and overseas career development. In addition, the Company provides comprehensive support for employees' personal lives and family needs, including partnerships with designated childcare providers, educational subsidies for children, allowances for weddings, funerals, and childbirth, emergency assistance, and subsidies for travel and departmental activities. We are committed to creating an environment where employees can work with peace of mind while maintaining a healthy work-life balance. 3. Retirement system: The Company has established its employee retirement policies and procedures in full compliance with the Labor Standards Act and the Labor Pension Act. These include provisions allowing employees who have worked for 15 years or more and are at least 55 years old, those who have worked for 25 years or more, and those who have worked for 10 years or more and are at least 60 years old to	

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			voluntarily retire, as well as requiring the Company to contribute no less than 6% of the employee's monthly wages to the labor pension fund based on the employee's insurance tier, etc. We have also established a Labor Retirement Reserve Supervision Committee to oversee the execution of pension contributions and disbursements, as well as other related operations. For details on the implementation of the retirement system in 2025, please refer to page 135 of the annual report. 4. Diversity and equality in the workplace: The Company places a high priority on diversity and equality in the workplace. We are committed to fostering a work environment that respects differences and ensures equal opportunities. Through institutionalized human resources management and investment in human capital, we support our employees in achieving a healthy balance between career development and personal life, thereby shaping a stable and inclusive corporate culture that serves as a vital foundation for the Company's sustainable operations and organizational resilience. According to the year-end employee statistics, the ratio of male to female employees is	

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			approximately 0.99:1, indicating that the number of male and female employees is roughly equal, with no significant gender disparity. This serves as a key indicator of the Company's commitment to being a gender-inclusive workplace. 40% of senior executives are women. The Company places a high priority on employee rights and benefits, sharing profits with its staff. This includes comprehensive physical, mental, and spiritual care for all employee groups. In 2025, we hired a total of five employees with disabilities and indigenous employees, exceeding the requirements of the Act on the Protection of the Rights of Persons with Disabilities and the Act on the Protection of the Right to Work of Indigenous Peoples. 5. Operating performance reflected in employee compensation: Pursuant to Article 32 of the Company's Articles of Incorporation, if the Company generates a profit in a given fiscal year, it shall set aside no less than 1% of such profit as employee compensation; however, if the Company has accumulated losses, it shall first set aside an amount sufficient to offset such losses before making any distributions, in order to ensure financial stability and the prudent application of distribution principles. The	

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			recipients of the aforementioned employee compensation in the form of stock or cash include employees of subsidiary companies who meet certain conditions. Of the total amount of employee compensation allocated, no less than 30% should be paid to entry-level employees. In terms of remuneration policy, the Company adheres to the principle of "reasonably linking compensation to business performance while balancing market competitiveness and internal equity". Through institutionalized human resources governance mechanisms, we regularly participate in international salary surveys to calibrate compensation levels, ensuring that compensation remains externally competitive and transparent. Salary adjustments are implemented by comprehensively considering the Company's operational performance, the macroeconomic environment (such as the consumer price index and economic growth rate), and individual performance, thereby embodying the spirit of sharing business success and rewarding responsibility. Salaries were adjusted based on individual performance in 2025. The Company enhances the effectiveness of its human capital investments through performance-	

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
(III) Does the Company provide employees with a safe and healthy work environment as well as periodic safety and health education?	V		based incentives and a prudent allocation process, establishing a crucial foundation for corporate sustainability and long-term value creation. (III) 1. Adhering to the principle of “Safety First, Health Above All”, the Company is committed to establishing a comprehensive occupational safety and health management system. We actively monitor and manage occupational accidents and occupational diseases to ensure a safe working environment and the health of employees. The Company integrates safety and health issues across all plants, formulates and implements effective countermeasures, continuously promotes occupational safety culture, enhances overall safety and health performance, and effectively controls risks. To build a "zero-disaster" work environment, we continue to strengthen the protection management of our operators and provide comprehensive safety training and protective equipment. In addition, the Company's management highly values employees' physical and mental health, ensuring employees maintain optimal conditions during work through active care and appropriate support measures, jointly creating a safe, healthy, and	None

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			efficient working environment. The injury rate (IR) in 2025 was 0.24. 2. Workplace monitoring: Production facilities conduct workplace monitoring at least twice a year to ensure a safe working environment for employees. 3. Safety inspections: Regular inspections are conducted by each production plant, and specialized safety inspections are organized across all departments. In addition, responsible units would follow-up on the outcomes of safety audits and inspections and implement relevant planning, promotion and closing of response to anomalies or projects on a monthly basis. 4. Equipment safety management: The Company commissions a third-party provider to conduct a comprehensive annual safety inspection of all special equipment throughout the plant and obtains a report confirming the inspection has been passed, thereby ensuring the equipment can be operated safely. 5. We provide a safe and healthy work environment for employees, conduct regular safety and health training, and implement various health promotion and management initiatives. Each worksite is equipped with basic first-aid facilities, and we arrange annual health checkups for all employees,	

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>(IV) Has the Company implemented an effective training program that helps employees develop skills over the course of their career?</td><td>V</td><td></td><td>providing relevant health guidance and health education.
The statistics on occupational safety and health education and training for 2025 are as follows:
<table><tr><td>Year</td><td>Number of trainees</td><td>Number of training hours</td></tr><tr><td>2025</td><td>532</td><td>2,107</td></tr></table>Contracted physicians and nurses visit the factory premises on a regular basis to provide on-site health services and health consultations. In 2025, the number of on-site health service visits totaled 177.
6. There were no fire incidents at any of the plants in 2025.
(IV) The Company has established training programs to support employees' career development and implements a systematic, tiered approach to fostering career growth. To enhance employees' professional competencies, we offer a diverse range of educational and training opportunities designed to build the essential skills required for their current roles and equip them with the capabilities needed for future advancement and promotion. In 2025, a total of 1,487 participants completed career training programs, totaling more than 4,825 hours (including online courses). In addition, during annual performance reviews, managers and employees work together to discuss and establish</td><td>None</td></tr>
</table>

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
			individual annual competency development plans. Through regular reviews and feedback, we help employees tailor the best development plans for their needs. For details on the implementation of these plans, please refer to the Company's Sustainability Report.	
(V) Regarding the issues of customer health and safety, customer privacy, marketing and labeling of products and services, whether the company complies with relevant regulations and international standards, and formulates relevant consumer protection policies and appeal procedures?	V		(V) 1. The Company has established a Food Safety Office to strictly ensure product safety and protect customer health. Through transparent, lawful, and compliant marketing and labeling practices, we strive to give peace of mind for customers. 2. The Company respects customer privacy and complies with relevant personal privacy protection laws in its operating locations for the collection, processing, and use of customer data. 3. Regarding consumer rights policies, the Company has established a Consumer Service Center (0800) to respond to consumer inquiries and concerns in a timely manner.	None
(VI) Has the Company formulated supplier management policies, where suppliers are required to follow relevant regulations on issues such as environmental protection,	V		(VI) 1. The Company has established supplier management procedures. Compliance with local regulations is a fundamental requirement for all supplier contracts, and all suppliers must adhere to local laws and regulations regarding corporate governance, environmental protection, labor, and human rights. 2. With regard to clauses in contracts	None

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
occupational safety and health or labor and their implementation?			signed with suppliers that explicitly state that the contract may be terminated or rescinded at any time if the supplier violates its corporate social responsibility policy and such violation has a significant impact on the environment or society. 3. We evaluate suppliers and raw materials in accordance with the Company's "Raw Material Risk Assessment and Supplier Risk Management", "Procurement Control Procedures", and internal control procedures. Regular and unscheduled factory inspection and audits of suppliers are conducted to ensure compliance with company strategies and operational requirements. For information regarding the annual evaluation of existing suppliers and the selection and review of new suppliers, please refer to the Company's official website and Sustainability Report. 4. In 2025, the supply chain organization and suppliers maintained stable partnerships without any significant changes.	
V. Does the Company refer to the internationally-prepared reporting standards or guidelines, preparation of sustainability reports and other reports that	V		1. The Company was listed on the Taiwan Stock Exchange on October 28, 2025; therefore, it did not prepare a sustainability report for 2024. However, in accordance with relevant regulations, the Company has disclosed relevant corporate information and major announcements on the reporting	None

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	
disclose the Company's non-financial information? Did the preliminary report obtain the confidence or assurance opinion of the collaborating vendors' verification unit?			platform designated by the competent authority, and has disclosed major and reliable ESG-related information in its annual report and prospectus. 2. Starting in 2025, the Company will prepare the "2025 Lucky Royal's Sustainability Report" in accordance with the internationally recognized GRI Standards and the Food Processing Industry Disclosure Guidelines. We have engaged KPMG Taiwan to perform independent limited assurance procedures in accordance with Standard on Assurance Engagements No. 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation, and have obtained an assurance report issued by the assurance provider.	
VI. If the Company has established its own Sustainable Development Best Practice Principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", please describe any discrepancies between the Company's actual practices and the established guidelines: On June 7, 2024, the Company's Board of Directors approved the adoption of "Sustainable Development Best Practice Principles" to strengthen its commitment to information disclosure and sustainable operations. The Company regularly reviews the implementation status according to these guidelines and makes improvements accordingly. There have been no discrepancies in implementation to date.				
VII. Other important information that helps understand the progress of sustainable development initiatives: The Company fulfills its corporate social responsibility by promoting sustainable development in multiple aspects, including cultural support, energy saving and carbon reduction, environmental protection equipment upgrade and facility optimization. The results				

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	

of the implementation are as follows:

Cultural Sustainability and Social Responsibility

1. Headquartered in Taipei, the Company is committed to serving the community and addressing long-term care issues. We have long been dedicated to protecting vulnerable seniors and actively working to create a warm and secure living environment for those in need of assistance.
   To actively fulfill corporate social responsibility and give back to the community, the Company donated NT$200,000 to the “Taiwan Quality Life Association” in 2025 to help cover the costs of assistive devices, such as dentures and hearing aids for vulnerable elderly individuals living alone or in nursing homes. Additionally, the Company donated a total of 120 packages of its product, “Namchow Sanuki Silk Noodles” to the “Taiwan People's Food Bank Association”, directly benefiting 166 people.
   In addition, the Company participated in and supported the “Resonance of Love Year-End Banquet: Connecting Through Delicious Food - 2025 Year-End Gratitude Banquet” event by sponsoring the ingredients needed for the banquet and helping to ensure the event ran smoothly. Through the warm and lively “banquet” format, seniors not only enjoy a delicious meal but also experience the care and warmth of family while gathering together.
2. In support of the development of arts and culture in Taiwan, the Company has purchased tickets for Li E-Jun’s concert “Hear Love Together” and Gosh Foundation’s stage play “Self-Portraits of the Heirs of Liang Zhu”, totaling NT$3.47 million, and has distributed them to employees and clients to enjoy. By actively supporting arts and cultural events, we recognize employees’ hard work and enrich their personal and professional lives. Through these efforts, we also strengthen our interactions and connections with clients, fostering positive exchanges and mutual growth between the Company and the broader cultural community.

Environmental Protection, Energy Conservation, and Carbon Reduction Measures

1. Upgrade of the CIP control system: To improve cleaning efficiency and process stability, Tainan plant has upgraded its CIP control system. Through automated control and parameter optimization, the upgrade has effectively reduced chemical consumption, lowered water usage and cleaning time, and established standardized, traceable cleaning parameters and records. With a budget of $4.09 million, the project will help reduce water consumption and minimize environmental impact. CIP control system: To improve cleaning efficiency and process stability, Tainan plant has upgraded its CIP control system. Through automated control and parameter optimization, the upgrade has effectively reduced chemical consumption, lowered water usage and cleaning time, and established standardized, traceable cleaning parameters and records. With a budget of $4.09 million, the project will help reduce water consumption and minimize environmental impact.
2. To promote the transition to green energy, Zhongli and Taoyuan plants plan to install solar

Actions	Implementation status (Note 1)			Discrepancies from the Sustainability Best Practice Principles for TWSE/GTSM Listed Companies and reasons for the discrepancies
	Yes	No	Summary	

power systems on their rooftops, making effective use of existing building space to incorporate renewable energy. By adopting a self-generation and self-consumption model, we can reduce the demand for purchased electricity, lower carbon emissions, and increase energy self-sufficiency. The project is expected to effectively reduce long-term electricity costs and reinforce the Company's commitment to ESG and environmental sustainability. Planning was completed in 2025, and operations are scheduled to begin in 2026. The project is projected to require an investment of $21.06 million.

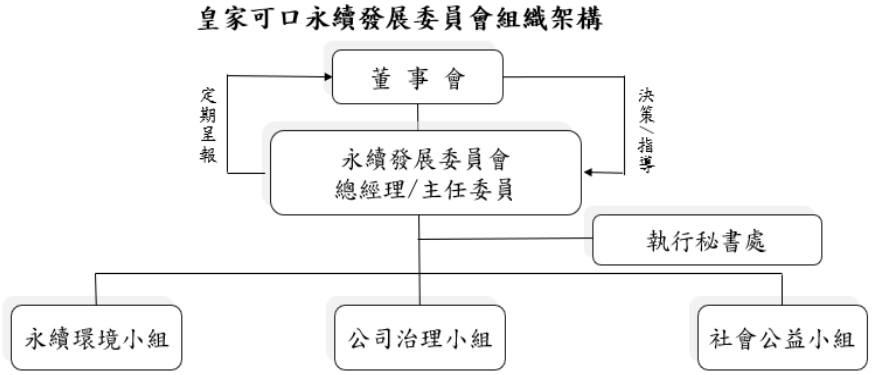
Facility Optimization and Energy Management

1. Replacement of outdated air conditioning equipment: Tainan plant replaced the outdated air conditioning units in the packaging area for ice pop stick cardboard boxes and the ingredient preparation room to prevent the work area from becoming excessively stuffy and hot, which could cause discomfort to production staff. The plant purchased air conditioning units certified with the Energy Agency's Class 1 Energy Efficiency Label to improve energy efficiency. This project was completed in 2025. With an investment of $220,000, this project not only effectively improves the quality of the working environment but also achieves energy-saving and carbon-reduction benefits.
2. Measures to optimize the production line air conditioning system: Implement variable frequency control optimization for fans in the air handling units in the production area of Zhongli plant, automatically reducing speed during low-load conditions to improve equipment operating efficiency and reduce energy consumption, and strengthen program control mechanisms. A new nighttime energy-saving operation mode has been implemented for non-production hours. While ensuring stable environmental conditions on the production line, this mode effectively reduces nighttime energy consumption. An energy monitoring and management system has been established to collect and analyze real-time data, providing insights into equipment operational efficiency and energy usage patterns. This data serves as the basis for ongoing improvements and energy-saving optimizations. The project is expected to cost $21.3 million.

Through the above measures, the Company has not only achieved substantial results in environmental protection and energy conservation but has also actively implemented corporate social responsibility, continuing to move toward the goal of sustainable development.

Note 1: If select "Yes" for implementation status, please provide specific details regarding the key policies, strategies, and measures adopted, as well as their implementation status. If select "No" for implementation status, please explain the discrepancies and their reasons in the "Discrepancies from the Sustainable Development Best Practice Principles for TWSE and TPEx Listed Companies and Reasons" field, and outline plans for adopting relevant policies, strategies, and measures in the future. However, for Items 1 and 2, the TWSE/TPEx listed company shall describe its governance and supervisory framework for sustainable development, including but not limited to management policy, strategy and goal formulation, review measures, etc. It additionally shall describe the company's risk management policies or strategies for operations-related environmental, social, and corporate governance issues, and their assessment status.

Note 2: The materiality principle refers to environmental, social, and corporate governance issues that have a significant impact on the Company's investors and other stakeholders.
Note 3:



Each group was responsible for exploring the following topics:

Group	Responsible for exploring relevant issues
Corporate Governance Group	Information on shareholder meetings, Board of Directors, compensation and bonuses, company operations, corporate governance structure, regulatory compliance, etc.
Sustainable Environment Group	Energy and resource consumption, energy conservation and carbon reduction, pollution control, biodiversity, genetically modified organisms (GMOs), food safety and hygiene, product traceability, product/food quality, product/food certification, etc.
Social Welfare Group	Supply chain management, talent development and training, human rights, grievance procedures, customer engagement, occupational health and safety, diversity and inclusion, and community outreach, etc.

Climate-related information for TWSE and TPEx listed companies

1. Implementation of climate-related information

Item	Implementation status
1. Describe how the Board of Directors and management oversee and govern climate-related risks and opportunities.	Lucky Royal's Board of Directors serves as the Company's highest governing body for climate-related matters. It is responsible for overseeing the overall implementation of climate change governance initiatives and, through annual reports from the Sustainability Committee, ensures that climate issues are appropriately integrated into the Company's overall strategy, operational management, and risk governance framework. The Sustainability Committee is responsible for a comprehensive assessment of climate change risks in relation to the Company's overall risk profile. It continuously tracks and reviews the progress and outcomes of climate-related initiatives, and implements necessary mitigation measures based on risk levels to ensure operational stability and promote sustainable business practices.

Item	Implementation status
	The Company's Sustainability Committee is responsible for evaluating and managing climate-related risks and opportunities. The Chairman leads the committee, responsible for promoting sustainable development policies and climate change management, and implementing related evaluation, tracking, and management processes. The Committee regularly reviews operations related to climate change, including the Company's energy consumption and greenhouse gas emissions data. It identifies business areas potentially affected by climate change and develops and implements corresponding management measures and response plans to reduce potential impacts on the Company's operations, while also identifying potential business opportunities. The relevant evaluation results and management progress have been reported to the Board of Directors at least once a year to ensure adequate and appropriate oversight of climate issues.
2. Describe how the identified climate risks and opportunities have affected the Company's business, strategies, and finances (short-term, medium-term, and long-term).	The time scales for the potential impacts of climate risks and opportunities on Lucky Royal are defined as short-term, medium-term, and long-term, corresponding to periods of less than 3 years, 3-5 years, and more than 5 years, respectively. Five climate risks and two climate opportunities were identified. We will continue to develop strategies for addressing climate risks and opportunities on a rolling basis to mitigate those risks and enhance business and climate-related opportunities. Please refer to Sustainability Report for further information.
3. Describe the financial impacts of extreme climate events and transition-related actions.	
4. Describe how climate risk identification, assessment, and management processes have been integrated into the overall risk management system.	The Company has integrated climate risk identification, assessment, and management into its overall risk management system. The Board of Directors serves as the Company's highest decision-making body for risk control and directly oversees the Company's risk governance framework. To enhance risk assessment and strengthen management capabilities, the Board of Directors resolved in 2025 to establish the "Sustainability Committee". This committee coordinates the identification and management of various risks facing business operations, including the physical and transition risks associated with climate change, and leads the planning and implementation of corresponding measures. Each department performs risk identification and analysis in line with its business responsibilities, integrating climate-related risks into existing risk management processes. The relevant response strategies are developed by each unit and then integrated and tracked by the Sustainability Committee to ensure that all risks that may affect the operations have been

Item	Implementation status
	incorporated into the Company's overall risk management framework. The Sustainability Committee reports to the Board of Directors at least annually on risk management and related progress, including the management of climate-related risks and opportunities, enabling the Board to oversee and strengthen overall corporate value.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used should be described.	Lucky Royal has not used scenario analysis in 2025.
6. If there is a transition plan to address climate-related risks, describe the details of the plan and the indicators and objectives used to identify and manage entity risks and transition risks.	Lucky Royal's 2025 climate-related risk transition plan has not yet established specific management metrics or targets.
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be explained.	Lucky Royal has not used internal carbon pricing as a planning tool in 2025; if it plans to use it in the future, it will provide an explanation in the relevant fiscal year.
8. If climate-related targets have been established, the following information should be provided: the activities covered, the scope of greenhouse gas emissions, the planning timeline, and annual progress toward achieving the targets. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet these targets, the source and quantity of the carbon reduction credits or the quantity of Renewable Energy Certificates (RECs) should be specified.	As of 2025, Lucky Royal had not yet established any climate-related targets or utilized carbon offsets or purchased Renewable Energy Certificates (RECs).
9. Greenhouse gas inventory and verification status, reduction targets, strategies, and concrete action plans.	Please refer to Tables 1-1 and 1-2 below.

1-1 The Company's GHG inventory and assurance in the most recent two years

1-1-1 Greenhouse gas inventory information

■ Provide the greenhouse gas emissions (in metric tons of CO2e), emissions intensity (in metric tons of CO2e per million), and data coverage for the past two years. Greenhouse gas emissions and emission intensity for the past two years are shown in the following table:

Year	Scope 1	Intensity (metric tons of CO2e per million)	Scope 2	Intensity (metric tons of CO2e per million)	Scope 3 (Note 5)
2024	4,350.4225	1.6306	9,082.7350	3.4043	-
2025	4,869.5047	1.8889	9,673.8431	3.7525	-

*The data covers the headquarters, Taoyuan Plant, Zhongli Plant, and Tainan Plant

Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the company) and energy-related indirect emissions (Scope 2, i.e., indirect greenhouse gas emissions resulting from the purchase of electricity, heat, or steam).

Note 2: The scope of the direct emissions and energy-related indirect emissions inventories for 2025 and 2024 covers the Taipei headquarters, Taoyuan plant, Zhongli plant, and Tainan plant

Note 3: The greenhouse gas inventory standards for 2025 and 2024 were based on the Greenhouse Gas Protocol (GHG Protocol).

Note 4: Greenhouse gas emissions intensity was calculated based on revenue (in millions of New Taiwan dollars); revenue for 2025 and 2024 was NT$2,578 million and NT$2,668 million, respectively.

Note 5: The Company has not yet completed the Scope 3 inventory for 2025 and 2024.

1-1-2 Greenhouse gas assurance information

■ Describe the assurance obtained for the most recent two fiscal years up to the annual report's publication date, including the scope of assurance, the assurance provider, the assurance criteria, and the assurance opinion issued.

● Description of the assurance information in 2025

◎ Scope of assurance – Headquarters, Taoyuan Plant, Zhongli Plant, and Tainan Plant

◎ Assurance institution – SGS Taiwan Ltd.

◎ Assurance criteria – ISO 14064-3:2019

◎ Assurance opinion – As of the annual report publication deadline, greenhouse gas verification had not yet been obtained. Verification is expected to be completed by the end of July 2026, and related information and progress will be disclosed in the sustainability report.

● Description of the assurance situation for 2024

◎ Scope of assurance – Headquarters, Taoyuan Plant, Zhongli Plant, and Tainan Plant

◎ Assurance institution - SGS Taiwan Ltd.

◎ Assurance criteria – ISO 14064-3:2019

◎ Statement of assurance - SGS conducted a review in accordance with ISO 14064-1:2019 and provided a limited assurance regarding the Company's greenhouse gas data, confirming that the data is free from material misstatements in terms of completeness and transparency, and that appropriate monitoring mechanisms have been implemented.

Note 1: This shall be handled in accordance with the schedule set forth in the order issued pursuant to Article 10, Paragraph 2 of these Guidelines. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of publication of the annual report, it shall state "Complete assurance information will be disclosed in the sustainability report". If the Company has not prepared a sustainability report, it shall state "Complete assurance information will be disclosed on the Taiwan Stock Exchange's Market Observation Posy System", and shall disclose the complete assurance information in the following year's annual report.

Note 2: The assurance provider must have complied with the relevant regulations for assurance providers of sustainability reports as stipulated by the Taiwan Stock Exchange Corporation and Taipei Exchange.

1-2 Greenhouse gas reduction targets, strategies, and concrete action plans

■ Describe the base year for greenhouse gas emissions reductions, along with relevant data, reduction targets, strategies, concrete action plans, and the status of progress toward achieving those targets: In accordance with the Taiwan Stock Exchange's "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" and the Financial Supervisory Commission's "Sustainable Development Roadmap for TWSE/TPEx Listed Companies", the Company will use 2026 as the base year and disclose its reduction targets, strategies, and concrete action plans for 2027.

(VI) Compliance with the Ethical Corporate Management Best Practice Principles, differences from the Ethical Corporate Management Best Practice Principles for TWSE and TPEx Listed Companies, and the reasons

Assessed areas	Operational status (Note 1)			Departure from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
I. Establishing a policy and plan for ethical business practices				
(I) Has the Company established a policy on ethical business conduct that has been approved by the Board of Directors, and has it clearly articulated this policy and related practices in its internal regulations and external documents, along with the commitment of the Board of Directors and senior management to actively implement it?	V		(I) In 2024, the Company's Board of Directors formally adopted the "Ethical Corporate Management Best Practice Principles" and the "Code of Ethical Conduct". In addition to disclosing the Company's integrity policy in internal regulations, the Taiwan Stock Exchange's Market Observation Post System, the Company's website, sustainability reports, and other promotional materials, we also announce it at appropriate times during external events such as product launches and investor briefings. This ensures that suppliers, customers, and other business partners and personnel are fully aware of our integrity principles and standards, thereby fostering a corporate culture rooted in integrity.	None
(II) Has the Company established a mechanism for assessing the risk of unethical conduct, regularly analyzing and evaluating business activities within its scope of operations that carry a higher risk of such conduct, and formulating measures to prevent unethical	V		(II) In accordance with the "Ethical Corporate Management Best Practice Principles", the Company has implemented preventive measures to address the various types of conduct listed in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE and TPEx Listed Companies", including prohibitions on bribery and the acceptance of bribes, the provision of illegal political contributions, improper charitable donations or	None

Assessed areas	Operational status (Note 1)			Departure from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
conduct based on such analysis, including at a minimum, preventive measures covering the behaviors listed in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE and TPEx Listed Companies"?			sponsorships, and the offering of unreasonable gifts, hospitality, or other improper benefits.	
(III) Has the Company established operational procedures, codes of conduct, disciplinary measures for violations, and a grievance procedure within its anti-fraud program, and has it effectively implemented and regularly reviewed and revised the program?	V		(III) The Company prohibits unethical conduct in its "Ethical Corporate Management Best Practice Principles" and has established operational procedures and guidelines for ethical business conduct, which clearly outline preventive measures to guard against such conduct.	None
II. Upholding ethical business practices (I) Does the Company assess the integrity records of its business partners and include clauses regarding integrity in the contracts it enters into with them?	V		(I) The Company conducts business in a fair manner. Prior to entering into business transactions, we assess the legitimacy of agents, suppliers, customers, and other business partners, as well as whether they have a history of dishonest conduct, and avoid conducting business with those who have such a history. In addition, the Prohibition of Bribery Clause has been added to the procurement contract and the engineering contract draft. It also specifies the terms of	None

Assessed areas	Operational status (Note 1)			Departure from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			good faith in each important transaction contract.	
(II) Has the Company established a dedicated unit reporting to the Board of Directors to promote ethical business practices, and does it report to the board on a regular basis (at least once a year) regarding its ethical business policies, measures to prevent unethical conduct, and the supervision of their implementation?	V		(II) 1. The Human Resources Department serves as the designated unit responsible for revising, implementing, interpreting, and providing consultation services regarding the Company's business integrity procedures and code of conduct, as well as for recording and archiving reports and overseeing their implementation. It assists the Board of Directors and management in formulating and overseeing the implementation of integrity management policies and preventive measures to ensure the enforcement of ethical management practices. The Company reported its implementation status for 2025 to the Board of Directors on May 13, 2026. 2. The following measures are being implemented to promote ethical business practices: The Company has published the following documents on its internal and external networks: 1. Ethical Corporate Management Best Practice Principles; 2. Ethical Business Operations Procedures and Code of Conduct; and 3. Sustainable Development Best Practice Principles. These documents communicate the Company's commitment to ethical business practices and its opposition to any form of corruption, graft, or bribery. 4. All new employees are	None

Assessed areas	Operational status (Note 1)			Departure from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			required to sign an Employee Integrity Pledge upon joining the Company.	
(III) Has the Company established a policy to prevent conflicts of interest, provided appropriate channels for reporting, and ensured its implementation?	V		(III) The Company has established the "Ethical Corporate Management Best Practice Principles", the "Procedures and Guidelines for Ethical Conduct", and the "Code of Ethical Conduct", which guide the conduct of employees to ensure compliance with the Company's ethical standards and inform stakeholders of the ethical standards that employees must adhere to while performing their duties. Should any employee discover any violation of laws, regulations, or the provisions of the Code of Ethical Conduct, they shall proactively report such matters to a manager, the head of internal audit, the human resources department, or another appropriate supervisor; and provide sufficient information to enable the Company to appropriately handle the matter. The Company shall keep the identity of the informants and the content of report in strict confidence and spare no efforts to protect the personal safety of the informants.	None
(IV) Has the Company established effective accounting and internal control systems to ensure ethical business practices? Has the internal audit department developed audit plans based on the results of risk	V		(IV) The Company has established effective accounting and internal control systems for business activities that carry a higher risk of dishonest conduct. There are no off-the-books accounts or secret accounts, and these systems are reviewed on an ongoing basis to ensure that their design and implementation remain effective. The internal audit staff of the Company	None

Assessed areas	Operational status (Note 1)			Departure from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
assessments regarding unethical conduct, and used these plans to verify compliance with measures designed to prevent such conduct, or has the Company engaged a certified public accountant to conduct such audits?			shall periodically inspect compliance with the system indicated in the preceding paragraph and produce the Audit Report to be submitted to the Board of Directors. The internal audit unit evaluates the risk of dishonesty at the end of each year, draws up the related audit plan every other year and uses it to check compliance with the plan to prevent dishonesty.	
(V) Does the Company regularly conduct internal and external training on ethical business practices?	V		(V) At management meetings, we promote our integrity-based business policies and conduct regular internal training sessions on integrity in business, inviting renowned industry experts and scholars to speak on related topics. And, if necessary, it sends supervisors and related personnel to participate in external training on ethical management organized by the competent authorities and relevant agencies.	None
III. Operation of the Company's whistleblower system (I) Has the Company established a specific whistleblowing and reward system, set up convenient reporting channels, and assigned appropriate personnel to handle reports regarding the subjects of such reports?	V		(I) The Company has an internal reporting email address 「whistleblower_RL@duroyal.com」 and a dedicated hotline 02-66193630. We encourage both internal and external personnel to report instances of dishonesty or misconduct. Depending on the severity of the reported incident, rewards will be granted in accordance with the Employee Reward and Disciplinary Regulations. Internal personnel who make false reports or malicious	None

Assessed areas	Operational status (Note 1)			Departure from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
(II) Has the Company established standard operating procedures for investigating reported matters, follow-up measures to be taken upon completion of the investigation, and relevant confidentiality mechanisms?	V		accusations shall be subject to disciplinary action; those involved in serious cases shall be dismissed. (II) The Human Resources Department serves as the lead department for this matter, with assistance provided by the Legal Department or other relevant departments as needed. If the persons involved in the report are regular employees, report to the division/function head. If the persons involved are Directors or senior executives, report to an Independent Director or Audit Committee. If it is confirmed that there is a violation of relevant laws and regulations, or the ethical corporate management policies and regulations of the Company, the reported party shall be required to immediately stop the relevant conduct and shall be subject to appropriate measures. When necessary, it shall be reported to the competent authority, transferred to the judicial for investigation, or be claimed against for damages through legal proceedings to protect the Company's reputation and rights. The acceptance of a whistleblowing, the investigation process, and the results of the investigation shall be kept in writing and retained for five years, which can be retained in electronic means. Before the expiry of the retention period, in case of a lawsuit related to the content of the report arises, the relevant information shall be retained until the end of the lawsuit.	None

Assessed areas	Operational status (Note 1)			Departure from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
(III) Does the Company have measures in place to protect whistleblowers from unfair treatment as a result of their reports?	V		(III) The personnel responsible for handling whistleblowing matters at the Company will keep the identity of the whistleblower and the details of the report confidential, and we pledge to protect the whistleblower from any unfair treatment resulting from the report. However, the content of whistle-blowing shall not involve personal attacks or privacy matters.	None
IV. Enhanced disclosure of information Has the Company, on its website and on the market observation post system, disclosed the content and promotion effectiveness of its Ethical Corporate Management Best Practice Principles?	V		The Company has published its "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct", and "Procedures for Ethical Management and Guidelines for Conduct" on its official website and filed them with the Taiwan Stock Exchange Corporation.	None
V. If the Company has established its own Ethical Corporate Management Best Practice Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE and TPEx Listed Companies", please describe any discrepancies between its actual practices and the established code: The Company established the Ethical Corporate Management Best Practice Principles. Upon the review, no difference between actual implementation and the established principles is found.				
VI. Other important information that helps understand the Company's integrity in business operations: (e.g., instances where the Company reviews and revises its Ethical Corporate Management Best Practice Principles) 1. The Company has always complied with the Company Act, the Securities and Exchange Act, the Business Accounting Act, regulations governing listings on the stock exchange and over-the-counter markets, and other laws and regulations governing business conduct, in order to uphold integrity in operations. 2. The Company's "Rules of Procedure for Board Meetings" establish a conflict of interest avoidance system. If a director has a conflict of interest regarding an agenda item before the board meeting, where such interest involves the director personally or a legal entity represented by the director and poses a risk of harming the Company's interests, the director				

Assessed areas	Operational status (Note 1)			Departure from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
may present opinions and respond to inquiries but may not participate in the discussion or vote, and must recuse themselves during the discussion and voting. 3. The Company has established the "Procedures for the Prevention of Insider Trading", which explicitly stipulate that directors, managers, and employees shall not disclose material non-public information known to them to others, and shall not inquire from or collect material non-public information from persons who have knowledge of such information that is unrelated to their official duties, and shall not disclose to others any material non-public information obtained through means other than the performance of their duties. 4. On March 11, 2024, the Company's Board of Directors approved the "Procedures for Ethical Management and Guidelines for Conduct".				

Note: Regardless of the answer, "Yes" or "No," descriptions need to be provided in the summary column.

(VII) Other important information that is sufficient to boost knowledge of corporate governance shall be disclosed as well:

1. The Company regularly updates information on its website at www.luckyroyal.com.tw.
2. The information on the Company's website is collected and maintained by designated personnel, and regulations such as the Corporate Governance Best Practice Principles are posted on the website for public reference.
3. Market Observation Post System: https://mops.twse.com.tw/mops/web/index

(VIII) Disclosures regarding the implementation of internal control systems:

1. Statement on internal controls:

   Investors are invited to visit the Market Observation Post System (MOPS) of the Taiwan Stock Exchange for details:

   https://mopsov.twse.com.tw/mops/web/t06sg20 (Listed Company/2025/Stock Code 7791)

2. An entity that engages a certified public accountant to conduct a special review of its internal control system shall disclose the CPAs' review report:

   Investors are invited to visit the Market Observation Post System (MOPS) of the Taiwan Stock Exchange for details:

   https://mopsov.twse.com.tw/mops/web/t06hsg20 (Public Listing/Year 2025/Company Code 7791)

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

Shareholders' Meeting:

1. Resolution passed at the extraordinary general meeting of shareholders on February 13, 2025
   (1) Proposal for shareholders to Waive Their Preemptive Rights in Connection with a cash capital increase and issuance of new shares for public offering prior to the initial public offering.
   (2) Proposal to amend certain provisions of the Company's Articles of Incorporation.
   (3) The term of office for the newly elected directors shall run from February 13, 2025 to February 12, 2028. The election results were as follows: The newly elected directors were Ming-Fen Chou, representative of Namchow Holding Co., Ltd.; Cheng-Wen Chen, representative of Namchow Holdings Co., Ltd.; Yu-Wen Chen , representative of Namchow Holdings Co., Ltd., Yi-Wen Chen , and the independent directors are Chia-Hsiu Chen, Hsu-Sung Kuo, and Li-Han Kao.
   (4) Proposal to Lift the non-competition restriction on the newly appointed director.
2. Resolution passed at the shareholders' meeting on May 28, 2025
   (1) To approve the Company's 2024 annual report and financial statements.
   (2) To approve the Company's 2024 profit distribution statement, which provides for a cash dividend distribution of NT$231,000,000, amounting to NT$3.30 per share.
   Implementation: Pursuant to the resolution adopted at the regular shareholders' meeting held on May 28, 2025, the Chairman is authorized to determine the record date and payment date for dividend distributions. The Company has set June 21 as the record date for cash dividend and July 4 as payment date, and the dividend had been fully distributed.
   (3) Due to a heavy workload, Yi-Wen Chen, a director of the Company, was unable to continue serving as director and resigned on February 27, 2025. Consequently, the Company held by-election to fill one director position, with the term of office running from May 28, 2025 to February 12, 2028. The election resulted in Chang-Ching Kao being appointed as the new director.

Board of Directors:

1. Resolution passed on January 16, 2025
   (1) The Remuneration Committee submitted a proposal regarding the individual amounts of the 2024 year-end bonuses for the Company's directors and executives.
   (2) Proposal to appoint Mr. Shu-Min Chiu as Assistant General Manager of the Business Division.
   (3) Approved the nomination and review list of director (including independent director) candidates by the Board of Directors.
2. Resolution passed on February 13, 2025
   (1) Proposal to re-elect the Company's Chairman.
   (2) Proposal to appoint members of the Company's second Remuneration Committee

3. Resolution passed on March 10, 2025
   (1) Proposal for the appointment of the Company’s Chief Financial and Accounting Officer.
   (2) Approved the proposal for the Company's 2024 business report and parent company only and consolidated financial statements and submitted to the shareholders' meeting for ratification.
   (3) Proposal for the distribution of the Company’s 2024 profits and request for approval by the shareholders’ meeting.
   (4) Proposal regarding the allocation ratios and disbursement amounts for directors’ and employees’ compensation for 2024.
   (5) Proposal for the election of a new director.
   (6) Review the list of director candidates nominated by the Board of Directors.
   (7) Acknowledged the Auditing Office's report on the "Statement on Internal Control System," confirming the effective design and execution of the Company's 2024 Internal Control System.
   (8) Amend certain provisions of the Company’s Articles of Incorporation.
   (9) Proposal to lease office space from parent company, Namchow Holdings Co., Ltd.
   (10) Resolved to appoint the Company's 2025 certifying accountants and acknowledged the assessment of their independence and suitability.
   (11) Resolved to set the date, location, and agenda for the Company's 2025 Annual Shareholders' Meeting.
4. Resolution passed on May 12, 2025
   (1) Consolidated financial statements of the Company for the first quarter of 2025
   (2) Proposal to approve the Company’s pro forma consolidated financial statements for 2023 and 2024.
   (3) Proposal to approve the Company’s financial forecasts for the second and third quarters of 2025.
   (4) Proposal to approve the self-assessment of the Company’s financial reporting capabilities.
   (5) The Audit Office has submitted “Statement on Internal Control Systems” certifying that the design and implementation of the Company’s internal control systems for the period from April 1, 2024 to March 31, 2025 were effective.
   (6) The Company intends to appoint a corporate governance officer.
   (7) Self-assessment report on the Company’s corporate governance evaluation
   (8) Establishing an information security officer and a dedicated information security unit within the Company.
   (9) By entering into an “Over-Allotment Agreement” with the lead underwriter prior to the Company's initial public offering and coordinating a voluntary central depository arrangement with certain shareholders.
   (10) To evaluate and finalize the proposed compensation allocation plan for the Company’s managerial staff for 2024.
   (11) Amendments to the Company’s internal control system: “Salary Management Regulations” to include definitions and scope for entry-level employees.
   (12) In response to organizational changes related to the listing application, we propose to dissolve “The Little Prince's Flight Journey”.
   (13) Establish the Company’s “Information Security Management Policy”.
   (14) Amendments to certain provisions of the Company’s “Information Management and Control System”.

5. Resolution passed on July 18, 2025
   (1) Ratify the purchase of inventory and fixed assets related to Zhongli plant from Huaciang Industry Co., Ltd. in 2024.
   (2) The Company intends to ratify related-party transactions from 2019 to 2024.
6. Resolution passed on August 11, 2025
   (1) The Company's consolidated financial statements for the second quarter of 2025.
   (2) Proposal for the allocation of employee compensation for 2024.
   (3) The Company’s Remuneration Committee hereby submits a proposal regarding the specific details and amounts of mid-year bonuses for the Company’s Chairman and executives for 2025.
   (4) Capital expenditure budget for the expansion of Tainan plant.
   (5) The Company amended certain provisions of the “Sustainability Information Management Procedures”.
   (6) The Company amended certain provisions of Corporate Governance Best Practice Principles.
7. Resolution passed on September 1, 2025.
   (1) The Company conducted a cash capital increase through a new share issuance in connection with its initial public offering.
   (2) Adoption of the Company's "Regulations on Employee Stock Subscription for the Pre-IPO Cash Capital Increase in 2025”.
   (3) Proposal for the allocation of new shares to underwriters in connection with the Company’s pre-IPO cash capital increase.
   (4) The Company’s Board of Directors has established a Sustainability Committee and adopted the “Sustainability Committee Charter”.
   (5) Proposal for the members of the Company’s first Sustainability Committee.
8. Resolution passed on October 22, 2025
   (1) Proposal to elect the Company’s Vice Chairman.
9. Resolution passed on November 12, 2025
   (1) The Company's consolidated financial statements for the third quarter of 2025.
10. Resolution passed on December 22, 2025
   (1) The Audit Department has drafted the Company’s audit plan for 2026.
   (2) Proposal to approve the Company’s 2026 operating budget.
   (3) The Company’s 2025 auditors’ certification fees.
   (4) The certified public accountants responsible for auditing the Company’s financial statements will be changed to Ms. Huang Tsai-Chien and Mr. Chong-Shun Wu, effective in 2026.
   (5) Amendment to the internal management regulations to include the “Standard Operating Procedure for Handling Demands by Directors”.
   (6) To meet the Company’s working capital needs for 2026, we propose to authorize the Chairman to act on behalf of the Company in entering into loan agreements and handling other financial matters with financial institutions.
11. Resolution passed on February 2, 2026
   (1) Revision to the Company’s internal control system, specifically the “Salary Management Regulations”, to clearly define the scope of application for entry-level employees and to add provisions regarding periodic evaluations and adjustments.
   (2) The Remuneration Committee submitted a proposal regarding the individual amounts of 2025 year-end bonuses for the Company’s directors and executives.

12. Resolution passed on March 9, 2026
   (1) The Company's 2025 Business Report and proposed individual and consolidated financial statements.
   (2) The Company's proposal for the distribution of profits for 2025.
   (3) Proposal to establish the allocation ratios and payment amounts for directors' and employees' compensation for 2025.
   (4) The Audit Office submitted "Statement on Internal Control Systems" to confirm that the design and implementation of the Company's internal control systems for 2025 were effective.
   (5) Proposal to determine the date, location, and agenda items for the Company's 2026 annual general meeting of shareholders.

(X) Main contents of different opinions of directors or supervisors that are recorded and stated in writing on important decisions made by the Board of Directors in the latest year and as of the date of printing of Annual Report: None.

IV. Information on the professional fees of the attesting CPAs

(I) When the accounting firm is changed and the audit public expenditure in the year of replacement is reduced compared to that in the preceding year, the audit public expenditures before and after the replacement and the reasons shall be disclosed: None.

(II) If the audit expenses have decreased by 10% or more compared to the previous fiscal year, the amount, percentage, and reasons for the decrease in audit expenses shall be disclosed: None.

Public Expenditure on Certifying CPAs

Value: NTD Thousand

Name of accounting firm	Name of CPA	CPA inspection period	Audit public expenditure	Non-audit public expenditure	Total	Remark
KPMG	Chong-Shun Wu	2025.01~2025.12	2,830	3,252	6,082	Non-audit fees: including fees for internal control project reviews, sustainability report consulting and assurance services, and pro forma reports.
	Lin Wu	2025.01~2025.12				

Note: If any CPA or the accounting firm is replaced for the Company this year, the inspection periods shall be listed separately. In addition, the reason for the replacement shall be indicated in the remark column and information on audit and non-audit public expenditure shall be disclosed. For non-audit public expenditure, state the content of services rendered.

V. Notice regarding change of auditors: In accordance with internal restructuring at KPMG Taiwan, effective with the first-quarter report for 2026, the firm's auditors will change from Mr. Chong-Shun Wu and Mr. Lin Wu to Ms. Huang Tsai-Chien and Mr. Chong-Shun Wu.

VI. Disclosure of Name, Position and Duration of Service at Firms or Their Associated Enterprises within the Past Year of Chairman, General Manager, and Managers in Charge of Financial or Accounting Affairs: None.

VII. Changes in share transfers and share pledges involving directors, supervisors, executives, and shareholders holding more than 10% of the shares during the most recent fiscal year and up to the date of publication of the annual report:

(I) Changes in the stock options of directors, supervisors, managers, and heavyweight shareholders:

Title (Note 1)	Name	2025		As of March 27 of the current year	
		Increase/ decrease in the number of shares held	Increase/ decrease in the number of shares pledged	Increase/ decrease in the number of shares held	Increase/ decrease in the number of shares pledged
Corporate shareholders and major shareholders	Namchow Holdings Co., Ltd.	(440,000)	0	0	0
Chairman	Namchow Holdings Co., Ltd. Representative: Ming-Fen Chou	0	0	0	0
Vice Chairman	Chang-Ching Kao (Date of election of directors: May 28, 2025)	10,000	0	0	0
Director	Namchow Holdings Co., Ltd. Representative: Cheng-Wen Chen	0	0	0	0
Director	Namchow Holdings Co., Ltd. Representative: Yu-Wen Chen	0	0	0	0
Director	Yi-Wen Chen (Relieved from director duties on 2025/02/27)	0	0	0	0
Supervisor	Zhou-Jing Chen (Date of dismissal: February 13, 2025)	0	0	0	0
Supervisor	Hsu, Pai-Tsai (Date of dismissal: February 13, 2025)	0	0	0	0
Independent Director	Hsu-Sung Kuo (Date of appointment: February 13, 2025)	0	0	0	0
Independent Director	Chia-Hsiu Chen (Date of appointment: February 13, 2025)	0	0	0	0
Independent Director	Li-Han Kao (Date of appointment: February 13, 2025)	0	0	0	0
Assistant Vice President	Ming-Chen Yen	10,000	0	0	0
Assistant Vice President	Shu-Min Chiu (Date of appointment: January 16, 2025)	7,000	0	0	0
Senior Manager and Accounting Supervisor	Lin Shih-Yun (Date of appointment: March 10, 2025)	13,000	0	0	0

Note 1: Shareholders in possession of more than 10% of the company's shares shall be identified as major shareholder and listed separately.
Note 2: Shareholders whose counterparty for the transfer or pledge of stock options is a related party shall be listed in the table below.

(II) Information on related parties involved in the transfer of equity: None.

(III) Information on related parties as counterparties to the equity pledge: None.

VIII. Information regarding shareholders holding the top 10 largest shareholders who are related parties or spouses, or relatives within the second degree of kinship

As of March 27, 2026

No.	Name (Note 1)	Oneself		Current shares held by spouse and minors		Total shares held in someone else's name		The title or name and relationship among shareholders in the Top shareholding list who are related, spouse to each other, or relatives within the second degree of kinship (Note 3)		Remarks
		Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Quantity of shares	Shareholding ratio	Name	Relationship	
1	Namchow Holdings Co., Ltd. Representative: Cheng-Wen Chen	48,217,185 1,967,858	60.27% 2.46%	0 112,502	0.00% 0.14%	0 0	0.00% 0.00%	Yi-Wen Chen	Siblings	None
2	Yu-Wen Chen	3,425,097	4.28%	387,231	0.48%	0	0.00%	None	None	None
3	Cheng-Wen Chen	1,967,858	2.46%	112,502	0.14%	0	0.00%	Yi-Wen Chen	Siblings	None
4	ABICO Asia Capital Corporation Representative: Fa-Da Hsieh	1,285,000 0	1.61% 0.00%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	None	None	None
5	Yi-Wen Chen	1,163,035	1.45%	0	0.00%	0	0.00%	Cheng-Wen Chen	Siblings	None
6	First Shiny International Investment Holdings Limited Representative: Chih-Kang Wu	1,000,000 0	1.25% 0.00%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	None	None	None
7	KGI Venture Capital Co. Ltd. Representative: Yu-Ling Huang	991,000 0	1.24% 0.00%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	None	None	None
8	Shin Kong Mitsukoshi Venture Capital Co. Ltd. Representative: Nan-Yuan Wang	900,000 0	1.13% 0.00%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	None	None	None
9	CDIB Venture Capital Corporation Representative: Chun-Hui Ho	900,000 0	1.13% 0.00%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	None	None	None

10	E.SUN Venture Capital Co., Ltd. Representative: Tsung-Jen Ko	870,000 0	1.09% 0.00%	0 0	0.00% 0.00%	0 0	0.00% 0.00%	None	None	None

Note 1: The top ten shareholders shall be duly listed and institutional shareholders shall be listed together with the name of their representative.

Note 2: The calculation of shareholding ratio shall reflect the percentage of shares owned under the shareholder's name or under the name of his/her spouse or children (minor) or another individual.

Note 3: The relationship between the shareholders (both legal and natural person) disclosed previously shall also be disclosed in accordance with the security issuer's standards governing the preparation of financial reports.

IX. The aggregate shareholding of the Company, its directors, supervisors, and managers, as well as any business entities directly or indirectly controlled by the Company in the same investee entity, and the corresponding consolidated ownership percentage: As of December 31, 2025, and as of the date of publication of the annual report, no such circumstances exist.

Three. Fundraising Status

I. Capital and Shares

(I) Source of capital

Year/ Month	Issuing price	Approved capital stock		Paid-in capital stock		Remarks		
		Quantity of shares	Value	Quantity of shares	Value	Source of capital stock	Share value written off by assets other than cash	Others
2019 - 2023	NT$ 10	95,668,371 shares	NT$ 956,683,710	95,668,371 shares	NT$ 956,683,710	Note 1	None	Note 1
2024 January	NT$ 10	95,668,371 shares	NT$ 956,683,710	70,000,000 shares	NT$ 700,000,000	The capital reduction refund of NTD 256,684 thousand in cash, and the number of shares was 25,668 thousand shares.	None	Note 2
2025 September	NT$ 10	95,668,371 shares	NT$ 956,683,710	80,000,000 shares	NT$ 800,000,000	Initial Public Offering (IPO) and cash capital increase through the issuance of new shares	None	Note 3

Note 1: Lucky Royal Co., Ltd.'s authorized capital and paid-in capital remained unchanged over the past five fiscal years (2019–2023).
Note 2: Approved on January 25, 2024 under Approval No. Jing Shou Shang Zi No. 11330010410.
Note 3: Pursuant to the approval granted by the Taiwan Stock Exchange Corporation in its letter No. 1141803987 dated September 15, 2025, the Company filed a report to issue 10,000,000 common shares through cash capital increase, with a par value of NT$10 per share, for a total amount of NT$100,000,000.

Type of share	Approved capital stock			Remarks
	Circulating shares	Shares yet to be issued	Total	
Common stock	80,000,000 shares	15,668,371 shares	95,668,371 shares	Listed stocks

Related information of the general declaration system: Not applicable

(II) List of major shareholders: Shareholders holding 5% or more of total shares or in the Top 10 stock option holding ratio list

March 27, 2026

Name of major shareholder/shares held	Shares held	Shareholding ratio
Namchow Holdings Co., Ltd.	48,217,185	60.27%
Yu-Wen Chen	3,425,097	4.28%
Cheng-Wen Chen	1,967,858	2.46%
ABICO Asia Capital Corporation	1,285,000	1.61%
Yi-Wen Chen	1,163,035	1.45%
First Shiny International Investment Holdings Limited	1,000,000	1.25%
KGI Venture Capital Co. Ltd.	991,000	1.24%
Shin Kong Mitsukoshi Venture Capital Co. Ltd.	900,000	1.13%
CDIB Venture Capital Corporation	900,000	1.13%
E.SUN Venture Capital Co., Ltd.	870,000	1.09%

(III) The Company's dividend policy and implementation status

1. Dividend policy

   If the Company's annual financial statements show a surplus, taxes must first be paid and prior losses offset; next, 10% must be set aside as a statutory reserve; if any surplus remains, the Board of Directors shall draft a proposal for its distribution and submit it to the shareholders' meeting for resolution. The Company's dividend policy is formulated in accordance with current and future development plans, taking into account the investment environment, capital requirements, and domestic and international competitive conditions, while also balancing the interests of shareholders. Each year, the Company allocates no less than 10% of distributable earnings for shareholder dividends, which may be paid in the form of stock or cash, of which cash dividends shall not be less than 10% of the total dividend amount.

2. Details of the dividend distribution proposed at this shareholders' meeting: At its board meeting held on March 9, 2026, the Company proposed the distribution of cash dividend of NT$3.81 per share.

(IV) Impacts of free share assignment intended through the current shareholders meeting on the Company's operational performance and earnings per share: None.

(V) Remuneration to employees and directors:

1. The percentage or range of compensation for employees and directors as set forth in the Articles of Incorporation:

   If the Company has profits in the year, the Company shall allocate no less than 1.0% as employee compensation. If there are accumulated losses, however, the value to make up for the losses should be set aside first. Any decision to grant employee compensation in the form of stock or cash shall be made by a resolution of the Board of Directors, adopted by a vote of at least two-thirds of the directors present and a majority of those present, and shall be reported to the shareholders' meeting. The recipients of employee compensation in the form of stock or cash referred to in the preceding paragraph include employees of subsidiaries who meet certain conditions. Of the total employee compensation allocated pursuant to the preceding paragraph, no less than 30% shall be distributed to entry-level employees.

2. This issue covers the basis for estimating employee and director compensation amounts, the basis for calculating the number of shares for employee compensation distributed in the form of stock, and the accounting treatment when the actual distribution amount differs from the estimated amount:

   The remuneration of the Company's employees is based on the ratios specified in the Articles of Incorporation and is estimated annually in accordance with this principle; such estimates are approved by the Board of Directors and submitted to the annual general meeting of shareholders. If the actual amount resolved to be distributed differs from the estimated amount, it will be treated as a change in accounting estimate.

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

   (1) Remunerations distributed to employees or directors in cash or in stock:

   Pursuant to a resolution passed by the Board of Directors on March 9, 2026, the Company distributed $4,723 thousand in employee bonuses for 2025 in cash, which was consistent with the amount provisioned by the Company for 2025.

   (2) The amount of employee compensation in the form of stock-based payments and the

percentage of such amount relative to the sum of the entity's or individual's net income after tax and total employee compensation for the current period: Not applicable.

4. Report to the shareholders' meeting on distribution of remuneration and the results: The report presented at the annual general meeting of shareholders on May 25, 2026 regarding the distribution of employee bonuses for 2025, the amounts approved by the Board of Directors, and the Company's estimated amounts for 2025 showed no discrepancies.

5. Actual distributions of compensation to employees and directors for the previous fiscal year:

   On March 10, 2025, in accordance with Article 32 of the Company's Articles of Incorporation prior to amendment, the Remuneration Committee convened to evaluate and approve the distribution of $3,539,000 in employee bonuses for 2024. This decision was subsequently approved by the Company's Board of Directors at its meeting on March 10, 2025. However, pursuant to the resolution passed by the Company's shareholders' meeting on February 13, 2025 to amend the Articles of Incorporation, Article 32 of the Articles of Incorporation was amended to state: "If the Company generates a profit in any fiscal year, it shall set aside no less than 1% of such profit for employee bonuses". Therefore, there was a discrepancy between the content of the Board of Directors' resolution dated March 10, 2025 referred to in the preceding paragraph, and the provisions of the newly amended Articles of Incorporation mentioned above. In this regard, pursuant to a resolution passed by the Board of Directors on August 11, 2025, the Company decided to supplement the shortfall in employee compensation in the amount of NT$939 thousand to comply with the provisions of the aforementioned amended Articles of Incorporation, and reported this matter to the Company's shareholders at the annual general meeting of shareholders on May 25, 2026 in accordance with the provisions of the Company Act.

(VI) Buyback of the Company stock: None.

II. Corporate Bonds: None.

III. Special Shares, Global Depositary Receipt, Employee Stock Option Certificate, Restricted Employee Shares and M&A or Acceptance of Transferred Shares of Another Company for Issuance of New Shares: None

IV. Implementation of Capital Utilization Plan: None.

Four. Operational Status

I. Business Content

(I) Business scope

1. Main business activities and revenue breakdown

Business activities	Main products
1. Manufacturing and sale of ice cream	Duroyal series, Formosa series, Kabisuo ice cream series, and ice cream cone
2.Manufacturing and sale of Ice Cream	Namchow Sanuki Frozen Noodles (including Japanese, Chinese, Western, etc.)
3. Gastronomy Business (Note)	Shanghai Paulaner catering, Dian Shui Lou catering, and Level du petit prace and other food and beverage services
4. Others:	Beer, rental, and management services

Note: The Gastronomy business has not been engaged in this business since April 2024.

2. Revenue breakdown by major products

Unit: NTD thousands; %

Main products (Service)	2024		2025	
	Sales Amount	Operating Revenue Ratio	Sales Amount	Operating Revenue Ratio
Iced products	2,043,937	76.60%	1,973,836	76.58%
Foods	550,155	20.62%	590,242	22.90%
Catering	59,127	2.22%	-	-
Others	14,820	0.56%	13,550	0.52%
Total	2,668,039	100.00%	2,577,628	100.00%

3. The Company's current products and services:

(1) Frozen desserts product line

Duroyal has always embraced the principles of pioneering, innovation, and diversity. More than 30 years ago, the Company launched products such as Duroyal Ice Cream Cones, Duroyal Ice Cream Bar, and Mochi Ice Cream, which took the market by storm. The current product line includes Duroyal's Ice Cream Bar, Duroyal Ice Cream Cone, Duroyal Ice Cream, Mochi Ice Cream and Green Mango Popsicle, all of which are long-standing bestsellers on the market. Among these, Duroyal's Ice Cream Bar was the first to secure a patent. Duroyal will continue to strive to bring trendy, fun, and colorful ice cream treats for consumers.

A. A variety of frozen desserts available through retail channels: ice cream bars, ice cream cones, tubs of ice cream, popsicles, and ice cream treats.

B. Product categories included hard-serve and soft-serve ice cream: foodservice offerings such as ice cream desserts, soft-serve ice cream, blended beverages, tub ice cream, waffle cones, and slushies.

(2) Frozen Cooked Noodles product line

As Taiwan's economy has developed and urbanization has taken shape, per capita income and the number of people dining out have grown year by year, directly driving the rapid expansion of food service industry. The market size has surpassed NT$800 billion, with business opportunities continuing to grow annually. Nanchow Sanuki Frozen Cooked Noodles has stayed ahead of the curve by being the first to introduce high-tech frozen noodle production equipment, which cooks the noodles to perfection and then flash-freezes them to preserve the freshness. For over two decades, Namchow Sanuki Frozen Cooked Noodles has established itself as the industry's premier brand, boasting the highest brand recognition and reputation. Adopting a dual-track approach that targets both B2B and B2C channels, the brand is the preferred choice of more than 20,000 restaurants and food service establishments in Taiwan alone. For consumers, the brand offers retail packages available at chain hypermarkets, supermarket fresh food sections, and convenience stores. Expanding global footprint and marketing worldwide.

(3) Leasing and management services

4. New products (or services) planned for development:

(1) To align with consumer preferences and respond to market changes, the Company continuously makes adjustments to existing products including flavors, preparation methods, packaging, and ingredient compositions to better meet the preferences and needs of the consumer market. Furthermore, the Company's R&D unit regularly or periodically develops new products or new brands based on consumer trends and industry dynamics to satisfy consumers' diverse needs, strengthen the depth and breadth of the overall product structure, and enhance the Company's competitiveness and market share.

(2) Ice cream products - we are continuously developing a wide variety of high-quality, distinctive, trend-driven ice cream products with strong market potential.

(3) Frozen Cooked Noodles - a diverse range of high-quality, distinctive, and trend-driven noodle products with strong market potential, including Japanese noodles, Chinese noodles, Italian pasta, and grain-based noodles.

(II) Industry overview

1. Current status and development of the industry

(1) Ice cream products:

As Taiwanese consumers' purchasing power increases and lifestyles evolve, the island's ice cream market is seeing a trend where "upgraded quality" and "emotional consumption" go hand in hand. The mid-to-high price range has become the mainstream in the market. Consumers are not only seeking great taste but also placing greater emphasis on ingredient traceability, food safety and hygiene, as well as the "sense of value" derived from using high-quality ingredients.

In recent years, with the rise of social media, ice cream has evolved from being merely a snack into a dessert that serves both social and comfort-food functions. Consumers are willing to pay a premium for products that are trending and unique, seeking a sense of "ritual" and "small joys" in their daily lives. In response to this trend, Duroyal continues to solidify its position as the leading brand in the mass-market mid-to-high-end segment. We remain committed to a two-pronged strategy: on the one hand, we are deepening focus on B2C private label brands, infusing them with youthful vitality through continuous innovation; on the other hand, we are strengthening B2B professional services, providing comprehensive customized ODM and OEM solutions for restaurant chains and international brands. By utilizing

a diverse selection of high-quality ingredients and innovative flavors, we continue to expand brand's influence, providing consumers and customers with ice cream products that combine safety, quality, and distinctiveness.

(2) Frozen cooked noodles:

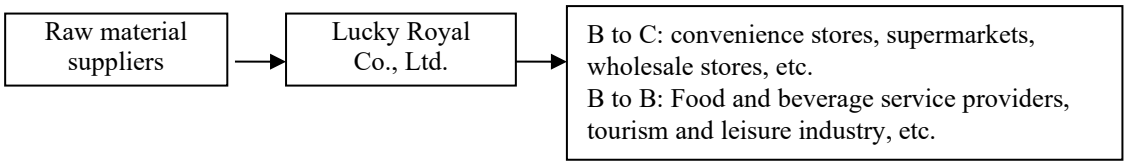
Frozen noodles have become a trend in advanced countries such as Europe, America, and Japan, leading to more advanced and innovative food industry technology. Taiwanese people enjoy noodles, with Taiwan's noodle production value exceeding NTD 10 billion in business opportunities. With the two-day weekend and rising health awareness, quick-frozen cooked noodles meet market needs. Namchow Sanuki offers integrated research and development, production, sales, and service with professional automated high-tech rapid freezing noodle equipment, top-tier technology, multiple international high-standard food safety certifications, and has won the highest honorary medal of the world's gourmet cuisine. Including: SQF (Safe Quality Food) international food safety certification, Quality Shield's highest-level certification, and HALAL certification: MUI, BPJPH, and THIDA.

Products with reduced food additives: It has earned the TCI Double Clean Label, the A.A. 100% Additive-Free Certification, the Monde Selection Gold Award for five consecutive years, and iTQi International Taste & Quality Institute Three-Star Award for five consecutive years.

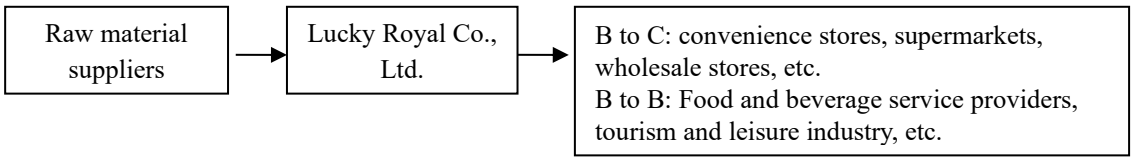
With its sights set on the global market, Lucky Royal has expanded its frozen cooked noodles to developed countries worldwide, offering a diverse range of noodle varieties including Japanese and Italian styles, and has entered the mainstream Chinese noodle market, which serves the world's largest Chinese population. Over the years, we have expanded into overseas markets, including the United States, Dubai, Australia, Hong Kong, Indonesia, and other regions worldwide, establishing relationships with foodservice clients and supermarket channels. We have become a world-class provider of frozen cooked noodles, driving growth in the Company's sales and profits. Looking ahead, we remain rooted in Taiwan while setting sights on the global market.

2. Interconnections among the upstream, midstream, and downstream sectors

(1) Iced products:



(2) Frozen noodles:



3. Various product trends and competitive landscape

(1) Iced products:

Lucky Royal Co., Ltd. operates in both the mass market and premium frozen dessert segments in Taiwan with its dual brands, Duroyal Ice Cream and Kabisuo Russian Ice Cream. The product lineup includes both hard-serve and soft-serve ice cream. The Company continues to invest in its brands annually and is deeply committed to the Taiwanese market. Its flagship products including the Duroyal Magnum Ice Cream Bar, Duroyal Cone Ice Cream, Duroyal Ice Cream, Duroyal Mochi Ice Cream, Green Mango Popsicle, and other packaged products, all of which are household names and bestsellers. Sales channels cover both B2B and B2C markets, including convenience stores, supermarkets, and hypermarkets, as well as commercial soft-serve, ice cream, and gelato. Customers span the entire island's food service industry and scenic tourist areas, with over 40,000 sales locations. In addition, the products are exported to Hong Kong, Switzerland, the United Kingdom, South Africa, Australia, Canada, the United States, Brunei, and other parts of the world.

Since 2013, soft serve ice cream and convenience stores have been cooperating to lead the trend and become a new industry in the market. There are more than 100 flavors of ice cream products now successfully launched, and they are also the first choice for many dining businesses.

Lucky Royal Co., Ltd. owns the most professional, advanced, and automated soft serve ice cream and cone factory. The flavor of soft ice cream is rich and the texture is light, soft and easy to operate. The unique formula of the cones is with a crunch texture, which can be combined with soft serve ice cream to provide the most delicious experience. Our advanced crispy cone production equipment ensures precise control of heat and time throughout the entire process, resulting in consistently crispy and uniformly colored cones. Our products are safe, hygienic, and of stable quality. In 2025, the Company launched "Tiramisu Flavor" in its Duroyal Premium Ice Cream Bar series, offering a fresh take on this classic dessert. Upon its release, it quickly became a hot topic in the market and successfully drove an increase in overall sales for the Duroyal Premium Ice Cream Bar series. By identifying the needs of the traditional market, the Company launched "Red Bean Milk QQ Ice Popsicle" which combines a nostalgic flavor with chewy texture. This product perfectly resonated with consumer preferences, becoming a surprise hit in the annual ice cream market and successfully expanding the brand's market share in the traditional ice cream segment. Through precise product positioning and successful marketing strategies, we continue to set market trends and infuse the brand with youthful energy.

(2) Frozen noodles:

Namchow Sanuki Frozen Cooked Noodles: With an investment of 600 million, we have introduced world-class, high-tech, fully automated computerized frozen noodle production equipment. We carefully select premium Australian wheat and freeze the noodles at -18°C to preserve freshness. Simply reheat in boiling water for 30-50 seconds without thawing. Delicious, fast, convenient, and with zero waste, these noodles offer consistent quality, safety, and hygiene through standardized operations. By eliminating waste and boosting table turnover, they address the catering industry's severe labor shortages and the issue of customers waiting too long for cooked noodles, providing the best solution for restaurant operators.

Frozen cooked noodles are revolutionizing consumers' perceptions of refrigerated noodles. Packaged in consumer-friendly portions for easy purchase, these noodles are pre-cooked and require no thawing before use. With delicious, convenient, and

quick preparation being key differentiating advantages, they are available at chain hypermarkets, supermarkets, and fresh food stores. Namchow Sanuki has long been expanding its tasting and promotional events at major retail outlets, engaging directly with consumers face-to-face to demonstrate how to prepare its frozen cooked noodles, teach proper cooking methods, and showcase a variety of recipes. The Company reaches at least two million consumers annually, successfully allowing them to experience the delicious, convenient, and versatile nature of Namchow Sanuki's frozen cooked noodles.

(II) Overview of technology and R&D

1. Technical level and research and development of business operations

(1) We develop production technologies for product lines using various manufacturing processes and collaborate with domestic and international manufacturers to create unique products.
(2) Leverage cross-industry collaborations (such as with the baking industry) to create products that are different from those of the past.
(3) Actively seek certifications from various countries (such as Malaysia) to prepare for future exports from the new factory.

2. Research and development personnel and their academic background

Unit: No. of People

Item \ Year		2024	2025	As of the date of publication of the annual report for 2026
Degree Distribution	PhD	0	0	0
	Master	14	13	13
	Associate	7	5	4
	Below senior high/ vocational high	1	1	1
Total		22	19	18
Average Years of Service (Years)		9.51	11.73	12.50

3. Research and development expenses incurred during the most recent fiscal year and up to the date of publication of the annual report

Unit: NTD thousands

Year / R&D expenses	2024	2025	As of the date of publication of the annual report for 2026
R&D expenses (A)	40,284	38,816	11,166

4. Technologies or products successfully developed over the past five years

(1) Iced products
Developed product items:
A. Private Brand
- Ice Cream Bar - Tiramisu Flavor
- Supreme Ice Cream Bar - Raisin Flavor

- Ice Cream Cone - Toffee Cheesecake Flavor
- Yogurt Series - Strawberry-Apple Yogurt Ice Cream, Blueberry Yogurt Ice Cream, Blueberry Yogurt Ice Cream Cone
- Bucket-sized ice cream - Salted Egg Yolk with Salted Egg Yolk Crumble flavor, Salted Egg Yolk with Chewy Mochi flavor
- Mochi Ice Cream Upgrade - Q Daifuku Mochi
- Crunchy Popsicle Series - Passion Fruit and Honey Lemon Crunchy Popsicle
- Popsicles - Red Bean, Milk, and QQ Popsicles; Matcha, Red Bean, Milk, and QQ Popsicles

B. ODM:

- We developed the brand's first-ever ice cream for a world-renowned premium chocolate brand, and our partnership is now in its seventh year.
- Now in its 11th year of collaborating with convenience stores on soft-serve ice cream, the Company has successfully launched over 100 flavors
- We have been developing strawberry cheese daifuku for an internationally renowned fast-food chain for nine years
- We developed cup-style ice cream for in-flight service for a well-known domestic tea brand

(2) Frozen noodles

Japanese noodles: Udon (enhanced texture), ramen, soba, yuzu noodles.

Chinese noodles: Northern-style knife-cut noodles, Northern-style hand-pulled noodles, Henan-style braised noodles, home-style noodles, Chinese-style noodles, Sanuki frozen ready-to-eat noodles, braised noodles, egg yolk noodles.

Italian pasta: Spaghetti, spinach pasta, pumpkin pasta, squid ink pasta.

Rice noodles: Flat noodles, rice vermicelli, pho noodles.

Special collaboration and custom products: Fo Guang University Collaboration – "Fo Guang University Goodies: Sesame Oil and Warm Ginger Stir-Fried Noodles".

Process and quality improvement: Complete quality verification of the new production line.

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

1. Short-term business development plan

Focus on the local Taiwanese market, developing new products annually based on market demands and consumer trends to enhance sales and revitalize the brand. Continue investing in above-the-line advertising and below-the-line brand and product promotion. Maintain a balanced approach to B to B and B to C channels and explore more potential markets.

2. Long-term business development plan

Continuously develop new products, invest in branding, and cultivate both B to B and B to C channels in the Taiwanese market, while also exploring potential new markets. In addition to actively expanding export markets, our global operations focus on seeking out partners worldwide. Building on existing ice cream and noodle product lines, we continue to identify complementary products to offer customers a wider range of solutions. Investment in new equipment to create high barriers to entry. Cultivate talent development and foster a learning organization. Refine and upgrade the organizational structure to enhance efficiency. Strengthen corporate core competitiveness, establish innovative operation mode, and pursue sustainable operation.

II. Overview of Marketing and Production/Distribution

(I) Market analysis

1. Regions where our main products (services) are sold

Unit: NTD thousands; %

Year / Sales Region	2024		2025	
	Sales Amount	Ratio	Sales Amount	Ratio
Domestic sales	2,626,429	98.44	2,548,260	98.86
Export sales	41,610	1.56	29,368	1.14
Total	2,668,039	100.00	2,577,628	100.00

2. Market share

The ice cream brand possesses high-barrier-to-entry technology and brand assets. Each year, we launch new products in response to market demand and consumer trends, invest in television advertising, and organize thousands of tasting events, sports marketing initiatives, and other events to expand brand influence and infuse the brand with youthful energy. Our high-caliber marketing, R&D, production, and sales functions are seamlessly integrated to maximize value for the Company. By leveraging the competitive advantages of diverse business models and fostering deep partnerships with suppliers, we continue to target strategic clients in the B to C retail market while expanding B to B channels and export markets. The market share is increasing year by year.

Namchow Sanuki Frozen Cooked Noodles is the industry-leading brand with the highest recognition and reputation. Adopting a dual B to B and B to C strategy, the Company has been deeply rooted in the domestic foodservice market for many years, with over 20,000 clients across the country, including five-star hotels such as Regent, Grand Hyatt, Grand Hotel, and Fleur de Chine, as well as major well-known restaurant chains such as Watsons, BHeart Noodles, Sun Dong Bao, Sushiro, Napoli Pizza, YAYOI, Tonkatsu, Leofoo Village, Jianhu Mountain Amusement Park, Mitsui, LALAPORT shopping centers, China Pacific Catering, and distributors of frozen meal kits, all of which have designated the brand as their preferred choice.

The consumer packs are available at chain hypermarkets, PX Mart, Baichao Fresh Market, and convenience stores. Every year, we host in-person tasting events for consumers, reaching over two million people annually. Thanks to the word-of-mouth endorsements from these consumers and customers, Namchow Sanuki Frozen Cooked Noodles has become a well-known, go-to brand in the industry.

3. Future market supply and demand and growth potential

(1) Sales performance of main frozen dessert products:

A. Our main products include

a. Duroyal Ice Cream

- A variety of frozen desserts available through retail channels: ice cream bars, ice cream cones, tubs of ice cream, popsicles, and ice cream treats
- Commercial churned and soft-serve ice cream: products designed for foodservice customers to create ice cream desserts, soft-serve ice cream, and blended beverages, etc., including commercial ice cream, Duroyal soft-serve ice cream, and waffle cones.

b. Capiso Royal Russian Ice Cream Brand
- Retail channel: ice cream
- Business channel: ice cream

c. OEM and ODM services
- Retail channels: The product is intended for use as a dessert or snack
- Distribution channels: The products are intended for use by intermediate channel customers in the foodservice industry, providing ingredients for ice cream, desserts, and mixed beverages, as well as soft-serve ice cream, etc.

B. Sales region: Primarily the Taiwan market.

C. Sales model: B to B, B to C.

D. Sales channels: Our product distribution channels include convenience stores, supermarkets, hypermarkets, and foodservice outlets.

(2) Future supply and demand conditions and growth potential in the frozen desserts market:

A. The consumption of frozen desserts among Chinese people has been declining year by year due to temperature and climate factors, yet they have become a major category of everyday desserts.

B. Taiwan's national income continues to grow, educational standards are rising, and the trend toward a refined lifestyle benefits Duroyal brand, which is positioned to serve the broadest segment of the middle class. We will make the best use of our excellent R&D capabilities and production to develop more high value-added and differentiated products.

C. Duroyal's brand strength will be advantageous in the global market when it comes to finding new partners and developing new market opportunities.

D. Duroyal's core product sales have grown year after year, indicating a continuous increase in loyal and hidden consumers.

E. Duroyal's ice cream continues to generate value and revenue for its customers through both B to B and B to C channels.

(3) Sales performance of major frozen noodle products

A. Main sales

Japanese noodles: Udon, ramen, soba, yuzu noodles.

Chinese noodles: Northern-style knife-cut noodles, Northern-style hand-pulled noodles, Henan-style braised noodles, home-style noodles, Chinese-style noodles, Sanuki frozen ready-to-eat noodles, braised noodles, egg yolk noodles.

Italian pasta: Spaghetti, spinach pasta, pumpkin pasta, squid ink pasta.

Rice noodles: Flat noodles, rice vermicelli, pho noodles.

B. Sales region:

Domestic sales: Taiwan region

Exports: Europe, the United States, Australia, Canada, Switzerland, the Arab world, and Hong Kong.

C. Sales model: B to B, B to C.

D. Sales channels:

a. B to B: Five-star hotels, high-end Japanese restaurants, multi-concept/themed restaurant chains, shopping malls, food courts, airport rest stops and major transportation hubs, scenic tourist areas, schools/government agencies, institutional catering and in-flight meal services, Chinese restaurants, fast-food chains, steakhouse chains, bed-and-breakfasts, e-commerce platforms, etc.

b. B to C: Available at physical retail outlets throughout the province, including hypermarkets such as Carrefour, RT-Mart, and A-Mart; fresh food retailers such as PX Mart, Simple Mart, SOGO, Shin Kong Mitsukoshi, Mia C'bon, and CITYSUPER; and convenience stores such as 7-Eleven and FamilyMart.

(4) Future supply and demand and growth potential of the frozen noodles market

A. As the foodservice market continues to grow, reaching a scale of $800 billion, Namchow Sanuki Frozen Cooked Noodles has been deeply rooted in the domestic foodservice channel market for many years. Offering speed, taste, and convenience, along with standardized operations and zero waste, the product addresses challenges such as labor shortages faced by foodservice operators, thereby creating innovative and differentiated value-added benefits. We have over 20,000 catering clients across the province, including five-star hotels such as Regent, Grand Hyatt, Grand Hotel, and Fleur de Chine, as well as major well-known restaurant chains such as BHeart Noodles, Yayoi, Sushiro, Napoli Pizza, Mitsui Japanese Cuisine, Leofoo Village, Jianhu Mountain Amusement Park, Mitsui Shopping Center, LALAPORT, China Pacific Catering Services, and distributors of frozen meal kits, all of which have designated us as their preferred supplier.

B. Namchow Sanuki Frozen Cooked Noodles are now available in family-size packs. With their convenience, delicious taste, and quick preparation, these noodles are perfect for busy modern lifestyles. They offer versatile cooking options, allowing everyone to serve a delicious meal quickly and easily. We have been conducting large-scale tasting events at major retail outlets on an ongoing basis, engaging directly with consumers face-to-face. Each year, we successfully reach over two million people, allowing consumers to experience the delicious taste and culinary versatility of Namchowo Sanuki Frozen Noodles.

4. Advantages and disadvantages of competitive advantages and development prospects, and corresponding countermeasures

(1) Iced products:

A. Competitive advantages and factors supporting growth prospects

a. With a long-standing commitment to product innovation, all of our products are differentiated and feature high barriers to entry.

b. Consistent investment in brand advertising keeps a brand fresh and relevant over time.

c. We build consumer trust by carefully selecting safe, high-quality, and reliable ingredients and adhering to strict manufacturing processes and quality control.

d. We have a comprehensive cold-storage and logistics system that ensures the proper display, quality, and consistent supply of frozen desserts.

e. Highly automated production has achieved economies of scale, effectively controlling costs and enhancing market competitiveness.

B. Factors affecting future growth

The intensifying extreme climate change globally affects the yield and price fluctuations of raw materials. Consumers' rising health awareness is driving greater demand for products with simple and natural ingredients; coupled with the impact of inflation on disposable income, this may reduce consumption of non-essential goods.

C. Countermeasures

a. Established a global raw material procurement network to strengthen the resilience of raw material supply chain.

b. Developed simple, natural, and functional ice cream products that align with current health trends.

c. Proactively expanded our distribution network to adapt to increasingly diverse consumer behavior.

(2) Frozen noodles:

A. Competitive advantages and factors supporting growth prospects

a. We have long been committed to product innovation, developing a wide variety of distinctive noodle products to create high added value.

b. We continue to identify and cultivate trend-driven clients to expand and deepen market presence.

c. We carefully select safe, high-quality, and reliable raw materials, and ensure safety and hygiene throughout the manufacturing process and quality control.

d. The standardized production of frozen cooked noodles ensures consistent quality and significantly alleviates labor shortages in the food service industry.

B. Factors affecting future growth

Uncertainties such as climate change and raw material price fluctuations could lead to supply instability and increased costs.

C. Countermeasures

a. We will give equal emphasis to all sales channels and develop new ones to adapt to changing consumer habits.

b. We strengthen the resilience of raw material supply chain, seek out a diverse range of suppliers, and regularly assess suppliers' operational capabilities, quality, safety, and other factors.

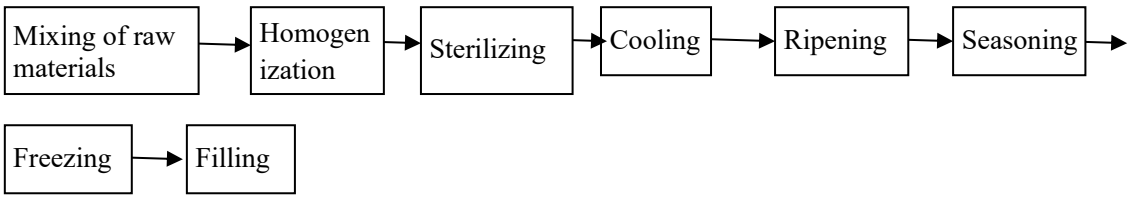
(II) Main applications and manufacturing processes of major products

1. Key applications of major products

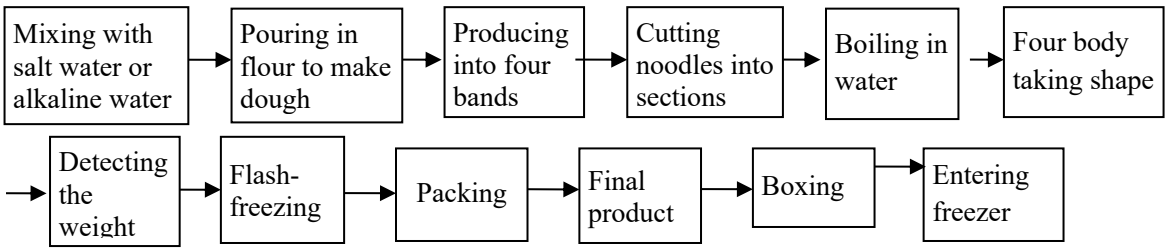
Product Type	Use
Iced products	Ice cream is a highly technical industry within food technology. Duroyal's product innovation stems from exploring consumer preferences backed by "differentiated" innovative technology to meet the diverse ice cream needs of both customers and consumers.
Frozen noodles	The frozen noodles are fresh-frozen at -18°C throughout the entire process. They are already cooked noodles and do not need to be thawed before use. The rolled noodles can be separated into individual noodles and are ready to eat. They are delicious, convenient, safe, and zero waste. They can be used to increase the turnover rate of the dining time and provide a comprehensive solution.

2. Manufacturing process for major products

(1) Ice cream products



(2) Frozen cooked noodles



(III) Supply status of key raw materials:

1. Ice cream products
   The main raw materials are the skimmed milk powder, clarified butter, oils and fats, and special sugar, among others.
   (1) Skim milk powder and anhydrous butter: Lucky Royal imports dairy products from Australia and New Zealand, where cows are raised in natural, pristine pastures. The Company purchases these products in accordance with international market prices, procuring the required quantities as needed and maintaining a safety stock.
   (2) Oils and fats: We use Namchow oils and fats, which are of excellent quality sourced from reliable suppliers, available with consistent supply, and reasonably priced.
   (3) Premium-grade sugar: We source premium-grade sugar from Taiwan Sugar Corporation. Taiwan Sugar employs scientific sugar-refining methods, produces high-quality products, ensures a stable supply, and offers reasonable prices.
2. Frozen cooked noodles
   Mainly flour, acetic starch, and salt.
   (1) Flour: Imported directly from Australia by Lucky Royal. Flour has been able to be purchased at appropriate time points reflective of the international factor, changes in prices and the production and distribution plan to keep reasonable inventory.
   (2) Starch acetate is supplied by our domestic distributor: it is of excellent quality, sourced from reliable suppliers, available with consistent supply, and reasonably priced.
   (3) Salt: We source salt products from Taiyen Biotech Co., Ltd., which offers high-quality products, reliable supply, and reasonable prices.

(IV) List of major buyers and sellers

1. Names of suppliers whose total purchases accounted for more than 10% of the total purchase amount in either of the two most recent years, along with the purchase amount and percentage:

Unit: NTD thousands; %

Year	2024				2025			
Item	Name	Value	Ratio in net purchases throughout the year (%)	Relationship with the issuer	Name	Value	Ratio in net purchases throughout the year (%)	Relationship with the issuer
1	Company A	127,817	10.86	None	Company A	96,739	9.30	None
2	Company B	101,895	8.66	Other related parties	Company C	81,487	7.83	None
3	Others	947,177	80.48	-	Others	862,463	82.87	-
	Net purchases	1,176,889	100.00	-	Net purchases	1,040,689	100.00	-

Reason for the increase or decrease:

The slight changes in the Company's primary suppliers for 2024 and 2025 were due to appropriate adjustments in the annual supply allocation ratios, made in consideration of procurement policies and market supply and demand conditions.

2. Names of customers who accounted for more than 10% of net sales in either of the two most recent years, along with their sales amounts and percentages:

Unit: NTD thousands; %

Year	2024				2025			
Item	Name	Value	Ratio in net sales throughout the year (%)	Relationship with the issuer	Name	Value	Ratio in net sales throughout the year (%)	Relationship with the issuer
1	Customer B	522,647	19.59	None	Customer A	410,306	15.92	None
2	Customer A	325,705	12.21	None	Customer B	355,471	13.79	None
	Others	1,819,687	68.20	-	Others	1,811,851	70.29	-
	Net sales	2,668,039	100.00		Net sales	2,577,628	100.00	

Reason for the increase or decrease:

Changes in the Company's major sales customers for 2024 and 2025 resulted from changes in product sales channels and structure.

III. Number of employees in the most recent two years and as of the date of publication of the annual report

Unit: No. of People; %

Year		2024	2025	The current year up to the date of publication of the annual report
Number of employees (person)	Manager	4	4	4
	Sales and marketing	98	112	101
	Technology and research & development	269	308	309
	management	20	25	26
	Total	391	449	440
Average Age (Years)		41.59	41.30	41.14
Average Years of Service (Years)		9.12	7.69	7.99
Degree Distribution Ratio (%)	PhD	0	0	0
	Master	7.93	7.35	7.50
	Associate	49.87	49.67	50.68
	High School	34.78	31.85	33.18
	High school (and below)	7.42	11.13	8.64

IV. Environmental spending information

(I) In accordance with the provisions of the relevant regulations, please provide an explanation of the status of applications for permits for the installation of pollution control facilities or pollution discharge permits, payments of pollution control fees, or the establishment of dedicated environmental protection units, where such actions are required:

1. On July 17, 2023, Tainan plant received the latest notification of approval from the Environmental Protection Bureau Of Tainan City Government, confirming that the application for the extension and amendment of the wastewater discharge permit had been approved. The validity period of the approved permit is from April 28, 2023, to April 27, 2028.
2. In accordance with regulations, Tainan plant is required to appoint Class B wastewater treatment specialist. Currently, Mr. Lin Chun-Liang has been appointed to this position; he holds the qualification of Class B wastewater treatment specialist, with certificate number: (2020) Environmental Protection Administration Training Certificate No. GB070221.
3. In accordance with regulations, Tainan plant reports and pays water pollution control fees every six months; the most recent payment was made in January 2026. Soil and groundwater remediation fees must be reported and paid on a quarterly basis; however,

no such fees are required for the current fiscal year based on the reports submitted.

4. At Zhongli plant, the latest water pollution control plan and water pollution control permit were obtained on June 18, 2024. The validity period of the approved permit is from June 17, 2024, to January 10, 2027.
5. In accordance with regulations, Zhongli plant is required to appoint Class B wastewater treatment specialist. Currently, Ms. Weng Ching-ping holds this position; she is a certified Class B wastewater treatment specialist with certificate number: (2017) Environmental Protection Administration Training Certificate No. GB160115.
6. In accordance with regulations, Zhongli plant is exempt from paying water pollution control fees. However, environmental fees must be paid monthly to Zhongli-Dayuan Co., Ltd., the agency commissioned by the Ministry of Economic Affairs' Zhongli Industrial Park Sewage System Operations Center, for the collection of sewage treatment fees.
7. Taoyuan Plant No. 2 was able to recycle 115.86 metric tons of material as plant-based residue in 2025, with disposal handled by livestock farms through collection and transportation.

(II) The Company's investment in key equipment for environmental pollution prevention and control, its uses, and potential benefits:

In recent years, the Company has conducted a comprehensive review of the shortcomings in our on-site wastewater treatment facilities. We have proactively invested in the procurement of natural gas boilers, switched to a cleaner fuel source (replacing heavy fuel oil with natural gas), and planned the purchase of wastewater sludge dewatering machines and dryers, thereby progressively implementing functional upgrades and improvements. The main goal is not only to comply with relevant environmental regulations but also to bring overall benefits to the Tainan Plant in terms of energy conservation and waste reduction.

(III) The Company's efforts to address environmental pollution during the most recent fiscal year and up to the date of publication of the annual report; if there have been any pollution-related disputes, a description of how they were handled: None.

(IV) Explanation of the Company's losses due to environmental pollution in the most recent year and up to the date of publication of the annual report: None.

(V) Current pollution status and its impact on the Company's earnings, competitive position and capital expenditures, and significant environmental capital expenditures projected for the coming year: None.

V. Labor relations

(I) The Company's various employee welfare measures, continuing education, training, and retirement systems and their implementation status, as well as labor-management agreements and measures to protect employee rights

Guided by the principles of a people-oriented approach and sound business management, the Company regards human capital as a vital foundation for sustainable corporate development and is committed to continuously improving employee benefits, training programs, and retirement security mechanisms. The Company complies with all legal requirements regarding workers' compensation, health insurance, and pension contributions. It has also established an Employee Welfare Committee to promote various welfare initiatives and support programs, addressing the needs of employees and their families while enhancing organizational stability and laying the foundation for long-term development.

In talent development, the Company has established a systematic education and training system encompassing management functions, professional skills, legal compliance and risk awareness, and corporate culture succession. Courses are tiered according to job level and professional requirements to enhance expertise and strengthen governance awareness, thereby fostering organizational capability and preserving core values.

In labor relations, the Company has established multiple communication channels to ensure open dialogue between management and employees regarding working conditions, system adjustments, and employee rights. The Company handles related issues in accordance with applicable laws and internal guidelines to maintain a stable and harmonious labor-management relationship and ensure normal business operations.

1. Employee benefits measures and their implementation

The Company, together with the Employee Welfare Committee, provides a wide range of welfare programs as outlined below:

Category	Item
Insurance and Retirement	Labor insurance, National Health Insurance, group insurance (life, accident, accident medical, hospitalization, cancer medical)
	Retirement Pension Contributions, Condolence Payments for Retired Employees
Festival/birthday gift	Gifts for Lunar New Year, Dragon Boat Festival, Mid-Autumn Festival, Double Ninth Festival, birthday gifts, birthday parties, cash or vouchers for birthdays
Educational subsidies for children	Scholarships for employees' children, childcare and tuition discounts
Bonuses & Allowances	Performance bonuses, vehicle maintenance/fuel allowance, communication allowance, certification allowance
Employee care	Employee uniforms, health checkups, occasional team meals, domestic and overseas travel activities, club equipment and venue subsidies, event funding support

2. Continuing education and training

The Company places great emphasis on employee career development and professional growth. We actively encourage employees to participate in various training programs and develop annual training plans aligned with the organization’s strategic direction and functional needs. We offer tiered training courses to enhance professional competencies and foster a sense of corporate governance.

New employee training: It includes basic training (general education courses) and onboarding courses to help new employees understand the company's business scope, operating model and core values, and to help them integrate into the organizational culture and work environment.

Internal training: We have developed a systematic training program covering various areas, including managerial competencies, professional skills, compliance and risk awareness, and the preservation of corporate culture. The program is structured by job level and career stage to foster continuous employee development, strengthen organizational resilience, and lay the foundation for sustainable growth.

External training: Employees may submit requests based on their business and professional development needs; upon approval by their supervisors, they may participate in external professional courses or training programs to continuously enhance their professional skills and industry perspective.

Exhibitions and seminars: In response to business development needs and market trends, we send staff to participate in professional exhibitions and seminars both domestically and internationally to stay abreast of industry developments and new insights, thereby enhancing the organization's competitiveness.

3. Retirement system and implementation status

The Company has the "Labor Pension Fund Monitoring Committee" in place as it is required by law and periodically recognizes the net cost of the pension fund according to the results calculated by the actuary on a yearly basis. According to the retirement system indicated in the Labors Standards Act, it sets aside a retirement reserve for employees to whom the old system applies in the dedicated account with the Trust Department of the Bank of Taiwan in order to protect the rights of employees. For those to whom that the Labor Pension Act applies, 6% of their salary is set aside to the personal pension fund account at the Bureau of Labor Insurance. All are meant to properly take care of employees while they are at work and after they retire. In accordance with the Labor Standards Act as amended on February 4, 2015, the new Article 56 Item 2 was implemented to implement the retirement labor pension full-payment system. Employers should estimate the retirement pension required for the next year's achievement of retirement conditions before the end of each year. And before the end of March of the following year, they should make up the difference in labor retirement reserve to the Taiwan Bank retirement fund account. The Company has fully complied with government regulations to ensure the required funding for the old pension scheme.

4. Status of labor-management agreements and various employee rights protection measures

(1) The Company upholds the principle of mutual prosperity between labor and management, actively promotes labor-management harmony, strengthens communication and coordination, and continuously improves the work environment. The Company ensures open and effective communication between labor and management by holding regular labor-management meetings. Moving forward, we will continue to uphold the principle of integrity and work hand in hand with our employees to create shared value and profitability.

(2) The Company regularly participates in market salary surveys to review and adjust its compensation structure, thereby maintaining external competitiveness and internal fairness. Salary adjustments are determined by taking into account a range of factors, including the Company's operational performance, the consumer price index, economic growth rates, and individual performance, ensuring that the compensation structure is reasonably aligned with business results and individual contributions. Additionally, the variable compensation system is designed to share in the Company's success and enhance the long-term value of human capital investment.

(3) The allocation of employee compensation and the distribution of year-end performance bonuses are closely tied to the Company's overall operational results and performance evaluation outcomes, ensuring that the compensation system is reasonably aligned with business objectives and individual contributions, thereby upholding the principles of sharing in success and rewarding responsibility.

(4) Diversity, inclusion, and equality in the workplace: the Company places a high priority on diversity, inclusion, and equality in the workplace. We are committed to fostering a work environment that respects differences and promotes equal opportunity. Through clear policies on recruitment, development, and management, we uphold the principle of equality, support employees in balancing their career development with their personal lives, and strengthen the foundation for the organization's long-term growth.

To protect employee rights and foster a fair workplace environment, the Company has established a dedicated sexual harassment complaint hotline (02-6619-3631) in accordance with the "Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment in the Workplace". Additionally, the Company has set up a dedicated hotline (02-6619-3630) and email address (whistleblower_RL@duroyal.com) for reporting violations of business integrity. These channels provide employees and relevant stakeholders with unimpeded avenues for filing complaints and reports, ensuring that all cases are properly handled in accordance with established procedures, thereby upholding ethical business practices and maintaining a fair and impartial work environment.

In addition, the Company implements policies regarding prenatal leave, maternity leave, paternity leave, and leave of absence for childcare in accordance with relevant laws and regulations. These measures safeguard employees' rights and job security during pregnancy, childbirth, and child-rearing, enabling them to effectively balance family and career development. The Company also partners with legally registered childcare institutions to offer employees discounted childcare and educational services for their children, thereby providing appropriate support during the child-rearing phase.

Through the aforementioned systems and measures, the Company is committed to creating a safe and secure work environment, stabilizing its workforce, and fulfilling its corporate social responsibility toward the overall development of the workforce and the support of families.

(II) The Company discloses the losses suffered due to labor disputes in the most recent two fiscal years and up to the date of publication of the annual report, and outlines the estimated amounts that may occur in the future and the corresponding countermeasures:

The Company maintains harmonious labor-management relations and has not incurred any losses resulting from labor disputes. Furthermore, there have been no findings of violations of the Labor Standards Act in labor inspections conducted during the past two fiscal years or as of the date of publication of this annual report. At the same time, the Company values employee feedback, actively seeks to understand employee satisfaction with management and benefits programs, and is committed to fostering mutual understanding, communication, and support between the Company and its employees. The Company will continue to maintain harmonious and positive labor relations to ensure that employees remain highly competitive while supporting the Company's business objectives. The risk of future losses due to labor disputes is expected to be extremely low.

VI. Information security management

(I) Describe the information security risk management framework, information security policies, specific management plans, and resources allocated to information security management.

1. Information security risk management architecture:

(1) Corporate information security governance organization

In 2024, the Company established the "Information Security Management Promotion Team" to coordinate the formulation and implementation of information security and protection policies, as well as risk management and compliance audits. The head of the Company's information security organization shall report annually to the Board of Directors on the effectiveness of information security management, information security-related issues, and future development directions. The special audit unit is responsible for overseeing the operation of the Company's information security governance, evaluating the effectiveness of the Company's information and cybersecurity management mechanisms, and assessing the overall direction of these initiatives.

(2) Information security organizational structure

Convener: Chief Information Security Officer
Information Security Audit Unit: Internal Audit Office
Group1 Info Security Promotion Unit: Chairman、General Manager、Factory Manager
Group2 Info Security Document Management Unit: Designated InfoSec Staff
Group3 Information Security Management Unit: Chief Information Security Officer、Designated InfoSec Staff
Group4 Incident Reporting & Response Unit:
Commander-Convener、Deputy Commander: Designated InfoSec Staff、Spokesperson: Corporate Spokesperson、Intel & Planning Group: Chief Information Security Officer、Response & Logistics Group: Designated InfoSec Staff、Finance & Administration Group: Head of Finance/Accounting

2. Information security policy:

(1) The Company's management places a high priority on information security governance. In 2025, the Company formulated an information security policy, which was approved by the Board of Directors and implemented as the guiding principle for information security management. The policy is reviewed annually to ensure it continues to address information security risks and management requirements.

(2) We established an Information Security Management System (ISMS) and developed information security management procedures in accordance with the ISO/IEC 27001 international standard, and formed an "Information Security Promotion Group" that covers Taiwan facilities and subsidiaries. By following the PDCA (Plan-Do-Check-Act) management cycle, we strengthen information security measures, implement information security risk assessments and management procedures, and ensure the confidentiality, integrity, and availability of the Company's information assets, as well as the protection of personal data.

3. Specific management plan:

To achieve information security policies and objectives and establish comprehensive information security protection, the management measures and specific management plans implemented are as follows:

(1) Network security and monitoring:

A. Deployed next-generation firewalls to strengthen network perimeters and defend against external threats.

B. Used DDI for network security threat detection.

C. Established a Security Operations Center (SOC) to implement 24hours real-time monitoring system.

(2) Data security:

A. Performed regular data backups and stored the backup data off-site.

B. Conducted backup and restore drills for the core system to ensure the validity of backup data.

(3) Improving employees' cybersecurity awareness:

A. Conducted annual information security awareness training for all employees.

B. Conducted annual social engineering exercises by simulating different types of phishing emails.

C. We regularly send regular cybersecurity newsletters and occasional cybersecurity awareness emails.

(4) Endpoint security:

A. Installed antivirus software and apply security patches regularly to prevent unauthorized access, damage, or data theft.

B. Key servers were equipped with EDR endpoint monitoring to enhance detection of unknown threats and ransomware, as well as real-time response capabilities.

(5) Vulnerability management:

A. Conducted regular vulnerability scans of servers and external websites, and assessed and addressed any vulnerabilities found.

(6) Supply chain management

Developed an information procurement contract template to ensure that the procurement of software, hardware, and outsourced services complies with the Company's information security requirements.

4. Resources allocated to information security management:

(1) We conducted one social engineering drill, held three information security awareness sessions on social engineering prevention, and sent a total of 12 monthly information security newsletters.

(2) We conducted general information security training for all employees, with a total of 171.45 training hours.

(3) Two designated information security personnel participated in external professional information security training courses, totaling 16 hours.

(4) The Company has appointed one dedicated information security manager and one

dedicated information security officer to oversee information security governance, planning, and implementation.

(5) Three information and communication security committee meetings were held.

(6) Backup and restore drills were performed twice.

5. Major cybersecurity incident

Under the effective implementation and monitoring of the Company's cyber security policies, there were no losses incurred due to cyber security incidents during the year.

VII. Important contracts

Contract title	Counterparty	Start/end dates of contract	Main contents	Restrictions
Trademark Use Contract	Germany Paulaner	October 01, 2019 - September 30, 2029 automatically extend for ten years after the contract expires, and automatically extend for another five years after expiration.	The company provides trademark use rights, assists in planning the establishment of restaurants, providing consulting services and brewing technology. Lucky Royal Co., Ltd. pays the right to use the trademark.	None
Lease Contracts	Namchow Holdings Co., Ltd.	April 1, 2024 - December 31, 2028 automatically extend for ten years after the contract expires, and likewise thereafter.	The Company leases a factory located at No. 289, Section 2, Huanhe North Road, Taipei City, from Namchow Holdings for business use. The monthly rent of the brewery is NTD 178 thousand (before tax).	None
		The complex building: April 1, 2024 - December 31, 2029 Factory: April 1, 2024 - February 28, 2029; the contract will automatically renew for ten years upon expiration, and the same shall apply thereafter.	The Company leases certain floors of a multi-purpose building and portions of a factory located at No. 35 and No. 35-1, Xingbang Road, Guishan District, Taoyuan City, from Namchow Holdings Co., Ltd. for use as production and office space. The monthly rent for the complex building is NTD 844 thousand (before tax), and the monthly rent for the factory is NTD 53 thousand (before tax).	
Lease Contracts	Namchow Oil and Fat Co., Ltd.	April 1, 2024 - July 31, 2029 automatically extend for ten years after the contract expires, and likewise thereafter.	The Company has partially leased the factory located at No. 16, Jilin Road, Zhongli District, Taoyuan City, to Namchow Oil and Fat for the production of frozen dough. The monthly rent of is NTD 960 thousand (before tax).	None

Five. Discussion and Analysis of Financial Position and Financial Performance and Risks

I. Financial Position

Financial Standing Comparison and Analysis Table

Unit: NTD thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Current assets	1,259,725	751,138	508,587	68%
Financial assets measured at fair value through other comprehensive income	1,809,547	2,297,393	(487846)	(21%)
Real estate, plant and equipment	952,909	621,691	331,218	53%
Other Assets	175,277	245,553	(70276)	(29%)
Gross assets	4,197,458	3,915,775	281,683	7%
Current liabilities	423,170	611,772	(188602)	(31%)
Long-term liabilities	0	0	0	-
Others	139,022	153,599	(14577)	(9%)
Gross liabilities	562,192	765,371	(203179)	(27%)
Capital stock	800,000	700,000	100,000	14%
Capital reserve	699,871	6,315	693,556	10983%
Retained earnings	858,658	680,599	178,059	26%
Others	1,276,737	1,763,490	(486753)	(28%)
Equity belonging to the parent company	3,635,266	3,150,404	484,862	15%
Total shareholders' equity	3,635,266	3,150,404	484,862	15%

Description: Main causes of major changes to assets, liabilities, and equities of the past two years (changes by NTD 100 million) and their impact and countermeasures.

1. Current assets: primarily due to an increase in cash and cash equivalents.
2. Financial assets measured at fair value through other comprehensive income: primarily due to the recognition of unrealized valuation losses resulting from the valuation of these assets at market prices at the end of the period.
3. Property, plant, and equipment: this increase is primarily due to the addition of a new production line for frozen cooked noodles.
4. Current liabilities: mainly due to a decrease in other payables.
5. Share capital: primarily due to the issuance of 10,000 thousand shares in a cash capital increase during the period.

6. Capital surplus: primarily attributable to the share premium resulting from cash capital increase during the current period.
7. Retained earnings: This is primarily attributable to the provision for statutory retained earnings for the current period and an increase in current-period profits.
8. Other items: This is primarily due to the recognition of unrealized valuation losses on financial assets measured at fair value through other comprehensive income, resulting from their valuation at market prices at the end of the period.

Impacts and response plans in the future: None

II. Financial Performance

Financial Performance Comparison and Analysis Table

Unit: NTD thousands

Item \ Year	2025	2024	Increased/reduced amount	Change (%)
Net revenue	2,577,628	2,668,039	(90,411)	(3%)
Operating costs	1,687,920	1,698,361	(10,441)	(1%)
Gross operating profit	889,708	969,678	(79,970)	(8%)
Operating expenses	537,194	646,650	(109,456)	(17%)
Operating income	352,514	323,028	29,486	9%
Non-operating income and expenses	115,104	120,438	(5,334)	(4%)
Pre-tax profits of continuing department	467,618	443,466	24,152	5%
Income tax	64,187	66,591	(2,404)	(4%)
After-tax profits of continuing department	403,431	376,875	26,556	7%
Descriptions of the increase or decrease in the ratio: (changes by NT$100 million) Operating expenses: This is primarily due to a decline in operating revenue; therefore, we have strengthened control over various operating expenses.				

III. Cash Flow

Cash flow analysis

Unit: NTD thousands

Balance of cash at start of term	Net cash flow from business activities throughout the year	Total cash inflows for the year	Balance of cash (shortage)	Remedies for shortage in cash	
				Investment plan	Wealth management plan
172,256	294,720	211,550	678,526	-	-

(I) Analysis of liquidity for the past two years

Item \ Year	2025	2024	Ratio of increase/ decrease (%)
Cash flow ratio	69.65%	44.39%	156.90%
Cash flow adequacy ratio	101.24%	130.08%	(22.17%)
Cash flow reinvestment ratio	1.44%	0.51%	282.35%
Explanation: 1. The increases in the cash flow ratio and the cash reinvestment ratio were primarily due to an increase of approximately $506 million in cash and cash equivalents during the current fiscal year compared to the previous fiscal year. 2. The decline in the cash flow adequacy ratio is primarily attributable to an increase in both average capital expenditures and cash dividends paid over the past five years compared to the previous year.			

(II) Analysis of cash utilization and liquidity for the coming year:

Unit: NTD thousands

Balance of cash at start of term	Net cash flow from business activities throughout the year	Cash outflow throughout the year	Balance of cash (shortage)	Remedies for shortage in cash	
				Investment plan	Wealth management plan
678,526	368,000	(351,526)	695,000	-	-

1. Operating activities: This is primarily due to the expected increase in operating revenue, which helped maintain a positive net cash flow from operating activities.
2. Investing activities: These primarily consist of estimated capital expenditures required over the next year to accommodate the expansion of production capacity.
3. Financing activities: These primarily consist of the payment of cash dividends.

Expected remedies and liquidity analysis upon shortage in cash: It is expected that the working cash flow of the Company will meet the cash requirements in the coming year to be sufficient to support normal operations. As such, there are no measures required to make up for the shortage in cash such as investment plans or wealth management plans.

IV. Impact of the Latest Major Capital Expenditures on Financial Business

(I) Major capital expenditures and funding sources

Unit: NTD thousands

Project	Actual or expected funding source	Actual or expected date of completion	Total funding required	Year					
				2024	2025	2026	2027	2028	2029
Production equipment for frozen noodles	Bank loans and self-capital	First quarter of 2026	361,165	75,226	247,692	38,247	-	-	-

(II) Expected benefits and financial impact

To meet operational needs, production equipment was acquired to enhance the Company's operational scale and profitability, bringing a positive impact on financial and business performance.

V. Main Reasons for Profits or Losses of Latest Reinvestment Policy, Improvement Plan, and Investment Plan for the Coming Year

(I) The Company's investment policy

The Company has established the "Investment Cycles" and "Assets Acquisition or Disposal Handling Procedures" for the management and control of the reinvested business in order to grasp the financial and business condition of the reinvested business and supervise its operating performance.

(II) Main reasons for profits or losses from investments in the most recent fiscal year and plans for improvement: None.

(III) Investment plans for the coming year: None.

VI. Analysis of Risks in Recent Years as of the Date Annual Report was Printed:

(I) Impacts of changes in the interest rate and exchange rate and inflation on the Company's gains and losses and response measures in the future:

1. Impact of interest rate changes and future measures

Unit: NTD thousands; %

Item \ Year	2024		2025	
	Amount	Percentage of net operating revenue	Amount	Percentage of net operating revenue
Interest income	1,205	0.05	2,436	0.09
Interest expense	4,226	0.16	6,295	0.24

The Company's interest income and interest expense for 2024 and 2025 accounted for a negligible percentage of net operating revenue for each period; therefore, changes in interest rates are not expected to have a material impact on the Company's profit or loss. The Company has consistently maintained a strong relationship with banks, boasts a solid credit standing, and has a sound financial structure. As a result, we are able to secure favorable interest rates and monitor changes in financial market rates to adjust capital allocation as needed.

2. Impact of exchange rate fluctuations and future countermeasures

Unit: NTD thousands; %

Item \ Year	2024		2025	
	Amount	Percentage of net operating revenue	Amount	Percentage of net operating revenue
Net foreign exchange gain (loss)	(975)	0.04	(2,284)	0.09

For 2024 and 2025, the ratio of net foreign exchange gains to net operating revenue for each period was negligible; therefore, exchange rate fluctuations had no material impact on the Company. Although the Company's export ratio is low, in order to reduce the impact of exchange rate changes on the Company's profit and loss, the Company constantly collects and pays attention to exchange rate information to determine the trend of exchange rate changes as a reference for currency conversion.

3. The impact of inflation and future countermeasures

As of now, inflation has not had a significant impact on the Company's profit and loss. The Company remains committed to reducing various costs, closely monitoring fluctuations in raw material market prices, and maintaining good relationships with suppliers. The Company will continue to monitor changes in the Consumer Price Index to assess the potential impact of inflation and will adjust product pricing and raw material inventory levels in a timely manner to mitigate inflationary pressures.

(II) Policies regarding high-risk, highly leveraged investments, lending to third parties, endorsements and guarantees, and derivative transactions during the most recent fiscal year and up to the date of publication of the prospectus; the primary reasons for any resulting profits or losses; and future measures to address these matters:

As of the date of publication of this annual report, the Company has not engaged in high-risk, highly leveraged investments, loans to third parties, guarantees on behalf of third parties, or derivative transactions during the most recent fiscal year or up to the date of publication of this annual report. Due to operational risk considerations, the Company has established the following procedures, including “Procedures for Loaning Funds to Others”, “Procedures for Endorsements and Guarantees”, “Procedures for Acquisition and Disposal of Assets”, and “Procedures for Engaging in Derivative Transactions” to ensure proper regulation and management.

(III) Future R&D plans and projected R&D expenditures:

The Company's R&D department continues to enhance both fundamental and applied capabilities. From a global perspective, it selects the most competitive quality materials, stays informed on emerging technologies and materials, and—considering ESG principles—prioritizes the use of local Taiwanese ingredients. This approach balances environmental conservation and economic benefits and aims to develop products that meet demands for natural, healthy, delicious, nutritious, and hygienic food. The Company’s R&D expenses for 2024 and 2025 were $40,284 thousand and $38,816 thousand, respectively, representing 1.51% and 1.51% of net operating revenue for each period. The Company will continue to invest in R&D, provide consumers with diversified product choices and respond to market trends, grasp product production trends, and meet customer needs as the focus of R&D, ensuring competitive advantages and maintaining operational growth momentum. In addition, the Company expects to invest $43,299 thousand in research and development expenses for 2026.

(IV) Impacts of important domestic and international policies and regulatory changes on the Company's financial performance and countermeasures:

In the most recent year and as of the date of publication of the prospectus, there has been no impact on the Company's financial operations due to changes in domestic and foreign important policies and laws, and the Company's operations have been implemented in accordance with relevant domestic and foreign laws and regulations, and the Company always pays attention to the development trends and changes in policies and regulations at home and abroad, and changes in laws and regulations, in order to take preventive measures as early as possible.

(V) The influence of changes in technology (including cyber security risks) and the industry on the Company's financial business and countermeasures:

In the most recent year and as of the date of publication of the Annual Report, the Company has not been affected by changes in technology (including cyber security risks) and industry changes that have affected its financial operations. The Company has implemented the following measures to effectively respond to potential impacts of future technological advancements (including cyber security risks) and industry changes on its financial and business operations.

1. The Company is actively driving digital transformation by implementing digital solutions and leveraging AI, big data analytics, and cloud integration technologies to enhance operational efficiency and improve decision-making quality. However, as the application of technology deepens and the cybersecurity landscape evolves rapidly, these risks have become a significant factor affecting the stability of financial operations and the sustainable operation of enterprises. In particularly, AI technology has made cyberattacks increasingly automated and precise, which not only drives up the costs of data protection and operations but also poses new challenges to business continuity.

2. To ensure the steady and robust implementation of digital transformation benefits, the Company has integrated cybersecurity resilience into its overall transformation blueprint and adopted a defense strategy of “technology against technology”. This is achieved through the deployment of EDR and the establishment of SOCs, utilizing automated monitoring and anomaly detection mechanisms to reduce the impact of external attacks on operations and finances. Meanwhile, the Company established a systematic risk assessment and management mechanism to measure the value of digital assets and allocate cybersecurity investments, and cybersecurity expenditures should be regarded as a necessary investment to ensure the results of digital transformation.
3. The Company has established a permanent cybersecurity risk management task force to implement information security governance in accordance with the PDCA management cycle of ISO 27001, and participates in professional organizations such as TWCERT/CC to stay abreast of the latest threat intelligence. Simultaneously, plans are being made to strengthen data encryption, access control, and staff training to enhance responsiveness to cybersecurity threats.
   Through these measures, the Company has continued to build a resilient digital operating environment to support long-term growth and sustainable development.

(VI) Impacts of changes in the corporate image on the management of corporate risks and countermeasures:

Since its establishment, the Company has adhered to the principles of integrity and professionalism in its operations. It actively strengthens internal management, improves management quality and efficiency, values corporate image and risk control, and complies with relevant laws and regulations. To date, there have been no incidents that have significantly impacted the Company's image. Going forward, while pursuing shareholder value maximization, the Company will also fulfill its corporate social responsibilities.

(VII)Expected benefits and possible risks of merger and acquisition as well as the response measures:

During the most recent year and up to the printing date of this Annual Report, the Company has not engaged in any mergers or acquisitions. If any M&A plans are considered in the future, the Company will conduct careful evaluations and consider the synergies of the acquisition to ensure the protection of existing shareholders' interests.

(VIII) Expected benefits, potential risks, and countermeasures related to the Plant expansion:

1. Expected benefits
   As of the date of publication of this prospectus, the Company has no plans to construct additional manufacturing facilities; however, a significant capital expenditure will be the expansion of the frozen cooked noodle production line, which is scheduled to commence in 2024 and is expected to begin operations in the first quarter of 2026. This production line expansion is primarily aimed at continuing to meet the growing needs of the market and our existing customers, and will enhance the Company’s competitive edge.
2. Potential risks and mitigation measures
   The Company has proactively established standard production processes and initiated early recruitment and employee training to shorten the learning curve and enable the new equipment to reach production scale as soon as possible. At the same time, the Company is advancing its market expansion plans, accelerating new product development, and broadening product applications. In addition to growing sales with existing customers and through existing channels, we are committed to identifying new business opportunities, cultivating new customers, and increasing profit contributions. We anticipate that the expansion of new facilities will help enhance our competitive

advantage and facilitate the acquisition of new orders.

(IX) Risks and countermeasures related to procurement or sales concentration:

1. Sales:
   The Company's sales are categorized into B to B (Business-to-Business) and B to C (Business-to-Consumer). B to B sales are conducted either directly or through distributors, while B to C sales are made through retail channels such as hypermarkets, convenience stores, and distributors. In addition to maintaining good and stable relationships with existing customers, the Company continues to develop new products and expand its customer base. In 2024 and 2025, the Company had two customers each whose sales amounted to more than 10% of net operating revenue, accounting for 19.59% and 12.21% of net operating revenue in 2024, and 15.92% and 13.79% in 2025, respectively; Apart from the aforementioned customers, no single customer's sales amount accounted for more than 10% of net operating revenue. Therefore, overall, there is no significant risk of sales concentration.
2. Purchase:
   The Company primarily procures raw materials such as flour, salt, milk powder, butter, oils, and premium sugar. Over the years, the quality and delivery schedules of these suppliers have consistently met the Company's requirements, and procurement sources remain stable. In 2024, purchases from suppliers accounting for more than 10% of total net purchases, which represented 10.86% of total net purchases. In 2025, the highest proportion of total net purchases among major suppliers was 9.30%. Aside from the aforementioned suppliers, no single supplier accounted for more than 10% of total net purchases. Therefore, overall, there is no significant risk of purchase concentration.

(X) Impacts of transfer or exchange of stock options in large quantities by directors, supervisors, or heavyweight shareholders holding more than 10% of all shares on the Company and the risks and countermeasures:

Namchow Holdings Co., Ltd., a major shareholder holding more than 10% of the Company's shares, transferred its shares in the Company in 2025 to ensure the Company complies with statutory requirements regarding shareholding dispersion at the time of listing. This action does not pose any significant impact or risk to the Company.

(XI) Impact of the change in the management on the Company and the risks and countermeasures: None.

(XII) Major lawsuits and non-lawsuits or administrative disputes with a finalized verdict or ongoing proceedings that involved the Company, the Company's directors, supervisors, general managers, actual persons in charge and shareholders holding more than 10% of all shares, and the associated companies shall be listed. If the results are likely to have significant impacts on shareholders' equity or prices of securities, the facts, target value and start date of the lawsuit, main clients involved and handling status as of the date of printing of the Annual Report shall be disclosed: None.

(XIII) Other important risks and countermeasures: None.

VII. Other important matters: None

Six. Special Notes

I. Information of associated enterprises

(I) Consolidated financial statements of affiliated enterprises

For 2025, the companies required to be included in the preparation of the consolidated financial statements of affiliated companies pursuant to the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those required to be included in the preparation of the consolidated financial statements of parent and subsidiary companies pursuant to Financial Accounting Standards Bulletin No. 7. Therefore, the Company does not prepare separate consolidated financial statements of affiliated companies.

(II) Consolidated business report of affiliated enterprises

1. Overview of Associated Enterprises

(1) Organizational Chart of Associated Enterprises



2. Profile of various associated enterprises of Lucky Royal Co., Ltd.

Unit: NTD thousands

Name of company	Date of Establishment	Address	Paid-in capital size	Main scope of operation or production
Namchow Holdings Co., Ltd.	1950.06.30	No. 100, Section 4, Yanping North Road, Taipei City	2,941,330	General Investment

(3) The Company does not have the conditions determined to be a controlling or subordinate relationship under Article 369-3 of the Company Act.

(4) Industries covered in the scope of operations of the associated enterprises as a whole and interaction and division of labor:

Name of associated enterprise	Industry covered in the scope of operations	Business correspondence	Interaction and division of labor
Lucky Royal Co., Ltd.	Research and development, production, and distribution of iced products and frozen noodles	Yes	Some of the factory buildings are leased from Namchow Holdings Co., Ltd.
Namchow Holdings Co., Ltd.	Investment holding	Yes	Sub-letting of part of premises and buildings to affiliated businesses

(5) Profile of directors, supervisors, and general managers of individual associated enterprises

Name of Business	Title	Name or Representative	Number of shares	
			Number of shares	Shareholding ratio
Namchow Holdings Co., Ltd.	Chairman	Representative of Hwa Zhin Co., Ltd.: Cheng-Wen Chen	864,884	0.29%
	Vice Chairman	Yu-Wen Chen, Representative of Hwa Zhin Co., Ltd.	864,884	0.29%
	Director	Kan-Wen Li, Representative of Lucky Royal Co., Ltd.	46,041,259	15.65%
	Director	Ming-Fen Chou, Representative of Lucky Royal Co., Ltd.	46,041,259	15.65%
	Director	Yi-Wen Chen, Representative of the Employee Welfare Committee of Namchow Holdings Co., Ltd.	4,908,960	1.67%
	Independent Director	Ding-Kuo Chen	0	0.00%
	Independent Director	Chun-Hsueh Chen	2,000	0.00%
	Independent Director	Ming-Chih Wang	0	0.00%

2. Operational overview of affiliated enterprises

Unit: NTD thousands

Name of company	Paid-in capital size	Gross assets	Gross liabilities	Net value	Operating revenues	Operating income	Gains and losses of the term (After-tax)	Earnings per share (NTD)(After-tax)
Namchow Holdings Co., Ltd.	2,941,330	22,339,095	10,348,536	11,990,559	69,744	(235,395)	276,896	1.12

Lucky Royal Co., Ltd.

Relations Report

2025

Declaration

The Company's Related Party Report for 2025 (from January 1, 2025 to December 31, 2025) has been prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises", and the information disclosed herein is consistent with the relevant information disclosed in the notes to the financial statements for the aforementioned period.

Hereby declared,

Company Name: Lucky Royal Co., Ltd.

Responsible Person: Ming-Fen Chou

March 9, 2026

CPA Review Opinion

Lucky Royal Co., Ltd. For the record:

Lucky Royal Co., Ltd. has prepared its 2025 Related Party Report in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" (hereinafter referred to as the "Guidelines"). We have reviewed the relevant financial information contained in the report, as well as the related disclosures in the notes to the financial statements for the aforementioned period, and hereby issue this review report in accordance with the provisions of the Guidelines.

In our opinion, there are no material inconsistencies between the information disclosed in Lucky Royal Co., Ltd.'s related-party disclosure report for 2025 and the relevant information disclosed in the notes to the financial statements for the aforementioned period, and we have not identified any violations of the applicable accounting standards.

To

Lucky Royal Co., Ltd.

KPMG

CPA: Wu Chong-Shun

Wu Lin

March 9, 2026

(I) The following information shall be disclosed regarding the relationship between subsidiaries and the controlling company:

Overview of the Relationship Between the Subsidiary and the Controlling Company

Unit: Share; %

Name of Controlling Company	Reason for Control	Controlling Company's Shareholding and Pledge Details			Controlling Company's Appointment of Directors, Supervisors, or Managers	
		Shares held	Shareholding ratio	Number of Shares Held	Title	Name
Namchow Holdings Co., Ltd.	Parent company with controlling power over the Company	48,217,185	60.27%	0	Chairman Director Director	Ming-Fen Chou Cheng-Wen Chen Yu-Wen Chen

Note: If the controlling company of a subsidiary is itself a subsidiary of another company, the relevant information of that other company shall also be included. The same applies if that other company is, in turn, a subsidiary of yet another company, and so on by analogy.

(II) The following details regarding the transaction should be recorded:

1. Purchase (sale) transactions:

Purchase and sales transaction details

Unit: NTD Thousand; %

Transactions with the Controlling Company				Transaction Terms with the Controlling Company		General Trading Terms		Reasons for the difference	Receivables/Payables		Overdue Receivables			Remarks
Purchases (Sales)	Amount	Percentage of Total Purchases (Sales)	Gross Profit on Sales	Unit Price (NTD)	Credit Period	Unit Price (NTD)	Credit Period		Balance	Percentage of Total Accounts Receivable/Payable and Notes	Value	Handling Method	Allowance for Doubtful Accounts	
Sales	16	-	6	-	Net 30	-	Net 30	Note 1	3	-	-	-	-	None
Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	None

Note 1: There is no significant difference in sales prices and collection terms compared to general customers.

2. Property transactions: None.

3. Financing activities: None.

4. Asset leasing

December 31, 2025; Unit: NTD thousand

Transaction Type (Lessor or Lessee)	Property		Lease Period	Lease Nature	Basis for Rent Determination	Collection (Payment) Method	Comparison with General Rent Levels	Total Rent for the Period	Payments/ Receipts for the Period	Other Agreed Matters (Note 2)
	Name	Location								
Lessee (Note 1)	Complex Building	2nd and 4th Floors, No. 35, Xingbang Road, Shanting Village, Guishan District, Taoyuan City	2025/04/01 - 2029/12/31	For business use	Reference to Market Prices	Payment on the 1st of each month	Comparable to general rent levels	1,602	Normal collection and payment	None
Lessee	Complex Building	No. 35, Xingbang Rd., Shanding Village, Guishan District, Taoyuan City	2024/04/01- 2029/12/31	For business use	Reference to Market Prices	Payment on the 1st of each month	Comparable to general rent levels	7,992	Normal collection and payment	None
Lessee	Plant	No. 35, Xingbang Rd., Shanding Village, Guishan District, Taoyuan City	2024/04/01- 2029/02/28	For business use	Reference to Market Prices	Payment on the 1st of each month	Comparable to general rent levels	636	Normal collection and payment	None
Lessee	Plant	No. 289, Sec. 2, Huanhe N. Road, Datong District, Taipei City	2024/04/01- 2028/12/31	For business use	Reference to Market Prices	Payment on the 1st of each month	Comparable to general rent levels	2,136	Normal collection and payment	None
Lessee	Zhenxin Building	3F & 4F, No. 338, Sec. 3, Chongqing North Road, Taipei City	2019/08/01- 2029/07/31	For business use	Reference to Market Prices	Payment is made on the 1st of every three months	Comparable to general rent levels	986	Normal collection and payment	None
Lessee	Qizhi Building	5F, No. 291, Sec. 2, Huanhe N. Road, Datong Dist., Taipei City	2024/10/01- 2028/12/31	For business use	Reference to Market Prices	Payment on the 5th of each month	Comparable to general rent levels	278	Normal collection and payment	None

Lessee	Qizhi Building	2nd Floor, No. 291, Section 2, Huanhe North Road, Datong District, Taipei City	2025/01/01 - 2028/12/31	For business use	Reference to Market Prices	Payment on the 5th of each month	Comparable to general rent levels	833	Normal collection and payment	None

Note 1: The space will be used for storage, offices, and a staff canteen, and will be leased from April 1, 2025.
Note 2: If there are other rights established, such as superficies, dian, or easements, they should be additionally specified.

5. Other Significant Transaction Items:

(1) As of December 31, 2025, the Company held 46,041 thousand shares of Namchow Holdings Co., Ltd., with a total value of $1,804,817 thousand, which were recorded under “Financial assets measured at fair value through other comprehensive income - non-current”; Cash dividends received during 2025 amounted to $115,103 thousand and were recorded under “Non-operating Income and Expenses - Other Income”.

(2) In 2025, the Company paid $28 thousand in management service fees to Namchow Holdings Co., Ltd. for human resources, factory support, and other services, which were recorded under operating expenses.

(3) The Company leases office buildings and factory facilities from Namchow Holdings Co., Ltd. Interest expense recognized for this lease transaction in 2025 amounted to $670 thousand. As of December 31, 2025, the right-of-use asset and lease liability recognized for this lease transaction were $53,306 thousand and $54,574 thousand, respectively.

(4) As of December 31, 2025, the balance of “Other Payables - Related Parties” amounted to $1,039 thousand, primarily due to miscellaneous expenses advanced by Namchow Holdings Co., Ltd.

(III) The following information must be included regarding guarantees: No such situation.

(IV) Other matters with significant impact on finance or business: No such situation.

II. Private placement of securities in the most recent year and up to the printing date of the Annual Report: None.

III. Other matters requiring supplementary information: None.

※Matters that have occurred during the most recent fiscal year and up to the date of publication of this annual report that have a material impact on shareholders' equity or the price of securities as defined in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act: None.

Lucky Royal Co., Ltd.

Chairman: