

Stock Code : 5523

FONG CHIEN CONSTRUCTION CO., LTD

2023 Annual Shareholders' Meeting

Meeting Agenda

(Translation)

Type of Meeting : Physical Shareholders' Meeting

Time : 10:30 a.m., Wednesday, May 31, 2023

Place : 10F. -2, No. 501, Sec. 2, Taiwan Blvd., West Dist., Taichung City

Table of Contents

1. Meeting Procedures	1
2. Meeting Agenda	2
(1) Report Items	4
(2) Ratification Items	6
(3) Discussion Items	7
(4) Election Matters	8
(5) Other Motions	9
(6) Extempore Motions	9
(7) Adjournment	9
3. Attachment	
I. 2022 Business Report	10
II. 2022 Audit Committee’s Review Report	14
III. 2022 Independent Auditors’ Report, Consolidated Financial Statements and Parent Company Only Financial Statements	15
IV. 2022 Earnings Distribution Table	35
V. Comparison Table of Amendments to the Rules and Procedures of Board of Directors Meeting	36
VI. Comparison Table of Amendments to the Procedures for Election of Directors	39

VII. List of Candidates for Directors (including independent directors) .. 41

VIII. Directors (including independent directors) Candidates for
Concurrent Positions 42

4. Appendix

I. Rules and Procedures of Shareholders' Meeting 43

II. Articles of Incorporation 51

III. Procedures for Election of Directors (before amendments) 56

IV. Shareholdings of All Directors..... 59

V. Other Explanatory Notes..... 60

FONG CHIEN CONSTRUCTION CO., LTD
2023 Annual Shareholders' Meeting

Meeting Procedures

1. Call Meeting to Order
2. Chairman's Address
3. Report Items
4. Ratification Items
5. Discussion Items
6. Election Matters
7. Other Motions
8. Extempore Motions
9. Adjournment

FONG CHIEN CONSTRUCTION CO., LTD
2023 Annual Shareholders' Meeting

Meeting Agenda

(Translation)

Type of Meeting : Physical Shareholders' Meeting

Time : 10:30 a.m., Wednesday, May 31, 2023

Place : 10F. -2, No. 501, Sec. 2, Taiwan Blvd., West Dist., Taichung City

1. Call Meeting to Order : Report on the Total Number of Shareholders Present and Total Shares Represented
2. Chairman's Address
3. Report Items
 - (1) To report 2022 directors' and employees' compensation
 - (2) To report the business of 2022
 - (3) To report 2022 Audit Committee's review report
 - (4) To report 2022 earnings distribution of cash dividends
 - (5) To report on Amendments to the "Rules of Procedure for Board of Directors Meetings"
4. Ratification Items
 - (1) To accept 2022 Business Report and Financial Statements

5. Discussion Items

(1) To revise the "Procedures for Election of Directors"

6. Election Matters

(1) To hold the election for all of the 15th Board of Directors

7. Other Motions

(1) To lift Restrictions on Competition for Newly Elected Directors

8. Extempore Motions

9. Adjournment

I. Report Items

1. To report 2022 directors' and employees' compensation

Explanatory Notes :

- (1) The Company's income before income tax for 2022 before directors' and employees' compensation is NT\$501,469,908. Under Article 26 of the Articles of Incorporation, the amount of directors' compensation is NT\$5,014,699 based on 1% of the amount respectively. The amount of employee compensation is NT\$501,470 based on 0.1% of the amount, which is distributed in cash to all employees of the Company and its subsidiaries.
- (2) The above distribution amount has been approved by the board of directors on March 15, 2023.

2. To report the business of 2022

Explanatory Notes : Please refer to Attachment I on page 10 to 13.

3. To report 2022 Audit Committee's review report

Explanatory Notes : Please refer to Attachment II on page 14.

4. To report 2022 earnings distribution of cash dividends

Explanatory Notes :

- (1) Under Article 27 of the Articles of Incorporation, cash dividends will be distributed at the discretion of the board of directors.
- (2) The Company's net profit after tax for 2022 is NT\$469,635,682. After setting aside a legal reserve, the amount of accumulated earnings available for distribution is NT\$1,016,683,690. Therefore, the shareholders' bonus to be distributed is NT\$232,502,196 (NT\$1.5 per share), and the undistributed earnings at the end of the period is NT\$784,181,494.
- (3) Cash dividends to be paid are rounded to the nearest dollar. Each shareholder's cash dividend shall be issued to the rounded-down full NT dollar. Fractional amount will be other income of the company.
- (4) After approval of annual general meeting, the Chairperson is authorized to announce ex-dividend base day, date for distribution and all other necessary measures. If there are changes in laws and regulations, adjustments made by regulatory authorities, or changes in the number of outstanding shares due to the repurchase of the Company's shares, transfer or cancellation of treasury shares, or capital increases, resulting in changes in the shareholder dividend

payout ratio, the Chairman will propose to the Shareholders' Meeting for the authorization to handle the related matters.

- (5) For the Earnings Distribution Table, please refer to Attachment IV on page 35.
- (6) The aforementioned amount of distribution has been approved by the annual general meeting held on March 15, 2023.

5. To report on Amendments to the "Rules of Procedure for Board of Directors Meetings"

Explanatory Notes :

- (1) In compliance with Official Order No. Jin-Guan-Zheng-Fa-1110383263 issued by the Financial Supervisory Commission (FSC) on August 5, 2022, it is proposed to amend some articles of the Rules of Procedure for Board of Directors Meetings.
- (2) For the Comparison Table of Amendments to the Rules and Procedures of Board of Directors Meeting, please refer to Attachment V on page 36.

II. Ratification Items

Item 1

(Proposed by the Board of Directors)

Subject: To accept 2022 Business Report and Financial Statements

Explanation:

1. The 2022 financial statements and consolidated financial statements of the parent company and subsidiaries were audited by PricewaterhouseCoopers Taiwan, Mei-Lan, Liu and Shu-Hua, Hong who have issued an audit report. These, together with the business report, have been submitted to the Audit Committee for review and approval, and a review report has been issued.
2. For the business report, auditors' review report and the aforementioned financial statements, please refer to Attachment I on page 10 to 13 and Attachment III on page 15 to 34.
3. Please accept the aforementioned reports and statements.

III. Discussion Items

Item 1

(Proposed by the Board of Directors)

Subject: To revise the "Procedures for Election of Directors"

Explanation:

1. In compliance with Official Order No. Zheng-Gui-Jian-10900582661 issued by the Taipei Exchange (TPEX) on June 12, 2020, it is proposed to amend some articles of the Procedures for Election of Directors.
2. For the Comparison Table of Amendments to the Procedures for Election of Directors, please refer to Attachment VI on page 39 to 40.
3. Please resolve the aforementioned statements.

Resolution:

IV. Election Matters

Item 1

(Proposed by the Board of Directors)

Subject: To hold the election for all of the 15th Board of Directors

Explanation:

1. The term of directors of the Company expires on May 26, 2023. An election shall be held to elect new directors for the 15th term of directors in the 2023 annual shareholders' meeting. In compliance with the Articles of Incorporation, the Company shall elect five directors (including three independent directors).
2. The newly elected directors' tenure starts once they are elected, with a simultaneous termination of former directors. The newly elected directors serve a term of three years, which commences on May 31, 2023 and expires on May 30, 2026.
3. According to Article 14 and 14-1 of the Articles of Incorporation, the election of directors adopts a candidate nomination system, reviewed and approved by the board of directors meeting on March 15, 2023.
4. Shareholders shall elect from the list of director and independent director candidates. Please refer to Attachment VII on page 41 for the academic background, work experience, and other relevant information of the candidates.
5. Please hold the election.

Election results:

V. Other Motions

Item 1

(Proposed by the Board of Directors)

Subject: To lift Restrictions on Competition for Newly Elected Directors

Explanation:

1. In accordance with Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval. In case the newly elected directors have such circumstances, it is proposed that the shareholders' meeting agree to lift the restriction on their competition prohibition starting from the date of their assumption of office, provided that it does not affect the interests of the company.
2. For the situation where the directors and their legal representatives concurrently hold positions in companies that operate within or outside the scope of the company's business activities, please refer to Attachment VIII on page 42.
3. Please resolve the aforementioned statements.

Resolution:

VI. Extempore Motions

VII. Adjournment

Attachment I

FONG CHIEN CONSTRUCTION CO., LTD

2022 Business Report

Dear shareholders,

Greetings to all of you. Looking back at the real estate market in 2022, it was affected by various factors such as economic recession, inflation, central bank interest rate hikes, stock market volatility, and government implementation of sound real estate measures, as well as the recent passage of the Equalization of Land Rights Act, resulting in a gradual slowdown in domestic real estate demand.

In terms of the company's operations in 2022, it was significantly affected by the economic environment. There were four key factors to be considered: In terms of funding, the lift of interest rate caused by the central bank has resulted in increased funding costs. In terms of costs, inflation has caused an increase in material costs, which has further increased construction costs. Regarding revenue, the "Taoyuan Elite" project was sold out and the revenue was recognized, despite poor market demand. Regarding development, we have been more cautious in evaluating and planning projects in response to various policy and regulation changes.

In 2023, the company will complete the construction of "Hsinchu VITA" and "Taichung Forest Cube" and gradually deliver after obtaining the occupancy permit, which will contribute to the company's revenue in the future. In addition, the company will successively release new projects such as "Taichung Dingqiaozitou Section", "Taichung Zhenfu Section", and "Taichung Renping Section" to meet market demand and create sales records.

Looking ahead, the domestic economy is influenced by various factors such as central bank interest rate hikes, the economic transformation after the pandemic, and the international economy affected by the US-China trade war and the Ukraine-Russia conflict, resulting in an increasing risk in economic decline and a slowdown in economic growth. In terms of inflation, it is necessary to pay more attention to cost control due to inflation and the rise in construction costs. In terms of policies, the company needs to be more flexible in response to changes in government real estate regulations and laws. In terms of the market, real estate has become a valuable investment for consumers due to the trend of inflation. However, for the restrictions such as interest rate hikes, policies, and regulations, consumers' attitudes towards purchasing property tend to be cautious and wait-and-see.

The real estate industry is affected by many factors such as the economy, policies, and environment. The company upholds a prudent and optimistic attitude, actively responds to challenges, and continuously takes integrity as its brand spirit to create high-quality building products and achieve operational goals. We also hope that the real estate industry will develop in a sound and positive direction.

Lastly, we wish all shareholders and their families good health, happiness and prosperity.

Fong Chien Construction Company Limited

Chairperson: Yu-Qi, Yuan

CEO: Rui-Lin, Liu

Accounting Manager: Qiong-Fei, Chen

I. 2022 Business overview

1. Implementation results of business plan:

Consolidated revenue reached NT\$217,444 thousands in 2022, a decrease of 92.9% over NT\$3,063,768 thousands in the previous year. Net income was NT\$469,636 thousands, a decrease of 48.75% over NT\$916,440 thousands in the previous year. The earnings per share were NT\$3.03, a decrease of 48.73% over NT\$5.91 in the previous year. Overall, the company's operating performance declined.

2. Budget execution status:

In accordance with the Regulations Governing the Publication of Financial Forecasts of Public Companies, we did not need to prepare a financial forecast for the fiscal year 2022.

3. Analysis of financial income and expenditure and profitability:

(1) Analysis of financial income and expenditure

(In thousands of NT\$)

Items	2022		2021		Difference
	Amount	%	Amount	%	%
Operating revenues	217,444	100%	3,063,768	100%	-92.90%
Gross profit	65,734	30%	876,793	28%	-92.50%
Operating expenses	48,334	21%	185,084	6%	-73.89%
Operating income	17,400	9%	691,709	22%	-97.48%
Net income	469,636	216%	916,440	30%	-48.75%

(2) Analysis of profitability

Items	2022	2021
Return on assets	8.00%	16.96%
Return on equity	17.24%	41.33%
Pretax income / Capital (%)	32.03%	67.55%
Profit margin	215.98%	29.91%
Earnings per share (NT\$)	3.03	5.91

4. Research and development:

(1) Lifestyle:

Through the promotion of the "Abundant Life" campaign, we aim to promote the economy by creating a more experiential atmosphere that attracts new customers and thus increases sales. By repositioning the use of space through this campaign, we are able to integrate and define each space, while also satisfying customers' soft-power needs for social interaction, parenting, and learning.

(2) Aesthetics:

By employing modern aesthetic and cost-efficient architectural and artistic techniques, we have created a more competitive company structure. We have also gained cost advantages by collaborating with artistic platform and added value to our products through ingenious design. Our buildings' exterior designs feature unique balconies and incorporate greenery and plants to provide customers comfortable living space.

II. 2023 Business plan

1. Expected sales volume and its basis:

(1) Sales of existing projects:

- A. "VITA" located in Aixing section, Zhubei City, Hsinchu County, with a base area of 1,521 pings, planned for 2 basement floors and 24 above-ground floors, and 138 residential units. The entire project was sold for approximately 2.19 billion, and presale began in March 2020. It is expected to be delivered in 2023.
- B. "Forest Cube" located in Pingtian section, Beitun District, Taichung City, with a base area of 783 pings, planned for 3 basement floors and 21 above-ground floors, and 120 residential units. The entire project was sold for approximately 1.69 billion, and presale began in September 2020. It is expected to be completed in 2023.

(2) Planned projects to be launched and developed in 2023:

- A. "Dingqiaozitou section, East District, Taichung City", with a base area of 950 pings, the entire project is expected to be sold for approximately 2 billion, and presale will begin in 2023.
- B. "Zhenfu section, Nantun District, Taichung City", with a base area of approximately 1,521 pings, currently in the planning and design stage.
- C. "Renping section, Beitun District, Taichung City", with a base area of approximately 953 pings, currently in the planning and design stage.

2. Asset Utilization:

Several plots of land and property assets in Chiayi will be thoroughly assessed for their market value and potential lease or sale opportunities in order to generate cash flow and activate these idle assets.

III. Future development plan

- 1. Customer service: We think from our customers' perspective, serving and creating the greatest benefit for them, as well as achieving maximum customer satisfaction.
- 2. Sustainable operations: We regularly hold community events and participate in caring activities to strengthen our relationship with customers.
- 3. Social contribution: We are committed to charitable activities and believe in taking from community and giving back to society. We fulfill our corporate social responsibility by contributing to society.
- 4. We consider suitable living spaces and functions during the planning and design stages, and continuously introduce high-quality products that prioritize the convenience of residents' daily life and usage.

IV. Impact of external competitive environment, regulatory environment, and overall business environment

1. External competitive environment

The major competition in the real estate industry is from the peers. In Taichung region, the key success factors of a real estate project are precise land development, speed of construction, and future prospects, all of which rely on the location and brand of the project. In recent years, the land prices in Taichung have risen, increasing the difficulty of operations. In response to these market changes, our company has not only strengthened the professional capabilities of our team but also improved our financial structure, engineering quality, and after-sales service to gain customer recognition and ensure the successful sale of our projects.

2. Regulatory environment and investor relations

The government has implemented various laws and regulations, such as the Equalization

of Land Rights Act and Real Estate Integration 2.0, to prevent short-term speculation and promote residential justice, thereby enhancing the development of the real estate market.

To ensure ethical operations and social responsibility, we have established investor protection measures to reduce management risk, strengthened our internal audit management to avoid internal fraud risk, and set relevant information disclosure rules or significant financial business procedures to enhance the transparency and immediacy of our company's information.

Our company has also set up an investor service, which publishes important information via the designated public information website and our company website in a timely manner, and we have implemented various internal control procedures to comply with legal requirements, improve corporate governance, and protect shareholders' rights.

3. Impact on overall business environment

The risk of a global economic downturn has increased, and Taiwan's exports have experienced negative growth for four consecutive months. The central bank has revised downward the expected annual economic growth rate for 2022 to 2.91% and raised interest rates to curb inflation expectations.

Inflation has caused an increase in the prices of some building materials in the real estate industry, increasing the cost pressure of the industry. Moreover, the industry also faces a shortage of workers, which affects the progress of project constructions.

Chairperson: Yu-Qi, Yuan

CEO: Rui-Lin, Liu

Accounting Manager: Qiong-Fei, Chen

Attachment II

FONG CHIEN CONSTRUCTION CO., LTD

2022 Audit Committee's Review Report

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements, and proposal for distribution of earnings. Of these items, the Financial Statements have been audited by external auditors Mei-Lan, Liu and Shu-Hua, Hong of PricewaterhouseCoopers Taiwan, and an opinion and report have been issued on the Financial Statements. The aforementioned proposal regarding Business Report, Financial Statements, and earnings distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of Fong Chien Construction Company Limited. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Fong Chien Construction Company Limited 2023 Shareholders' Meeting

Fong Chien Construction Company Limited
Chairman of the Audit Committee:

(Ming-Qiang, Li)

March 15, 2023

Attachment III

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
(2023) Ministry of Finance approved No. 22002277
Fong Chien Construction Company Limited

Opinion

We have audited accompanying parent company only financial statements of Fong Chien Construction Company Limited, which comprise the parent company only balance sheets as of December 31, 2022 and 2021, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the only financial financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying only financial statements present fairly, in all material respects, the accompanying parent company only financial position of the Company as of December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Company's parent company only financial statements for the year ended December 31, 2022 is as follows:

Valuation of Inventory

Matters description

Refer to Note IV(X) to the parent company only financial statements for accounting policies regarding inventory; Refer to Note V for critical accounting estimates and assumptions regarding inventory valuation. Refer to Note VI(IV) for the explanation of allowance to reduce inventory to market. The inventory balance and allowance to reduce inventory to market of Fong Chien Construction Company Limited are the amount of NT 5,447,672 thousand and 5,892 thousand on December 31, 2022, respectively.

Inventories of Fong Chien Construction Company Limited are houses and lands, due to the effect of government policies and boom in real estate in recent years, the fluctuation of real estate prices is wider, The inventory valuation measurement of Fong Chien Construction Company Limited is in accordance with the lower of cost and net realizable value, its net realizable value is often affected by market prices fluctuation and involved with the subjective judgment of management, therefore, we list inventory valuation as one of the most significance in our audit this year.

Responsive audit procedures

Relating to the certain aspects of critical matters stated above, responsive procedures we exercise aggregates and lists as follows:

1. Comprehend business operation and industrial features, and interview with management, evaluate the rationality of method and procedure inventory net realizable value the method and procedure adopts.
2. Obtain the end day of during reporting period of inventory assessment net realizable value statements, review appropriateness of using determined base of the inventory net realizable value, include acquisition of the closing price of recent sale cases or recent dealing information of nearby areas with similar assets in market, in turn assess the rationality of the amount of inventory net realizable value.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by securities issuers, and for such internal control as management determines is necessary to enable the preparation of the parent company only financial statements that are free from material misstatement, whether due to the fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

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

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

From the matters communicated with those charged with governance, we determine those

matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Mei Lan Liu and Shu Hua Hong.

Financial Supervisory Commission
Approved-certified No.:Jin-Guan-Certificate
No.1070323061
Former Securities Commission, Ministry of
Finance
Approved-certified No.: (85)Tai-Cai-Certificate(6)
No.68701

PwC
Taipei, Taiwan
Republic of China
March 15, 2023

Fong Chien Construction Company Limited
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

ASSETS	NOTES	December 31, 2022		December 31, 2021		
		Amount	%	Amount	%	
Current Assets						
1100	Cash and cash equivalents	6(1)	\$ 63,613	1	\$ 499,416	10
1136	Financial assets at amortized cost	6(2)	-	-	150,000	3
1150	Notes receivable, net	6(3)	225	-	1,426	-
1170	Accounts receivable, net	6(3)	9,075	-	19,004	-
1200	Other receivables	6(4)and 9(1)	45,579	1	23,776	1
1220	Current tax assets	6(22)	266	-	251	-
130X	Inventories	6(4)and8	5,441,780	88	3,431,346	72
1470	Other current assets	6(5)	202,291	3	135,473	3
11XX	Total current assets		<u>5,762,829</u>	<u>93</u>	<u>4,260,692</u>	<u>89</u>
Noncurrent assets						
1550	Investments accounted for using equity method	6(6)	258,543	4	413,858	9
1600	Property, plant and equipment	6(7)	42,887	1	522	-
1760	Investment property, net	6(9)and8	109,499	2	110,032	2
1900	Other noncurrent assets		389	-	389	-
15XX	Total noncurrent assets		<u>411,318</u>	<u>7</u>	<u>524,801</u>	<u>11</u>
1XXX	Total assets		<u>\$ 6,174,147</u>	<u>100</u>	<u>\$ 4,785,493</u>	<u>100</u>

(Continued on next page)

Fong Chien Construction Company Limited
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	NOTE	December 31, 2022		December 31, 2021		
		Amount	%	Amount	%	
Current liabilities						
2100	Short-term loans	6(10)and 8	\$ 1,240,550	20	\$ 945,700	20
2130	Contract liabilities-current	6(16)	724,201	12	427,036	9
2150	Notes payable		545	-	495	-
2170	Accounts payable		315,697	5	86,924	2
2200	Other accounts payable	7(2)	33,296	1	52,439	1
2230	Current tax liabilities	6(22)	26,039	-	-	-
2320	Long-term liabilities-current portion	6(11)	4,076	-	270,941	5
2399	Other current liabilities-others		30,009	-	7,492	-
21XX	Total current liabilities		<u>2,374,413</u>	<u>38</u>	<u>1,791,027</u>	<u>37</u>
Noncurrent liabilities						
2540	Long-term debt payable	6(11)and 8	978,885	16	364,358	8
2600	Other noncurrent liabilities		1,312	-	1,204	-
25XX	Total noncurrent liabilities		<u>980,197</u>	<u>16</u>	<u>365,562</u>	<u>8</u>
2XXX	Total liabilities		<u>3,354,610</u>	<u>54</u>	<u>2,156,589</u>	<u>45</u>
Equity attributable to shareholders of the parent						
Capital stock						
3110	Capital common stock	6(13)	1,550,015	25	1,550,015	33
Capital surplus						
3200	Capital surplus	6(14)	5,226	-	5,226	-
Retained earnings						
3310	Appropriated as legal capital reserve	6(15)	200,649	4	109,005	2
3350	Unappropriated earnings		1,063,647	17	964,658	20
3XXX	Total equity		<u>2,819,537</u>	<u>46</u>	<u>2,628,904</u>	<u>55</u>
Significant contingent liabilities and not recognized contract commitment						
3X2X	Total liabilities and equity		<u>\$ 6,174,147</u>	<u>100</u>	<u>\$ 4,785,493</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Yu Qi Yuan

Manager : Rui Lin Liu

Accounting supervisor : Qiong Pei Zhen

Fong Chien Construction Company Limited
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)
(Except earnings per share)

ITEM	NOTE	2022		2021	
		Amount	%	Amount	%
4000 Operating revenue	6(16)and 7 (2)	\$ 217,455	100	\$ 3,063,802	100
5000 Operating cost	6(4)(21)	(151,710)	(70)	(2,186,975)	(71)
5900 Gross profit		<u>65,745</u>	<u>30</u>	<u>876,827</u>	<u>29</u>
Operating expenses	6(21)and 7 (2)				
6100 Selling expenses		(17,225)	(8)	(135,397)	(5)
6200 General and administrative		(29,134)	(13)	(38,376)	(1)
6000 Total operating expenses		(46,359)	(21)	(173,773)	(6)
6900 Operating income non-operating income and expenses		<u>19,386</u>	<u>9</u>	<u>703,054</u>	<u>23</u>
7100 Interest income	6(17)	4,972	2	14,722	-
7010 Other income	6(4)(18) and 7(2)	19,501	9	13,528	-
7020 Other gains and losses	6(19)	-	-	(4,745)	-
7050 Finance costs	6(20)	(18)	-	(5,663)	-
7070 Share of profits of subsidiaries and associates	6(6)	<u>452,113</u>	<u>208</u>	<u>238,084</u>	<u>8</u>
7000 Total non-operating income and expense		<u>476,568</u>	<u>219</u>	<u>255,926</u>	<u>8</u>
7900 Income before income tax		<u>495,954</u>	<u>228</u>	<u>958,980</u>	<u>31</u>
7950 Income tax expenses	6(22)	(26,318)	(12)	(42,540)	(1)
8200 Net income		<u>\$ 469,636</u>	<u>216</u>	<u>\$ 916,440</u>	<u>30</u>
8500 Total comprehensive income		<u>\$ 469,636</u>	<u>216</u>	<u>\$ 916,440</u>	<u>30</u>
Earnings per share	6(23)				
9750 Basis earnings per share		<u>\$</u>	<u>3.03</u>	<u>\$</u>	<u>5.91</u>
Diluted earnings per share	6(23)				
9850 Diluted earnings per share		<u>\$</u>	<u>3.03</u>	<u>\$</u>	<u>5.91</u>

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Yu Qi Yuan

Manager : Rui Lin Liu

Accounting supervisor : Qiong Pei Zhen

Fong Chien Construction Company Limited
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	NOTE	CAPITAL COMMON STOCK	CAPITAL SURPLUS	RETAINED EARNINGS		TOTAL EQUITY	
				LEGAL CAPITAL RESERVE	LEGAL CAPITAL RESERVE		UNAPPROPRIATED EARNINGS
<u>2021</u>							
Balance, January 1, 2021		\$ 1,550,015	\$ 3,954	\$ 103,949	\$ 3,723	\$ 144,668	\$ 1,806,309
Net income		-	-	-	-	916,440	916,440
Total comprehensive income		-	-	-	-	916,440	916,440
Restricted and appropriated earnings, 2020	6(15)						
Legal capital reserve		-	-	5,056	-	(5,056)	-
Cash dividends to shareholders		-	-	-	-	(77,501)	(77,501)
Reversal special capital reserve	6(15)	-	-	-	(3,723)	3,723	-
From difference between the consideration received and the carrying amount of the subsidiaries' net assets during actual disposal	6(6)(15)	-	-	-	-	(17,616)	(17,616)
From share of changes in equities of subsidiaries	6(14)	-	1,272	-	-	-	1,272
Balance, December 31, 2021		\$ 1,550,015	\$ 5,226	\$ 109,005	\$ -	\$ 964,658	\$ 2,628,904
<u>2022</u>							
Balance, January 1, 2022		\$ 1,550,015	\$ 5,226	\$ 109,005	\$ -	\$ 964,658	\$ 2,628,904
Net income		-	-	-	-	469,636	469,636
Total comprehensive income		-	-	-	-	469,636	469,636
Restricted and appropriated earnings, 2021	6(15)						
Legal capital reserve		-	-	91,644	-	(91,644)	-
Cash dividends to shareholders		-	-	-	-	(279,003)	(279,003)
Balance, December 12, 2022		\$ 1,550,015	\$ 5,226	\$ 200,649	\$ -	\$ 1,063,647	\$ 2,819,537

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Yu Qi Yuan

Manager : Rui Lin Liu

Accounting supervisor : Qiong
Pei Zhen

Fong Chien Construction Company Limited
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	NOTE	2022	2021
<u>Cash flows from operating activities</u>			
Income before income tax		\$ 495,954	\$ 958,980
Adjustments for			
Adjustments for reconcile profit (loss)			
Depreciation expense	6(7)(9) (21)	917	1,164
Financial instruments at fair value through profit or loss evaluating loss	6(19)	-	4,545
Interest expense	6(20)	18	5,663
Interest income	6(17)	(4,972)	(14,722)
Share of profits of subsidiaries	6(6)	(452,113)	(238,084)
Accrued expenses transfer other income	6(18)	(595)	-
Other loss	6(19)	-	200
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		1,201	574
Accounts receivable		9,929	(13,361)
Other receivables		(17,896)	(12)
Inventories		(1,972,444)	1,338,132
Other current assets		(66,756)	72,319
Changes in operating liabilities			
Contract liabilities-current		297,165	(210,038)
Notes payable		50	(497)
Accounts payable		229,368	(291,738)
Accounts payable-related parties		-	(78,719)
Other accounts payable		(20,460)	27,560
Other accounts payable-related parties		72	-
Other current liabilities		22,517	(2,040)
Cash generated from (used in) operations		(1,478,045)	1,559,926
Interest received		1,065	3,293
Interest paid		(36,763)	(34,021)
Income taxes paid		(294)	(42,791)
Net cash generated by (used in) operating activities		(1,514,037)	1,486,407

(Continued on the next page)

Fong Chien Construction Company Limited
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	NOTE	2022	2021
<u>Cash flows from investing activities</u>			
Financial assets from amortized cost decrease (increase)	6(2)	\$ 150,000	(\$ 150,000)
Financing receivable decrease	7(2)	-	2,000
Property, plant and equipment	6(7)&7(2)	(42,749)	-
Refundable deposits paid		(35,062)	-
Refundable deposits refunded		35,000	4,224
Subsidiaries capital reduction for capital stock refund	6(6)	224,715	-
Subsidiaries expense cash dividends	6(6)	382,713	-
Net cash generated by(used in) investing activities		714,617	(143,776)
<u>Cash flows from financing activities</u>			
Increase in short-term loans	6(25)	294,850	193,750
Decrease in short-term loans	6(25)	-	(1,042,000)
Proceeds from long-term loans	6(25)	635,300	305,000
Repayment in long-term loans	6(25)	(287,638)	(401,405)
Guarantee deposits increase	6(25)	108	-
Repayment of the principal portion of lease liabilities	6(25)	-	(234)
Expense cash dividends	6(15) (25)	(279,003)	(77,501)
Net cash generated by(used in) financing activities		363,617	(1,022,390)
Increase (decrease) in cash and cash equivalents		(435,803)	320,241
Cash and cash equivalents, beginning of year		499,416	179,175
Cash and cash equivalents, end of year		\$ 63,613	\$ 499,416

The accompanying notes are an integral part of the parent company only financial statements.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
(2023) Ministry of Finance approved No. 22002310
Fong Chien Construction Company Limited

Opinion

We have audited accompanying consolidated financial statements of Fong Chien Construction Company Limited and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the accompanying consolidated financial position of the Company as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Company's consolidated financial statements for the year ended December 31, 2022 is as follows:

Valuation of Inventory

Matters description

Refer to Note IV(XXIX) to the consolidated financial statements for accounting policies

regarding inventory; Refer to Note V for critical accounting estimates and assumptions regarding inventory valuation. Refer to Note VI(IV) for the explanation of allowance to reduce inventory to market. The inventory balance and allowance to reduce inventory to market of Fong Chien Construction Company Limited are the amount of NT 5,447,672 thousand and 5,892 thousand on December 31, 2022, respectively.

Inventories of Fong Chien Construction Company Limited are houses and lands, due to the effect of government policies and boom in real estate in recent years, the fluctuation of real estate prices is wider, The inventory valuation measurement of Fong Chien Construction Company Limited is in accordance with the lower of cost and net realizable value, its net realizable value is often affected by market prices fluctuation and involved with the subjective judgment of management, therefore, we list inventory valuation as one of the most significance in our audit this year.

Responsive audit procedures

Relating to the certain aspects of critical matters stated above, responsive procedures we exercise aggregates and lists as follows:

1. Comprehend business operation and industrial features, and interview with management, evaluate the rationality of method and procedure inventory net realizable value the method and procedure adopts.
2. Obtain the end day of during reporting period of inventory assessment net realizable value statements, review appropriateness of using determined base of the inventory net realizable value, include acquisition of the closing price of recent sale cases or recent dealing information of nearby areas with similar assets in market, in turn assess the rationality of the amount of inventory net realizable value.

Other Matter – the Parent Company Only Financial Statements

We have also audited the parent company only financial statements of Fong Chien Construction Company Limited as of and for the year ended December 31, 2022 on which we have issued an unmodified opinion; We have also audited the parent company only financial statements of Fong Chien Construction Company Limited as of and for the year ended December 31, 2021 on which we have issued unmodified opinions and emphasis matter of paragraphs.

Responsibilities of Management and Those Charged with Governance for the Parent Company consolidated Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by securities issuers, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to the fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Mei Lan Liu and Shu Hua Hong.

Financial Supervisory Commission
Approved-certified No.:Jin-Guan-Certificate
No.1070323061
Former Securities Commission, Ministry of Finance
Approved-certified No.: (85)Tai-Cai-Certificate(6)
No.68701

PwC
Taipei, Taiwan
Republic of China
March 15, 2023

Fong Chien Construction Company Limited and Subsidiaries
CONSOLIDATED BALANCE SHEETS
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	ASSET	NOTE	December 31, 2022		December 31, 2021	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 285,665	5	\$ 1,280,673	23
1136	Financial assets at amortized cost— current	6(2)	52,000	1	177,000	3
1150	Notes receivable, net	6(3)	225	-	1,426	-
1170	Accounts receivable, net	6(3)	9,126	-	19,055	-
1200	Other receivables	6(4)and 9(1)	45,646	1	23,794	1
1220	Current tax assets		590	-	570	-
130X	Inventories	6(4)and 8	5,441,780	88	3,431,346	62
1470	Other current assets	6(5)	202,518	3	162,675	3
11XX	Total current assets		<u>6,037,550</u>	<u>98</u>	<u>5,096,539</u>	<u>92</u>
Noncurrent assets						
1600	Property, plant and equipment	6(6)	43,266	-	36,277	-
1760	Investment property, net	6(8)and 8	109,499	2	110,032	2
1780	Intangible assets	6(9)	-	-	314,277	6
1900	Other noncurrent assets		389	-	389	-
15XX	Total noncurrent assets		<u>153,154</u>	<u>2</u>	<u>460,975</u>	<u>8</u>
1XXX	Total assets		<u>\$ 6,190,704</u>	<u>100</u>	<u>\$ 5,557,514</u>	<u>100</u>

(Continued on next page)

Fong Chien Construction Company Limited and Subsidiaries
CONSOLIDATED BALANCE SHEETS
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	NOTE	December 31, 2022		December 31, 2021		
		Amount	%	Amount	%	
Current liabilities						
2100	Short-term loans	6(11) and 8	\$ 1,240,550	20	\$ 945,700	17
2130	Contract liabilities- current	6(19)	724,201	12	427,036	8
2150	Notes payable		590	-	495	-
2170	Accounts payable		320,510	5	93,055	2
2200	Other accounts payable		34,539	1	85,398	1
2230	Current tax liabilities		26,039	-	-	-
2310	Receipts in advance	6(12)	86	-	721,709	13
2320	Long-term liabilities-current portion	6(14)	4,076	-	270,941	5
2399	Other current liabilities- others		29,949	-	8,054	-
21XX	Total current liabilities		<u>2,380,540</u>	<u>38</u>	<u>2,552,388</u>	<u>46</u>
Noncurrent liabilities						
2540	Long-term debt payable	6(14) and 8	978,885	16	364,358	6
2600	Other noncurrent liabilities		1,312	-	1,204	-
25XX	Total noncurrent liabilities		<u>980,197</u>	<u>16</u>	<u>365,562</u>	<u>6</u>
2XXX	Total liabilities		<u>3,360,737</u>	<u>54</u>	<u>2,917,950</u>	<u>52</u>
Equity attributable to shareholders of the parent						
	Share capital	6(16)				
3110	Capital stock		1,550,015	25	1,550,015	28
	Capital surplus	6(17)				
3200	Capital surplus		5,226	-	5,226	-
	Retained earnings	6(18)				
3310	Appropriated as legal capital reserve		200,649	4	109,005	2
3350	Unappropriated earnings		1,063,647	17	964,658	18
31XX	Equity attributable to shareholders of the parent		<u>2,819,537</u>	<u>46</u>	<u>2,628,904</u>	<u>48</u>
36XX	Non-controlling interests		<u>10,430</u>	<u>-</u>	<u>10,660</u>	<u>-</u>
3XXX	Total equity		<u>2,829,967</u>	<u>46</u>	<u>2,639,564</u>	<u>48</u>
	Significant contingent liabilities and not recognized contract commitment	9				
3X2X	Total liabilities and equity		<u>\$ 6,190,704</u>	<u>100</u>	<u>\$ 5,557,514</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

Chairman: Yu Qi Yuan

Manager: Rui Lin Liu

Accounting supervisor: Qiong Pei Zhen

Fong Chien Construction Company Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)
(Expect earnings per share)

ITEM	NOTE	2022		2021		
		Amount	%	Amount	%	
4000	Operating revenue	6(19)	\$ 217,444	100	\$ 3,063,768	100
5000	Operating cost	6(4)(23)	(151,710)	(70)	(2,186,975)	(72)
5900	Gross profit		65,734	30	876,793	28
	Operating expenses	6(23) and 7 (2)				
6100	Selling expenses		(17,225)	(8)	(135,397)	(4)
6200	General and administrative		(31,109)	(13)	(49,687)	(2)
6000	Total operating expenses		(48,334)	(21)	(185,084)	(6)
6900	Operating income		17,400	9	691,709	22
	Non-operating income and expenses					
7100	Interest income		6,919	3	1,067	-
7010	Other income	6(4)(20)	19,501	9	18,803	1
7020	Other gains and losses	6(21)	452,652	207	341,098	11
7050	Finance costs	6(22)	(18)	-	(5,663)	-
7000	Total non-operating income and expense		479,054	219	355,305	12
7900	Income before income tax		496,454	228	1,047,014	34
7950	Income tax expenses	6(24)	(26,318)	(12)	(42,540)	(1)
8000	Profit from continuing operations		470,136	216	1,004,474	33
8500	Total comprehensive income		\$ 470,136	216	\$ 1,004,474	33
	Net income attributed to:					
8610	Stockholders of the company		\$ 469,636	216	\$ 916,440	30
8620	Non-controlling interest		500	-	88,034	3
			\$ 470,136	216	\$ 1,004,474	33
	Comprehensive income attributed to:					
8710	Stockholders of the company		\$ 469,636	216	\$ 916,440	30
8720	Non-controlling interest		500	-	88,034	3
			\$ 470,136	216	\$ 1,004,474	33
	Earnings per share	6(25)				
9750	Basis earnings per share		\$	3.03	\$	5.91
	Diluted earnings per share	6(25)				
9850	Diluted earnings per share		\$	3.03	\$	5.91

The accompanying notes are an integral part of the consolidated financial statements.

Chairman: Yu Qi Yuan

Manager: Rui Lin Liu

Accounting supervisor: Qiong Pei Zhen

Fong Chien Construction Company Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	NOTE	Equity Attributable to Shareholders of the Parent					Total	Non-controlling Interests	Total Equity
		Capital- Common Stock	Capital Surplus	Legal Capital Reserve	Special Capital Reserve	Unappropriated earnings			
<u>2021</u>									
Balance, January 1, 2021		\$ 1,550,015	\$ 3,954	\$ 103,949	\$ 3,723	\$ 144,668	\$ 1,806,309	(\$ 98,761)	\$ 1,707,548
Net Income		-	-	-	-	916,440	916,440	88,034	1,004,474
Total comprehensive income		-	-	-	-	916,440	916,440	88,034	1,004,474
Restricted and appropriated earnings, 2020	6(18)								
Legal capital reserve		-	-	5,056	-	(5,056)	-	-	-
Cash dividends		-	-	-	-	(77,501)	(77,501)	-	(77,501)
Reversal special capital reserve	6(18)	-	-	-	(3,723)	3,723	-	-	-
From difference between the consideration received and the carrying amount of the subsidiaries' net assets during actual disposal	6(18)(26)	-	-	-	-	(17,616)	(17,616)	21,387	3,771
From share of changes in equities of subsidiaries	6(17)	-	1,272	-	-	-	1,272	-	1,272
Balance, December 31, 2021		\$ 1,550,015	\$ 5,226	\$ 109,005	\$ -	\$ 964,658	\$ 2,628,904	\$ 10,660	\$ 2,639,564
<u>2022</u>									
Balance, January 1, 2022		\$ 1,550,015	\$ 5,226	\$ 109,005	\$ -	\$ 964,658	\$ 2,628,904	\$ 10,660	\$ 2,639,564
Net income		-	-	-	-	469,636	469,636	500	470,136
Total comprehensive income		-	-	-	-	469,636	469,636	500	470,136
From share of changes in equities of subsidiaries	6(26)	-	-	-	-	-	-	(270)	(270)
Cash dividends received by its subsidiaries		-	-	-	-	-	-	(460)	(460)
Restricted and appropriated earnings, 2021	6(18)								
Legal capital reserve		-	-	91,644	-	(91,644)	-	-	-
Cash dividends		-	-	-	-	(279,003)	(279,003)	-	(279,003)
Balance, December 31, 2022		\$ 1,550,015	\$ 5,226	\$ 200,649	\$ -	\$ 1,063,647	\$ 2,819,537	\$ 10,430	\$ 2,829,967

The accompanying notes are an integral part of the consolidated financial statements.

Chairman: Yu Qi Yuan

Manager: Rui Lin Liu

Accounting supervisor: Qiong Pei Zhen

Fong Chien Construction Company Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	NOTE	January 1 to December 31, 2022		January 1 to December 31, 2021
<u>Cash flows from operating activities</u>				
Income before income tax		\$ 496,454	\$	1,047,014
Adjustments for				
Adjustments for reconcile profit (loss)				
Depreciation expense	6(6)(8)			
	(23)	1,752		1,802
Amortization expense	6(9)(23)	-		3,244
Interest expense	6(22)	18		5,663
Interest income		(6,919 )	(	( 1,067)
Profit on disposal of intangible assets	6(21)	(452,652)		-
Reversal of impairment loss on financial assets	6(21)	-	(	26,987)
Reversal of impairment loss on non-financial assets	6(21)	-	(	315,911)
Accrued expenses transfer other income	6(20)	(595 )	(	2,573)
Other loss	6(21)	-		1,800
Changes in operating assets and liabilities				
Changes in operating assets				
Notes receivable		1,201		574
Accounts Receivable		9,929	(	13,412)
Others receivables		(17,896 )	(	13)
Inventories		(1,972,444)		1,338,132
Other current assets		(66,768)		77,525
Other non-current assets		-		3,396
Changes in operating liabilities				
Contract liabilities- current		297,165	(	210,038)
Notes payable		95	(	497)
Accounts payable		227,455	(	298,578)
Other accounts payable		(51,509)		60,175
Amounts received in advance		59	(	14)
Other current liabilities		21,895	(	1,457)
Cash generated from (used in) operations		(1,512,760)		1,668,778
Interest received		2,963		985
Interest paid		(36,763 )	(	34,021)
Income taxes paid		(299 )	(	43,110)
Net cash generated by (used in) operating activities		(1,546,859)		1,592,632

(Continued on next page)

Fong Chien Construction Company Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	NOTE	January 1to December 31, 2022	January 1to December 31, 2021
<u>Cash flows from investing activities</u>			
Financial assets from amortized cost decrease (increase)		\$ 125,000	(\$ 177,000)
Property, plant and equipment	6(6)	(8,208)	(35,625)
Refundable deposits paid		(35,062)	-
Refundable deposits refunded		61,987	4,224
Intangible assets	6(9)(10) (27)	45,247	721,682
Net cash generated by investing activities		<u>188,964</u>	<u>513,281</u>
<u>Cash flows from financing activities</u>			
Increase in short-term loans	6(28)	294,850	193,750
Decrease in short-term loans	6(28)	-	(1,042,000)
Proceeds from long-term loans	6(28)	635,300	305,000
Repayment in long-term loans	6(28)	(287,638)	(401,405)
Guarantee deposits increase	6(28)	108	-
Repayment of the principal portion of lease liabilities	6(28)	-	(234)
Expense cash dividends	6(18) (28)	(279,003)	(77,501)
Change in non-controlling interests	6(26)	(270)	-
Subsidiaries expense cash dividends to non-controlling interests		(460)	-
Net cash generated by(used in) financing activities		<u>362,887</u>	<u>(1,022,390)</u>
Increase (decrease) in cash and cash equivalents		(995,008)	1,083,523
Cash and cash equivalents, beginning of year		1,280,673	197,150
Cash and cash equivalents, end of year		<u>\$ 285,665</u>	<u>\$ 1,280,673</u>

The accompanying notes are an integral part of the consolidated financial statements.

Chairman: Yu Qi Yuan

Manager: Rui Lin Liu

Accounting supervisor: Qiong Pei Zhen

Attachment IV

FONG CHIEN CONSTRUCTION CO., LTD

2022 Earnings Distribution Table

(Unit: NT\$)

Item	Amount
Unappropriated earnings, beginning balance	\$594,011,576
Add (Deduct):	
Add: Net income of 2022	469,635,682
Deduct: 10% legal reserve	(46,963,568)
Distributable earnings for 2022	1,016,683,690
Distribution items:	
Cash dividends to shareholders (NT\$ 1.5 per share)	(232,502,196)
Unappropriated earnings, ending balance	\$784,181,494

Chairperson: Yu-Qi, Yuan

CEO: Rui-Lin, Liu

Accounting Manager: Qiong-Fei, Chen

Attachment V

FONG CHIEN CONSTRUCTION CO., LTD

Comparison Table of Amendments to the Rules and Procedures of Board of Directors Meeting

Amended by the Board of Directors on November 9, 2022

Article	After the Amendment	Before the Amendment	Explanation
3	<p>Article 3 (Board of directors meeting and notice)</p> <p>A board of directors shall meet at least quarterly, and the reasons for calling a board of directors meeting shall be notified to each director at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice.</p> <p>The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof.</p> <p>All matters set out in the subparagraphs of Article 7, paragraph 1, shall be specified in the notice of the reasons for calling a board of directors meeting; none of them may be raised by an extempore motion.</p>	<p>(Board of directors meeting and notice)</p> <p>A board of directors shall meet at least quarterly, and the reasons for calling a board of directors meeting shall be notified to each director at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice.</p> <p>The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof.</p> <p>All matters set out in the subparagraphs of Article 7, paragraph 1, except in case of emergency or justified reason, shall be specified in the notice of the reasons for calling a board of directors meeting; none of them may be raised by an extempore motion.</p>	<p>Revision in accordance with the letter from the Taipei Exchange.</p>
5	<p>Article 5 (Meeting notice and materials)</p> <p>The company's governance unit is the board of director agenda working group.</p> <p>For regular board of directors meetings of the Company, the agenda working group shall prepare agenda items for the meetings after consulting the opinions of all directors, notify all directors of the meeting and the agenda items in accordance with the provisions of the preceding article and provide comprehensive pre-meeting materials, to be sent together with the notice of the meeting.</p> <p>A director of the opinion that the pre-meeting materials provided are insufficiently comprehensive may request the agenda working group to supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the board of directors.</p>	<p>Article 5 (Meeting notice and materials)</p> <p>The Company General Manager's Office is the board of director agenda working group.</p> <p>For regular board of directors meetings of the Company, the agenda working group shall prepare agenda items for the meetings after consulting the opinions of all directors, notify all directors of the meeting and the agenda items in accordance with the provisions of the preceding article and provide comprehensive pre-meeting materials, to be sent together with the notice of the meeting.</p> <p>A director of the opinion that the pre-meeting materials provided are insufficiently comprehensive may request the agenda working group to supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the board of directors.</p>	<p>Revised based on the current status of the company.</p>
7	<p>(Discussion of proposals)</p> <p>The above is omitted.</p> <p>6. If the board of directors does not</p>	<p>(Discussion of proposals)</p> <p>The above is omitted.</p> <p>6. The appointment or discharge of a</p>	<p>Revision in accordance with the letter from the Taipei Exchange.</p>

Article	After the Amendment	Before the Amendment	Explanation
	<p>have managing directors, the election or discharge of the chairman of the board of directors.</p> <p>7. The appointment or discharge of a financial, accounting, or internal audit officer.</p> <p>8. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p>9. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or Articles of Incorporation to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority. The term "related party" in subparagraph 8 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. The below is omitted.</p>	<p>financial, accounting, or internal audit officer.</p> <p>7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p>8. The appointment of the Compensation Committee members.</p> <p>9. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or Articles of Incorporation to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority. The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. The below is omitted.</p>	
9	<p>Article 9 (Arrangements for the retention of the signature book and other documents and the delegation of attendance by director)</p> <p>When a meeting of the board of directors is held, an attendance book shall be made ready for signature by directors attending the meeting and thereafter made available for future reference.</p> <p>All board directors shall attend board meetings in person; if attendance in person is not possible, they may, pursuant to the company's Articles of Incorporation, appoint another director to attend as their proxy. Attendance via tele- or video-conference is deemed as attendance in person.</p> <p>A director appointing another director to attend a board meeting in his or her place shall in each case give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting. A proxy may accept a proxy from one person only.</p>	<p>Article 9 (Arrangements for the retention of the signature book and other documents and the delegation of attendance by director)</p> <p>When a meeting of the board of directors is held, an attendance book shall be made ready for signature by directors attending the meeting and thereafter made available for future reference.</p> <p>All board directors shall attend board meetings in person; if attendance in person is not possible, they may, pursuant to the company's Articles of Incorporation, appoint another director to attend as their proxy. Attendance via tele- or video-conference is deemed as attendance in person, but a faxed copy of the sign-in card shall be used as a substitute for a physical signature.</p> <p>A director appointing another director to attend a board meeting in his or her place shall in each case give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting. A proxy may accept a proxy from one person only.</p>	<p>In the case of video participation, it is considered equivalent to attending in person and there is no need to submit a signed attendance card via fax.</p>
17	(Director's recusal entrance system) If any director or a juristic person	(Director's recusal entrance system) If any director or a juristic person	

Article	After the Amendment	Before the Amendment	Explanation
	<p>represented by a director is an interested party with respect to any agenda item, the director shall enter recusal during discussion and voting on that item and may not participate in discussion on that agenda item, and further, may not act as another director's proxy to exercise voting rights on that matter:</p> <p>1. Any director or a juristic person represented by a director is an interested party with respect to any agenda item and the relationship is likely to prejudice the interests of the company.</p> <p>2. Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.</p> <p>3. Those who are required to enter recusal according to the resolution of the board of directors.</p> <p>The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.</p>	<p>represented by a director is an interested party with respect to any agenda item, the director shall enter recusal during discussion and voting on that item and may not participate in discussion on that agenda item, and further, may not act as another director's proxy to exercise voting rights on that matter:</p> <p>1. Any director or a juristic person represented by a director is an interested party with respect to any agenda item and the relationship is likely to prejudice the interests of the company.</p> <p>2. Directors who should voluntarily enter recusal themselves.</p> <p>3. Those who are required to enter recusal according to the resolution of the board of directors.</p> <p>The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 3 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.</p>	
20	<p>(Term of use)</p> <p>The provisions and amendments of this meeting rule shall be approved by the Board of Directors and reported to the shareholders' meeting.</p> <p>This Meeting Procedure Rules were established on April 6, 2005, first revised on April 25, 2006, second revised on April 15, 2010, third revised on March 23, 2012, fourth revised on August 8, 2016, fifth revised on November 13, 2017, sixth revised on March 10, 2020, and seventh revised on November 9, 2022."</p>	<p>(Term of use)</p> <p>The provisions and amendments of this meeting rule shall be approved by the Board of Directors and reported to the shareholders' meeting.</p> <p>This Meeting Procedure Rules were established on April 6, 2005, first revised on April 25, 2006, second revised on April 15, 2010, third revised on March 23, 2012, fourth revised on August 8, 2016, fifth revised on November 13, 2017, and sixth revised on March 10, 2020.</p>	Addition of the time of this revision.

Attachment VI

FONG CHIEN CONSTRUCTION CO., LTD

Comparison Table of Amendments to the Procedures for Election of Directors

Amended by the Board of Directors on November 9, 2022

Article	After the Amendment	Before the Amendment	Explanation
1	To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.	To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.	In compliance with Official Order No. Zheng-Gui-Jian-10900582661 issued by the Taipei Exchange on June 12, 2020. The following is the same.
5	Elections of directors at this Company shall be conducted in accordance with a candidate nomination system and procedures set out in Article 192-1 of the Company Act. When the number of directors falls below five due to the dismissal of a director for any reason, this Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Company's Articles of Incorporation, this Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies. When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.	Elections of directors at this Company shall be conducted in accordance with a candidate nomination system and procedures set out in Article 192-1 of the Company Act. To review the qualification requirements, educational and professional backgrounds, and whether the candidates meet the conditions listed in Article 30 of the Company Act, no additional documents proving other qualification requirements shall be arbitrarily added. The results of the review shall be provided to the shareholders for reference in selecting suitable directors. When the number of directors falls below five due to the dismissal of a director for any reason, this Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Company's Articles of Incorporation, this Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies. When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, and the specific criteria for determining that a security is unsuitable for OTC trading in Article 10, paragraph 1, Clause 8 of the Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEx, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.	Revision in the wording
10	Deletion of Article 10	If a candidate is a shareholder, a voter	Deletion of Article 10 in

Article	After the Amendment	Before the Amendment	Explanation
		<p>must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.</p>	<p>accordance to the regulation</p>
10	<p>Article 10 A ballot is invalid under any of the following circumstances: 1. The ballot was not prepared by a person with the right to convene. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. The candidate whose name is entered in the ballot does not conform to the director candidate list. 5. Other words or marks are entered in addition to the number of voting rights allotted.</p>	<p>Article 11 A ballot is invalid under any of the following circumstances: 1. The ballot was not prepared by the board of directors. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match. 5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted. 6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.</p>	<p>Revision in the article and wording</p>
11	Article 11	Article 12	Article revision
12	Article 12	Article 13	Article revision
13	Article 13	Article 14	Article revision

Attachment VII

FONG CHIEN CONSTRUCTION CO., LTD

List of Candidates for Directors (including independent directors)

Title	Name	Shareholding	Main educational and professional experience
Director	Morning Honor Investment CO., LTD. (Representative: Yu-Qi, Yuan)	34,411,027	<ul style="list-style-type: none"> ● Master's degree in Economics from Soochow University ● Director at Crédit Agricole Corporate and Investment Bank, Hong Kong ● Assistant Manager in the Finance Department at China Development Industrial Bank
Director	Morning Honor Investment CO., LTD. (Representative: Yu-Lin, Liu)	34,411,027	<ul style="list-style-type: none"> ● MBA from Stanford University, USA ● General Manager at Sheraton Hsinchu Hotel ● Executive Vice President at Fong Yi Construction Co., Ltd.
Independent Director	Fu-Ben, Liao	0	<ul style="list-style-type: none"> ● Accounting degree from Feng Chia University ● Deputy Chief Operating Officer at the Central Operations Center of Mega International Commercial Bank
Independent Director	Li-Xuan, Lin	0	<ul style="list-style-type: none"> ● Master's degree in Business Administration from California State University, USA ● Vice President at JPMorgan Chase Bank ● Executive Vice President at Crédit Agricole Corporate and Investment Bank ● General Manager at King's Town Bank ● Independent Director at San Fang Chemical Industry Co., Ltd.
Independent Director	Yan-Wen, Li	0	<ul style="list-style-type: none"> ● Bachelor of Laws from National Chung Hsing University ● Judge of the Supreme Court ● Director-General of the Civil Division of the Judicial Yuan ● President of the Taichung District Court ● Chief Clerk of the Supreme Court ● President of the Kaohsiung Branch of the Taiwan High Court ● President of the Taiwan High Court

Attachment VIII

FONG CHIEN CONSTRUCTION CO., LTD

Directors (including independent directors) Candidates for Concurrent Positions

Title	Name	Concurrent Company and Positions
Director	Morning Honor Investment Co., Ltd. (Representative: Yu-Qi, Yuan)	None
Director	Morning Honor Investment Co., Ltd. (Representative: Yu-Lin, Liu)	<ul style="list-style-type: none"> ● Grace Hospitality Management Co., Ltd. – Director ● Jing Qi Development Co., Ltd. – Director ● Da Mei Investment Co., Ltd. – Director ● Holy Grace Construction Co., Ltd. – Supervisor ● Feng Jia Cityscape Hotel Co., Ltd. – Chairman ● Shuang Hsiang Yuan Housing Co., Ltd. – Chairman
Independent Director	Fu-Ben, Liao	None
Independent Director	Li-Xuan, Lin	<ul style="list-style-type: none"> ● Independent Director at San Fang Chemical Industry Co., Ltd.
Independent Director	Yan-Wen, Li	None

Appendix I

FONG CHIEN CONSTRUCTION CO., LTD

Rules and Procedures of Shareholders' Meeting

(Resolution passed in the Shareholders' Meeting on June 8, 2022)

- Article 1 To establish a strong governance system and sound supervisory capabilities for this Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2 The rules of procedures for this Company's shareholders meetings, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in these Rules.
- Article 3 Unless otherwise provided by law or regulation, this Company's shareholders meetings shall be convened by the board of directors.
Changes to how this Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.
This Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Company and the professional shareholder services agent designated thereby.
This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:
1. For physical shareholders meetings, to be distributed on-site at the meeting.
 2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
 3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
- The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
Election or dismissal of directors or supervisors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185,

paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

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

A shareholder holding one percent or more of the total number of issued shares may submit to this Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

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

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

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

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

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

If, after a proxy form is delivered to this Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 The venue for a shareholders meeting shall be the premises of this Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting. The restrictions on the place of the meeting shall not apply when this Company convenes a virtual-only shareholders meeting.

Article 6 This Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting

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

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. This Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

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

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Company two days before the meeting date.

In the event of a virtual shareholders meeting, this Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1

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

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

Article 7

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

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

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance

shall be recorded in the meeting minutes.

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

This Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8

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

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

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

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

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

Article 9

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

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

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

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

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

Article 10

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

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

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

shareholders, and then continue the meeting.

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

Article 11

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

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

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

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

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12

Voting at a shareholders meeting shall be calculated based the number of shares.

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

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

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

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

Article 13

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

When this Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Company avoid the submission of extraordinary motions and amendments to original

proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

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

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

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

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

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

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

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

When this Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online. When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14

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

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

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the

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

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

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

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

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online

Article 16

On the day of a shareholders meeting, this Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

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

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

Article 17

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

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

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

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

Article 18

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

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19

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

after the chair has announced the meeting adjourned.

- Article 20 When this Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.
- Article 21 In the event of a virtual shareholders meeting, this Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.
In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.
For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.
For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session. During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.
When this Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.
Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
When postponing or resuming a meeting according to the second paragraph, this Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.
For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.
- Article 22 When convening a virtual-only shareholders meeting, this Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.
- Article 23 All matters not provided for in these rules shall be handled in accordance with the provisions of the Company Act and the Articles of Incorporation of the Company.
- Article 24 These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix II

FONG CHIEN CONSTRUCTION CO., LTD

Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company shall be incorporated under the Company Act of the Republic of China regarding limited liability companies, and its name shall be Fong Chien Construction Company, Limited.
- Article 2 The Company's business includes the following:
1. H701010 Housing and Building Development and Rental
 2. H701020 Industrial Factory Development and Rental
 3. H701040 Specific Area Development
 4. H701050 Investment, Development and Construction in Public Construction
 5. H703090 Real Estate Business
 6. H703100 Real Estate Leasing
 7. F106030 Wholesale of Molds
 8. F113030 Wholesale of Precision Instruments
 9. F119010 Wholesale of Electronic Materials
 10. F401010 International Trade
 11. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The total amount of the Company's reinvestment shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act. Any matters regarding the reinvestment shall be resolved in accordance with the resolutions of the Board of Directors.
- Article 4 The Company shall have its head office in Taichung City, the Republic of China, and may, pursuant to a resolution adopted at the meeting of the Board of Directors, set up branch offices within or outside the territory of the Republic of China when deemed necessary.
- Article 5 If the company is required to provide endorsement and guarantee for outside parties as necessary for business needs, it shall be processed in accordance with the company's endorsement guarantee policy.

Chapter 2 Capital Stock

- Article 6 The total capital stock of the Company shall be in the amount of 2 billion New Taiwan Dollars, divided into 200 million shares, at 10 New Taiwan Dollars each, to be fully issued (or to be issued in installments). The board of directors is authorized to conduct incremental issuance in accordance with the Company Act and related laws and regulations. The shares issued by the company may be exempted from stock certificate issuance, but should be registered with the centralized securities depository enterprises
- Article 7 The transfer of shares shall be made by the transferor and transferee by filling out an application form and signing or affixing a seal, and applying to the company's stock transfer agent. Until the transfer procedures are completed, the transfer shall not be effective against the company.
- Article 8 Registration for transfer of shares shall be suspended for a period of sixty days before

the convening date of a regular shareholders meeting, thirty days before the convening date of a special shareholders meeting, or within five days before the date on which dividends, bonus, or other benefits are scheduled to be paid by the Company.

Chapter 3 Shareholders' Meeting

- Article 9 Shareholders meetings of the Company are of two kinds:
1. regular meeting, held within six months after close of each fiscal year, and
 2. special meeting, held whenever necessary according to the laws and regulations.
- Article 9-1 When holding a shareholder meeting, the Company may conduct it through video conferencing or other methods announced by the competent authority. Attendance via tele- or video-conference is deemed as attendance in person.
- Article 10 When a shareholder is unable to attend a shareholder meeting for any reason, he/she/it may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the company stating therein the scope of power authorized to the proxy.
- Article 11 The chairman of the board of directors shall preside the shareholders' meeting. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.
- Article 12 Unless otherwise provided for in the Company Act, a meeting of shareholders shall proceed only if attended by shareholders representing more than one-half of the total outstanding capital stock of the Company. Resolutions of a shareholders meeting shall be made at the meeting with the concurrence of a majority of the votes held by the shareholders present at the meeting. Each shareholder is entitled to one vote for each share held. However, those who are restricted or have no voting rights as prescribed by the Company Act shall be subject to such provisions. During voting, if the Chairman consults the attending shareholders and there is no objection, it shall be deemed as passed, and its effectiveness is equivalent to a vote.
- Article 13 Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting. The distribution of the minutes of shareholders' meeting may be effected by means of a public notice.

Chapter 4 Directors and the Audit Committee

- Article 14 The Company shall have 5 to 9 Directors. The number of directors shall be determined by the board of directors by authorization. The company adopts a candidate nomination system; and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates. The term of office of a director is three years; but he/she may be eligible for re-election. The qualifications of candidates shall comply with relevant laws and regulations such as the Company Act and the Securities and Exchange Act. Total shareholding of the registered shares of the Company held by all directors is regulated in accordance with Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies promulgated by Securities and Futures Bureau of the Financial Supervisory Commission. A company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship.
- Article 14-1 The company appoint independent directors in accordance with Article 14-2 of Securities and Exchange Act. The Competent Authority shall require it to appoint independent directors, not less than two in number and not less than one-fifth of the total number of directors. The company adopts a candidate nomination system in

accordance with the Company Act and the shareholders shall elect the directors from among the nominees listed in the roster of independent director candidates. Regulations governing the professional qualifications, restrictions on shareholdings, terms of office and concurrent positions held, method of nomination and election, and other matters for compliance with respect to independent directors shall be prescribed by the Competent Authority.

Article 14-2 In accordance with Article 14-4 of Securities and Exchange Act, the company establish an audit committee, which shall be composed of the entire number of independent directors. The regulations of related organizations shall be established by the Board of Directors. Regulations and matters related thereto shall be prescribed in accordance with relevant laws and regulations, as well as provisions of the Company's bylaws.

Article 15 The Board of Directors is the governing body of the company, responsible for executing all business operations in accordance with laws, regulations, the company's Articles of Incorporation, and resolutions passed by the shareholders' meeting. Its duties include:

1. Convening the shareholders' meeting and executing its resolutions.
2. Determining the company's business policies.
3. Preparing the company's budgets and final accounts.
4. Formulating various rules and regulations.
5. Deciding on the establishment or dissolution of branch offices.
6. Appointing or dismissing the general manager, deputy general manager, finance director, and internal auditor.
7. Deciding on the purchase, sale, division, exchange, or establishment of property rights related to real estate.
8. Making decisions on significant financial matters.
9. Making decisions on new business investments.
10. Appointing the compensation committee.

Article 16 The board of directors shall elect a chairman of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The chairman of the board of directors shall externally represent the company.

Article 17 The chairman of the board of directors shall preside the meeting of the board of directors. In case the chairman of the board of directors is absent or can not exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the directors, or the directors shall elect from among themselves an acting chairman of the board of directors.

Article 18 Meetings of the board of directors shall be convened by the chairman of the board of directors, except as otherwise provided by the Company Act. The reasons for calling a board of directors meeting shall be notified to each director and supervisor at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice. The notice may be effected by means of written documents, facsimile transmissions, and E-mails, after obtaining prior consent from the recipients thereof. The resolution of the board of directors shall be approved by a majority vote at a meeting attended by over half of the directors, except as otherwise provided by the Company Act.

Article 19 Each director shall attend the meeting of the board of directors in person; if attendance in person is not possible, they may appoint another director to attend a board meeting in his or her place shall in each case give to that director a proxy stating the scope of authorization with respect to the reasons for meeting. A proxy may accept a proxy from one person only. The Board of Directors may conduct meetings via tele- or video-conference, and attendance via tele- or video-conference is deemed as attendance in person.

Article 20 The meeting agenda of the board of directors' meetings shall be handled in accordance

with Article 207 of the Company Act.

Article 21 The remuneration of the directors of the company shall be determined by the board of directors based on the general industry standards.

Chapter 5 Managers and Employees

Article 22 A company may have one or more managerial personnel. Appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with the Company Act.

Article 23 The appointment and dismissal of the chief financial officer of the company shall be resolved by a majority vote at a meeting attended by all directors.

Chapter 6 Accounting

Article 24 The fiscal year of the company runs from January 1 to December 31, and annual closure of accounts shall be conducted once a year.

Article 25 In accordance with Article 228 of the Company Act, at the close of each fiscal year, the board of directors shall prepare the following statements and records and shall forward the same to the general meeting of shareholders:

1. the business report;
2. the financial statements; and
3. the surplus earning distribution or loss off-setting proposals.

Article 26 To incentivize employees and management team, in the event of the company's annual profit after covering accumulated losses, the following shall be set aside:

1. Employee remuneration shall not be less than 0.1%.
2. Director remuneration shall not exceed 3%.

A company may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation distributed in the form of shares or in cash; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The remuneration for directors mentioned above can only be paid in cash.

Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, are entitled to receive shares or cash.

Article 27 In the event that our company has annual net profit, it shall be distributed in the following order:

1. Tax and dues payments.
2. Compensation of accumulated losses.
3. Allocation of 10% of net profit as legal reserve. However when the legal reserve amounts to the authorized capital, this shall not apply.
4. Allocation or reversal of special reserves according to relevant laws and regulations.
5. The remaining balance, after adding up the accumulated undistributed earnings from previous years, shall be the accumulated distributable earnings. The board of directors shall propose a resolution for profit distribution and decide on its allocation.

Our company's dividend policy is based on the company's operating conditions, funding needs, internal and external environment changes, and consideration of shareholder interests. Dividends may be fully or partially distributed in the form of cash dividends or share dividends. However, cash dividends shall not be less than 10% of the total dividends.

For the distribution of cash dividends, the board of directors shall make the decision in accordance with Article 240, Paragraph 5 of the Company Act and report to the Shareholders' Meeting, without the need to submit a request for approval from the

Shareholders' Meeting.

Chapter 7 Terms of Use

Article 28 In the absence of provisions in these Articles, matters shall be handled in accordance with the Company Act and the relevant laws and regulations.

Article 29 This charter was established on April 18, 1984 of the Republic of China, first revised on June 5, 1987, second revised on May 13, 1989, third revised on May 20, 1990, fourth revised on December 13, 1991, fifth revised on September 12, 1994, sixth revised on March 11, 1995, seventh revised on December 2, 1997, eighth revised on May 31, 1999, ninth revised on June 26, 2000, tenth revised on June 26, 2001, eleventh revised on May 24, 2002, twelfth revised on June 3, 2003, thirteenth revised on June 9, 2005, fourteenth revised on June 13, 2006, fifteenth revised on June 5, 2007, sixteenth revised on June 17, 2009, seventeenth revised on June 22, 2010, eighteenth revised on June 13, 2011, nineteenth revised on June 12, 2012, twentieth revised on June 9, 2014, twenty-first revised on June 13, 2016, twenty-second revised on June 4, 2018, twenty-third revised on June 3, 2019, twenty-fourth revised on May 27, 2020, and twenty-fifth revised on June 8, 2022.

Fong Chien Construction Company Limited

Chairperson: Yu-Qi, Yuan

Appendix III

FONG CHIEN CONSTRUCTION CO., LTD

Procedures for Election of Directors (before amendments)

(Resolution passed in the Shareholders' Meeting on May 27, 2020)

- Article 1 To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2 Except as otherwise provided by law and regulation or by this Company's Articles of Incorporation, elections of directors shall be conducted in accordance with these Procedures.
- Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of this Company's directors. The 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 requirements and values: Gender, age, nationality, and culture.
 2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
- 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. An international market perspective.
 7. Leadership ability.
 8. Decision-making ability.
- More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director. The board of directors of this Company shall consider adjusting its composition based on the results of performance evaluation.
- Article 4 The qualifications for the independent directors of this Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The election of independent directors of this Company shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 5 Elections of directors at this Company shall be conducted in accordance with a candidate nomination system and procedures set out in Article 192-1 of the Company Act. To review the qualifications, educational and professional background, and whether the director candidates have any of the circumstances listed in Article 30 of

the Company Act, no additional documents for qualifications shall be arbitrarily added. The results of the review should be provided to shareholders for reference in order to elect suitable directors.

When the number of directors falls below five due to the dismissal of a director for any reason, this Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Company's Articles of Incorporation, this Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, and the specific criteria for determining that a security is unsuitable for OTC trading in Article 10, paragraph 1, Clause 8 of the Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

- Article 6 The cumulative voting method shall be used for election of the directors at this Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8 The number of directors will be as specified in this Company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 9 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 10 If the candidate is a shareholder, the voter shall fill in the candidate's account name and shareholder account number in the designated column on the ballot. If the candidate is not a shareholder, the voter shall fill in the candidate's name and identification number. However, if the candidate is a government agency or a juristic person, the voter shall fill in the government agency or juristic person's name. The voter may also fill in both the government agency or juristic person's name and the name of its representative. If there are multiple representatives, their names shall be filled in separately.
- Article 11 A ballot is invalid under any of the following circumstances:
1. The ballot was not prepared by the board of directors.
 2. A blank ballot is placed in the ballot box.
 3. The writing is unclear and indecipherable or has been altered.
 4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
 5. Other words or marks are entered in addition to the candidate's account name or

shareholder account number (or identity card number) and the number of voting rights allotted.

6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.

Article 12 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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

Article 13 The board of directors of this Company shall issue notifications to the persons elected as directors.

Article 14 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Appendix IV

FONG CHIEN CONSTRUCTION CO., LTD

Shareholdings of All Directors

1. The paid-in capital of the Company is NT\$1,550,014,640, and the total number of issued shares is 155,001,464.
2. According to Article 26 of the Securities and Exchange Act, all directors should hold a minimum number of shares, which is 9,300,088 shares in total.
3. As of the book closure date for this shareholder meeting, the individual and overall shareholding status of the directors is shown in the table below.

Reference date: April 2, 2023

Title	Name	Shareholding (shares)	Shareholding (%)	Date of Appointment
Chairman	Morning Honor Investment Co., Ltd. (Representative: Yu-Qi, Yuan)	34,411,027	22.20%	May 27, 2020
Director	Morning Honor Investment Co., Ltd. (Representative: Jia-Ming, Zhao)	34,411,027	22.20%	May 27, 2020
Director	Fullness Construction Co., Ltd. (Representative: Xiu-Feng, Zhang)	1,918,739	1.24%	May 27, 2020
Director	Pin Shian Investment Co., Ltd. (Representative: Ya-Ling, Wang)	1,220,754	0.79%	May 27, 2020
Director	Rui-Lin, Liu	52,000	0.03%	May 27, 2020
Director	Yu-Lin, Liu	247,000	0.16%	May 27, 2020
Independent Director	Fu-Ben, Liao	0	0.00%	May 27, 2020
Independent Director	Li-Xuan, Lin	0	0.00%	May 27, 2020
Independent Director	Ming-Qiang, Li	0	0.00%	May 27, 2020
Overall directors in total		37,849,520	24.42%	

FONG CHIEN CONSTRUCTION CO., LTD

Other Explanatory Notes

Explanation on processing of shareholder proposals for this shareholders' meeting:

1. According to Article 172-1 of the Company Act, shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a writing proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and the number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words.
2. The application period for shareholder proposals for this year's shareholders' meeting of the company is from March 27, 2023 to April 6, 2023, and the company has announced the period on the Market Observation Post System (MOPS) in accordance with the law.
3. No shareholder proposals were received during the application period for shareholder proposals.