

Stock Code: 2546

Meeting Handbook
2023 Annual General Shareholders' Meeting



Kedge Construction Co., Ltd.

Time: 9:00 a.m., June 2, 2023

**Location: Location: No. 131, Sec. 3, Heping E. Rd., Da'an Dist., Taipei City,
Taiwan (R.O.C.) (1F Lobby of the Company)**

Meeting Convening Method: Physical Shareholders' Meeting

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Kedge Construction Co., Ltd.

Procedure for the 2023 Annual General Shareholders' Meeting

- I. Call the Meeting to Order
- II. Chair's remarks
- III. Announcements
- IV. Ratifications
- V. Discussions
- VI. Elections
- VII. Other Proposals
- VIII. Extempore Motions
- IX. Adjournment

Kedge Construction Co., Ltd.

Agenda of the 2023 Annual General Shareholders' Meeting

Time: 9:00 a.m., June 2, 2023 (Friday)

Location: Location: No. 131, Sec. 3, Heping E. Rd., Da'an Dist., Taipei City, Taiwan
(R.O.C.) (1F Lobby of the Company)

Meeting Convening Method: Physical Shareholders' Meeting

I. Announcements:

- (I) 2022 Business Report.
- (II) 2022 Review Report of the Audit Committee
- (III) Report of the 2022 Employee and Director Remuneration Distribution.
- (IV) Other matters:
 1. The Company's endorsement/guarantee for others.
 2. Amendments to the Company's Rules of Procedures for Board of Directors Meetings.
 3. Amendments to the Company's Corporate Governance Best Practice Principles.
 4. Amendments to the Company's Sustainable Development Best Practice Principles.

II. Ratifications:

- (I) The Company's 2022 Business Report and Financial Statements.
- (II) The Company's 2022 Earnings Distribution.

III. Discussions:

- (I) Amendments to the Company's Articles of Incorporation.
- (II) The issuance of new shares for capital increase through capitalization of the Company's 2022 retained earnings.
- (III) Amendments to the Company's Rules of Procedures for Shareholders' Meetings.

IV. Elections:

Election of the 12th Board of Directors (including Independent Directors).

V. Other Proposals:

Proposal to lift non-compete restrictions for the Company's Directors.

VI. Extempore Motions

VII. Adjournment

I. Announcements

(I) Report on the Company's 2022 Business Report.

Description: Please refer to Attachment I on Pages 10-12 of the Handbook for the 2022 Business Report.

(II) Report on the 2022 Audit Committee's Review Report.

Description: Please refer to Attachment II on Page 13 of the Handbook for the Audit Committee's Review Report.

(III) Report on the 2022 Employee and Director Remuneration Distribution.

Description: As approved by the 22nd meeting of the 11th Board of Directors on March 14, 2023, NT\$76,341,628 will be allocated for employees' compensation, and NT\$28,582,793 will be allocated for directors' remuneration, accounting for 5.34% and 2% of the 2022 annual profit respectively, which will be distributed in cash.

(IV) Other matters:

1. The Company's endorsement/guarantee for others:

As of Dec. 31, 2022, the Company's endorsement/guarantee for Kindom Development Co., Ltd. is NT\$14,192,000.

2. Amendments to the Company's Rules of Procedures for Board of Directors Meetings:

As approved by the 20th meeting of the 11th Board of Directors on November 9, 2022, the Company's Rules of Procedures for Board of Directors Meetings has been amended in accordance with Letter No. 1110383263 issued by the Financial Supervisory Commission (FSC) on August 5, 2022. For the comparison table before and after revision, please see Attachment III on Pages 14-15 of the Handbook.

3. Amendments to the Company's Corporate Governance Best Practice Principles:

As approved by the 22nd meeting of the 11th Board of Directors on Mar. 14, 2023, the Company's Corporate Governance Best Practice Principles has been amended in accordance with Letter No. 1110024366 issued by the Taiwan Stock Exchange Corporation on Dec. 23, 2022. For the comparison table before and after revision, please see Attachment IV on Pages 16-17 of the Handbook.

4. Amendments to the Company's Sustainable Development Best Practice Principles:

As approved by the 22nd meeting of the 11th Board of Directors on Mar. 14, 2023, the Company's Sustainable Development Best Practice Principles has been amended in accordance with Letter No. 1110024366 issued by the Taiwan Stock Exchange Corporation on Dec. 23, 2022. For the comparison table before and after revision, please see Attachment V on Page 18 of the Handbook.

II. Ratifications

Proposal 1

Proposed by the Board of Directors

Proposal: To adopt the Company's 2022 Business Report and Financial Statements.

Description:

1. The Company's 2022 consolidated and individual balance sheets, statements of comprehensive income, statements of changes in equity and statements of cash flows have been prepared and audited by certified public accountants, Yi-Lien Han and Kuo-Yang Tseng of KPMG, and submitted to the annual shareholders' meeting in accordance with the law along with the business report, which has been checked by the Audit Committee.
2. Please refer to Attachment I on Pages 10-12 and Attachment VI on Pages 19-32 of the Handbook for the 2022 Business Report, Independent Auditors' Report, and the aforementioned financial statements.
3. Request for ratification.

Resolution:

Proposal 2

Proposed by the Board of Directors

Proposal: To adopt the proposal for the earnings distribution for 2022.

Description:

1. This proposal has been approved by the 22nd meeting of the 11th Board of Directors on Mar. 14, 2023.
2. The Company's undistributed earnings at the beginning of the year of 2022 were NT\$902,277,681; plus 2022 net income after tax NT\$1,047,933,172, less changes in remeasurements of defined benefit plans for the period of NT\$2,835,770, and after appropriation of legal reserve of NT\$105,076,894, the distributable net profit for 2021 was NT\$1,847,969,729. It is proposed that NT\$524,876,517 be allocated as bonus for shareholders, with NT\$484,052,787 distributed in cash and rounded to the nearest NT dollar; the aggregated amount of bonus less than NT\$1 will be included as other income for the Company. It is also proposed that NT\$40,823,730 be distributed in stock dividends to shareholders.

3. After the case has been approved by the annual shareholders' meeting, the Board of Directors will be authorized to stipulate the ex-right date, ex-dividend date, and other related matters.
4. In case of changes in the dividend distribution ratio resulted by changes in the number of outstanding shares of the Company due to requirement by competent authorities or repurchase of Company shares, it is proposed that the Board of Directors be authorized to make necessary adjustments to the distribution ratio.
5. Please refer to Attachment VII on Page 33 of the Handbook for the 2022 Earnings Distribution.
6. Request for ratification.

Resolution:

III. Discussions

Proposal 1

Proposed by the Board of Directors

Proposal: To adopt the proposal of Amendments to the Articles of Incorporation.

Description:

1. Part of “Articles of Incorporation” was particularly revised, in order to meet the Company’s actual business needs. For the comparison table before and after revision, please see the Attachment VIII on Pages 34-35 of the Handbook.
2. Request for resolution.

Resolution:

Proposal 2

Proposed by the Board of Directors

Proposal: To discuss the issuance of new shares for capital increase through capitalization of the Company’s 2022 retained earnings.

Description:

1. In order to expand the Company’s business and improve the financial structure, it is proposed to issue new shares as dividends out of the Company’s 2022 distributable earnings in the amount of NT\$40,823,730 to increase capital, which will be distributed in 4,082,373 common shares, with a par value of NT\$10 per share.
2. The new shares will be issued in accordance with the shareholders and their shareholding ratios recorded in the shareholder register as of the record date. 35 new shares as stock dividends will be issued for each one thousand shares. The shareholders can request to consolidate fractional shares with the Company's shareholder service agent within the period of five days from the share transfer suspension date. In the event that fractional shares are not consolidated within such time period, or that there are still fractional shares after consolidation, such fractional shares will be converted to cash (rounded to the nearest NT dollar) according to its par value and distributed to the shareholder. The Board of Directors will authorize the Chairman to

solicit specified persons to subscribe for accumulated fractional shares at a subscription price equal to par value.

3. The rights and obligations of the new shares are the same as those of the original shares.
4. The record date for capital increase and insurance of new shares, payment date, and other related matters will be submitted to the competent authority for approval after a resolution is passed by the Annual General Meeting. Once approved by the competent authority, the Board of Directors will be authorized to make necessary arrangements. Prior to the record date, in case of changes in the distribution ratio resulted by changes in the number of outstanding shares of the Company due to requirement by competent authorities or repurchase of Company shares, it is proposed that the Board of Directors be authorized to make necessary adjustments to the distribution ratio.
5. Request for resolution.

Resolution:

Proposal 3

Proposed by the Board of Directors

Proposal: To adopt the proposal of amendments to the Rules of Procedure for Board of Directors Meetings.

Description:

1. In accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies, some articles of the Company's Rules of Procedure for Board of Directors Meetings have been amended and provisions about shareholders' meetings by means of video conferencing have been added. For the comparison table before and after revision, please see Attachment IX on Pages 36-38 of the Handbook.
2. Request for resolution.

Resolution:

IV. Elections

Proposed by the Board of Directors

Proposal: Election of the 12th Board of Directors (including Independent Directors).

Description:

1. This proposal has been approved by all directors at the 22nd meeting of the 11th Board of Directors on Mar. 14, 2023.
2. The term of office of the Company's 11th Board of Directors (including Independent Directors) was scheduled to expire on June 14, 2023, and a re-election will be held at this shareholders' meeting in accordance with the Company Act and the Company's Articles of Incorporation.
3. In accordance with Article 16 of the Company's Articles of Incorporation, nine Directors (including three Independent Directors) shall be elected with a three-year term of office beginning on June 2, 2023 and terminating on June 1, 2026.
4. Pursuant to laws and the Company's Articles of Incorporation, the election of the Company's Directors (including Independent Directors) shall adopt a candidate nomination system. The qualifications of the candidates have been reviewed and approved by the 23rd meeting of the 11th Board of Directors on April 19, 2023. The list of candidates is as follows:

Candidate Category	Name	Shareholding	Principal Work Experience and Academic Qualifications
Director	Representative of Kindom Development Co., Ltd.: Ai-Wei Yuan	39,872,544 shares	Master of Construction Engineering and Management Group, Civil Engineering Institute, National Taiwan University Chairman of Kedge Construction Co., Ltd.
Director	Representative of Kindom Development Co., Ltd.: Mike Ma	39,872,544 shares	Master of Statistics, Columbia University, U.S.A. Chairman of Kindom Development Co., Ltd. Director of Kedge Construction Co., Ltd. Chairman of Global Mall Co., Ltd.

Candidate Category	Name	Shareholding	Principal Work Experience and Academic Qualifications
			Director of Kindom Yu San Education Foundation
Director	Representative of Kindom Development Co., Ltd.: Tan Hochen	39,872,544 shares	Bachelor's degree in Civil Engineering, National Chung Hsing University Master's degree in Urban and Regional Planning, Virginia Polytechnic Institute and State University, U.S.A. Director of Kindom Development Co., Ltd. Minister of Transportation and Communications of Taiwan Chairman of Chunghwa Telecom Company, Ltd. Chairman of Taipei Rapid Transit Corporation
Director	Representative of Kindom Development Co., Ltd.: Sui-Chang Liang	39,872,544 shares	Bachelor of Laws, National Taiwan University Passed the Senior Examination for Lawyers as Practicing Lawyer Principal of Sui-Chang Liang Law Firm Supervisor of Kindom Yu San Education Foundation Director of Kindom Development Co., Ltd.
Director	Representative of Kindom Development Co., Ltd.: Yi-Fang Huang	39,872,544 shares	Master of Construction Engineering and Management Group, Civil Engineering Institute, National Taiwan University Director and Executive Deputy General Manager of Kedge Construction Co., Ltd.
Director	Representative of Kindom Development Co., Ltd.: Chun-Ming Chen	39,872,544 shares	Master of Civil Engineering Institute, National Chiao Tung University Executive Deputy General Manager of Kedge Construction Co., Ltd. Director of Chieh Chun Investment Co.,

Candidate Category	Name	Shareholding	Principal Work Experience and Academic Qualifications
			Ltd. Director of Global Mall Co., Ltd.
Independent Director	Shen-Yu Kung	0 share	Master of Business Administration, National Chengchi University Independent Director of Kedge Construction Co., Ltd. Independent Director of Kindom Development Co., Ltd. Chief Investment Officer of Sinar Mas Paper (China) Investment Co., Ltd. Executive Vice President of China Development Industrial Bank Representative of PharmaEssentia Corporation Independent Director of Ever Power IPP Co., Ltd.
Independent Director	Hung-Chin Huang	0 share	Master of Accounting, Shanghai University of Finance and Economics Independent Director of Kedge Construction Co., Ltd. Independent Director of Kindom Development Co., Ltd. Accountant of Henghui United Accounting Firm Assistant Professor, Department of Accounting, Fu Jen Catholic University
Independent Director	Gwo-Fong Lin	0 share	Doctor of Civil Engineering, University of Pittsburgh, U.S.A. Independent Director of Kedge Construction Co., Ltd. Independent Director of Kindom Development Co., Ltd.

Candidate Category	Name	Shareholding	Principal Work Experience and Academic Qualifications
			<p>Independent Director of Ruentex Engineering & Construction Co., Ltd.</p> <p>Independent Director of TaiMed Biologics Inc.</p> <p>Distinguished Professor, Department of Civil Engineering, National Taiwan University</p> <p>Department Head, Department of Civil Engineering, National Taiwan University</p> <p>Committee Member of the National Council for Sustainable Development (NCSD), Executive Yuan</p> <p>Committee Member of the Complaint Review Board for Government Procurement, Public Construction Commission of the Executive Yuan</p> <p>Editor-in-Chief of the Journal of the Chinese Institute of Civil and Hydraulic Engineering</p> <p>Corresponding Member of the Russian Academy of Engineering</p>

5. Please proceed with the election in accordance with the Company's Rules for Election of Directors.

6. Request for election.

Election Results:

V. Other Proposals

Proposed by the Board of Directors

Proposal: To lift non-compete restrictions for the Company's Directors.

Description:

1. According to Article 209 of the Company Act, a director who does anything within the scope of the Company's business for oneself or on behalf of another person shall explain to the shareholders at the shareholders meeting on the essential contents of such an act and secure their approval.
2. The Company's Director, Gwo-Fong Lin, is an independent director of Ruentex Engineering & Construction Co., Ltd., and it is hereby proposed that his non-compete restrictions be lifted.
3. Request for resolution.

Resolution:

VI. Extempore Motions

VII. Adjournment

Attachments 1.

2022 Business Report

I. Operating Directives

With the business philosophy of “honesty, quality, service, innovation, and sustainability”, the Company not only strives to create and develop construction projects but is also committed to high-quality construction services, focusing on project quality management and enhancing the service value of project owners. Through combining construction management knowledge with technology and tools, the Company continues to improve the integration of construction methods and strengthen the competitive capability in the four core areas, namely quality, cost, progress, and safety and health.

With the expansion of our business operations, the Company will continue to adopt comprehensive and mid-to-long term performance objectives and strategies. In addition to seeking high-tech and high-value projects, we also aim at expansion projects of technology factories and projects of investment in and development of railway economy, which have become the primary source of our revenue and driving force for our operations. Through working together with professional contractors, we strive to seek projects that present competitive advantages and that are in line with social development trends as well as implement the idea of profit sharing and mutual growth, in an effort to retain long-term partnerships with high-quality businesses.

In response to climate change and changes in social structures, the Company implements fundamental ESG initiatives such as greenhouse gas emissions inventory and verification, with the commitment to completing emissions inventory and third-party verification of our construction projects by the end of 2024 and proposing scientific carbon reduction strategies by 2026, as well as continues to comply with government policies to actively promote carbon reduction. We will collaborate with professional contractors to promote ESG initiatives and practices more progressively, including deploying digital technology and introducing recycled building materials and modular construction

techniques, in order to strengthen applications of smart construction processes, smart building materials, and AI. We will also continue to implement carbon emission reduction to create a safer and healthier city. With innovation, environmental sustainability, and social welfare in mind, we are committed to fulfill our corporate responsibilities and to create a more sustainable future.

II. Operation Summary

In 2022, as our contracted construction projects in TSMC's F18 and AP6B factory areas increased, the construction revenues from factory offices grew by 184%. In addition, as the residential and commercial building projects contracted from Kindom Development were still in the transition phase of moving from old projects to new projects, the income from residential projects declined by 36%, but the contract amount of new contracted projects increased by 102%. Due to the transition from old to new completion dates during the early base period, the public infrastructure projects were carried out based on the success rate of general public infrastructure project funding, and the entire operation was conducted in accordance with project planning, resulting in an increase of revenue from civil projects by about 27%. Compared with 2021, the transition from old to new completion dates and the final payments from increased completion of projects in 2022 led to a double-digit difference in project revenue for two consecutive years.

Despite the increasing costs of labor and materials, the Company's profit was still promising as a result of the adjustment of the project portfolio. In 2023, it is expected that the momentum of government investments will grow and the success rate of public infrastructure project funding will increase. However, the growth rate of private investment will be relatively low, the growth rate of construction demand will reduce, and uncertainties in the supply of raw materials, labor, and capital will remain.

The Company will further enhance construction methods and strengthen our ability to integrate flexible procurement with subcontracting in order to prevent issues arising from the imbalance between supply and demand of materials and obtain recognition by quality project owners such as government agencies, technology manufacturers, and developers, which in turn will help the Company

secure more orders and maintain a steady increase in the amount of in-progress construction projects and a relatively diversified project portfolio. When bidding construction projects, we will also aim at more competitive and higher quality commercial buildings, circular economy projects, and technology factories and offices to drive new business and promote company value.

III. Results of Operation:

In 2022, we contracted 28 projects totally, with the amount of NT\$59.6 billion. In particular, the newly contracted or signed projects included the TSMC F18 factory and office project, Asia Silicon Valley Intelligent Operation Center construction project, Kindom Development's Xiulang Bridge project, Minquan East Road AB project, Yumaowu project in Taichung, and residential and commercial building projects in the Zhixing area in Wanhua District, with a total contract amount of NT\$11.4 billion; the projects having undergone completion settlement included the TSMC F18 and AP6B factory and office projects and Kindom Development's Tianying Road and Beian Road residential projects, with a total contract amount of NT\$5.5 billion; also, there was an addition/reduction of contract amount of NT\$1.8 billion for in-progress construction projects. As of the end of 2022, the total contracted amount was NT\$54.1 billion.

The consolidated operating income recognized based on the full-process operation progress of existing projects was NT\$14.205 billion, an increase of NT\$3.432 billion compared with 2021 (increase rate: 31.9%). The consolidated net profits were NT\$1.048 billion during this period, with a growth of NT\$307 million compared with 2021 (growth rate: 41.52%).

As of February 2023, there were 22 on-going projects, including nine residential and commercial building projects (such as Kindom Erzhongpu and Kindom Minquan East Road projects), four civil projects (C212 bid, C611 bid, Provincial Highway 61 Houlong, and C612 bid), four turnkey projects (Nanmen Market, Taoyuan Convention and Exhibition Center, Taishan Zhongshan area, and Asia Silicon Valley Intelligent Operation Center), and five factory/office projects (TSMC F18 and AP6B, etc.), totaling NT\$54.7 billion.

IV. Performance of Operating Budget

Items included in the consolidated operating revenue in 2022 include construction revenues and non-operating income, totaling NT\$ 14.271 billion, with a growth of NT\$3.425 billion (growth rate: 31.6%) compared with that of 2021. Among them, the proportion of construction revenues is based on the progress of construction and steady investment to achieve the goal of stable revenue scale.

The total of consolidated operating expenses for 2022 is NT\$13.909 billion, including construction costs, operating expenses, and non-operating expenses, with a growth of NT\$3.948 billion (growth rate: 39.6%) compared with that of 2021.

V. Financial Position and Profitability Analysis

There has been a steady growth in the scale of the Company's construction projects and business operations. In 2022, the public infrastructure project funding reflected the general price level and was implemented effectively according to the planned schedule. The consolidated net cash inflow from operating activities in 2022 was NT\$929 million, an increase of NT\$1.719 billion compared with 2021 (increase rate: 86.6%); the consolidated net cash outflow from investment and financing activities was NT\$6.79 million, an increase of NT\$662 million compared with 2021 (increase rate: 247.7%), realizing a net inflow of NT\$1.006 billion compared with the cash flow of 2021.

In 2022, the return on assets (ROA) was 9.97%, an increase of 2.04% compared with 2021, showing a growth rate of 25.7%; the return on equity (ROE) was 27.23%, an increase of 4.72%, showing a growth rate of 21.0%; the consolidated earnings per share (EPR) was NT\$8.98, an increase of \$2.30, showing a growth rate of 33.0%. These results reflect the Company's efforts and achievements in undertaking projects with high competitive advantages, and the overall business performance was better than the performance in 2021.

VI. Research and Development

In order to reinforce our competitiveness, in recent years, the Company has been putting significant efforts into the research and improvement of construction technology, the establishment of ERP system, as well as the management and

integration of core business processes and resources. Meanwhile, the Company has also introduced a construction management system and continued to incorporate cloud-based service models into various departments and construction sites. In 2022, not only did we continuously improve the risk management of cloud services and information security, but we also conducted research and development of information software and hardware to shorten construction completion periods, improve construction methods, and reduce pollution as well as research and enhancement of workflow efficiency and innovative technology in order to achieve the goals of "improving quality, increasing efficiency, reducing costs, and enhancing image".

Looking ahead, the Company's development goals will continue to be based on the Group's philosophy of promoting ESG, greenhouse gas reduction, and circular economy. With the BIM database and technology, we will facilitate cross-departmental collaboration to achieve carbon reduction, waste reduction, and resource conservation and, along with providing convenience for the public in mind, to create a better future together.

Chairman:
Ai-Wei Yuan

Manager:
Yi-Fang Huang,
Chun-Ming Chen

Chief Accounting Officer:
Fang-Chia Chang

Attachments 2.

Audit Committee's Review Report of Kedge Construction Co., Ltd.

Approval for

Board of Directors have submitted the finished 2022 Financial Statements, which have been audited by certified public accountants, Yi-Lien Han and Kuo-Yang Tseng of KPMG, and Business Report and Earnings Distribution to Audit Committee. We hereby respectfully prepare and present this Report in accordance with Article 14-4 of Securities and Exchange Law and Article 219 of The Company Act for your review.

To

2023 Annual General Shareholders' Meeting of Kedge Construction Co., Ltd.

Convener of the Audit Committee: Hung-Chin Huang

March 14, 2023

Attachments 3.

Kedge Construction Co., Ltd.

Comparison Table for Amendments to the Rules of Procedures for Board of Directors Meetings

Current Provision	After Amendment	Description
<p>Article 3 (Omitted) All matters set forth under Article 12, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion <u>except in the case of an emergency or for other legitimate reason.</u></p>	<p>Article 3 (Omitted) All matters set forth under Article 12, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion.</p>	<p>Amended in accordance with the amendment to Article 3 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies made effective in Order No. 1110383263 issued by the Financial Supervisory Commission (FSC) on August 5, 2022.</p>
<p>Article 4 The designated unit responsible for the board meetings of the Company shall be the finance and accounting division of the finance department.</p> <p>The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.</p>	<p>Article 4 The designated unit responsible for the board meetings of the Company shall be the finance and accounting division of the finance department. <u>The subject matters of board meetings shall be decided by the Chairman of the Board of Directors.</u></p> <p>The unit responsible for board meetings shall draft agenda items <u>to be approved by the Chairman of the Board and shall prepare sufficient meeting materials to be delivered together with the approved agenda items and notice of the meeting. The unit responsible</u></p>	<p>Specified the duties and procedures of the unit responsible for board meetings to facilitate compliance.</p>

Current Provision	After Amendment	Description
<p>A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.</p>	<p><u>for board meetings shall also record meeting minutes and arrange other meeting related matters.</u></p> <p>A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.</p>	
<p>Article 12 The Company shall submit the following items for discussion by the Board: I-V (Omitted) <u>VI.</u> Appointment or discharge of a finance manager or accounting manager or internal chief auditor and internal audit personnel. <u>VII.</u> A donation to a related party or a major donation to a non-related party. However, a public-interest donation of disaster relief that is made for a major natural disaster may be submitted</p>	<p>Article 12 The Company shall submit the following items for discussion by the Board: I-V (Omitted) <u>VI. If the Board of Directors does not have managing directors, the election or discharge of the Chairman of the Board of Directors.</u> <u>VII.</u> The appointment or discharge of a <u>financial, accounting, or internal audit officer.</u></p>	<p>Amended in accordance with the amendment to Article 7 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies made effective in Order No. 1110383263 issued by the Financial Supervisory Commission (FSC) on August 5, 2022.</p>

Current Provision	After Amendment	Description
<p>to the following board of directors meeting for retroactive recognition.</p> <p><u>VIII.</u> Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.</p> <p>The term "related party" in subparagraph <u>7</u> 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 an individual donation,</p>	<p><u>VIII.</u> A donation to a related party or a major donation to a non-related party. However, a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p><u>IX.</u> Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.</p> <p>The term "related party" in subparagraph <u>8</u> 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 an individual donation,</p>	

Current Provision	After Amendment	Description
<p>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.</p> <p>(Omitted)</p>	<p>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.</p> <p>(Omitted)</p>	
<p>Article 18 These Rules of Procedure shall be adopted by the approval of meeting of the Board of Directors <u>and shall be reported to the shareholders meeting.</u></p>	<p>Article 18 These Rules of Procedure shall be adopted by the approval of meeting of the Board of Directors.</p>	<p>Amended in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p>
<p>Article 19 <u>This amendment</u> was made on August 5, 2022.</p>	<p>Article 19 <u>The last amendment of these Rules</u> was made on August 5, 2022. <u>This amendment was made on November 9, 2022.</u></p>	<p>Added amendment dates.</p>

Attachments 4.

Kedge Construction Co., Ltd.

Comparison Table for Amendments to the Corporate Governance Best Practice Principles

Current Provision	After Amendment	Description
<p>Article 3-1</p> <p>Paragraph 1: Omitted.</p> <p>It is required that the corporate governance affairs mentioned in the preceding paragraph include at least the following items:</p> <p>I. Handling matters relating to board meetings and shareholders meetings according to laws.</p> <p>II. Producing minutes of board meetings and shareholders meetings.</p> <p>III. Assisting in onboarding and continuous development of directors.</p> <p>IV. Furnishing information required for business execution by directors.</p> <p>V. Assisting directors with legal compliance.</p> <p>VI. Other matters set out in the articles of incorporation or contracts.</p>	<p>Article 3-1</p> <p>Paragraph 1: Omitted.</p> <p>It is required that the corporate governance affairs mentioned in the preceding paragraph include at least the following items:</p> <p>I. Handling matters relating to board meetings and shareholders meetings according to laws.</p> <p>II. Producing minutes of board meetings and shareholders meetings.</p> <p>III. Assisting in onboarding and continuous development of directors.</p> <p>IV. Furnishing information required for business execution by directors.</p> <p>V. Assisting directors with legal compliance.</p> <p>VI. <u>Reporting to the board of directors the results of its review on whether the qualifications of independent directors comply with relevant laws and regulations at the time of nomination, election, and</u></p>	<p>1. Amended in accordance with Letter No. 1110024366 issued by the Taiwan Stock Exchange Corporation on Dec. 23, 2022.</p> <p>2. Added Item VI to include the qualifications and legal compliance of independent directors (including independent director candidates and current independent directors) in the duties and functions of corporate governance managers pursuant to the Corporate Governance 3.0 - Sustainable Development Roadmap issued by the Financial Commission Supervisory and based on the results of the consultation</p>

Current Provision	After Amendment	Description
	<p><u>during the elected term of office.</u></p> <p>VII. <u>Handling matters relating to the change of directors.</u></p> <p>VIII. Other matters set out in the articles of incorporation or contracts.</p>	<p>from external feedback. Also, added Item VII to include the duty and function of handling matters relating to the change of directors (including, but not limited to, the matters that corporate governance managers should handle in accordance with legal requirements when they receive resignation letters from directors or the matters that are related to the director replacement prescribed in Paragraph 3 of Article 27 of the Company Act) in corporate governance affairs.</p>
<p>Section 3 Corporate Governance Relationships Between the Company and Its <u>Affiliated Enterprises</u></p>	<p>Section 3 Corporate Governance Relationships Between the Company and Its <u>Related Parties</u></p>	<p>Amended in accordance with Letter No. 1110024366 issued by the Taiwan Stock Exchange Corporation on Dec. 23, 2022.</p>
<p>Article 17 When the company and its <u>affiliated enterprises enter into</u></p>	<p>Article 17 When the company and its <u>related parties or shareholders enter into</u></p>	<p>1. Amended Paragraph 1. The current provisions only regulate the</p>

Current Provision	After Amendment	Description
<p><u>inter-company business transactions</u>, a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions shall be prohibited. <u>All transactions or contracts made by and between the company and its affiliated persons and shareholders shall follow the principles set forth in the preceding paragraph, and improper channeling of profits is strictly prohibited.</u></p>	<p><u>financial or business dealings or transactions</u>, a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions <u>and improper channeling of profits</u> shall be prohibited. <u>The content of of the written agreement mentioned in the preceding paragraph shall include the management procedures for sale/purchase transactions, acquisition or disposal of assets, lending funds, and making endorsements or providing guarantees. Relevant major transactions shall be approved by the board of directors and submitted to the shareholders' meeting for approval or acknowledgment.</u></p>	<p>transactions or contracts made by and between the company and its affiliated enterprises where a written agreement between them shall be made. In order to strengthen the company's management of transactions with its related parties, a written agreement shall also be made for transactions between the company and its related parties and shareholders. As related parties also include affiliated enterprises, the current second paragraph was merged into to the first paragraph, and some of the wordings were revised.</p> <p>2. The second paragraph was added to specify that the written agreement mentioned in the preceding paragraph shall include the management procedures for</p>

Current Provision	After Amendment	Description
		relevant transactions and that major transactions shall be approved by the board of directors and submitted to the shareholders' meeting for approval or acknowledgment.
<p>Article 29</p> <p>Paragraphs 1-4: Omitted.</p> <p>The company shall evaluate the independence and suitability of the CPA engaged by the company regularly, and no less frequently than once annually. In the event that the company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors.</p>	<p>Article 29</p> <p>Paragraphs 1-4: Omitted.</p> <p>The company shall evaluate the independence and suitability of the CPA engaged by the company regularly <u>based on the Audit Quality Indicators (AQIs)</u>, and no less frequently than once annually. In the event that the company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors.</p>	<p>Pursuant to the Corporate Governance 3.0 - Sustainable Development Roadmap issued by the Financial Commission Supervisory, in order to strengthen the transparency of audit quality, through the implantation of the Audit Quality Indicators (AQIs), the audit committee of listed companies is encouraged to use the AQI information provided by CPA firms when evaluating them.</p>
<p>Article 52</p> <p>This amendment was made on March 25, 2022.</p>	<p>Article 52</p> <p>This amendment was made on <u>March 14, 2023</u>.</p>	<p>Revised the date of the amendment.</p>

Attachments 5.

Kedge Construction Co., Ltd.

Comparison Table for Amendments to the Sustainable Development Best Practice Principles

Current Provision	After Amendment	Description
Article 27-1 This Article is new.	Article 27-1 <u>The Company may, through endowments, sponsorships, investment, procurement, strategic cooperation, and volunteering technical service or other support channels, continue to dedicate resources to cultural and art events or cultural and creative industries to promote cultural development.</u>	To encourage corporate support for cultural and art events and promote sustainable cultural development, this Article is added in accordance with Letter No. 1110024366 issued by the Taiwan Stock Exchange Corporation on Dec. 23, 2022.
Article 32 This amendment was made on March 25, 2022.	Article 32 This amendment was made on <u>March 14, 2023.</u>	Revised the date of the amendment.

Attachments 6. (2022 Consolidated Auditors' Report & 4 Statements + Individual Auditors' Report & 4 Statements)

Independent Auditors' Report

To the Board of Directors of Kedge Construction Co., Ltd.:

Audit Opinion

We have audited the Consolidated Balance Sheets of Kedge Construction Co., Ltd. and its subsidiaries as of December 31, 2022 and 2021, the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to Consolidated Financial Statements (including Summary of Significant Accounting Policies) for the annual period from January 1 to December 31, 2022 and 2021.

In our opinion, the aforementioned Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of Kedge Construction Co., Ltd. as of December 31, 2022 and 2021, and its consolidated financial performance and consolidated cash flows for the annual periods ended December 31, 2022 and 2021 in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and effected by the Financial Supervisory Commission.

Foundation of Audit Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibility under those standards will be further described in the section titled Auditor's Responsibilities for the Audit of the Consolidated Financial Statements. Following the code of professional ethics of accountants, the persons subject to the independence standards of our affiliated accounting firm have maintained their independence from the Kedge Group and fulfilled other responsibilities of the standards. We are convinced that we have acquired enough and appropriate audit evidence to serve as the foundation of the audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2022 consolidated financial statements of Kedge Construction Co., Ltd. and its subsidiaries. These matters were addressed in our audit of the consolidated financial report as a whole and forming our audit opinion. We do not express a separate opinion on these matters. In our judgment, key audit matters that shall be communicated in the audit report are as follows:

1. Construction Contracts

For accounting policies regarding construction contracts, please refer to Note 4(13) of the Consolidated Financial Statements for revenue recognition. For accounting estimates and hypothetical uncertainties of estimated total contract costs for construction contracts, please refer to Note 5 of the Consolidated Financial Statements. For details of revenue recognition and the accumulated cost incurred, please refer to Note 6 (15) of the Consolidated Financial Statements for revenue from customer contracts.

Description of Key Audit Matters:

The change of the total contract price and planned total cost of the construction contracts involves a high degree of judgment by management. The miscalculation of gross contract revenue may cause material changes in profit and loss during the financial reporting period, and therefore there are

significant risks. Also, the Kedge Group recognizes the revenue and cost of contracts under construction according to the percentage of completion method, while the degree of completion is calculated based on the proportion of the incurred cost to the estimated total contract cost as of the financial reporting date. The miscalculations disclosed above may cause significant differences in the timing of recognition for profit and loss and the current financial statements.

Corresponding Audit Procedures:

Our main audit procedures regarding the aforementioned key audit matters included the following:

- Test the internal control and implementation effectiveness of the contract and collection; obtain the detail list of addition and reduction of the total contract price of each construction for the current period; randomly check the external documents such as the contract, agreement, owner's communication or site coordination meeting minutes, as well as the valuation information of each period the condition of the owner's acceptance.
- Sampling evaluates the preparation process of the construction budget of the management team, and sampling tests the effectiveness of its internal control system and implementation; randomly check external documents such as construction price lists, contracts, daily construction reports, invoices, and construction budgets, and check with construction budgets to verify the appropriateness of collection and accumulation of the construction type; checks the pricing information of each period to calculate the percentage of completion of the construction; randomly check and execute the cut-off point test of the construction in progress for the period before and after the balance sheet date.

Other Matters

Kedge Construction Co., Ltd. has also compiled Individual Financial Statements for 2022 and 2021, and they have also received an unqualified audit opinion from our CPA for your reference.

Responsibilities of the Management and Governing Body for the Consolidated Financial Statements

It is the management's responsibility to fairly present the consolidated financial statements in compliance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations and Interpretation Announcements endorsed and released effective by the Financial Supervisory Commission (FSC) and to sustain essential internal controls respecting the preparation of the consolidated financial statements so as to ensure that there is no material misrepresentation in the consolidated financial statements due to fraud or error.

In the preparation of the consolidated financial statements, the responsibility of management also includes the assessment of the sustainability of the Kedge Group, disclosure of relevant matters, as well as the adoption of the accounting base for continuing operations, unless the management intends to liquidate the Kedge Group or terminate the business, or there is no practicable measure other than liquidation or termination of the business.

The governing bodies of Kedge Construction Co., Ltd. and its subsidiaries (including the Audit Committee) have the responsibility to oversee the process by which the financial statements are prepared.

Auditor's Responsibility for Auditing Consolidated Financial Statements

The purpose of our audit of the consolidated financial statements is to obtain reasonable assurance as to whether the consolidated financial statements as a whole contains any material untruthful expression that may lead to fraud or error, and to issue an independent auditors' report. Reasonable assurance is a high degree of assurance but is not a guarantee that an audit conducted in accordance with the Auditing Standards will always detect the existence of any material misrepresentation in the consolidated financial statements. Misrepresentation may be due to fraud or error. It is considered to be material if the misrepresented individual amount or the aggregated total can be reasonably expected to affect the economic decisions made by the users of the consolidated financial statements.

When auditing in accordance with Auditing Standards, we practice professional judgment and maintains professional suspicion. We also perform the following tasks:

1. Identify and assess the risks of material misrepresentation in the consolidated financial statements due to fraud or error; Design and implement applicable countermeasures for the assessed risks, as well as obtain sufficient and appropriate audit evidence as to the basis of audit opinions. Because fraud may involve collusion, forgery, intentional omission, untrue declaration or the override of internal control, the risk of not detecting the material misrepresentation caused by fraud is higher than that caused by the error.
2. To acquire the necessary understanding of internal control relevant to audit so as to design appropriate audit procedures under the circumstances, but its purpose is not to express opinions on the effectiveness of internal control of the Kedge Group.
3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by management.
4. Based on the audit evidence obtained, conclude on the appropriateness of the accounting base for continuing operations adopted by the management and whether there is a material uncertainty in the events or circumstances that may cause material doubts about the sustainability of the Kedge Group for continuing operations. If we believe that there is a material uncertainty in such events or circumstances, we shall remind the users of the consolidated financial statements to pay attention to the relevant disclosure of the consolidated financial statements in the audit report or we shall amend the audit opinion when such disclosure is inadequate. Our conclusions are based on the audit evidence obtained as of the date of our auditor's report. However, future events or circumstances may result in the Kedge Group no longer having the ability to going concerned.
5. Evaluate the overall presentation, structure, and content of the consolidated financial statements (including relevant notes), and whether the consolidated financial statements fairly represent the underlying transactions and events.
6. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within the Group to express opinions on the consolidated financial statements. We are responsible for the guidance, supervision, and implementation of the Group's audit cases, and for forming the Group's audit opinions.

The matters we communicate with the governance body include the planned audit scope and time, as well as material audit findings (including a significant lack of internal control identified in the audit process).

We also provide the governance body with a declaration that the persons subject to the independence standards of our affiliated accounting firm have complied with the code of professional ethics of accountants, and communicate with the governance body all relations and other matters (including relevant protective measures) that may affect the independence of CPAs.

From the matters communicated with those charged with governance, we determined the key audit matters of the consolidated financial statements of Kedge Group of 2022. We state such matters in the audit report unless the law or regulation does not allow public disclosure of specific matters. Or in rare circumstances, we determine not to communicate specific matters in the audit report due to the reasonable probability that the negative impact of such communication is greater than the public interest.

KPMG

Taipei, Taiwan

Republic of China

March 14, 2023

Notices to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese language independent auditors' report and consolidated financial statements shall prevail.

KEDGE CONSTRUCTION CO., LTD. and Subsidiaries

Consolidated Statements of Comprehensive Income

January 1 to December 31, 2022 and 2021

Unit: NT\$ thousand

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (Note 6(10), (15) and 7)	\$ 14,204,563	100	10,772,322	100
5000	Operating costs (Note 6(11) and 12)	12,604,056	89	9,580,969	89
	Gross profit from operations	1,600,507	11	1,191,353	11
	Operating expenses:				
6200	Administrative expenses (Note 6(11), (16), 7 and 12)	318,435	2	308,137	3
6450	Expected credit loss (Note 6(4))	-	-	7,551	-
	Net Operating Profit	1,282,072	9	875,665	8
	Non-operating income and expenses:				
7100	Interest income (Note 6(17))	22,872	-	10,035	-
7010	Other income (Note 6(17))	43,294	-	29,108	-
7020	Other gains and losses (Note 6(17))	(17,516)	-	15,083	-
7050	Financial costs (Note 6(17))	(4,223)	-	(1,457)	-
7060	Share of profit and loss associates and joint ventures accounted for using the equity method (Note 6(5))	(728)	-	(5,387)	-
		43,699	-	47,382	-
	Net profit before tax from continuing operating department	1,325,771	9	923,047	8
7950	Less: Income tax expenses (Note 6(12))	277,835	2	182,555	1
	Profit	1,047,936	7	740,492	7
8300	Other comprehensive income:				
8310	Items that will not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	2,836	-	(1,575)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(99,926)	-	84,565	1
8300	Other comprehensive income, net	(97,090)	-	82,990	1
	Total Comprehensive Income for the Current Period	\$ 950,846	7	823,482	8
	Net profit attributable to:				
	Owners of the parent company	\$ 1,047,933	7	740,476	7
8620	Non-controlling interests	3	-	16	-
		\$ 1,047,936	7	740,492	7
	Total comprehensive income attributable to:				
	Owners of the parent company	\$ 950,866	7	823,445	8
	Non-controlling interests	(20)	-	37	-
		\$ 950,846	7	823,482	8
	Earnings per share (NT\$) (Note 6(14))				
9750	Basic earnings per share (NT\$)	\$ 8.98		6.35	
9850	Diluted earnings per share (NT\$)	\$ 8.85		6.30	

(Please see the Notes to the Consolidated Financial Statements)

KEDGE CONSTRUCTION CO., LTD. and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2022 and 2021

Unit: NTS thousand

	Equity Attributable to the Owners of the Parent Company								
	Share Capital		Retained earnings			Other equity interest	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
	Common stock	Capital surplus	Legal reserve	Unappropriated earnings	Total	Unrealized gains (losses) from financial assets at fair value through other comprehensive income			
Balance as of January 1, 2021	\$ 1,060,357	518,294	282,311	1,063,494	1,345,805	144,653	3,069,109	169	3,069,278
Profit	-	-	-	740,476	740,476	-	740,476	16	740,492
Other Comprehensive Income in the Current Period	-	-	-	(1,575)	(1,575)	84,544	82,969	21	82,990
Total Comprehensive Income for the Current Period	-	-	-	738,901	738,901	84,544	823,445	37	823,482
Earnings appropriation and distribution:									
Legal reserve appropriated	-	-	62,771	(62,771)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(381,728)	(381,728)	-	(381,728)	-	(381,728)
Unclaimed cash dividends after effective period	-	107	-	-	-	-	107	-	107
Balance on December 31, 2021	1,060,357	518,401	345,082	1,357,896	1,702,978	229,197	3,510,933	206	3,511,139
Profit	-	-	-	1,047,933	1,047,933	-	1,047,933	3	1,047,936
Other Comprehensive Income in the Current Period	-	-	-	2,836	2,836	(99,903)	(97,067)	(23)	(97,090)
Total Comprehensive Income for the Current Period	-	-	-	1,050,769	1,050,769	(99,903)	950,866	(20)	950,846
Earnings appropriation and distribution:									
Legal reserve appropriated	-	-	73,890	(73,890)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(275,693)	(275,693)	-	(275,693)	-	(275,693)
Stock dividends of ordinary share	106,035	-	-	(106,035)	(106,035)	-	-	-	-
Unclaimed cash dividends after effective period	-	139	-	-	-	-	139	-	139
Balance as of December 31, 2022	\$ 1,166,392	518,540	418,972	1,953,047	2,372,019	129,294	4,186,245	186	4,186,431

(Please see the Notes to the Consolidated Financial Statements)

KEDGE CONSTRUCTION CO., LTD. and Subsidiaries

Consolidated Statements of Cash Flows

January 1 to December 31, 2022 and 2021

Unit: NT\$ thousand

	2022	2021
Cash flows from operating activities:		
Net profit before tax for the period	\$ 1,325,771	923,047
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	17,435	19,694
Expected credit loss	-	7,551
Net loss (gain) on financial assets and liabilities measured at fair value through profit or loss	17,251	(34,684)
Interest expense	4,223	1,457
Interest income	(22,872)	(10,035)
Dividend income	(33,312)	(28,584)
Share of loss of associates and joint ventures accounted for using the equity method	728	5,387
Gains on disposal of property, plant and equipment	-	(33)
Impairment loss of non-financial assets	-	18,618
Gain on lease modification	-	(58)
Total adjustments to reconcile profit (loss)	<u>(16,547)</u>	<u>(20,687)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in financial instruments mandatorily measured at fair value through profit or loss	-	(1,999)
Decrease (increase) in contract assets	277,870	(702,560)
Increase in notes and accounts receivable	(889,043)	(72,969)
Notes and accounts receivable - decrease in related parties	245,458	1,068,847
Decrease (increase) in prepayments	(58,428)	8,672
Increase in other financial instruments - current	(5,453)	(26,088)
Increase in other financial assets	(1,276,454)	(108,896)
Increase in non-current net defined benefit assets-	(3,382)	(613)
Total changes in operating assets	<u>(1,709,432)</u>	<u>164,394</u>
Total changes in operating liabilities:		
Increase (decrease) in contract liabilities	1,088,918	(1,080,684)
Increase (decrease) in notes payable	59,467	(51,356)
Increase in accounts payable	248,588	392,988
Increase (decrease) in other payables	86,031	(20,336)
Increase in liability reserve	1,610	31,263
(Decrease) increase in other current liabilities	(10,269)	9,800
Increases in net defined benefit liabilities	2,836	-
(Decrease) increase in other non-current liabilities	(501)	1,048
Total changes in operating liabilities	<u>1,476,680</u>	<u>(717,277)</u>
Total changes in operating assets and liabilities	<u>(232,752)</u>	<u>(552,883)</u>
Total adjustments	<u>(249,299)</u>	<u>(573,570)</u>
Cash inflow generated from operations	1,076,472	349,477
Interests received	18,584	10,387
Dividends received	33,312	28,584
Interest payment	(4,003)	(1,457)
Income taxes paid	(194,878)	(119,648)
Net cash flows from operating activities	<u>929,487</u>	<u>267,343</u>
Cash flows from investing activities:		
Purchase of financial assets measured at fair value through other comprehensive income	-	(1,266)
Acquisition of property, plant and equipment	(21,109)	(3,875)
Disposal of property, plant and equipment	-	76
Decrease (increase) in other financial assets	6,873	(11,154)
Net cash flows used in investing activities	<u>(14,236)</u>	<u>(16,219)</u>
Cash flows from financing activities:		
Increase in short-term loans	945,000	410,000
Decrease in short-term loans	(660,000)	(360,000)
Increase in short-term promissory notes payable	50,000	260,000
Decrease in short-term promissory notes payable	(50,000)	(260,000)
Repayment of lease principal amount	(1,773)	(2,676)
Cash dividend distribution	(275,693)	(381,728)
Net cash outflows from (used in) financing activities	<u>7,534</u>	<u>(334,404)</u>
Net increase (decrease) in cash and cash equivalents	922,785	(83,280)
Opening balance of cash and cash equivalents of the period	4,024,912	4,108,192
Ending balance of cash and cash equivalents of the period	<u>\$ 4,947,697</u>	<u>4,024,912</u>

(Please see the Notes to the Consolidated Financial Statements)

Independent Auditors' Report

To the Board of Directors of Kedge Construction Co., Ltd.:

Audit Opinion

We have audited the Balance Sheets of Kedge Construction Co., Ltd. as of December 31, 2022 and 2021, the Statements of Comprehensive Income, Statements of Changes in Equity, Statements of Cash Flows, and Notes to Parent Company Only Financial Statements (including Summary of Significant Accounting Policies) for the annual period from January 1 to December 31, 2022 and 2021.

In our opinion, the aforementioned parent company only financial statements in all material aspects are in compliance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and are sufficient to present the financial position of Kedge Construction Co., Ltd. as of December 31, 2022 and 2021, and its financial performance and cash flows for the annual period from January 1 to December 31, 2022 and 2021.

Foundation of Audit Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibility under those standards will be further described in the section titled "Auditor's Responsibilities for the Audit of Parent Company Only Financial Statements." Following the code of professional ethics of accountants, the persons subject to the independence standards of our accounting firm have maintained their independence from the Kedge Construction Co., Ltd. and fulfilled other responsibilities of the standards. We are convinced that we have acquired enough and appropriate audit evidence to serve as the foundation of the audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2022 individual financial statements of Kedge Construction Co., Ltd. These matters were addressed in our audit of parent company only financial statements as a whole and forming our audit opinion. We do not express a separate opinion on these matters. In our judgment, key audit matters that shall be communicated in the audit report are as follows:

1. Construction Contracts

Please refer to Note 4 (13) "revenue recognition" of the parent company only financial statements for details of the accounting policies related to the building contracts. Please refer to Note 5 of the parent company only financial statements for details of the accounting estimates and assumed uncertainties of estimated total contract cost of the building contracts. Please refer to Note 6 (14) "revenue of the client contracts" of the parent company only financial statements for details of revenue recognition and the accumulated cost incurred.

Description of Key Audit Matters:

The change of the total contract price and planned total cost of the construction contracts involves a high degree of judgment by management. The miscalculation of gross contract revenue may cause material changes in profit and loss during the financial reporting period, and therefore there are significant risks. Also, Kedge Construction Co., Ltd. recognizes the revenue and cost of contracts under construction according to the percentage of completion method, while the degree of completion is calculated based on the proportion of the incurred cost to the estimated total contract cost as of the financial reporting date. The miscalculations disclosed above may cause

(Please see the Notes to the Consolidated Financial Statements)

significant differences in the timing of recognition for profit and loss and the current financial statements.

Corresponding Audit Procedures:

Our main audit procedures regarding the aforementioned key audit matters included the following:

- Test the internal control and implementation effectiveness of the contract and collection; obtain the detail list of addition and reduction of the total contract price of each construction for the current period; randomly check the external documents such as the contract, agreement, owner's communication or site coordination meeting minutes, as well as the valuation information of each period the condition of the owner's acceptance.
- Sampling evaluates the preparation process of the construction budget of the management team, and sampling tests the effectiveness of its internal control system and implementation; randomly check external documents such as construction price lists, contracts, daily construction reports, invoices, and construction budgets, and check with construction budgets to verify the appropriateness of collection and accumulation of the construction type; checks the pricing information of each period to calculate the percentage of completion of the construction; randomly check and execute the cut-off point test of the construction in progress for the period before and after the balance sheet date.

Responsibilities of the Management and Governing Body for the Parent Company Only Financial Statements

It is the management's responsibility to fairly present the parent company only financial statements in compliance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and to sustain essential internal controls respecting the preparation of the parent company only financial statements so as to ensure that there is no material misrepresentation in the parent company only financial statements due to fraud or error.

In the preparation of the parent company only financial statements, the responsibility of management also includes the assessment of the sustainability of going concerned for Kedge Construction Co., Ltd., disclosure of relevant matters, as well as the adoption of the accounting base for continuing operations, unless the management intends to liquidate the Kedge Construction Co., Ltd. or terminate the business, or there is no practicable measure other than liquidation or termination of the business.

The governing bodies of Kedge Construction Co., Ltd. (including the Audit Committee or the supervisors) have the responsibility to oversee the process by which the financial statements are prepared.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

The purpose of our audit is to provide reasonable assurance that the parent company only financial statements as a whole do not contain material misrepresentation arising from fraud or errors, and to issue an independent auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misrepresentation may be due to fraud or error. It is considered to be material if the misrepresented individual amount or the aggregated total can be reasonably expected to affect the economic decisions made by the users of the parent company only financial statements.

When auditing in accordance with Auditing Standards, we practice professional judgment and maintains professional suspicion. We also perform the following tasks:

1. Identify and assess the risks of material misrepresentation in the parent company only financial statements due to fraud or error; design and implement applicable countermeasures for the assessed risks, as well as obtaining sufficient and appropriate audit evidence as to the foundation

(Please see the Notes to the Consolidated Financial Statements)

of audit opinions. Because fraud may involve collusion, forgery, intentional omission, untrue declaration or the override of internal control, the risk of not detecting the material misrepresentation caused by fraud is higher than that caused by the error.

2. To acquire the necessary understanding of internal control relevant to audit so as to design appropriate audit procedures under the circumstances, but its purpose is not to express opinions on the effectiveness of internal control of Kedge Construction Co., Ltd.
3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by management.
4. Based on the audit evidence obtained, conclude on the appropriateness of the accounting base for continuing operations adopted by the management and whether there is a material uncertainty in the events or circumstances that may cause material doubts about the sustainability of going concerned for Kedge Construction Co., Ltd. If we believe that there is a material uncertainty in such events or circumstances, we shall remind the users of the parent company only financial statements to pay attention to the relevant disclosure of the parent company only financial statements in our auditor's report or we shall amend the audit opinion when such disclosure is inadequate. Our conclusions are based on the audit evidence obtained as of the date of our auditor's report. However, future events or circumstances may result in Kedge Construction Co., Ltd. no longer having the ability to going concerned.
5. Evaluate the overall presentation, structure, and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements fairly represent the underlying transactions and events.
6. Obtain sufficient and appropriate audit evidence for the financial information of the invested company adopting the equity method to express opinions on the parent company only financial statements. We are responsible for the guidance, supervision, and implementation of the audit cases, and for forming the audit opinions for Kedge Construction Co., Ltd.

The matters we communicate with the governance body include the planned audit scope and time, as well as material audit findings (including a significant lack of internal control identified in the audit process).

We also provide the governance body with a declaration that the persons subject to the independence standards of our affiliated accounting firm have complied with the code of professional ethics of accountants, and communicate with the governance body all relations and other matters (including relevant protective measures) that may affect the independence of CPAs.

From the matters communicated with those charged with governance, we determined the key audit matters of the parent company only financial statements of Kedge Construction Co., Ltd. of 2022. We state such matters in the audit report unless the law or regulation does not allow public disclosure of specific matters. Or in rare circumstances, we determine not to communicate specific matters in the audit report due to the reasonable probability that the negative impact of such communication is greater than the public interest.

KPMG

Taipei, Taiwan

Republic of China

March 14, 2023

(Please see the Notes to the Consolidated Financial Statements)

Notices to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese language independent auditors' report and financial statements shall prevail.

(Please see the Notes to the Consolidated Financial Statements)

Kedge Construction Co., Ltd.

Balance Sheets

For the Years Ended December 31, 2022 and 2021

Unit: NT\$ thousand

Assets		2022.12.31		2021.12.31		Liabilities and equity		2022.12.31		2021.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(1) and (17))	\$ 4,690,359	40	3,773,795	41	2100	Short-term loans (Note 6(7), (17) and 7)	\$ 485,000	4	200,000	2
1170	Notes and accounts receivable, net (Note 6(3), (14) and (17))	1,893,905	16	995,512	11	2130	Current contract liabilities (Note 6(14))	1,543,225	13	444,657	5
1180	Notes and accounts receivable - related-parties, net (Note 6(14) and (17) and 7)	570,121	5	820,009	9	2150	Notes payable (Note 6(17) and 7)	336,499	3	274,632	3
1140	Current contract assets (Note 6(14) and 7)	1,841,624	16	2,139,978	23	2170	Accounts payable (Note 6(17) and 7)	4,340,075	37	4,088,298	44
1410	Prepayments	139,944	1	84,871	1	2200	Other payables (Note 6(10), (17) and 7)	372,504	3	289,924	3
1470	Other current assets	49,170	-	43,541	1	2230	Current tax liabilities	266,475	2	191,630	2
1476	Other financial assets - current (Note 6(17) and 7)	1,589,682	14	310,105	3	2300	Other current liabilities (Note 6(17))	10,768	-	16,280	-
		<u>10,774,805</u>	<u>92</u>	<u>8,167,811</u>	<u>89</u>			<u>7,354,546</u>	<u>62</u>	<u>5,505,421</u>	<u>59</u>
Non-current assets:						Non-current liabilities:					
1518	Equity instrument measured at fair value through other comprehensive income (Note 6(2) and (17))	16,060	-	20,763	-	2552	Warranty long-term provisions (Note 6(8))	178,726	2	180,633	2
1550	Investments accounted for using equity method (Note 6(4))	663,263	7	744,759	8	2600	Other non-current liabilities (Note 6(17))	9,006	-	4,411	-
1600	Property, plant and equipment (Note 6(5) and (8))	150,955	1	92,934	1			<u>187,732</u>	<u>2</u>	<u>185,044</u>	<u>2</u>
1760	Investment property, net (Note 6(6) and 8)	48,689	-	101,611	1	Total liabilities		<u>7,542,278</u>	<u>64</u>	<u>5,690,465</u>	<u>61</u>
1755	Right-of-use assets	12,680	-	2,764	-	Equity (Note 6(12)):					
1840	Deferred tax assets(Note 6(11))	39,717	-	45,994	1	3100	Share Capital	1,166,392	10	1,060,357	12
1975	Net defined benefit assets - non-current (Note 6(10))	5,820	-	2,438	-	3200	Capital surplus	518,540	5	518,401	6
1980	Other non-current financial assets (Note 6(17))	16,534	-	22,324	-	3300	Retained earnings	2,372,019	20	1,702,978	19
		<u>953,718</u>	<u>8</u>	<u>1,033,587</u>	<u>11</u>	3400	Other equity interest	129,294	1	229,197	2
		<u>\$ 11,728,523</u>	<u>100</u>	<u>9,201,398</u>	<u>100</u>		Total equity	<u>4,186,245</u>	<u>36</u>	<u>3,510,933</u>	<u>39</u>
Total assets							Total liabilities and equity	<u>\$ 11,728,523</u>	<u>100</u>	<u>9,201,398</u>	<u>100</u>

(Please refer to the attached Notes to Parent Company Only Financial Statements)

Kedge Construction Co., Ltd.
Statements of Comprehensive Income
January 1 to December 31, 2022 and 2021

Unit: NT\$ thousand

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (Note 6(9), (14) and 7)	\$ 14,175,364	100	10,720,013	100
5000	Operating costs (Note 6(10), (15), 7 and 12)	12,588,653	89	9,543,524	89
	Gross profit from operations	1,586,711	11	1,176,489	11
	Operating expenses:				
6200	Administrative expenses (Note 6(10), (15), 7 and 12)	306,833	2	296,788	3
6450	Expected credit loss (gain) (Note 6(3) and (14))	-	-	7,551	-
		306,833	2	304,339	3
	Net Operating Profit	1,279,878	9	872,150	8
	Non-operating income and expenses:				
7100	Interest income (Note 6(16))	21,635	-	9,567	-
7010	Other income (Note 6(16))	11,355	-	1,723	-
7020	Other gains and losses (Note 6(5) and (16))	(265)	-	(19,601)	-
7050	Financial costs (Note 6(16))	(4,152)	-	(1,384)	-
7070	Share of profit and loss of subsidiaries, associates and joint ventures using equity method recognition	13,704	-	58,906	1
		42,277	-	49,211	1
	Net profit before tax from continuing operating department	1,322,155	9	921,361	9
7950	Less: Income tax expenses (Note 6(11))	274,222	2	180,885	2
	Profit	1,047,933	7	740,476	7
8300	Other comprehensive income:				
8310	Items that will not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	2,836	-	(1,575)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(99,903)	(1)	84,544	1
		(97,067)	(1)	82,969	1
8300	Other comprehensive income, net	(97,067)	(1)	82,969	1
	Total Comprehensive Income for the Current Period	\$ 950,866	6	823,445	8
	Earnings per share (NT\$) (Note 6(13))				
9750	Basic earnings per share (NT\$)	\$ 8.98		6.35	
9850	Diluted earnings per share (NT\$)	\$ 8.85		6.30	

(Please refer to the attached Notes to Parent Company Only Financial Statements)

Kedge Construction Co., Ltd.
Statements of Changes in Equity
January 1 to December 31, 2022 and 2021

Unit: NT\$ thousand

	Share Capital		Retained earnings			Other equity interest	Total equity
	Common stock	Capital surplus	Legal reserve	Unappropriated earnings	Total	Unrealized gains (losses) from financial assets at fair value through other comprehensive income	
Balance as of January 1, 2021	\$ 1,060,357	518,294	282,311	1,063,494	1,345,805	144,653	3,069,109
Profit	-	-	-	740,476	740,476	-	740,476
Other Comprehensive Income in the Current Period	-	-	-	(1,575)	(1,575)	84,544	82,969
Total Comprehensive Income for the Current Period	-	-	-	738,901	738,901	84,544	823,445
Earnings appropriation and distribution:							
Legal reserve appropriated	-	-	62,771	(62,771)	-	-	-
Cash dividends of ordinary share	-	-	-	(381,728)	(381,728)	-	(381,728)
Unclaimed cash dividends after effective period	-	107	-	-	-	-	107
Balance on December 31, 2021	1,060,357	518,401	345,082	1,357,896	1,702,978	229,197	3,510,933
Profit	-	-	-	1,047,933	1,047,933	-	1,047,933
Other Comprehensive Income in the Current Period	-	-	-	2,836	2,836	(99,903)	(97,067)
Total Comprehensive Income for the Current Period	-	-	-	1,050,769	1,050,769	(99,903)	950,866
Earnings appropriation and distribution:							
Legal reserve appropriated	-	-	73,890	(73,890)	-	-	-
Cash dividends of ordinary share	-	-	-	(275,693)	(275,693)	-	(275,693)
Stock dividends of ordinary share	106,035	-	-	(106,035)	(106,035)	-	-
Unclaimed cash dividends after effective period	-	139	-	-	-	-	139
Balance as of December 31, 2022	\$ 1,166,392	518,540	418,972	1,953,047	2,372,019	129,294	4,186,245

(Please refer to the attached Notes to Parent Company Only Financial Statements)

Kedge Construction Co., Ltd.
Statements of Cash Flows
January 1 to December 31, 2022 and 2021

Unit: NTS thousand

	2022	2021
Cash flows from operating activities:		
Net profit before tax for the period	\$ 1,322,155	921,361
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	17,206	19,466
Expected credit loss	-	7,551
Interest expense	4,152	1,384
Interest income	(21,635)	(9,567)
Dividend income	(1,375)	(1,200)
Share of profit of subsidiaries, associates and joint ventures using equity method recognition	(13,704)	(58,906)
Gains on disposal and scrap of property, plant and equipment	-	(33)
Impairment loss of non-financial assets	-	18,618
Gain on lease modification	-	(58)
Total adjustments to reconcile profit (loss)	<u>(15,356)</u>	<u>(22,745)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in notes and accounts receivable	(898,393)	(63,619)
Notes and accounts receivable - decrease in related parties	249,888	1,068,847
Decrease (increase) in contract assets	298,354	(720,511)
Decrease (increase) in prepayments	(55,073)	6,445
Increase in other financial instruments - current	(5,629)	(9,056)
Increase in other financial assets	(1,276,354)	(108,708)
(Increase) decrease in net defined benefit assets-non-current	(3,382)	962
Total changes in operating assets	<u>(1,690,589)</u>	<u>174,360</u>
Total changes in operating liabilities:		
Increase (decrease) in notes payable	61,867	(51,491)
Increase in accounts payable	252,223	431,316
Increase (decrease) in contract liabilities	1,098,568	(1,051,007)
Increase (decrease) in other payables	82,499	(20,795)
Increase (decrease) in liability reserve	(1,907)	31,264
(Decrease) increase in other current liabilities	(10,326)	9,823
Increases (decrease) in net defined benefit liabilities	2,836	(1,575)
(Decrease) increase in other non-current liabilities	(501)	1,048
Total changes in operating liabilities	<u>1,485,259</u>	<u>(651,417)</u>
Total changes in operating assets and liabilities	<u>(205,330)</u>	<u>(477,057)</u>
Total adjustments	<u>(220,686)</u>	<u>(499,802)</u>
Cash inflow generated from operations	1,101,469	421,559
Interests received	17,329	9,945
Dividends received	1,375	1,200
Interest payment	(3,932)	(1,384)
Income taxes paid	(193,100)	(118,033)
Net cash flows from operating activities	<u>923,141</u>	<u>313,287</u>
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(21,109)	(3,875)
Disposal of property, plant and equipment	-	76
Decrease (increase) in other financial assets	6,873	(11,154)
Net cash flows used in investing activities	<u>(14,236)</u>	<u>(14,953)</u>
Cash flows from financing activities:		
Increase in short-term loans	945,000	410,000
Decrease in short-term loans	(660,000)	(360,000)
Increase in short-term promissory notes payable	50,000	260,000
Decrease in short-term promissory notes payable	(50,000)	(260,000)
Repayment of lease principal amount	(1,648)	(2,552)
Cash dividend distribution	(275,693)	(381,728)
Net cash outflows from (used in) financing activities	<u>7,659</u>	<u>(334,280)</u>
Net increase (decrease) in cash and cash equivalents	916,564	(35,946)
Opening balance of cash and cash equivalents of the period	3,773,795	3,809,741
Ending balance of cash and cash equivalents of the period	<u>\$ 4,690,359</u>	<u>3,773,795</u>

(Please refer to the attached Notes to Parent Company Only Financial Statements)

Attachments 7.

Kedge Construction Co., Ltd.
Earnings Distribution Table
2022

	Unit: NT\$
Beginning balance of undistributed earnings	\$ 902,277,681
Add: Net profit after tax	1,047,933,172
Add: Changes of remeasurements of defined benefit plans for the period	2,835,770
Less: Appropriation of legal capital reserve	<u>(105,076,894)</u>
Distributable net profit	1,847,969,729
Less: Distribution items	
Shareholders' dividends – cash dividends (at NT\$4.15 per share)	(484,052,787)
Shareholders' dividends – stock dividends (at NT\$0.35 per share)	<u>(40,823,730)</u>
Undistributed earnings at the end of the period	<u>\$ 1,323,093,212</u>

Note: Shareholder dividends to be distributed are appropriated from the 2022 earnings first.

Chairman:
Ai-Wei Yuan

Manager:
Yi-Fang Huang, Chun-Ming Chen

Chief Accounting Officer:
Fang-Chia Chang

Attachments 8.

Kedge Construction Co., Ltd.

Comparison Table for Amendments to the Articles of Incorporation

Current Provision	After Amendment	Description
<p>Article 6</p> <p>The Company's capital shall be set at <u>NT\$1.2 billion</u>, divided into <u>120</u> million shares with each share having a par value of NT\$10. The shares may be issued in installments at the discretion of the Board of Directors in accordance with the Company Act and other relevant laws and regulations. Among the total capital in the preceding paragraph, 6 million shares are retained for the conversion of employee stock warrants, and the Board of Directors has been authorized to issue them in installments according to actualities and relevant laws and regulations and resolution. For an employee stock warrant that the subscription price is lower than the closing price of issuing common stocks of Japanese company, the Company shall not issue stocks without the special resolution of board of shareholders. In case of a transfer to any employee at a price that is lower than the average price of repurchased stocks, the Company, prior to the transfer, shall propose for a special resolution by recent session of board of shareholders. The objects which employee stock warrant is distributed to and objects which treasury stocks are transferred include employees of controlling or</p>	<p>Article 6</p> <p>The Company's capital shall be set at <u>NT\$1.8 billion</u>, divided into <u>180</u> million shares with each share having a par value of NT\$10. The shares may be issued in installments at the discretion of the Board of Directors in accordance with the Company Act and other relevant laws and regulations. Among the total capital in the preceding paragraph, 6 million shares are retained for the conversion of employee stock warrants, and the Board of Directors has been authorized to issue them in installments according to actualities and relevant laws and regulations and resolution. For an employee stock warrant that the subscription price is lower than the closing price of issuing common stocks of Japanese company, the Company shall not issue stocks without the special resolution of board of shareholders. In case of a transfer to any employee at a price that is lower than the average price of repurchased stocks, the Company, prior to the transfer, shall propose for a special resolution by recent session of board of shareholders. The objects which employee stock warrant is distributed to and objects which treasury stocks are transferred include employees of controlling or</p>	<p>Amended in accordance with the Company's operational needs.</p>

<p>subsidiary company meeting conditions. The conditions and mode of the distribution shall be decided by the Board of Directors.</p>	<p>subsidiary company meeting conditions. The conditions and mode of the distribution shall be decided by the Board of Directors.</p>	
<p>Article 22 No less than 0.5% of any profit in the current year shall be allocated as employees' remuneration and no more than 2% shall be allocated as Directors' remuneration. However, in case of the accumulated losses, certain profits shall first be reserved to cover them. The Company's surplus at the end of the accounting year shall be first subject to taxation, reimbursement of previous losses, followed by a 10% provision for legal capital reserve and special capital reserve by law or reversal. The remainder shall be allocated as bonus for shareholders at the board's proposal <u>and subject to approval at the shareholders' meeting.</u></p>	<p>Article 22 No less than 0.5% of any profit in the current year shall be allocated as employees' remuneration and no more than 2% shall be allocated as Directors' remuneration. However, in case of the accumulated losses, certain profits shall first be reserved to cover them. The Company's surplus at the end of the accounting year shall be first subject to taxation, reimbursement of previous losses, followed by a 10% provision for legal capital reserve and special capital reserve by law or reversal. The remainder shall be allocated as bonus for shareholders at the board's proposal and subject to approval at the shareholders' meeting. <u>In accordance with Paragraph 5 of Article 240 of the Company Act, dividends and bonuses may be distributed in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.</u></p>	<p>Amended in accordance with the Company's operational needs and pursuant to the Company Act.</p>
<p>Article 24 The Articles of Incorporation were formulated on Feb 24, 1982. The 1st amendment was made on Jun. 13, 1986; the 2nd amendment was made on Jan. 12, 1989; the 3rd amendment was</p>	<p>Article 24 The Articles of Incorporation were formulated on Feb 24, 1982. The 1st amendment was made on Jun. 13, 1986; the 2nd amendment was made on Jan. 12, 1989; the 3rd amendment was</p>	<p>Increase number of amendments and implementation date.</p>

<p>made on Apr. 10, 1992; the 4th amendment was made on Feb. 14, 1994; the 5th amendment was made on May 2, 1994; the 6th amendment was made on May 2, 1994; the 7th amendment was made on Aug. 2, 1994; the 8th amendment was made on Nov. 12, 1994; the 9th amendment was made on May 20, 1995; the 10th amendment was made on Apr. 26, 1996; the 11th amendment was made on Nov. 22, 1996; the 12th amendment was made on Mar. 30, 1999; the 13th amendment was made on Apr. 18, 2000; the 14th amendment was made on Mar. 28, 2001; the 15th amendment was made on Jun. 14, 2002; the 16th amendment was made on Jun. 14, 2005; the 17th amendment was made on Jun. 13, 2007; the 18th amendment was made on Jun. 30, 2008; the 19th amendment was made on Jun. 19, 2009; the 20th amendment was made on Jun. 18, 2010; the 21st amendment was made on Jun. 15, 2011; the 22nd amendment was made on Mar. 19, 2012; the 23rd amendment was made on Jun. 17, 2013; the 24th amendment was made on Jun. 22, 2016; the 25th amendment was made on Jun. 17, 2019; the 26th amendment was made on July 1, 2021; the 27th amendment was made on Jun. 15, 2022.</p>	<p>made on Apr. 10, 1992; the 4th amendment was made on Feb. 14, 1994; the 5th amendment was made on May 2, 1994; the 6th amendment was made on May 2, 1994; the 7th amendment was made on Aug. 2, 1994; the 8th amendment was made on Nov. 12, 1994; the 9th amendment was made on May 20, 1995; the 10th amendment was made on Apr. 26, 1996; the 11th amendment was made on Nov. 22, 1996; the 12th amendment was made on Mar. 30, 1999; the 13th amendment was made on Apr. 18, 2000; the 14th amendment was made on Mar. 28, 2001; the 15th amendment was made on Jun. 14, 2002; the 16th amendment was made on Jun. 14, 2005; the 17th amendment was made on Jun. 13, 2007; the 18th amendment was made on Jun. 30, 2008; the 19th amendment was made on Jun. 19, 2009; the 20th amendment was made on Jun. 18, 2010; the 21st amendment was made on Jun. 15, 2011; the 22nd amendment was made on Mar. 19, 2012; the 23rd amendment was made on Jun. 17, 2013; the 24th amendment was made on Jun. 22, 2016; the 25th amendment was made on Jun. 17, 2019; the 26th amendment was made on July 1, 2021; the 27th amendment was made on Jun. 15, 2022; the 28th amendment was <u>made on June, 2023.</u></p>	
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Attachments 9.

Kedge Construction Co., Ltd. Comparison Table for Amendments to the Rules of Procedures for Shareholders' Meetings

Current Provision	After Amendment	Description
<p>Article 3</p> <p>Paragraph 1: Omitted</p> <p>The number of shares represented during the meeting is calculated based on the amount of shares where voting rights are exercised in writing or through electronic means <u>and</u> the total amount of attendance cards collected.</p> <p>When a juristic person is appointed to attend the shareholders' meeting, it may designate only one person to attend on its behalf.</p> <p><u>Paragraphs 4-6: Addition</u></p>	<p>Article 3</p> <p>Paragraph 1: Omitted</p> <p>The number of shares represented during the meeting is calculated based on the amount of shares where voting rights are exercised in writing or through electronic means <u>plus</u> the total amount of attendance cards collected <u>and the shares checked in on the virtual meeting platform.</u></p> <p>When a juristic person is appointed to attend the shareholders' meeting, it may designate only one person to attend on its behalf.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u></p> <p><u>When holding a shareholders' meeting through video conferencing, the Company shall upload the shareholders' meeting handbook, annual report, and other relevant meeting materials to the video conferencing platform for the shareholders' meeting at least 30 minutes prior to the start time of the meeting and continue to disclose such materials until the meeting ends.</u></p>	<p>In accordance with Section II of Chapter II of the Regulations Governing the Administration of Shareholder Services of Public Companies, provisions about shareholders' meetings by means of video conferencing are added.</p>

Current Provision	After Amendment	Description
	<p><u>During the 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 is recounted and a new tally of votes is released during the meeting.</u></p>	
<p>Article 4 Paragraph 1: Omitted <u>Paragraph 2: Addition</u></p>	<p>Article 4 Paragraph 1: Omitted <u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting. 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.</u></p>	
<p>Article 11 Paragraphs 1-4: Omitted <u>Paragraph 5: Addition</u></p>	<p>Article 11 Paragraphs 1-4: Omitted <u>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</u></p>	

Current Provision	After Amendment	Description
	<p><u>be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 3 do not apply.</u></p>	
<p>Article 14-1 <u>Addition</u></p>	<p><u>Article 14-1</u></p> <p><u>When the 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.</u></p> <p><u>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.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 3 decide to attend the 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.</u></p>	
<p>Article 15</p>	<p>Article 15</p>	

Current Provision	After Amendment	Description
<p>Paragraph 1: Omitted</p> <p><u>Paragraph 2: Addition</u></p>	<p>Paragraph 1: Omitted</p> <p><u>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.</u></p>	
<p><u>Article 17-1 Addition</u></p>	<p><u>Article 17-1</u></p> <p><u>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 Paragraph 4 of Article 44-20 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</u></p>	

Current Provision	After Amendment	Description
	<p><u>which case Article 182 of the Company Act shall not apply.</u></p> <p><u>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.</u></p> <p><u>For a meeting to be postponed or resumed under the first 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.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the first paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced or for the list of elected directors.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, and the virtual</u></p>	

Current Provision	After Amendment	Description
	<p><u>meeting cannot continue as described in the first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and no postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>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.</u></p>	
<p><u>Article 17-2 Addition</u></p>	<p><u>Article 17-2</u></p> <p><u>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u></p>	
<p>Article 21 This amendment was made on July 1, 2021.</p>	<p>Article 21 This amendment was made on Jun. __, 2023.</p>	<p>Revise date of the amendment.</p>

Appendix 1

Kedge Construction Co., Ltd.

Articles of Incorporation (before Amendments)

Chapter 1 General Principles

- Article 1 The Company shall be organized in accordance with the regulations prescribed in the Company Act. The name of the Company is Kedge Construction Co., Ltd.
- Article 2 The Company's business is as follows:
- (I) E101011 Synthesis Construction
 - (II) H701010 Residence and Buildings Lease Construction and Development
 - (III) H701020 Industrial Factory Buildings Lease Construction and Development
 - (IV) H701040 Specialized Field Construction and Development
 - (V) H701050 Public Works Construction and Investment
 - (VI) H701060 New County and Community Construction and Investment
 - (VII) H701070 Land Levy and Delimit
 - (VIII) H701080 Reconstruction within the Renewal Area
 - (IX) H701090 Renovation, or Maintenance within the Renewal Area
 - (X) H702010 Construction Management
 - (XI) H703090 Real Estate Commerce
 - (XII) H703100 Real Estate Rental and Leasing
 - (XIII) H703110 Senior Citizen's Development
 - (XIV) E401010 Dredge Engineering
 - (XV) E402010 Ballast and Mud Construction on Sea
 - (XVI) E604010 Machinery Installation Construction
 - (XVII) E801010 Building Maintenance and Upholstery
 - (XVIII) E801020 Doors and Windows Construction
 - (XIX) E801030 Interior Light Rigid Frame Construction
 - (XX) E801040 Glass Construction
 - (XXI) E801070 Kitchen and Bath Facilities Construction
 - (XXII) E901010 Painting Construction
 - (XXIII) E903010 Eroding and Rusting Construction
 - (XXIV) EZ02010 Derrick Construction
 - (XXV) EZ03010 Furnace Installation Construction
 - (XXVI) EZ05010 Apparatus Installation Construction
 - (XXVII) EZ06010 Traffic Labels Construction
 - (XXVIII) EZ07010 Drilling Construction
 - (XXIX) EZ14010 Sports Ground Equipment Construction
 - (XXX) EZ15010 Warming and Cooling Maintenance Construction
 - (XXXI) EZ99990 Other Construction

- (XXXII) F113010 Wholesale of Machinery
- (XXXIII) F113090 Wholesale of Traffic Signal Equipment and Materials
- (XXXIV) F113100 Wholesale of Pollution Controlling Equipment
- (XXXV) F211010 Retail Sale of Building Materials
- (XXXVI) F213080 Retail Sale of Machinery and Equipment
- (XXXVII) F213090 Retail Sale of Traffic Signal Equipment and Materials
- (XXXVIII) I101070 Agriculture, Forestry, Fishing and Animal Husbandry Consultancy
- (XXXIX) I103060 Management Consulting Services
- (XL) I503010 Landscape and Interior Designing
- (XLI) I599990 Other Designing
- (XLII) IF01010 Fire Fighting Equipment Overhauling
- (XLIII) IF02010 Electricity Equipment Checking and Maintenance
- (XLIV) IF04010 Harmless Checking Services
- (XLV) J101010 Buildings Cleaning Service
- (XLVI) J101030 Waste Disposal
- (XLVII) J101040 Waste Treatment
- (XLVIII) J101050 Sanitary and Pollution Controlling Services
- (XLIX) J101060 Wastewater (Sewage) Treatment
- (L) J101080 Waste Recycling
- (LI) J101090 Waste Collecting and Disposing
- (LII) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company may invest in other business entities; the total amount of investment in other business entities is not subject to the restrictions of 40% of paid-up capital. The Company may also provide guarantees to outside parties as needed to facilitate its business activities.

Article 4 The Company set up its headquarters in Taipei City. When necessary, it may set up branch offices domestically or abroad with a resolution by the Board of Directors.

Article 5 Public announcements of the Company shall be duly made in accordance with Article 28 of The Company Act.

Chapter 2 Shares

Article 6 The Company's capital shall be set at NT\$1.2 billion, divided into 120 million shares with each share having a par value of NT\$10. The shares may be issued in installments at the discretion of the Board of Directors in accordance with the Company Act and other relevant laws and regulations. Among the total capital in the preceding paragraph, 6 million shares are retained for the conversion of employee stock warrants, and the Board of Directors has been authorized to issue them in installments according to actualities and relevant laws and regulations and resolution. For an employee stock

warrant that the subscription price is lower than the closing price of issuing common stocks of Japanese company, the Company shall not issue stocks without the special resolution of board of shareholders. In case of a transfer to any employee at a price that is lower than the average price of repurchased stocks, the Company, prior to the transfer, shall propose for a special resolution by recent session of board of shareholders. The objects which employee stock warrant is distributed to and objects which treasury stocks are transferred include employees of controlling or subsidiary company meeting conditions. The conditions and mode of the distribution shall be decided by the Board of Directors.

Article 7 The Company's shares are in a registered form to be signed or stamped by more than three Directors, arranged in serial number and sealed with the Company's seal, and they are issued after approval from issuance and registration institution designated by competent authority. The Company's issued shares may be free from printing, but they should be registered at centralized securities depository enterprise.

Article 8 Deleted.

Article 9 Share transfer shall be suspended within 60 days before the convening of annual shareholders' meeting and within 30 days prior to the convening of extraordinary shareholders' meeting, or within 5 days before the base date of the Company's decision to distribute dividends and bonuses or other benefits.

Article 10 All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of the seal, change of address or similar stock transaction conducted by shareholders of the Company shall follow the Regulations Governing the Administration of Shareholder Services of Public Companies unless specified otherwise by law and securities regulations.

Chapter 3 Shareholders' Meetings

Article 11 The shareholders' meetings of the Company are classified into two types. The general shareholders' meeting shall be annually convened by the board within 6 months from the end of each fiscal year in accordance with the relevant laws and regulations. The extraordinary shareholders' meeting shall be convened in accordance with the relevant laws and regulations, whenever is necessary.

Article 11-1 The shareholders shall be notified of the annual shareholders' meeting 30 days prior to the date and 15 days prior to the date of extraordinary shareholders meeting. The notification shall note the meeting date, location, and reason for convening.

Article 11-2 The Company's shareholders' meetings may be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 12 If a shareholder is unable to attend the shareholders' meeting in person, a proxy can be appointed by completing the Company's proxy form and by specifying the scope of delegated authority.

Shareholders of the Company can also execute voting power through electronic form,

and shareholders executing voting power through electronic form shall be deemed as attending the meeting in person. Relevant matters shall be handled according to legal provisions.

Article 13 Shareholders of the Company enjoy one voting power for every share, but there is no voting power for situations stipulated under Article 179 of Company Act.

Article 14 If a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is unable to attend, the Vice Chairman shall act in place of the Chairman; if the Vice Chairman also is unable to attend, the Chairman shall appoint one of the Directors to act as chairperson. Where the Chairman does not make such a designation, the Directors shall select from among themselves one person to act as chairperson. 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 chairperson from among themselves.

Article 14-1 Unless otherwise stipulated for in the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 14-2 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 with a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The distribution of the minutes of shareholders' meeting may be affected by means of public announcement.

Chapter 4 Directors

Article 15 The Company shall have nine directors, appointed by the shareholder's meeting from a list of candidates submitted by the Board. The tenure for the directors shall be 3 years and may be shortened when necessary. The Directors shall be eligible for reelection. Elections of Directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. The implementation shall be subject to the Company Act, Securities and Exchange Act and other related laws and regulations.

The number of Directors shall include three Independent Directors. The professional qualifications, shareholding, restrictions regarding concurrently-held positions, nomination and election methods and other compliance matters shall be handled in accordance with relevant laws and regulations.

Total registered stocks held by all directors shall be subject to the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies promulgated by the Financial Supervisory Commission.

Article 15-1 The following relationships may not exist among more than half of the Company's

Directors:

I. Spouse.

II. Kinship within second-degree.

Article 16 The Board shall consist of the Directors, and a Chairman and a Vice Chairman shall be elected from among the Directors by a majority of Directors in attendance at a meeting attended by at least two-thirds of the Directors. The Chairman shall represent the Company externally.

Article 16-1 In convening a meeting of the Board of Directors, a notice shall be given to each Director no later than 7 days prior to the scheduled meeting date. However, in the event of an emergency, the meeting may be convened at any time.

The notice mentioned in the preceding paragraph may be effected in writing or by means of fax or electronic transmission.

Directors who participate in the meeting by means of visual communication network are deemed to have attended the meeting in person.

Article 17 In case the Chairman is on leave or absent or cannot exercise his/her power and authority for any cause, his/her representative shall be selected according to Article 208 of the Company Act.

If a Director is unable to attend a Board meeting in person, the Director may delegate in writing another Director to attend the Board meeting by proxy, and the proxy may exercise voting rights to any and all matters brought forth during the meeting. However, each Director may delegate only one proxy.

Article 18 The remuneration of the Directors shall be determined by the Board of Directors according to the degree of each Director's participation in the operation of the Company and his/her contribution, and shall be determined by reference to the standard of the industry. Independent Directors are paid monthly and are not involved in the distribution of Directors' remuneration set out in Article 22.

The Company may purchase liability insurance for Directors during the term according to the compensation liability within their business scope.

Article 19 The Company shall set up the Audit Committee as per Article 14-4 of the Securities and Exchanges Act. The Audit Committee shall be composed of the entire number of Independent Directors and is responsible for Supervisors' duties as per the Company Act, Securities and Exchange Act and other related laws and regulations.

Chapter 5 Managers

Article 20 The Company may have managers. Appointment, dismissal, and compensation of the managers shall be decided in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 21 The Company shall, at the end of each fiscal year, make the following reports by the

Board of Directors and submit them to the annual shareholders' meeting for recognition.

(I) Business reports.

(II) The financial statements.

(III) Proposal for distribution of earnings to shareholders or recovery of prior year losses.

Article 22 No less than 0.5% of any profit in the current year shall be allocated as employees' remuneration and no more than 2% shall be allocated as Directors' remuneration. However, if the Company still records a cumulative loss, its profit shall first be used to make up the loss.

The Company's surplus at the end of the accounting year shall be first subject to taxation, reimbursement of previous losses, followed by a 10% provision for legal capital reserve and special capital reserve by law or reversal. The remainder, apart from allocation of ordinary share dividends, shall be allocated as bonus for shareholders at the board's proposal and subject to approval at the shareholders' meeting.

Article 22-1 The Company will move towards large-scale construction projects and strive for growth and innovation. In order to continue to attract the appropriate capital to meet the needs of the business and take into account the shareholders' needs for cash, the lower limit of the Company's future cash dividend ratio will be 20% of the total cash and stock dividends to be distributed in the current year.

Chapter 7 Supplemental Provisions

Article 23 For outstanding matters in the Articles of Incorporation, the provisions of the Company Act shall be followed.

Article 24 The Articles of Incorporation were formulated on Feb 24, 1982. The 1st amendment was made on Jun. 13, 1986; the 2nd amendment was made on Jan. 12, 1989; the 3rd amendment was made on Apr. 10, 1992; the 4th amendment was made on Feb. 14, 1994; the 5th amendment was made on May 2, 1994; the 6th amendment was made on May 2, 1994; the 7th amendment was made on Aug. 2, 1994; the 8th amendment was made on Nov. 12, 1994; the 9th amendment was made on May 20, 1995; the 10th amendment was made on Apr. 26, 1996; the 11th amendment was made on Nov. 22, 1996; the 12th amendment was made on Mar. 30, 1999; the 13th amendment was made on Apr. 18, 2000; the 14th amendment was made on Mar. 28, 2001; the 15th amendment was made on Jun. 14, 2002; the 16th amendment was made on Jun. 14, 2005; the 17th amendment was made on Jun. 13, 2007; the 18th amendment was made on Jun. 30, 2008; the 19th amendment was made on Jun. 19, 2009; the 20th amendment was made on Jun. 18, 2010; the 21st amendment was made on Jun. 15, 2011; the 22nd amendment was made on Mar. 19, 2012; the 23rd amendment was made on Jun. 17, 2013; the 24th amendment was made on Jun. 22, 2016; the 25th amendment was made on Jun. 17, 2019; the 26th amendment was made on July 1, 2021; the 27th amendment was made on Jun. 15, 2022.

Appendix 2

Kedge Construction Co., Ltd.

Rules of Procedures for Shareholders' Meetings (before Amendments)

- Article 1 The shareholders' meeting of Kedge Construction Co., Ltd. (hereinafter referred to as the company) shall be conducted in accordance with these rules.
- Article 2 Whenever these Rules of Procedure refer to Shareholders, they include the shareholders as well as any representative attending as their proxy.
- Article 3 The Company shall provide attending shareholders with an attendance book to sign in, or attending shareholders may submit attendance cards in lieu of signing in.
The number of shares represented during the meeting is calculated based on the amount of shares where voting rights are exercised in writing or through electronic means and the total amount of attendance cards collected.
When a juristic person is appointed to attend the shareholders' meeting, it may designate only one person to attend on its behalf.
- Article 4 The shareholder's meeting shall be convened at a location that is convenient for the company's shareholders to attend. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- Article 5 If a shareholders' meeting is convened by the Board of Directors, the meeting shall be presided over by the Chairman of the Board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairman shall act in place of the chairperson; if the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the directors to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to act as chair. If the shareholders' meeting is convened by any authorized party other than the Board of Directors, the shareholders' meeting shall be convened in accordance with Article 182-1 of the Company Act.
- Article 6 The Company may designate the appointed lawyer, accountant or related personnel to attend the shareholders' meeting.
Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.
- Article 7 Entire proceedings of Shareholders' Meeting shall be recorded on audio or video tape and preserved for at least 1 year.
- Article 8 The chairperson shall announce the commencement of the meeting and relevant information such as non-voting shares and attending shares no as soon as the appointed

time arrives if those in attendance represent a majority of the Company's outstanding shares. However, if those in attendance represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than 1 hour. If the shareholders in attendance represent more than one-third but less than half of outstanding shares after two postponements, the shareholders in attendance may conclude “the resolution approved by them as a false resolution” according to Article 175, Paragraph 1 of the Company Act. However, for items requiring special resolution by the provisions of the Company Act, the resolution shall be made in accordance with the Company Act. When the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for the final resolution of the meeting to re-submit the tentative resolution in accordance with Article 174 of the Company Act.

Article 9 If the shareholders' meeting is convened by the board of directors, the agenda shall be set by the board of directors. The meeting shall be conducted in accordance with the scheduled agenda, and may not be changed without the 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.

After a meeting adjourned, shareholders may not elect another chair to continue the proceeding of the meeting at the same or a new place, provided that, if the chair declares the adjournment of the meeting in a manner in violation of the rules of procedure, a new chair may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceeding of the meeting.

Article 10 Shareholders who wish to speak during the meeting must produce an opinion slip detailing the topics and the shareholder's account number (or the account name). The order of shareholders' comments shall be determined by the chair.

A shareholder who has submitted a opinion slip but does not actually speak shall be deemed to have not spoken. If the contents of speech are inconsistent with the contents of opinion slip, the contents of speech shall prevail.

Article 11 Each shareholder shall speak no more than twice, for five minutes each, on the same

agenda item. However, the restriction does not apply to the provision of an explanation for a proposal or the answering of a question subject to the approval of the chair.

Where a corporate shareholder has appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per agenda item. The chair may stop shareholders from speaking if they exceed the time limit, speak for more than twice or speak outside the agenda item under discussion.

When a shareholder attends the shareholders' meeting, 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.

Violators who do not obey the two preceding paragraphs where the chair is responsible to prevent are subject to Paragraph 2 of Article 18.

Article 12 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 13 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 and call a vote.

Article 14 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the company.

Article 15 When the Company holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic transmission. A shareholder exercising voting rights by correspondence or electronic means shall be regarded as having personally attended the meeting. However, the shareholder shall be regarded as having forfeited voting rights for extraordinary motions or amendments to the original motion.

Votes are determined by the number of shares. Unless otherwise regulated by the Company Act, an agenda item is passed when supported by shareholders who represent more than half of the total voting rights in the meeting.

Each share is entitled to one voting right. Furthermore, according to Article 177 of the Company Act: "With the exception of trust enterprises and certain share administration agencies approved by the competent authority, a proxy may not represent more than 3% of total voting rights in aggregate when representing two or more shareholders during the meeting. Voting rights that exceed this threshold shall be excluded from calculation."

The voting results shall be announced immediately at the meeting and recorded in the minutes.

Article 16 In the event where amendments or substitutions are provided for in the same proposal,

the chair may decide the order of the vote including the original proposal. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 17 The chair may put the meeting in recess at appropriate times. Where the agenda cannot be concluded in one meeting, a subsequent meeting may be held within 5 days by the resolution of the shareholders' meeting, no service of notice or public announcement is required. If an air alert happens during the meeting, the meeting shall be suspended. Attendees shall individually evacuate and continue to attend the meeting one hour after the alarm is all clear.

Article 18 The chair may instruct pickets to help maintain order in the meeting. The picket shall wear armbands with "picket" when maintaining order. Shareholders shall abide by the chair and pickets' command in maintaining order. The chair may instruct pickets to remove persons who continue disrupt the proceedings of the meeting despite being warned by the chair.

Article 19 Matters not specified in these rules shall be subject to the provisions of the Company Act, the Model Codes of Meeting propagated by the Ministry of the Interior and the Articles of Incorporation of the Company.

Article 20 These rules shall take effect after approval by the shareholder meeting and the same procedure shall apply when they are amended.

Article 21 This amendment was made on July 2, 2021.

Appendix 3

Kedge Construction Co., Ltd. **Rules of Procedures for Board of Directors Meetings** **(before Amendments)**

- Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's Board of Directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.
- Article 2 With respect to the Board of Directors meetings of the Company, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.
- Article 3 The Board of Directors shall meet at least quarterly.
A notice of the reasons for convening a board meeting shall be given to each director before 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice. The meeting notice prescribed in the preceding paragraph may be distributed in written form, by fax or electronic form.
All matters set forth under Article 12, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.
- Article 4 The designated unit responsible for the board meetings of the Company shall be the finance and accounting division of the finance department.
The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.
A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.
- Article 5 When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference. Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with the Company's Articles of Incorporation.

A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

The proxy referred to in Paragraph 2 may be the appointed proxy of only one person.

Article 6 A board meeting shall be held at the premises and during the business hours of the Company, or at a place and time convenient for all directors to attend and suitable for holding board meetings.

Article 7 Board meetings convened by the Chairman of the Board shall be chaired by the Chairman of the Board. However, the first meeting of each newly elected Board of Directors shall be convened and chaired by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected. If two or more directors are so entitled to convene the meeting, they shall select one director from among themselves to serve as chairperson of the meeting.

According to Article 203, Paragraph 4 or Article 203-1, Paragraph 3 of the Company Act, the majority or more of the directors may convene the meeting on their own, and the directors shall select one director from among themselves to serve as chairperson of the meeting.

When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the directors to act as chair. If no such designation is made by the chairperson, the directors shall select one person from among themselves to serve as chair.

Article 8 When a board meeting is held, management departments (or the finance and accounting division of the finance department) shall prepare relevant information and made available for inspections by the directors.

As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting as non-voting participants and to make explanatory statements , provided that they shall leave the meeting when deliberation or voting takes place.

The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.

If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2.

The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.

Article 9 Proceedings of a board meeting shall be recorded in their entirety in audio or video, and the recording shall be retained for a minimum of 5 years. The record may be retained in electronic form.

If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation.

Where a board meeting is held by video conference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.

Article 10 Agenda items for regular board meetings of this Corporation shall include at least the following:

I. Matters to be reported:

(I) Minutes of the last meeting and action taken.

(II) Important financial and business matters.

(III) Internal audit activities.

(IV) Other important matters to be reported.

II. Matters for discussion:

(I) Items for continued discussion from the last meeting.

(II) Items for discussion at this meeting.

III. Extraordinary motions.

Article 11 A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.

The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.

At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 4 shall apply *mutatis mutandis*.

- Article 12 The Company shall submit the following items for discussion by the Board:
- I. The Company's business plan.
 - II. Annual financial reports signed and sealed by the Chairman of the Board, the manager and the accounting supervisor.
 - III. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
 - IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
 - V. The offering, issuance, or private placement of any equity-type securities.
 - VI. Appointment or discharge of a finance manager or accounting manager or internal chief auditor and internal audit personnel.
 - VII. A donation to a related party or a major donation to a non-related party. However, a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
 - VIII. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material 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 an 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 term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

At least one independent director of the Company shall attend the meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in the first paragraph, any and all independent directors shall attend the meeting. Where an independent director is unable to

attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

Article 13 When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote. Unless otherwise regulated by the Company Act, an agenda item is passed when supported by attending directors who represent more than half of the total voting rights in the meeting. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be directors of the Company.

One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

- I. A show of hands or a vote by voting machine.
- II. A roll call vote.
- III. A vote by ballot.
- IV. A vote by a method selected at the Company's discretion.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

Article 14 Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.

When there is an amendment or 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. If any one among them is passed, the other proposals shall then be deemed rejected, and no further voting on them shall be required.

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, provided that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded in writing.

Article 15 If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

Where the spouse, a relative within the second degree of kinship of a Director, or any company which has a controlling or subordinate relation with a Director has interests in the matters under discussion in the meeting of the preceding paragraph, the director shall be deemed to have a personal interest in the matter. 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 meetings when a director is prohibited by the preceding 2 paragraphs from exercising voting rights.

Article 16 Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

- I. The meeting session (or year) and the time and place of the meeting.
- II. The name of the chair.
- III. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.
- IV. The names and titles of those attending the meeting as non-voting participants.
- V. The name of the minute taker.
- VI. The matters reported at the meeting.
- VII. Agenda items: The method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing.

VIII. Extraordinary motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and their objections or reservations and any recorded or written statements.

IX. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of the Company.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

- I. Any objection or expression of reservations by an independent director expresses of which there is a record or written statement.
- II. A resolution is adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of the Company.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 17 With the exception of matters required to be discussed at a board meeting under Article 12, paragraph 1, when the Board of Directors appoints a party to exercise the powers of the board in accordance with applicable laws and regulations or the Company's Articles of Incorporation, the levels of such delegation and the content or matters it covers shall be definite and specific:

- I. Article 8 of the Company's endorsement guarantee procedure.
- II. The Company's Regulations for the Acquisition and Disposal of Assets Chapter 1, Article 4 Item 1.

Article 18 These Rules of Procedure shall be adopted by the approval of meeting of the Board of Directors and shall be reported to the shareholders meeting.

Article 19 This amendment was made on March 23, 2020.

Appendix 4

Kedge Construction Co., Ltd. Corporate Governance Best Practice Principles

Chapter 1 General Principles

Article 1

In order to establish a good corporate governance system, the company has formulated this code by referring to the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed” for compliance.

Article 2

The company establishes a corporate governance system in addition to complying with relevant laws, regulations, articles of incorporation, shall follow the following principles:

- I. Protect the rights and interests of shareholders.
- II. Strengthen the powers of the board of directors.
- III. Fulfill the function of audit committee.
- IV. Respect the rights and interests of stakeholders.
- V. Enhance information transparency.

Article 3

The company shall follow the Criteria Governing Establishment of Internal Control Systems by Public Reporting Companies and take into consideration the overall operational activities of itself and its subsidiaries to design and fully implement an internal control system, and shall conduct continuing reviews of the system, in order to ensure the continued effectiveness of its design and implementation in light of changes in the company's internal and external environment.

The company shall perform full self-assessments of its internal control system. Its board of directors and management shall review the results of the self-assessments by each department at least annually and the reports of the internal audit department on a quarterly basis. The audit committee shall also attend to and supervise these matters. Directors shall periodically hold discussions with their internal auditors about reviews of internal control system deficiencies. A record of the discussions shall be kept, and the discussions shall be followed up, improvements implemented, and a report submitted to the board of directors. The companies are advised to establish channels and mechanisms of communication between their independent directors or audit committees, and chief internal auditors, and the convener of the audit committee shall report their communication with the independent directors and chief internal auditors at the shareholders' meeting.

The company shall pay special attention to the internal audit department and its personnel, fully empower them and urge them to conduct audits effectively, to evaluate problems of the internal control system and assess the efficiency of its operations to ensure that the system can operate effectively on an on-going basis, and to assist the board of directors and the management to perform their duties effectively so as to ensure a sound corporate governance system.

Appointment, dismissal, evaluation and review, salary and compensation of internal auditors of the company shall be reported to the board of directors or shall be submitted by the chief auditor to the board chairperson for approval.

Article 3-1

The company is advised to have an adequate number of corporate governance personnel with appropriate qualifications based on the size of the company, business situations and management needs, and to appoint a chief corporate governance officer as the most senior officer to be in charge of corporate governance affairs. Said officer shall be a qualified, practice-eligible lawyer or accountant or have been in a managerial position for at least three years in a securities, financial, or futures related institution or a public company in handling legal affairs, financial affairs, stock affairs, or corporate governance affairs.

It is required that the corporate governance affairs mentioned in the preceding paragraph include at least the following items:

- I. Handling matters relating to board meetings and shareholders meetings according to laws.
- II. Producing minutes of board meetings and shareholders meetings.
- III. Assisting in onboarding and continuous development of directors.
- IV. Furnishing information required for business execution by directors.
- V. Assisting directors with legal compliance.
- VI. Other matters set out in the articles of incorporation or contracts.

Chapter 2 Protection of Shareholders' Rights and Interests

Section 1 Encouraging Shareholders to Participate in Corporate Governance

Article 4

The company shall be designed to protect shareholders' rights and interests and treat all shareholders equitably.

The company shall establish a corporate governance system which ensures shareholders' rights of being fully informed of, participating in and making decisions over important matters of the company.

Article 5

The company shall convene shareholders meetings in accordance with the Company Act and relevant laws and regulations, and provide comprehensive rules for such meetings. Shall faithfully implement resolutions adopted by shareholders meetings in accordance with the rules for the meetings.

Resolutions adopted by shareholders meetings of the company shall comply with laws, regulations and articles of incorporation.

Article 6

The board of directors of the company shall properly arrange the agenda items and procedures for shareholders meetings, and formulate the principles and procedures for shareholder nominations of directors and submissions of shareholder proposals. The board shall also properly handle the proposals duly submitted by shareholders. Arrangements shall be made to hold shareholders meetings at a convenient location, advisably with videoconferencing available and sufficient time allowed and sufficient number of suitable personnel assigned to handle attendance registrations. No arbitrary requirements shall be imposed on shareholders to provide additional evidentiary documents beyond those showing eligibility to attend. Shareholders shall be granted reasonable time to deliberate each proposal and an appropriate opportunity to make statements.

For a shareholders meeting called by the board of directors, it is advisable that the board chairperson chair the meeting, that a majority of the directors (including at least one independent director) and convener of the audit committee, attend in person, and that at least one member of other functional committees attend as representative. Attendance details should be recorded in the shareholders meeting minutes.

Article 7

The company shall encourage its shareholders to actively participate in corporate governance. It is advisable that the company engage a professional shareholder services agent to handle shareholders meeting matters, so that shareholders meetings can proceed on a legal, effective and secure basis. The company shall seek all ways and means, including fully exploiting technologies for information disclosure, to upload annual reports, annual financial statements, notices, agendas and supplementary information of shareholders meetings in both Chinese and English concurrently, and shall adopt electronic voting, in order to enhance shareholders' attendance rates at shareholders meetings and ensure their exercise of rights at such meetings in accordance with laws.

The company is advised to avoid raising extraordinary motions and amendments to original proposals at a shareholders meeting.

The company's shareholders vote on each separate proposal in the shareholders meeting agenda, and following conclusion of the meeting, to enter the voting results the same day, namely the numbers of votes cast for and against and the number of abstentions on the Market Observation Post System.

Article 8

The company in accordance with the Company Act and other applicable laws and regulations, shall record in the shareholders meeting minutes the date and place of the meeting, the name of the chairperson, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. With respect to the election of directors, the meeting minutes shall record the method of voting adopted therefore and the total number of votes for the elected directors.

The shareholders meeting minutes shall be properly and perpetually kept by the company during its legal existence, and should be sufficiently disclosed on the company's website.

Article 9

The chairperson of the shareholders meetings shall be fully familiar and comply with the rules governing the proceedings of the shareholders meetings established by the company. The chairperson shall ensure the proper progress of the proceedings of the meetings and may not adjourn the meetings at will.

In order to protect the interests of most shareholders, if the chairperson declares the adjournment of the meeting in a manner in violation of rules governing the proceedings of the shareholders meetings, it is advisable for the members of the board of directors other than the chairperson of the shareholders meeting to promptly assist the attending shareholders at the shareholders meeting in electing a new chairperson of the shareholders meeting to continue the proceedings of the meeting, by a resolution to be adopted by a majority of the votes represented by the shareholders attending the said meeting in accordance with the legal procedures.

Article 10

The company shall place high importance on the shareholder right to know, and matters the prevention of insider trading shall faithfully comply with applicable regulations regarding information disclosure in order to provide shareholders with regular and timely information on company financial conditions and operations, insider shareholdings, and corporate governance status through the MOPS or the website established by the company.

To protect its shareholders' rights and interests and ensure their equal treatment, the company shall adopt internal rules prohibiting company insiders from trading securities using information not disclosed to the market.

The foregoing specification should include the stock trading control measures taken by the company's insiders from the day when the company's financial report or related performance content is learned. Measures include, without limitation, those prohibiting a director from trading its shares during the closed period of 30 days prior to the publication of the annual financial reports and 15 days prior to the publication of the quarterly financial reports.

Article 10-1

The company report at a general shareholder meeting the remuneration received by directors, including the remuneration policy, individual remuneration package, amount, and association with outcomes of performance reviews.

Article 11

The shareholders shall be entitled to profit distributions by the company. In order to ensure the investment interests of shareholders, the shareholders meeting may, pursuant to Article 184 of the Company Act, examine the statements and books prepared and submitted by the board of directors and the reports submitted by the audit committee, and may decide profit distributions and deficit off-setting plans by resolution. In order to proceed with the above examination, the shareholders meeting may appoint an inspector.

The shareholders may, pursuant to Article 245 of the Company Act, apply with the court to select an inspector in examining the accounting records, assets, particulars, documents and records of specific transaction of the company.

The board of directors, audit committee, and managers of the company shall fully cooperate in the examination conducted by the inspectors in the aforesaid two paragraphs without any circumvention, obstruction or rejection.

Article 12

In entering into material financial and business transactions such as acquisition or disposal of assets, lending funds, and making endorsements or providing guarantees, the company shall proceed in accordance with the applicable laws and/or regulations and establish operating procedures in relation to these material financial and business transactions which shall be reported to and approved by the shareholders meeting so as to protect the interests of the shareholders.

When the company is involved in a merger, acquisition or public tender offer, in addition to proceeding in accordance with the applicable laws and/or regulations, it shall not only pay attention to the fairness, rationality, etc. of the plan and transaction of the merger, acquisition or public tender offer, but information disclosure and the soundness of the company's financial structure thereafter.

The relevant personnel of the company handling the matters in the preceding paragraph shall pay

attention to the occurrence of any conflicts of interest and the need for recusal.

Section 2 Establishing a Mechanism for Interaction with Shareholders

Article 13

In order to protect the interests of the shareholders, it is advisable that the company designate personnel exclusively dedicated to handling shareholder proposals, inquiries, and disputes.

The company shall properly deal with any legal action duly instituted by shareholders in which it is claimed that shareholder rights and interests were damaged by a resolution adopted at a shareholders meeting or a board of directors meeting in violation of applicable laws, regulations, or the company's articles of incorporation, or that such damage was caused by a breach of applicable laws, regulations or the company's articles of incorporation by any directors or managers in performing their duties.

It is advisable that the company adopt internal procedures for appropriate handling of matters referred to in the preceding two paragraphs, and that it keep relevant written records for future reference and incorporate the procedures in its internal control system for management purposes.

Article 13-1

The board of directors of the company is responsible for establishing a mechanism for interaction with shareholders to enhance mutual understanding of the development of company's objectives.

Article 13-2

In addition to communicating with shareholders through shareholders meetings and encouraging shareholders to participate in such meetings, the board of directors of the company together with officers and independent directors shall engage with shareholders in an efficient manner to ascertain shareholders' views and concerns, and expound company policies explicitly, in order to gain shareholders' support.

Section 3 Corporate Governance Relationships Between the Company and Its Affiliated Enterprises

Article 14

The company shall clearly identify the objectives and the division of authority and responsibility between it and its affiliated enterprises with respect to management of personnel, assets, and financial matters, and shall properly carry out risk assessments and establish appropriate firewalls.

Article 15

Unless otherwise provided by the laws and regulations, a manager of the company may not serve as a manager of its affiliated enterprises.

A director who engages in any transaction for himself or on behalf of another person that is within the scope of the company's operations shall explain the major content of such actions to the shareholders meeting and obtain its consent.

Article 16

The company shall establish sound objectives and systems for management of finance, operations, and accounting in accordance with applicable laws and regulations. It shall further, together with its affiliated enterprises, properly conduct an overall risk assessment of major banks they deal with and customers and suppliers, and implement the necessary control mechanisms to reduce credit risk.

Article 17

When the company and its affiliated enterprises enter into inter-company business transactions, a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions shall be prohibited.

All transactions or contracts made by and between the company and its affiliated persons and shareholders shall follow the principles set forth in the preceding paragraph, and improper channeling of profits is strictly prohibited.

Article 18

A corporate shareholder having controlling power over the company shall comply with the following provisions:

- I. It shall bear a duty of good faith to other shareholders and shall not directly or indirectly cause the company to conduct any business which is contrary to normal business practice or not profitable.
- II. Its representative shall follow the rules implemented by its company with respect to the exercise of rights and participation of resolution, so that at a shareholders meeting, the representative shall exercise his/her voting right in good faith and for the best interest of all shareholders and shall exercise the fiduciary duty and duty of care of a director.
- III. It shall comply with relevant laws, regulations and the articles of incorporation of the company in nominating directors and shall not act beyond the authority granted by the shareholders meeting or board meeting.

- IV. It shall not improperly intervene in corporate policy making or obstruct corporate management activities.
- V. It shall not restrict or impede the management or production of the company by methods of unfair competition such as monopolizing corporate procurement or foreclosing sales channels.
- VI. The representative that is designated when a corporate shareholder has been elected as a director shall meet the company's requirements for professional qualifications. Arbitrary replacement of the corporate shareholder's representative is inappropriate.

Article 19

The company shall retain at all times a register of major shareholders who own a relatively high percentage of shares and have controlling power, and of the persons with ultimate control over those major shareholders.

The company shall disclose periodically important information about its shareholders holding more than 10 percent of the outstanding shares of the company relating to the pledge, increase or decrease of share ownership, or other matters that may possibly trigger a change in the ownership of their shares.

The major shareholder indicated in the first paragraph refers to those who owns 5 percent or more of the outstanding shares of the company or the shareholding stake thereof is on the top 10 list, provided however that the company may set up a lower shareholding threshold according to the actual shareholding stake that may control the company.

Chapter 3 Enhancing the Functions of the Board of Directors

Section 1 Structure of the Board of Directors

Article 20

The board of directors of the company shall direct company strategies, supervise the management, and be responsible to the company and shareholders. The various procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the board of directors complies with laws, regulations, its articles of incorporation, and the resolutions of its shareholders meetings.

The structure of the company's board of directors shall be determined by choosing an appropriate number of board members, not less than five, in consideration of its business scale, the shareholdings of its major shareholders, and practical operational needs.

The composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the

company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

- I. Basic requirements and values: Gender, age, nationality, and culture; it is advisable that the number of female directors account for at least one-third of all the directors.
- II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, and technology), professional skills, and industry experience.

All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

- I. Ability to make operational judgments.
- II. Ability to perform accounting and financial analysis.
- III. Ability to conduct management administration.
- IV. Ability to conduct crisis management.
- V. Knowledge of the industry.
- VI. An international market perspective.
- VII. Ability to lead.
- VIII. Ability to make policy decisions.

Article 21

The company shall according to the principles for the protection of shareholder rights and interests and equitable treatment of shareholders, establish a fair, just, and open procedure for the election of directors, encourage shareholder participation, and adopt the cumulative voting mechanism pursuant to the Company Act in order to fully reflect shareholders' views.

Unless the competent authority otherwise grants an approval, a spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors of the company.

When the number of directors falls below five due to the discharge of a director for any reason, the company shall hold a by-election for director at the following shareholders meeting. When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the company shall convene a special shareholders meeting within 60 days of the occurrence of that fact for a by-election for director(s).

The aggregate shareholding percentage of all of the directors of the company shall comply with the laws and regulations. Restrictions on the share transfer of each director and the creation, release, or changes of any pledges over the shares held by each director shall be subject to the relevant laws and regulations, and the relevant information shall be fully disclosed.

Article 22

The company is advised to specify in its articles of incorporation that it adopts the candidate nomination system for elections of directors, carefully review the qualifications of a nominated candidate and the existence of any other matters set forth in Article 30 of the Company Act, and act in accordance with Article 192-1 of the Company Act.

Article 23

Clear distinctions shall be drawn between the responsibilities and duties of the chairperson of the board of the company and those of its general manager.

It is inappropriate for the chairperson to also act as the general manager or other equivalent position. The company with a functional committee shall clearly define the responsibilities and duties of the committee.

Section 2 Independent Director System

Article 24

The company shall appoint independent directors in accordance with its articles of incorporation. They shall be not less than two in number and advisably not less than one-third of the total number of directors. It is advisable that an independent director serve for not more than three consecutive terms.

Independent directors shall possess professional knowledge and there shall be restrictions on their shareholdings. Applicable laws and regulations shall be observed and, in addition, it is not advisable for an independent director to hold office concurrently as a director (including independent director) or supervisor of more than five other TWSE/TPEX listed companies. Independent directors shall also maintain independence within the scope of their directorial duties, and may not have any direct or indirect interest in the company.

If the company and its group enterprises and organizations, and another company and its group enterprises and organizations nominate for each other any director, supervisor or managerial officer as a candidate for an independent director of the other, the company shall, at the time it receives the nominations for independent directors, disclose the fact and explain the suitability of the candidate for independent director. If the candidate is elected as an independent director, the company shall disclose the number of votes cast in favor of the elected independent director.

The "group enterprises and organizations" in the preceding paragraph comprise the subsidiaries of the company, any foundation to which the company's cumulative direct or indirect contribution of funds exceeds 50 percent of its endowment, and other institutions or juristic persons that are effectively controlled by the company.

Change of status between independent directors and non-independent directors during their term of office is prohibited.

The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements with regard to the independent directors shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matter for Public Companies, and the rules and regulations of the Taiwan Stock Exchange.

Article 25

The company shall submit the following matters to the board of directors for approval by resolution as provided in the Securities and Exchange Act. When an independent director has a dissenting opinion or qualified opinion, it shall be noted in the minutes of the directors meeting:

- I. Adoption or amendment of the internal control system pursuant to Article 14- 1 of the Securities and Exchange Act.
- II. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- III. A matter bearing on the personal interest of a director or a supervisor.
- IV. A material asset or derivatives transaction.
- V. A material monetary loan, endorsement, or provision of guarantee.
- VI. The offering, issuance, or private placement of any equity-type securities.
- VII. The hiring, discharge, or compensation of an attesting CPA.
- VIII. The appointment or discharge of a financial, accounting, or internal auditing officer.
- IX. Any other material matter so required by the competent authority.

Article 26

The company shall stipulate the scope of duties of the independent directors and empower them with manpower and physical support related to the exercise of their power. The company or other board members shall not obstruct, reject or circumvent the performance of duties by the independent directors. The company shall stipulate the remuneration of the directors according to applicable laws and regulations. The remuneration of the directors shall fully reflect the personal performance and the long-term management performance of the company, and shall also take the overall operational risks of the company into consideration. Different but reasonable remuneration from that of other directors may be set forth for the independent directors.

Section 3 Functional Committees

Article 27

For the purpose of developing supervisory functions and strengthening management mechanisms, the board of directors of the company, in consideration of the company's scale and type of operations and the number of its board members, may set up functional committees for auditing, remuneration, nomination, risk management or any other functions, and based on concepts of corporate social responsibility and sustainable operation, may set up environmental protection, corporate social responsibility, or other committees, and expressly provide for them in the articles of incorporation.

Functional committees shall be responsible to the board of directors and submit their proposals to the board of directors for approval, provided that the performance of supervisor's duties by the audit committee pursuant to Article 14-4, paragraph 4 of the Securities and Exchange Act shall be excluded.

Functional committees shall adopt an organizational charter to be approved by the board of directors. The organizational charter shall contain the numbers, terms of office, and powers of committee members, as well as the meeting rules and resources to be provided by the company for exercise of power by the committee.

Article 28

The company shall establish an audit committee.

The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise.

The exercise of power by audit committee and independent directors and related matters shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and the rules and regulations of the TWSE.

Article 28-1

The company shall establish a remuneration committee, and it is advisable that more than half of the committee members be independent directors. The professional qualifications for the committee members, the exercise of their powers of office, the adoption of the organizational charter, and related matters shall be handled pursuant to the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter.

Article 28-2

The company should set up a nomination committee and formulate organizational rules, and more

than half of the members should be independent directors, and independent directors should be the chairman.

Article 28-3

The company is advised to establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers' reporting shall be independent, provide encrypted protection for the files furnished by whistleblowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures into the company's internal control system for management purposes.

Article 29

To improve the quality of its financial reports, the company shall establish the position of deputy to its principal accounting officer.

To enhance the professional abilities of the deputy accounting officer of the preceding paragraph, the deputy's continuing education shall proceed following the schedule of the principal accounting officer. Accounting personnel handling the preparation of financial reports shall also participate in relevant professional development courses for 6 hours or more each year. Those courses may be company internal training activities or may be professional courses offered by professional development institutions for principal accounting officers.

The company shall select as its external auditor a professional, responsible, and independent attesting CPA, who shall perform regular reviews of the financial conditions and internal control measures of the company. With regard to any irregularity or deficiency discovered and disclosed in a timely manner by the auditor during the review, and concrete measures for improvement or prevention suggested by the auditor, the company shall faithfully implement improvement actions. It is advisable that the company establish channels and mechanisms of communication between the independent directors, the supervisor or audit committee, and the attesting CPA, and to incorporate procedures for that purpose into the company's internal control system for management purposes.

The company shall evaluate the independence and suitability of the CPA engaged by the company regularly, and no less frequently than once annually. In the event that the company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors.

Article 30

It is advisable that the company engage a professional and competent legal counsel to provide adequate legal consultation services to the company, or to assist the directors, the supervisors and the

management to improve their knowledge of the law, for the purposes of preventing any infraction of laws or regulations by the company or its staff and ensuring that corporate governance matters proceed pursuant to the relevant legal framework and the prescribed procedures.

When, as a result of performing their lawful duties, directors, supervisors or the management are involved in litigation or a dispute with shareholders, the company shall retain a legal counsel to provide assistance as circumstances require.

The audit committee or an independent director may retain the service of legal counsel, CPA, or other professionals on behalf of the company to conduct a necessary audit or provide consultation on matters in relation to the exercise of their power, at the expense of the company.

Section 4 Rules for the Proceedings and Decision-Making Procedures of Board Meetings

Article 31

The board of directors of the company shall meet at least once every quarter, or convene at any time in case of emergency. To convene a board meeting, a meeting notice which specifies the purposes of the meeting shall be sent to each director no later than 7 days before the scheduled date. Sufficient meeting materials shall also be prepared and enclosed in the meeting notice. If the meeting materials are deemed inadequate, a director may ask the unit in charge to provide more information or request a postponement of the meeting with the consent of the board of directors.

The company shall adopt rules of procedure for board meetings, which shall follow the Regulations Governing Procedure for Board of Directors Meetings of Public Companies with regard to the content of deliberations, procedures, matters to be recorded in the meeting minutes, public announcements, and other matters for compliance.

Article 32

Company directors shall exercise a high degree of self-discipline. If a director or a juristic person represented by the director is an interested party with respect to any proposal for a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that proposal and shall enter recusal during the discussion and voting. The director also may not act as another director's proxy to exercise voting rights on that matter.

Matters requiring the voluntary recusal of a director shall be clearly set forth in the rules of procedure for board meetings.

Article 33

When a board meeting is convened to consider any matter submitted to it pursuant to Article 14-3 of

the Securities and Exchange Act, an independent director of the company shall attend the board meeting in person, and may not be represented by a non-independent director via proxy. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board of directors meeting; if the independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board of directors meeting.

In any of the following circumstances, decisions made by the board of directors shall be noted in the meeting minutes, and in addition, publicly announced and filed on the MOPS two hours before the beginning of trading hours on the first business day after the date of the board meeting:

- I. An independent director has a dissenting or qualified opinion which is on record or stated in a written statement.
- II. The matter was not approved by the audit committee, but had the consent of more than two-thirds of all directors.

During a board meeting, managers from relevant departments who are not directors may, in view of the meeting agenda, sit in at the meetings, make reports on the current business conditions of the company and respond to inquiries raised by the directors. Where necessary, a CPA, legal counsel, or other professional may be invited to sit in at the meetings to assist the directors in understanding the conditions of the company for the purpose of adopting an appropriate resolution, provided that they shall leave the meeting when deliberation or voting takes place.

Article 34

Staff personnel of the company attending board meetings shall collect and correctly record the meeting minutes in detail, as well as a summary, the method of resolution, and voting results of all the proposals submitted to the board meeting in accordance with relevant regulations.

The minutes of the board of directors meetings shall be signed by the chairperson and secretary of the meeting and sent to each director and supervisor within 20 days after the meeting. The director attendance records shall be made part of the meeting minutes, treated as important corporate records, and kept safe permanently during the life of the company.

Meeting minutes may be produced, distributed, and preserved by electronic means.

A company shall record on audio or video tape the entire proceedings of a board of directors meeting and preserve the recordings for at least 5 years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph a lawsuit arises with respect to a resolution of a board of directors meeting, the relevant audio or video recordings shall be preserved for a further period, in which case the preceding paragraph does not apply.

Where a board of directors meeting is held via teleconference or video conference, the audio or video

recordings of the meeting form a part of the meeting minutes and shall be preserved permanently. When a resolution of the board of directors violates laws, regulations, the articles of incorporation, or resolutions adopted in the shareholders meeting, and thus causes an injury to the company, dissenting directors whose dissent can be proven by minutes or written statements will not be liable for damages.

Article 35

The company shall submit the following matters to its board of directors for discussion:

- I. Corporate business plans.
- II. Annual financial report signed or stamped by the chairman, manager and accounting supervisor.
- III. Adoption or amendment to an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and evaluation of effectiveness of an internal control system
- IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
- V. The offering, issuance, or private placement of any equity-type securities.
- VI. The performance assessment and the standard of remuneration of the managerial officers.
- VII. The structure and system of director's remuneration.
- VIII. The appointment or discharge of a financial, accounting, or internal audit officer.
- IX. 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 next board meeting for retroactive recognition.
- X. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders meeting or to be approved by resolution at a meeting of the board of directors, or any such significant matter as may be prescribed by the competent authority.

Except for matters that must be submitted to the board of directors for discussion under the preceding paragraph, when the board of directors is in recess, it may delegate the exercise of its power to others in accordance with law, regulations, or its articles of incorporation. However, the level of delegation or the content or matters to be delegated shall be clearly specified, and general authorization is not permitted.

Article 36

The company shall ask the appropriate corporate department or personnel to execute matters pursuant to board of directors' resolutions in a manner consistent with the planned schedule and objectives. It

shall also follow up on those matters and faithfully review their implementation.

The board of directors shall remain informed of the progress of implementation and receive reports in subsequent meetings to ensure the actual implementation of the board's management decisions.

Section 5 Fiduciary Duty, Duty of Care and Responsibility of Directors

Article 37

Members of the board of directors shall faithfully conduct corporate affairs and perform the duty of care of a good administrator. In conducting the affairs of the company, they shall exercise their powers with a high level of self-discipline and prudence. Unless matters are otherwise reserved by law for approval in shareholders meetings or in the articles of incorporation, they shall ensure that all matters are handled according to the resolutions of board of directors.

It is advisable that the company formulate rules and procedures for board of directors performance assessments, and that each year it conduct regularly scheduled performance assessments of the board of directors, functional committees, and individual directors through self-assessment, peer-to-peer assessments, engaging outside professional institutions, or in any other appropriate manner. It is advisable that the performance assessment of the board of directors include the following aspects, and that appropriate assessment indicators be developed in consideration of the company's needs:

- I. The degree of participation in the company's operations.
- II. Improvement in the quality of decision making by the board of directors.
- III. The composition and structure of the board of directors.
- IV. The election of the directors and their continuing professional education.
- V. Internal controls.

It is advisable that performance assessments of board members (self-assessments or peer-to-peer assessments) include the following aspects, with appropriate adjustments made on the basis of the company's needs:

- I. Their grasp of the company's goals and missions.
- II. Their recognition of director's duties.
- III. Their degree of participation in the company's operations.
- IV. Their management of internal relationships and communication.
- V. Their professionalism and continuing professional education.
- VI. Internal controls.

It is advisable that the performance assessment of a functional committee cover the following aspects, subject to changes according to the company's needs:

- I. Their degree of participation in the company's operations.
- II. Their recognition of the duties of the functional committee.
- III. Improvement in the quality of decision making by the functional committee.

- IV. The composition of the functional committee, and election and appointment of committee members.
- V. Internal controls.

The company is advised to submit the results of performance assessments to the board of directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.

Article 37-1

It is advisable for the company to establish a succession plan for the management. The development and implementation of such plan shall be periodically evaluated by the board of directors to ensure sustainable operation.

Article 37-2

The board of directors should evaluate and supervise the following aspects of the company's operating direction and performance of intellectual property, to ensure that the company establishes an intellectual property management system with a management cycle of "plan, execute, check and act":

- I. Formulate intellectual property management policies, goals and systems related to operational strategies.
- II. Establish, implement, and maintain management systems for the acquisition, protection, maintenance and use of intellectual property in accordance with its scale and type.
- III. Determine and provide sufficient resources to effectively implement and maintain the intellectual property management system.
- IV. Observe internal and external risks or opportunities related to intellectual property management and take corresponding measures.
- V. Plan and implement a continuous improvement mechanism to ensure that the operation and effectiveness of the intellectual property management system meet the company's expectations.

Article 38

If a resolution of the board of directors violates law, regulations or the company's articles of incorporation, then at the request of shareholders holding shares continuously for a year or an independent director, or at the notice of a supervisor to discontinue the implementation of the resolution, members of the board shall take appropriate measures or discontinue the implementation of such resolution as soon as possible.

Upon discovering a likelihood that the company would suffer material injury, members of the board of directors shall immediately report to the audit committee or an independent director member of the audit committee in accordance with the foregoing paragraph.

Article 39

The company shall take out directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy so as to reduce and spread the risk of material harm to the company and shareholders arising from the wrongdoings or negligence of a director.

The company shall report the insured amount, coverage, premium rate, and other major contents of the liability insurance it has taken out or renewed for directors, at the next board meeting.

Article 40

Members of the board of directors are advised to participate in training courses on finance, risk management, business, commerce, accounting, law or corporate social responsibility offered by institutions designated in the Rules Governing Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies, which cover subjects relating to corporate governance upon becoming directors and throughout their terms of occupancy. They shall also ensure that company employees at all levels will enhance their professionalism and knowledge of the law.

Chapter 4 Respecting Stakeholders' Rights

Article 41

The company shall maintain channels of communication with its banks, other creditors, employees, consumers, suppliers, community, or other stakeholders of the company, respect and safeguard their legal rights and interests, and designate a stakeholders section on its website.

When any of a stakeholder's legal rights or interests is harmed, the company shall handle the matter in a proper manner and in good faith.

Article 42

The company shall provide sufficient information to banks and its other creditors to facilitate their evaluation of the operational and financial conditions of the company and its decision-making process. When any of their legal rights or interest is harmed, the company shall respond with a responsible attitude and assist creditors in obtaining compensation through proper means.

Article 43

The company shall establish channels of communication with employees and encourage employees to communicate directly with the management or directors so as to reflect employees' opinions about the management, financial conditions, and material decisions of the company concerning employee welfare.

Article 44

In developing its normal business and maximizing the shareholders' interest, the company shall pay attention to consumers' interests, environmental protection of the community, and public interest issues, and shall give serious regard to the company's social responsibility.

Chapter 5 Improving Information Transparency

Section 1 Enhancing Information Disclosure

Article 45

Disclosure of information is a major responsibility of the company. The company shall perform its obligations faithfully in accordance with the relevant laws and the related TWSE rules.

The company is advised to publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.

The company shall establish an Internet-based reporting system for public information, appoint personnel responsible for gathering and disclosing the information, and establish a spokesperson system so as to ensure the proper and timely disclosure of information about policies that might affect the decisions of shareholders and stakeholders.

Article 46

In order to enhance the accuracy and timeliness of the material information disclosed, the company shall appoint a spokesperson and acting spokesperson(s) who understand thoroughly the company's financial and business conditions and who are capable of coordinating among departments for gathering relevant information and representing the company in making statements independently.

The company shall appoint one or more acting spokespersons who shall represent the company, when the spokesperson cannot perform his/her duties, in making statements independently, provided that the order of authority is established to avoid any confusion.

In order to implement the spokesperson system, the company shall unify the process of making external statements. It shall require the management and employees to maintain the confidentiality of financial and operational secrets and prohibit their disclosure of any such information at will.

The company shall disclose the relevant information immediately whenever there is any change to the position of a spokesperson or acting spokesperson.

Article 47

In order to keep shareholders and stakeholders fully informed, the company shall utilize the convenience of the Internet and set up a website containing the information regarding the company's finances, operations, and corporate governance.

To avoid misleading information, the aforesaid website shall be maintained by specified personnel, and the recorded information shall be accurate, detailed and updated on a timely basis.

Article 48

The company shall hold an investor conference in compliance with the regulations of the TWSE, and shall keep an audio or video record of the meeting. The financial and business information disclosed in the investor conference shall be disclosed on the Market Observation Post System and provided for inquiry through the website established by the company, or through other channels, in accordance with the TWSE rules.

Section 2 Disclosure of Information on Corporate Governance

Article 49

The company shall dedicate a space on its website to disclose and update from time to time the following information regarding corporate governance:

- I. Board of directors: such as resumes and authorities and responsibilities of board members, board member diversification policy and the implementation thereof.
- II. Functional committees: such as resumes and authorities and responsibilities of members of each functional committee.
- III. Corporate governance bylaws: such as articles of incorporation, procedure of board of directors meetings, charter of each functional committee, and other relevant corporate governance bylaws.
- IV. Important corporate governance information: such as information of establishment of corporate governance executive officers.

Chapter 6 Supplementary Provisions

Article 50

The company shall at all times monitor domestic and international developments in corporate governance as a basis for review and improvement of the company's own corporate governance mechanisms, so as to enhance their effectiveness.

Article 51

This principles will be implemented after the board of directors has passed , and the same applies when it is revised.

Article 52

This amendment was made on March 25, 2022.

Appendix 5

Kedge Construction Co., Ltd. Sustainable Development Best Practice Principles (before Amendments)

Chapter 1 General Principles

Article 1 In order to fulfill corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the company formulates the principles with reference to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” to follow.

Article 2 The Principles applies including the entire operations of each such company and its business group.

The company actively fulfill corporate social responsibility in the course of business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.

Article 3 In fulfilling sustainable development initiatives, the company shall, in corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

The company shall, in accordance with the principle of materiality, conduct risk assessments on environmental, social and corporate governance issues related to company operations, and formulate relevant risk management policies or strategies.

Article 4 To implement sustainable development initiatives, the company is advised to follow the principles below:

- I. Exercise corporate governance.
- II. Foster a sustainable environment.
- III. Preserve public welfare.
- IV. Enhance disclosure of sustainable development information.

Article 5 The company shall take into consideration the correlation between the development of domestic and international sustainable development principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for sustainable

development programs, which shall be approved by the board of directors and then reported to the shareholders meeting.

When a shareholder proposes a motion involving sustainable development, the company's board of directors is advised to review and consider including it in the shareholders meeting agenda.

Chapter 2 Practicing Corporate Governance

Article 6 The company follows the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Code of Ethical Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7 The directors of the company shall exercise the due care of good administrators to urge the company to perform its sustainable development initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies.

The board of directors of the company is advised to give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its sustainable development initiatives:

- I. Identifying the company's sustainable development mission or vision, and declaring its sustainable development policy, systems or relevant management guidelines;
- II. Making sustainable development the guiding principle of the company's operations and development, and ratifying concrete promotional plans for sustainable development initiatives; and
- III. Enhancing the timeliness and accuracy of the disclosure of sustainable development information.

The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations, and to report the status of the handling to the board of directors.

Article 8 The company is advised to, on a regular basis, organize education and training on the implementation of sustainable development initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9 For the purpose of managing sustainable development initiatives, the company is advised to establish a governance structure to promote sustainable development and an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the sustainable development policies, systems, or relevant management guidelines, and

concrete promotional plans and to report on the same to the board of directors on a periodic basis.

The company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.

It is advised that the employee performance evaluation system be combined with sustainable development policies, and that a clear and effective incentive and discipline system be established.

Article 10 The company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Chapter 3 Fostering a Sustainable Environment

Article 11 The company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 12 The company is advised to endeavor to utilize energy resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 13 The company is advised to establish proper environment management systems based on the characteristics of their industries, to reduce the impact of company operations on the natural environment.

Article 14 The company is advised to establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.

Article 15 The company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:

- I. Reduce resource and energy consumption of their products and services.
- II. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
- III. Improve recyclability and reusability of raw materials or products.

- IV. Maximize the sustainability of renewable resources.
- V. Enhance the durability of products.
- VI. Improve efficiency of products and services.

Article 16 To improve water use efficiency, the company shall properly and sustainably use water resources and establish relevant management measures.

The company shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 17 The company is advised to assess the current and future potential risks and opportunities of climate change to the company, and take relevant measures to respond.

The company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

- I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.
- II. Indirect greenhouse gas emissions: emissions resulting from the generation of purchased or acquired electricity, heating, or steam.
- III. Other indirect greenhouse gas emissions: emissions from company activities that are not indirect electricity emissions and originate from sources owned or controlled by other companies.

The company should make statistics on greenhouse gas emissions, water consumption, and total waste weight, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water reduction, or other waste management. Such strategies should include obtaining carbon credits to promote and minimize the impact of their business operations on climate change.

Chapter 4 Preserving Public Welfare

Article 18 The company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

The company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:

- I. Presenting a corporate policy or statement on human rights.
- II. Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes.

III. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.

IV. In the event of any infringement of human rights, the company shall disclose the processes for handling of the matter with respect to the stakeholders involved.

The company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. A company shall respond to any employee's grievance in an appropriate manner.

Article 19 The company shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article 20 The company is advised to provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents. The company is advised to organize training on safety and health for their employees on a regular basis.

Article 21 The company is advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills. The company shall formulate and implement reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee compensation, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 22 The company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management and decisions. At the same time, shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among

employers, employees and employee representatives. The company shall, by reasonable means, inform employees of operation changes that might have material impacts.

Article 22-1 The company is advised to treat customers or consumers of its products or services in a fair and reasonable manner, and develop the relevant strategies and specific measures for implementation.

Article 23 The company shall take responsibility for their products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company shall ensure the transparency and safety of their products and services. They further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.

Article 24 The company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.

The company shall follow relevant laws, regulations and international guidelines when for customer health, safety, marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 25 The company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.

The company is advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 26 The company is advised to assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative.

The company shall formulate supplier management policies and require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health or labor human rights, prior to engaging in commercial dealings, the company is advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.

When the company enters into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has

violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.

Article 27 The company shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

The company is advised to, through equity investment, commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter 5 Enhancing Disclosure of Sustainable Development Information

Article 28 The company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their sustainable development initiatives to improve information transparency.

Article 29 The company shall adopt internationally widely recognized standards or guidelines when producing sustainability reports, to disclose the status of their implementation of the sustainable development policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports.

Chapter 6 Supplementary Provisions

Article 30 The company shall at all times monitor the development of domestic and foreign sustainable development standards and the change of business environment so as to examine and improve their established sustainable development framework and to obtain better results from the implementation of the sustainable development policy.

Article 31 This principles will be implemented after the board of directors has passed, and reported to the shareholders' meeting, and the same applies when it is revised.

Article 32 This amendment was made on March 25, 2022.

Appendix 6

Kedge Construction Co., Ltd. Rules for Election of Directors

- Article 1 Unless otherwise provided in the Company Act and Articles of Incorporation, the directors of the company shall be elected in accordance with the rules specified herein.
- Article 2 The election of directors of the company shall be conducted during the shareholders' meeting.
- Article 3 Any person on the list of candidates for directors may be elected as a director of the company.
- Article 4 The number of seats on the board of directors shall be determined by the Articles of Incorporation of the company.
- Article 5 For election of the Company's Directors, every share enjoys the voting right equal to the number of directors to be elected, votes may be may be cast for a single candidate or split among multiple candidates. The election of Independent Directors and the election of non-independent Directors shall be conducted at the same time, and the number of winners calculated separately.
Elections of Directors (including Independent Directors) shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
- Article 6 The number of Directors will be as specified in the Company's Articles of Incorporation. 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 chairperson drawing lots on behalf of any person not in attendance.
Where the personal information of the elected Director does not meet the criteria upon review or where the election of the elected director as a Director becomes invalid in accordance to relevant laws and regulations, the vacant seat shall be, filled by the alternative candidate in sequence according to the vote gained in the original election.
- Article 7 The Board of Directors shall prepare ballots for directors in numbers corresponding to the Directors 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.
- Article 8 Before the election begins, the chairperson shall appoint scrutineers and tellers to perform their respective duties.
- Article 9 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 a candidate is a shareholder, a voter 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 government organization or corporate shareholder, the name of the government organization or corporate shareholder shall be entered in the column for the candidate's account name on the ballot, or both the name of the government organization or corporate shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each representative shall be entered.

Article 11 The ballots are invalid under any of the following circumstances:

- (I) Use a ballot inconsistent with these Rules.
- (II) Blank vote cast into vote box.
- (III) The writing is unclear and illegible or altered.
- (IV) The name entered in the ballot is not the name of any candidate from the list of candidates.
- (V) 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.
- (VI) Failure to fill in candidate account name (name) or account number (identity card number).
- (VII) Two or more candidates on the same one vote.

Article 12 The voting rights shall be calculated on site immediately after the end of the poll under the supervision of the monitoring personnel, and the results of the calculation shall be announced by the chairperson or person designated by the chairperson on the site.

Article 13 The election of those not meeting the conditions specified in Article 26-3 of the Securities and Exchange Act shall be invalid.

Article 14 The Board of Directors of the company shall issue notifications to the persons elected as directors individually.

Article 15 These Rules shall come into effect upon approval of the shareholders' meeting. The same applies to all subsequent amendments.

Article 16 This amendment was made on June 17, 2019.

Appendix 7

Kedge Construction Co., Ltd. Shareholding of All Directors

According to Item 3, Paragraph 1, Article 2 of the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, where the paid-in capital of the company is more than NT\$1 billion but NT\$2 billion or less, the total amount of registered shares owned by all directors shall not be less than 7.5%. However, if the total shareholding of all directors calculated in accordance to such ratios is less than the maximum shareholding under the subparagraph immediately preceding the given subparagraph, the maximum shareholding under that preceding subparagraph shall be applicable.

If a public company has elected two or more independent directors, the share ownership figures calculated at the rates set forth in the Rules for all directors, other than the independent directors, shall be decreased by 20 percent.

Reference date: April 4, 2023

Title	Name	Shareholding while elected	Shares held as recoded in the shareholders' roster on the ex-dividend date	Remarks
Chairman	Kindom Development Co., Ltd. Representative: Ai-Wei Yuan	36,247,768	39,872,544	Elected Date: Jun. 15, 2020
Director	Kindom Development Co., Ltd. Representative: Mike Ma	36,247,768	39,872,544	Elected Date: Jun. 15, 2020
Director	Kindom Development Co., Ltd. Representative: Ching-Song Tseng	36,247,768	39,872,544	Elected Date: Jun. 15, 2020
Director	Kindom Development Co., Ltd. Representative: Mei-Chu Liu	36,247,768	39,872,544	Elected Date: Jun. 15, 2020
Director	Kindom Development Co., Ltd. Representative: Yi-Fang Huang	36,247,768	39,872,544	Elected Date: Jun. 15, 2020
Director	Kindom Development Co., Ltd. Representative: Shih-Hsuan Chou	36,247,768	39,872,544	Elected Date: Jun. 15, 2020
Independent Director	Hung-Chin Huang	0	0	Elected Date: Jun. 15, 2020
Independent Director	Shen-Yu Kung	0	0	Elected Date: Jun. 15, 2020
Independent Director	Gwo-Fong Lin	0	0	Elected Date: Jun. 15, 2020
Total number of Directors		36,247,768	39,872,544	

Remarks:

Total number of shares issued at the time of the election on Jun. 15, 2020: 106,035,660 shares

Total number of shares issued on April 4, 2023: 116,639,226 shares

The statutory requirement for the aggregated shareholdings of all Directors is 8,000,000 shares, the aggregated shareholdings of all Directors as of Apr. 4, 2023 is 39,872,544 shares.

Appendix 8

Kedge Construction Co., Ltd.

The Impact of Stock Dividend Distribution Proposed by This Annual General Meeting on the Company's Operating Performance and Earnings Per Share (EPS)

Item	Year		
	2023 (Forecast)		
Paid-in Capital, Beginning of Year (Thousand)		1,166,392	
Dividend Payment (Note 1)	Cash Dividends (NT\$/share)	4.15 (Note 1)	
	Stock Dividends Appropriated from Retained Earnings	0.35 (Note 1)	
	Stock Dividends Appropriated from Capital Reserve		
Changes in Operating Performance	Operating Income	N/A (Note 2)	
	% Change of Income from Operation (YOY)		
	Net Income		
	% Change of Net Income (YOY)		
	Earnings Per Share (EPS)		
	% Change of EPS (YOY)		
	Average Return on Investment (Average P/E Ratio)		
Pro Forma EPS and P/E Ratio	If Retained Earnings Distributed in Cash Dividends	Pro Forma Earnings Per Share (EPS)	N/A (Note 2)
		Pro Forma Average Return on Investment	
	If Capital Surplus not Distributed in Stock Dividends	Pro Forma Earnings Per Share (EPS)	
		Pro Forma Average Return on Investment	
	If Capital Surplus not Distributed in Stock Dividends and Retained Earnings Distributed in Cash Dividends	Pro Forma Earnings Per Share (EPS)	
		Pro Forma Average Return on Investment	

Note 1: Not yet resolved by the 2023 Annual General Meeting.

Note 2: The Company has not disclosed any complete financial forecast, and therefore it is not required to disclose the 2023 financial forecast.