

Stock Code: 2546

Meeting Handbook

2024 Annual General Meeting of Shareholders



**KEDGE CONSTRUCTION
CO., LTD.**

Time: 9:00 a.m., May 29, 2024

**Location: No. 131, Section 3, Heping E. Rd., Taipei City, Taiwan (1st Floor
Lobby of the Company)**

Venue: Physical shareholders meeting

Table of Contents

One. Procedures for convening a meeting	1
Two. Meeting Agenda.....	2
I. Report Items	3
II. Matters of recognition	4
III. Matters for discussion	6
IV. Extraordinary Motion.....	7
Three. Attachments	
I. 2023 Business reports	8
II. Audit Committee's Review Report.....	12
III. Independent Auditors' Report and Financial Statements.....	13
IV. 2023 Earnings Distribution Table.....	36
Four. Appendix	
I. Articles of Incorporation.....	37
II. Rules of Procedure for Shareholders' Meetings	43
III. Shares Held by All Directors	49

KEDGE CONSTRUCTION CO., LTD.

Procedure for 2024 Annual General Meeting of Shareholders

I. Calling the meeting to order

II. Chairman's speech

III. Report Items

IV. Matters of Recognition

V. Matters for discussion

VI. Extraordinary Motion

VII. Adjournment of the meeting

KEDGE CONSTRUCTION CO., LTD.

2024 Annual General Meeting of Shareholders Agenda

Time: 9:00 a.m., May 29 (Wednesday), 2024

Location: No. 131, Section 3, Heping E. Rd., Taipei City, Taiwan (1st Floor Lobby of the Company)

Venue: Physical shareholders meeting

I. Report Items

(I) The Company's 2023 business report.

(II) The Review Report of the Audit Committee of the Company in 2023.

(III) The report on the distribution of remuneration to employees and directors in 2023.

(IV) Report on the Company's endorsement and guarantee for others.

II. Matters of recognition:

(I) The Company's 2023 business report and financial statements.

(II) The Company's 2023 earnings distribution proposal.

III. Matters for discussion:

(I) Proposal for increasing capital from earnings by issuing new shares for 2023.

(II) Lifting of non-compete restrictions on Directors.

IV. Extraordinary Motion

V. Adjournment of the meeting

I. Reported items

(I) The Company's 2023 business report.

Explanation: For 2023 Business Report, please refer to Attachment I on pages 8-11 of this Handbook.

(II) The Review Report of the Audit Committee of the Company in 2023.

Description: Audit Committee's Review Report, please refer to Attachment II on page 12 of this Handbook.

(III) The report on the distribution of remuneration to employees and directors in 2023.

Explanation: It was resolved in the 6th meeting of the 12th board of directors on March 12, 2024 to appropriate NTD 86,062,706 as employee remuneration and NTD 27,319,203 as directors' remuneration, which accounted for 2023 profit at 6.3% and 2%, respectively, both of which were paid in cash.

(IV) Report on the Company's endorsement and guarantee for others.

As of December 31, 2023, the Company has made endorsements/guarantees for Kindom Development Co., LTD. for NTD 14,192 thousand.

II. Matters of recognition

Proposal 1, proposed by the Board

Proposal: The Company's 2023 business report and financial statements.

Explanation:

- I The Company has completed the preparation of the consolidated parent company only balance sheet, comprehensive income statement, statement of changes in equity and cash flow statement for 2023, and audited and certified by CPAs Yi-Lien Han and Kuo-Yen Tseng of KPMG Taiwan. The aforementioned items along with the business report were reviewed by the Audit Committee and submitted to the shareholders' meeting for ratification according to the legal procedures.
- II For the 2023 Annual Business Report, Independent Auditors' Report and the above financial statements, please refer to Attachment 1 on pages 7-9 and Attachment 3 on pages 11-26 of this Handbook.
- III Please ratify.

Resolution:

Proposal 2, proposed by the Board of Directors

Proposal: The Company's 2023 earnings distribution proposal.

Explanation:

- I The proposal has been passed by the 6th meeting of the 12th Board of Directors on March 12, 2024.
- II The Company's undistributed earnings at the beginning of the period of NTD 1,323,093,212, the 2023 net profit after tax of NTD 990,344,971, the change of the remeasurement of defined benefit plan of NTD 591,669 in the current period, and the legal reserve of NTD 99,093,664, which is available for distribution in the current period amounting to NTD 2,214,936,188. It was proposed to distribute NTD 507,030,716 as shareholders' dividends, of which cash dividends were NTD 482,886,396, which was rounded down to the nearest NTD 1. The fractional amount of the distribution less than NTD 1 is included in the Company's other income. The stock dividend amounted to NT\$24,144,320.

- III Propose for the Shareholders' Meeting to authorize the Board of Directors to set the ex-rights date, ex-dividend date and other related matters after the motion is approved by the shareholders' meeting.
- IV If the number of outstanding shares is affected by adjustments by the competent authority or the Company's repurchase of the Company's shares, resulting in changes in the ratio of distribution of shares to shareholders and dividends, we propose to request the shareholders' meeting to authorize the Board of Directors to have full authority in the handling.
- V For 2023 Earnings Distribution Table, please refer to Attachment 4 on page 36 of this Handbook.
- VI Please ratify.

Resolution:

III. Matters for discussion

Proposal 1, proposed by the Board

Proposal: Increasing capital from earnings by issuing new shares for 2023.

Explanation:

- I For the purpose of business expansion and sound financial structure, it is proposed to appropriate a dividend of NTD 24,144,320 of the 2023 distributable earnings to shareholders for capital increase through earnings, and to issue 2,414,432 common shares at a par value of NTD 10 per share.
- II For this issuance of new shares for capital increase through earnings, for every 1,000 shares, 20 new shares will be distributed based on the proportion of shareholding recorded on the shareholder registry on the record date of allotment of new shares. For fractional shares, the Company's stock agency shall make up for it within five days from the shareholder book closure date. The fractional shares that fail to make up within the time limit or are still insufficient shall be discounted at the par value (rounded down to the nearest dollar). For the fractional shares, the Chairman is authorized to contact certain parties to purchase such fractional shares at face value. For the shareholders who participate in the allotment by book-entry transfer, the fractional payment on each share for which they are entitled to less than one share will be used to pay the expenses of the book-entry transfer of shares.
- III The new shares issued under this capital increase have the same rights and obligations as the originally issued ordinary shares.
- IV The capital increase record date, issuance date and other relevant matters shall be set separately by the Board of Directors after being approved by the general shareholders' meeting and being reported to the competent authority for approval. Before the record date of the allotment, if the number of outstanding shares is affected by adjustments by the competent authority or

the Company's repurchase of the Company's shares, resulting in changes in the ratio of distribution of shares to shareholders, we propose to request the shareholders' meeting to authorize the Board of Directors to have full authority in the handling.

V The proposal is hereby presented for resolution.

Resolution:

Proposal 2, proposed by the Board of Directors

Proposal: Lifting of non-compete restrictions on Directors.

Explanation:

- I Pursuant to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the shareholders' meeting the essential contents of such an act and obtain its approval.
- II Director Chun-Ming Chen of the Company has invested in or operated other companies with the same or similar business scope and in which he serves as director. Under the premise of not affecting the Company's profit, propose to the shareholders meeting to approve the lifting of non-compete restrictions on Director Chun-Ming Chen for his role as Chairman of Dingtian Construction Co., Ltd.
- III The proposal is hereby presented for resolution.

Resolution:

IV. Extraordinary Motion

V. Adjournment of the meeting

Attachment 1

2023 Business Report

I Business Guidelines

The Company adheres to the business philosophy of "Integrity, Quality, Service, Innovation, and Sustainability", operates pragmatically, deeply cultivates the main business, is committed to the high-quality construction service industry, focuses on project quality management, and combines construction management knowledge with technological tools to continuously improve technology integration of construction methods to ensure the competitiveness of the four core areas: quality, cost, progress, and safety and health of the project, provide higher-value services to the owners and lead the contractors to upgrade the technology.

The Company will maintain the goal of striving for high-tech and high value-added engineering projects, continue to adopt the strategy of diversified project acquisition and medium-term and long-term business layout, and target the expansion and establishment of factories for technology companies and the investment and development of the railroad economy. The main revenue and profit momentum are from excellent contractors. We will strive for a source of projects with high competitive advantages and in line with social development trends through excellent contractors, and implement the concept of profit sharing and common growth, in order to become a long-term cooperative partner of quality contractors.

In response to the government's 2050 net zero transformation goal, the Company completed the carbon inventory of all projects in 2023 and third-party verification, and led the domestic construction industry to include "upstream and downstream value chain emissions" into the scope of inventory for the first time. Through convening of suppliers conference, share and analyze the inventory data with the Taiwan Construction Research Institute (TCRI), expand the three-way cooperation between industry, government, and academia, and gradually move toward green engineering. At the same time, actively participate in the domestic public engineering, rail construction, and social housing construction, and plan the

sustainable city blueprint. In addition to pursuing economic growth, we also meet social needs by continuing to invest in the repair of disadvantaged and remote homes under the "Repair Cycles Program", and use the construction engineering expertise to set the best example of social inclusion. To raise the awareness of sustainability among all employees and improve employee benefits, the Company is the first enterprise to respond to the "Rational Fertilization Project" of the Northern Water Bureau, Ministry of Economic Affairs, to subscribe for organic agricultural products to share with employees and social welfare units, and also contributes to the protection of water sources.

II Business overview

International leading building materials manufacturers have reduced production, and domestic construction companies have derived additional construction costs from adopting green projects. In addition, the labor shortage problem is difficult to solve. The relative costs of labor and materials have increased. However, the Company's profit was still good due to the adjustment of the project portfolio. In 2024, due to the government's expansion of public construction and global economic recovery, the demand for public sector, factory office and commercial office construction is promising, but the demand for residential construction is relatively weak, so the overall construction demand is expected to rise.

The Company responded to the impact of short-term work and material dispatch through policies such as flexible procurement and subcontracting. The Company has also become more conservative in tender evaluation and construction commencement trends. In addition to digesting the number of projects on hand, the Company spares no effort to strive for the highly competitive buildings, roads, and bridge construction: Project sources, such as, for the expansion of track, tunnel, and cutting-edge technology plants to create new revenue and enhance the Company's value.

III Business Plan Implementation Outcomes:

In 2023, we undertook a total of 30 projects with an amount of NTD 61 billion. Among them, the new contracts or contracts included Ta Chen Group's corporate

headquarters, TSMC AP5B, AP6B, F18 Park 25 land transportation and abandonment, F22P1-SUPPORT, MediaTek Causeway Park plant and Kindom Taichung G5 project, with the contract amount of about NTD 8.3 billion; the settlement of completion includes TSMC's F18, AP6B, zero waste center and other factory projects, the South Gate Building and Market renovation turnkey project, and Kindom An Mu Ju and other residential projects. The contract amount was about NTD 9.1 billion.

The 2023 consolidated operating revenue recognized based on the full-process operation progress of cases in hand was NTD 14.292 billion, slightly increasing by 0.61% from NTD 14.205 billion in 2022; the consolidated net profit after tax was NTD 990 million, which decreased by 5.5% from NTD 1.048 billion in 2022.

IV Implementation of operating revenue and expenditure budget

The 2023 consolidated operating revenue includes construction revenue and non-operating revenue, with a total of NTD 14.367 billion, an increase of NTD 96 million or 0.67% compared to 2022, of which the construction revenue accounted for the proportion of stable revenue scale based on the progress of the construction period.

The 2023 consolidated operating expenses totaled NTD 13.115 billion, including construction costs, operating expenses and non-operating expenses, an increase of NTD 170 million or 1.31% over 2022.

V Profitability analysis

The Company has grown steadily in terms of the scale of projects and performance, and the funds obtained as contracted have been fully recorded in the book. The consolidated net cash inflow from operating activities was NTD 1.215 billion, the consolidated net cash outflow from investing and financing activities of NTD 901 million, and the consolidated cash flow for 2022 represented a net outflow of NTD 608 million. The overall operating performance was similar to that in 2022, with a consolidated net profit of NTD 990 million and earnings per share of NTD 8.2.

VI Research and development status

In 2023, in addition to continuously improving the risk management of cloud services and information security, we will continue to use technological tools to strengthen safety management capabilities, and transform occupational safety and health digitally to reduce the possibility of occupational hazards; to enhance competitiveness, we have made improvements and developments of implementation techniques (process), BIM technology platform and 3D metrology image application, collaboration of mapping software for AI technology, etc., to create workflows that shorten construction period, improve construction methods, reduce pollution and improve efficiency, and use innovative technology to conduct research and refinement to achieve the goals of "improving quality, increasing efficiency, reducing costs, and enhancing image."

Looking to the future, the development goals will continue to be based on the Group's concept of ESG, greenhouse gas reduction, and circular economy. Based on the BIM database and technology, we will conduct cross-department cooperation to achieve the goal of carbon reduction, waste reduction, and resource conservation. We aim to reduce carbon and emissions and provide convenience for life, and create a better future.

Chairman: Ai-Wei Yuan Manager: Yi-Fang Huang, Chun-Ming Chen
Accounting Supervisor: Fang-Chia Chang

Attachment 2

KEDGE CONSTRUCTION CO., LTD. Audit Committee's Review Report

For your approval

The Company's 2023 financial statements prepared by the Board of Directors and audited by CPAs Yi-Lien Han and Kuo-Yin Tseng of KPMG Taiwan, along with the Business Report and the Earnings Distribution Table, were reviewed by the Audit Committee and found no discrepancy. The report was prepared in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To:

2024 Shareholders Annual General Meeting of KEDGE CONSTRUCTION
CO., LTD.

Audit Committee Convener: Hung-Chin Huang

March 12, 2024

Attachment 3

Independent Auditors' Report

To the Board of Directors of KEDGE CONSTRUCTION CO., LTD.:

Audit Opinions

We have reviewed the accompanying Consolidated Statement of Financial Position of KEDGE CONSTRUCTION CO., LTD. and subsidiaries as of December 31, 2023 and 2022, and the related Consolidated Statement of Comprehensive Income, of Consolidated Statement of Changes in Equity and of Consolidated Statement of Cash Flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, its consolidated financial performance and cash flows for the years then ended in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRICs) and SIC Interpretations (SICs) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for the audit opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that we have determined to

be communicated on the audit report are as follows:

Construction contract

For the accounting policies of the construction contracts, please refer to the consolidated financial statements Note 4 (15) for the recognition of revenue; for the accounting estimates and assumptions of the estimated total contract cost assessment of the construction contracts, please refer to Note 5 to the consolidated financial statements; For an explanation on revenue recognition and the accumulated costs that have incurred, please refer to the revenue from contracts with customers in Note 6(16) of the consolidated financial statements.

Description of Key Audit Matters:

The estimated total cost of a construction contract requires a high level of judgment by the management. The Group uses the percentage of completion method to recognize the construction income and cost, and the degree of completion is based on the cost incurred as a percentage of the estimated total cost as of the financial reporting date. The measurement of the degree of completion may result in a significant difference between the timing of profit and loss recognition and the current financial statements.

The corresponding audit procedures:

Our audit procedures for the key audit matters above include:

1. Understand the internal operating procedures for the estimated total cost evaluation, and randomly check the estimated total cost of major projects to ensure the consistency between the evaluation process and the internal operating procedures.
2. For the projects with the estimated total cost of major additions and revisions in the current period, random check the estimated total cost approved by the project management department, including the supporting documents of the additional or subtracted projects in the current period and major projects with pricing.
3. Obtain the details of the costs and expenses of the current period, and implement the relevant verification procedures, including checking the amount of costs of the current period incurred to the relevant document slips, to confirm that the input costs of the current period have been properly booked.

Other matters

The parent company only financial statements of 2023 and 2022 have been prepared by KEDGE CONSTRUCTION CO., LTD., for which we have issued an unqualified opinion.

Responsibilities of the management and the governing body for the consolidated financial statements

Management is responsible for the preparation and fair representation of the consolidated financial statements in accordance with IFRS, IAS, IFRICs and SICs endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the ability of the Group in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Group or cease the operations without other viable alternatives.

The governing body of the Group (including the Audit Committee) is responsible for supervising the financial reporting process.

Auditors' Responsibilities for Auditing the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance. However, the audit conducted in accordance with the R.O.C. Standards on Auditing cannot guarantee that material misstatements in the consolidated financial statements will be detected. Misstatements can arise from fraud or error. If the individual amounts or the total number of misstatements can be reasonably expected to affect the economic decisions made by the users of the consolidated financial statements, the misstatements are considered material.

We exercise professional judgment and professional skepticism during an audit in accordance with the R.O.C. Standard on Auditing. We also perform the following tasks:

1. Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error; design and execute appropriate countermeasures for the risks assessed; and obtain sufficient and appropriate audit evidences as the basis for the audit opinions. Because fraud may involve collusion, forgery, intentional omission, misrepresentation or violation of internal control, it is not detected that the risk of material misstatement resulting from fraud is higher than that resulting from error.

2. Obtain the necessary understanding of the internal control related to the audit in order to design appropriate audit procedures under the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal control of the Group.
3. Evaluate the appropriateness of the accounting policies adopted by the management, and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, make a conclusion on the appropriateness of the management's adoption of the accounting basis for continuing operations, and whether there are significant uncertainties in the events or conditions that may cause significant doubts about the ability of Group to continue to operate. If we are of the opinion that there is a material uncertainty of such events or circumstances, we shall in the audit report remind the users of the consolidated financial statement to pay attention to the related disclosures in the consolidated financial statement, or modify our audit opinion when such disclosures are inappropriate. Our conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statement (including relevant notes), and whether the consolidated financial statement presents the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence for the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for guiding, supervising, and performing the audit of the Group and forming an audit opinion for the Group.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 2023 consolidated financial statements of the Group and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

Certified

Public

Accountant:

Approval	Jin-Guan-Zheng-Shen-Zi No.
reference	: 1090332798
number of the	Jin-Guan-Zheng-Liu No.
securities	0940129108
authority	
March 12, 2024	

KEDGE CONSTRUCTION CO., LTD. and Subsidiaries

Consolidated Balance Sheet

December 31, 2023 and 2022

Unit: NTD thousand

Assets		2023.12.31		2022.12.31		Liabilities and equity		2023.12.31		2022.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(1) and (19))	\$ 5,262,388	42	4,947,697	42	2100	Short-term borrowings (Note 6(9), (19), and 8)	\$ 100,000	1	485,000	4
1110	Financial assets at fair value through profit or loss - current (Note 6(2) and (19))	76,900	1	63,471	1	2130	Contract liabilities - current (Note 6(16) and 7)	2,103,184	17	1,533,575	13
1140	Contract assets - current (Note 6(16) and 7)	3,403,415	27	1,881,176	16	2150	Notes payable (Note 6(19))	260,564	2	343,358	3
1170	Notes and accounts receivable, net (Note 6(4), (16), and (19))	940,572	7	1,893,905	16	2170	Accounts payable (Note 6(19))	4,480,323	36	4,391,029	37
1180	Notes and accounts receivable - related parties, net (Note 6(16), (19) and 7)	705,505	6	574,551	5	2200	Other payables (Note 6(12), (19) and 7)	351,347	3	381,350	3
1410	Prepayments	208,974	2	143,412	1	2230	Current income tax liabilities	259,824	2	270,695	3
1470	Other current assets	35,543	-	52,072	-	2300	Other current liabilities (Note 6(19))	30,772	-	11,150	-
1476	Other financial assets - current (Note 6(19) and 8)	1,186,304	9	1,589,810	14			7,586,014	61	7,416,157	63
		11,819,601	94	11,146,094	95		Non-current liabilities:				
Non-current assets:						2552	Provision for long-term liabilities under warranty (Note 6(10))	181,670	1	183,236	2
1550	Investment under equity method (Note 6(5))	16,131	-	14,392	-	2600	Other non-current liabilities (Note 6(19))	11,314	-	12,868	-
1517	Financial assets measured at fair value through other comprehensive income - non-current (Note 6(3) and (19))	461,751	5	349,275	3			192,984	1	196,104	2
1600	Property, plant and equipment (Note 6(6) and 8)	158,824	1	160,593	2		Total liabilities	7,778,998	62	7,612,261	65
1755	Right-of-use assets (Note 6(7))	25,398	-	16,611	-		Equity attributable to owners of the parent company (Note 6(14)):				
1760	Investment property, net (Note 6(8) and 8)	48,457	-	48,689	-	3110	Common stock capital	1,207,216	10	1,166,392	10
1780	Intangible assets	1,513	-	-	-	3200	Capital reserve	518,634	4	518,540	4
1840	Deferred income tax assets (Note 6(13))	40,676	-	40,683	-	3300	Retained earnings	2,838,079	22	2,372,019	20
1975	Net defined benefit assets - non-current (Note 6(12))	6,947	-	5,820	-	3400	Other equity	241,744	2	129,294	1
1980	Other financial assets - non-current (Note 6(19))	5,597	-	16,535	-		Total equity attributable to owners of the parent company	4,805,673	38	4,186,245	35
		765,294	6	652,598	5	36XX	Non-controlling interests	224	-	186	-
							Total equity	4,805,897	38	4,186,431	35
							Total liabilities and equity	<u>\$ 12,584,895</u>	<u>100</u>	<u>11,798,692</u>	<u>100</u>
Total assets		<u>\$ 12,584,895</u>	<u>100</u>	<u>11,798,692</u>	<u>100</u>						

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang, Chun-Ming Chen

Accounting supervisor: Fang-Chia Chang

KEDGE CONSTRUCTION CO., LTD. and Subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2023 and 2022

Unit: NTD thousand

		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Note 6(11), (16) and 7)	\$ 14,292,411	100	14,204,563	100
5000	Operating cost (Note 6(12) and 12)	12,785,961	89	12,604,056	89
	Gross operating profit	1,506,450	11	1,600,507	11
	Operating expenses:				
6200	Administrative expenses (Notes 6(12), (17), 7, and 12)	336,504	2	318,435	2
	Net operating profit	1,169,946	9	1,282,072	9
	Non-operating income and expenses:				
7100	Interest revenue (Note 6(18))	51,675	-	22,872	-
7010	Other income (Note 6(18))	22,630	-	43,294	-
7020	Other gains and losses (Note 6(18))	13,255	-	(17,516)	-
7050	Financial costs (Note 6(18))	(4,364)	-	(4,223)	-
7060	Share of profit or loss of affiliated companies and joint ventures under equity method (Note 6(5))	1,739	-	(728)	-
		84,935	-	43,699	-
	Net income before tax from continuing operations	1,254,881	9	1,325,771	9
7950	Less: Income tax expense (Note 6(13))	264,524	2	277,835	2
	Net income for the period	990,357	7	1,047,936	7
8300	Other comprehensive income:				
8310	Items not reclassified into profit or loss				
8311	Remeasurement of defined benefit plan	592	-	2,836	-
8316	Unrealized valuation gains or losses on investments in equity instruments measured at fair value through other comprehensive income	112,476	1	(99,926)	-
8300	Other comprehensive income for the period (net amount after tax)	113,068	1	(97,090)	-
	Total comprehensive income for the period	\$ 1,103,425	8	950,846	7
	Net profit for the period attributable to:				
	Owner of the parent company	\$ 990,345	7	1,047,933	7
8620	Non-controlling interests	12	-	3	-
		\$ 990,357	7	1,047,936	7
	Total comprehensive income attributable to:				
	Owner of the parent company	\$ 1,103,387	8	950,866	7
	Non-controlling interests	38	-	(20)	-
		\$ 1,103,425	8	950,846	7

Earnings per share (NTD) (Note 6(15))

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang,
Chun-Ming Chen

Accounting supervisor:
Fang-Chia Chang

9750	Basic earnings per share (NTD)	\$	8.20	8.68
9850	Diluted earnings per share (NTD)	\$	8.11	8.56

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Ai-Wei Yuan	Manager: Yi-Fang Huang,	Accounting supervisor:
	Chun-Ming Chen	Fang-Chia Chang

KEDGE CONSTRUCTION CO., LTD. and Subsidiaries

Consolidated Statement of Changes in Equity

January 1 to December 31, 2023 and 2022

Unit: NTD thousand

	Equity attributable to owners of the parent company					Other equity	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
	Share capital	Retained earnings			Total	Unrealized gains or losses on financial assets at fair value through other comprehensive income			
	Common stock capital	Capital reserve	Legal reserve	Undistributed earnings	Total				
Balance as of January 1, 2022	\$ 1,060,357	518,401	345,082	1,357,896	1,702,978	229,197	3,510,933	206	3,511,139
Net income for the period	-	-	-	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 period	-	-	-	1,050,769	1,050,769	(99,903)	950,866	(20)	950,846
Appropriation and distribution of earnings:									
Provision for legal reserve	-	-	73,890	(73,890)	-	-	-	-	-
Common stock cash dividends	-	-	-	(275,693)	(275,693)	-	(275,693)	-	(275,693)
Common stock dividends	106,035	-	-	(106,035)	(106,035)	-	-	-	-
Overdue cash dividends	-	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
Net income for the period	-	-	-	990,345	990,345	-	990,345	12	990,357
Other comprehensive income in the current period	-	-	-	592	592	112,450	113,042	26	113,068
Total comprehensive income for the period	-	-	-	990,937	990,937	112,450	1,103,387	38	1,103,425
Appropriation and distribution of earnings:									
Provision for legal reserve	-	-	105,077	(105,077)	-	-	-	-	-
Common stock cash dividends	-	-	-	(484,053)	(484,053)	-	(484,053)	-	(484,053)
Common stock dividends	40,824	-	-	(40,824)	(40,824)	-	-	-	-

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Ai-Wei Yuan

**Manager: Yi-Fang Huang, Chun-Ming
Chen**

Accounting supervisor: Fang-Chia Chang

Overdue cash dividends	-	94	-	-	-	-	94	-	94
Balance as of December 31, 2023	\$ 1,207,216	518,634	524,049	2,314,030	2,838,079	241,744	4,805,673	224	4,805,897

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Ai-Wei Yuan

**Manager: Yi-Fang Huang, Chun-Ming
Chen**

Accounting supervisor: Fang-Chia Chang

KEDGE CONSTRUCTION CO., LTD. and Subsidiaries

Consolidated Statement of Cash Flows

January 1 to December 31, 2023 and 2022

Unit: NTD thousand

	<u>2023</u>	<u>2022</u>
Cash flow from operating activities:		
Net income before tax for the current period	\$ 1,254,881	1,325,771
Adjustments:		
Income and expenses		
Depreciation expense	37,133	17,435
Amortization expense	382	-
Net (gain) loss on mandatory financial assets and liabilities at fair value through profit or loss	(13,261)	17,251
Interest expense	4,364	4,223
Interest revenue	(51,675)	(22,872)
Dividend income	(22,583)	(33,312)
Share of profit or loss on affiliated companies and joint ventures under equity method	(1,739)	728
Total income and expense	<u>(47,379)</u>	<u>(16,547)</u>
Changes in operating assets/liabilities:		
Net changes in assets related to operating activities:		
Increase of financial assets mandatorily measured at fair value through profit or loss	(168)	-
Decrease (increase) of contract assets	(1,522,239)	277,870
Decrease (increase) of notes and accounts receivable	953,333	(889,043)
Decrease (increase) of notes and accounts receivable - related parties	(130,954)	245,458
Increase in prepayments	(73,787)	(58,428)
Decrease (increase) of other current assets	16,529	(5,453)
Decrease (increase) of other financial assets	413,036	(1,276,454)
Increase of net defined benefit assets - non-current	(1,127)	(3,382)
Total net changes in assets related to operating activities	<u>(345,377)</u>	<u>(1,709,432)</u>
Net changes in liabilities related to operating activities:		
Increase in contract liabilities	569,609	1,088,918
Increase (decrease) of notes payable	(82,794)	59,467
Increase in accounts payable	89,294	248,588
Increase (decrease) in other payables	(29,732)	86,031
Increase (decrease) in provision	(1,566)	1,610
Increase (decrease) of other current liabilities	13,630	(10,269)
Increase in net defined benefit liabilities	592	2,836
Decrease in other non-current liabilities	(1,461)	(501)
Total net changes in liabilities related to operating activities	<u>557,572</u>	<u>1,476,680</u>
Total net changes in assets and liabilities related to operating activities	<u>212,195</u>	<u>(232,752)</u>
Total adjustment items	<u>164,816</u>	<u>(249,299)</u>
Cash inflow from operations	1,419,697	1,076,472
Interest received	53,209	18,584
Dividends received	22,583	33,312
Interest paid	(4,541)	(4,003)
Income tax paid	(275,471)	(194,878)
Net cash inflow from operating activities	<u>1,215,477</u>	<u>929,487</u>
Cash flow from investing activities:		
Acquisition of property, plant and equipment	(15,164)	(21,109)
Acquisition of intangible assets	(458)	-
Decrease (increase) of other financial assets	(43)	6,873
Net cash outflow from investing activities	<u>(15,665)</u>	<u>(14,236)</u>
Cash flow from financing activities:		
Increase in short-term borrowings	430,000	945,000
Decrease in short-term borrowings	(815,000)	(660,000)
Increase in short-term notes payable	100,000	50,000
Decrease in short-term notes payable	(100,000)	(50,000)
Lease principal repayment	(16,068)	(1,773)
Distribution of cash dividends	(484,053)	(275,693)
Net cash (outflow) inflow from financing activities	<u>(885,121)</u>	<u>7,534</u>
Increase in cash and cash equivalents for the current period	314,691	922,785
Opening balance of cash and cash equivalents	4,947,697	4,024,912
Closing balance of cash and cash equivalents	<u><u>\$ 5,262,388</u></u>	<u><u>4,947,697</u></u>

(Please refer to the attached Notes to the Consolidated Financial Statements)

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang, Chun-Ming Chen

Accounting supervisor: Fang-Chia Chang

Independent Auditors' Report

To the Board of Directors of KEDGE CONSTRUCTION CO., LTD.:

Audit Opinions

We have reviewed the accompanying Statement of Financial Position of KEDGE CONSTRUCTION CO., LTD. (the "Company") as of December 31, 2023 and 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of KEDGE CONSTRUCTION CO., LTD. as of December 31, 2023 and 2022, its financial performance and cash flows for the years then ended.

Basis for the audit opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that we have determined to be communicated on the audit report are as follows:

Construction contract

For the accounting policies of the construction contracts, please refer to the parent company only financial statements Note 4 (14) for the recognition of revenue; for the accounting estimates and assumptions of the estimated total contract cost assessment of the construction contracts, please refer to

Note 5 to the parent company only financial statements; For an explanation on revenue recognition and the accumulated costs that have incurred, please refer to the revenue from contracts with customers in Note 6(15) of the parent company only financial statements.

Description of Key Audit Matters:

The estimated total cost of a construction contract requires a high level of judgment by the management. The Company uses the percentage of completion method to recognize the construction income and cost, and the degree of completion is based on the cost incurred as a percentage of the estimated total cost as of the financial reporting date. The measurement of the degree of completion may result in a significant difference between the timing of profit and loss recognition and the current financial statements.

The corresponding audit procedures:

Our audit procedures for the key audit matters above include:

1. Understand the internal operating procedures for the estimated total cost evaluation, and randomly check the estimated total cost of major projects to ensure the consistency between the evaluation process and the internal operating procedures.
2. For the projects with the estimated total cost of major additions and revisions in the current period, random check the estimated total cost approved by the project management department, including the supporting documents of the additional or subtracted projects in the current period and major projects with pricing.
3. Obtain the details of the costs and expenses of the current period, and implement the relevant verification procedures, including checking the amount of costs of the current period incurred to the relevant document slips, to confirm that the input costs of the current period have been properly booked.

Responsibilities of the management level and the governing body for the parent company only financial statements

The responsibility of the management is to prepare the appropriate parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and to maintain the necessary internal control related to the preparation of the parent company only financial statements to ensure that the parent company only financial statements are free of significant misrepresentation.

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

The governing body of the Company (including the Audit Committee) is responsible for supervising the financial reporting process.

Auditors' Responsibilities for Auditing the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance. However, the audit conducted in

accordance with the R.O.C. Standards on Auditing cannot guarantee that material misstatements in the parent company only financial statements will be detected. Misstatements can arise from fraud or error. If the individual amounts or the total number of misstatements can be reasonably expected to affect the economic decisions made by the users of the parent company only financial statements, the misstatements are considered material.

We exercise professional judgment and professional skepticism during an audit in accordance with the R.O.C. Standard on Auditing. We also perform the following tasks:

1. Identify and assess the risks of material misstatement in the parent company only financial statements, whether due to fraud or error; design and execute appropriate countermeasures for the risks assessed; and obtain sufficient and appropriate audit evidence as the basis for the audit opinions. Because fraud may involve collusion, forgery, intentional omission, misrepresentation or violation of internal control, it is not detected that the risk of material misstatement resulting from fraud is higher than that resulting from error.
2. Obtain the necessary understanding of the internal control related to the audit in order to design appropriate audit procedures under the circumstances. Still, the purpose is not to express an opinion on the effectiveness of the internal control of the Company.

3. Evaluate the appropriateness of the accounting policies adopted by the management, and the reasonableness of the accounting estimates and related disclosures made.
4. Based on the audit evidence obtained, make a conclusion on the appropriateness of the management's adoption of the accounting basis for continuing operations, and whether there are significant uncertainties in the events or conditions that may cause significant doubts about the ability of KEDGE CONSTRUCTION CO., LTD. to continue to operate. If we are of the opinion that there is a material uncertainty of such events or circumstances, we shall in the audit report remind the users of the parent company only financial statement to pay attention to the related disclosures in the parent company only financial statement, or modify our audit opinion when such disclosures are inappropriate. Our conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statement (including relevant notes), and whether the parent company only financial statement presents the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence for the financial information of the investee under equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statement for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

Certified

Public

Accountant:

Approval	Jin-Guan-Zheng-Shen-Zi No.
reference	: 1090332798
number of the	Jin-Guan-Zheng-Liu No.
securities	0940129108
authority	
March 12, 2024	

KEDGE CONSTRUCTION CO., LTD.

Statement of Financial Position

December 31, 2023 and 2022

Unit: NTD thousand

Assets		2023.12.31		2022.12.31		Liabilities and equity		2023.12.31		2022.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(1) and (18))	\$ 4,970,473	40	4,690,359	40	2100	Short-term borrowings (Note 6(8), (18), and 8)	\$ 100,000	1	485,000	4
1170	Notes and accounts receivable, net (Note 6(3), (15), and (18))	940,572	8	1,893,905	16	2130	Contract liabilities - current (Note 6(15) and 7)	2,144,052	17	1,543,225	13
1180	Notes and accounts receivable - related parties, net (Notes 6(15), (18) and 7)	699,222	6	570,121	5	2150	Notes payable (Note 6(18) and 7)	254,823	2	336,499	3
1140	Contract assets - current (Note 6(15) and 7)	3,362,547	27	1,841,624	16	2170	Accounts payable (Note 6(18) and 7)	4,387,808	35	4,340,075	37
1410	Prepayments	208,315	2	139,944	1	2200	Other payables (Note 6(11), (18) and 7)	342,750	3	372,504	3
1470	Other current assets	34,140	-	49,170	-	2230	Current income tax liabilities	257,697	2	266,475	2
1476	Other financial assets - current (Note 6(18) and 7)	1,185,858	9	1,589,682	14	2300	Other current liabilities (Note 6(18))	30,400	-	10,768	-
		11,401,127	92	10,774,805	92			7,517,530	60	7,354,546	62
Non-current assets:						Non-current liabilities:					
1518	Equity instrument investment measured at fair value through other comprehensive income (Note 6(2) and (18))	21,368	-	16,060	-	2552	Long-term warranty provision (Note 6(9))	177,160	2	178,726	2
1550	Investment under equity method (Note 6(4))	812,402	7	663,263	7	2600	Other non-current liabilities (Note 6(18))	7,580	-	9,006	-
1600	Property, plant and equipment (Note 6(5) and 8)	149,261	1	150,955	1	Total liabilities		184,740	2	187,732	2
1755	Right-of-use assets (Note 6(6))	21,620	-	12,680	-	Equity (Note 6(13)):		7,702,270	62	7,542,278	64
1760	Investment property, net (Note 6(7) and 8)	48,457	-	48,689	-	3100	Share capital	1,207,216	9	1,166,392	10
1780	Intangible assets	1,513	-	-	-	3200	Capital reserve	518,634	4	518,540	5
1840	Deferred income tax assets (Note 6(12))	39,651	-	39,717	-	3300	Retained earnings	2,838,079	23	2,372,019	20
1975	Net defined benefit assets - non-current (Note 6(11))	6,947	-	5,820	-	3400	Other equity	241,744	2	129,294	1
1980	Other financial assets - non-current (Note 6(18))	5,597	-	16,534	-	Total equity		4,805,673	38	4,186,245	36
Total non-current assets		1,106,816	8	953,718	8						
Total assets		\$ 12,507,943	100	11,728,523	100	Total liabilities and equity		\$ 12,507,943	100	11,728,523	100

(Please refer to the attached Notes to the parent company only financial statements)

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang, Chun-Ming Chen

Accounting supervisor: Fang-Chia Chang

KEDGE CONSTRUCTION CO., LTD.
Statement of Comprehensive Income
January 1 to December 31, 2023 and 2022

Unit: NTD thousand

		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Note 6(10), (15) and 7)	\$ 14,219,639	100	14,175,364	100
5000	Operating cost (Notes 6(11), (16), 7, and 12)	12,728,064	90	12,588,653	89
	Gross operating profit	1,491,575	10	1,586,711	11
	Operating expenses:				
6200	Administrative expenses (Notes 6(11), (16), 7, and 12)	326,473	2	306,833	2
		326,473	2	306,833	2
	Net operating profit	1,165,102	8	1,279,878	9
	Non-operating income and expenses:				
7100	Interest revenue (Note 6(17))	48,769	-	21,635	-
7010	Other income (Note 6(17))	1,011	-	11,355	-
7020	Other gains and losses (Note 6(17))	(6)	-	(265)	-
7050	Financial costs (Note 6(17))	(4,295)	-	(4,152)	-
7070	Share of profit or loss of subsidiaries, affiliates and joint ventures accounted for using equity method	41,997	-	13,704	-
		87,476	-	42,277	-
	Net income before tax from continuing operations	1,252,578	8	1,322,155	9
7950	Less: Income tax expenses (Note 6(12))	262,233	2	274,222	2
	Net income for the period	990,345	6	1,047,933	7
8300	Other comprehensive income:				
8310	Items not reclassified into profit or loss				
8311	Remeasurement of defined benefit plan	592	-	2,836	-
8316	Unrealized valuation gains or losses on investments in equity instruments measured at fair value through other comprehensive income	112,450	1	(99,903)	(1)
		113,042	1	(97,067)	(1)
8300	Other comprehensive income for the period (net amount after tax)	113,042	1	(97,067)	(1)
	Total comprehensive income for the period	\$ 1,103,387	7	950,866	6
	Earnings per share (NTD) (Note 6(14))				
9750	Basic earnings per share (NTD)	\$ 8.20		8.68	
9850	Diluted earnings per share (NTD)	\$ 8.11		8.56	

(Please refer to the attached Notes to the parent company only financial statements)

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang,
Chun-Ming Chen

Accounting supervisor:
Fang-Chia Chang

KEDGE CONSTRUCTION CO., LTD.

Statement of Changes in Equity January 1 to December 31, 2023 and 2022

Unit: NTD thousand

	Share capital		Retained earnings			Other equity Unrealized gains or losses on financial assets at fair value through other comprehensive income	Total equity
	Common stock capital	Capital reserve	Legal reserve	Undistributed earnings	Total		
Balance as of January 1, 2022	\$ 1,060,357	518,401	345,082	1,357,896	1,702,978	229,197	3,510,933
Net income for the period	-	-	-	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 period	-	-	-	1,050,769	1,050,769	(99,903)	950,866
Appropriation and distribution of earnings:							
Provision for legal reserve	-	-	73,890	(73,890)	-	-	-
Common stock cash dividends	-	-	-	(275,693)	(275,693)	-	(275,693)
Common stock dividends	106,035	-	-	(106,035)	(106,035)	-	-
Overdue cash dividends	-	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
Net income for the period	-	-	-	990,345	990,345	-	990,345
Other comprehensive income in the current period	-	-	-	592	592	112,450	113,042
Total comprehensive income for the period	-	-	-	990,937	990,937	112,450	1,103,387
Appropriation and distribution of earnings:							
Provision for legal reserve	-	-	105,077	(105,077)	-	-	-
Common stock cash dividends	-	-	-	(484,053)	(484,053)	-	(484,053)

(Please refer to the attached Notes to the parent company only financial statements)

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang, Chun-Ming
Chen

Accounting supervisor: Fang-Chia Chang

Common stock dividends	40,824	-	-	(40,824)	(40,824)	-	-
Overdue cash dividends	-	94	-	-	-	-	94
Balance as of December 31, 2023	\$ 1,207,216	518,634	524,049	2,314,030	2,838,079	241,744	4,805,673

(Please refer to the attached Notes to the parent company only financial statements)

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang, Chun-Ming
Chen

Accounting supervisor: Fang-Chia Chang

KEDGE CONSTRUCTION CO., LTD.

Statement of Cash Flows

January 1 to December 31, 2023 and 2022

Unit: NTD thousand

	2023	2022
Cash flow from operating activities:		
Net income before tax for the current period	\$ 1,252,578	1,322,155
Adjustments:		
Income and expenses		
Depreciation expense	36,905	17,206
Amortization expense	382	-
Interest expense	4,295	4,152
Interest revenue	(48,769)	(21,635)
Dividend income	(964)	(1,375)
Share of profit of subsidiaries, affiliates and joint ventures accounted for using the equity method	(41,997)	(13,704)
Total income and expense	(50,148)	(15,356)
Changes in operating assets/liabilities:		
Net changes in assets related to operating activities:		
Decrease (increase) of notes and accounts receivable	953,333	(898,393)
Decrease (increase) of notes and accounts receivable - related parties	(129,101)	249,888
Decrease (increase) of contract assets	(1,520,923)	298,354
Increase in prepayments	(76,596)	(55,073)
Decrease (increase) of other current assets	15,030	(5,629)
Decrease (increase) of other financial assets	413,035	(1,276,354)
Increase of net defined benefit assets - non-current	(1,127)	(3,382)
Total net changes in assets related to operating activities	(346,349)	(1,690,589)
Net changes in liabilities related to operating activities:		
Increase (decrease) of notes payable	(81,676)	61,867
Increase in accounts payable	47,733	252,223
Increase in contract liabilities	600,827	1,098,568
Increase (decrease) in other payables	(29,483)	82,499
Decrease in provisions	(1,566)	(1,907)
Increase (decrease) of other current liabilities	13,640	(10,326)
Increase in net defined benefit liabilities	592	2,836
Decrease in other non-current liabilities	(1,461)	(501)
Total net changes in liabilities related to operating activities	548,606	1,485,259
Total net changes in assets and liabilities related to operating activities	202,257	(205,330)
Total adjustment items	152,109	(220,686)
Cash inflow from operations	1,404,687	1,101,469
Interest received	50,538	17,329
Dividends received	964	1,375
Interest paid	(4,472)	(3,932)
Income tax paid	(270,945)	(193,100)
Net cash inflow from operating activities	1,180,772	923,141
Cash flow from investing activities:		
Acquisition of property, plant and equipment	(15,164)	(21,109)
Acquisition of computer software	(458)	-
Decrease (increase) of other financial assets	(43)	6,873
Net cash outflow from investing activities	(15,665)	(14,236)
Cash flow from financing activities:		
Increase in short-term borrowings	430,000	945,000
Decrease in short-term borrowings	(815,000)	(660,000)
Increase in short-term notes payable	100,000	50,000
Decrease in short-term notes payable	(100,000)	(50,000)
Lease principal repayment	(15,940)	(1,648)
Distribution of cash dividends	(484,053)	(275,693)
Net cash (outflow) inflow from financing activities	(884,993)	7,659
Increase in cash and cash equivalents for the current period	280,114	916,564
Opening balance of cash and cash equivalents	4,690,359	3,773,795
Closing balance of cash and cash equivalents	\$ 4,970,473	4,690,359

(Please refer to the attached Notes to the parent company only financial statements)

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang, Chun-Ming Chen

Accounting supervisor: Fang-Chia Chang

Attachment 4

KEDGE CONSTRUCTION CO., LTD.

Earnings Distribution Table

2023

Unit: NTD

Undistributed earnings at the beginning of the period	\$ 1,323,093,212
Add: Net profit after tax	990,344,971
Add: Changes in the remeasurement of the defined benefit plan in the current period	591,669
Less: Provision of legal reserve	<u>(99,093,664)</u>
Distributable earnings	2,214,936,188
Less: Distributable items	
Dividend to shareholders - cash dividend of NTD 4.0 per share	(482,886,396)
Dividend to shareholders - share dividend of NTD 0.2 per share	<u>(24,144,320)</u>
Undistributed earnings at the end of the period	<u>\$ 1,707,905,472</u>
Note: Shareholders' dividends are first distributed from earnings in 2023.	

Chairman: Ai-Wei Yuan

Manager: Yi-Fang Huang, Chun-Ming Chen

Accounting supervisor: Fang-Chia Chang

Appendix 1

Kedge Construction Co., Ltd.

Articles of Incorporation

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\$1.8 billion, divided into 180 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:

- 一、 Spouse.
- 二、 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 shall be allocated as bonus for shareholders at the board's proposal and subject to approval at the shareholders' meeting. 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.

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; the 28th amendment was made on June 2, 2023.

Appendix 2

Kedge Construction Co., Ltd. Rules of Procedures for Shareholders' Meetings

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 plus the total amount of attendance cards collected and the shares checked in on the virtual meeting platform.

When a juristic person is appointed to attend the shareholders' meeting, it may designate only one person to attend on its behalf.

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.

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.

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.

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.

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.

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.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 3 do not apply

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 14-1 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.

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

When 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

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.

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.

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 17-1 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 which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the 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.

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.

When the Company convenes a hybrid shareholders meeting, and the virtual 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.

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.

Article 17-2 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.

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 June 2, 2023.

Appendix 3

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: March 31, 2024

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	39,872,544	41,268,083	Elected Date: Jun. 02, 2023
Director	Kindom Development Co., Ltd. Representative: Mike Ma	39,872,544	41,268,083	Elected Date: Jun. 02, 2023
Director	Kindom Development Co., Ltd. Representative: Sui-Chang, Liang	39,872,544	41,268,083	Elected Date: Jun. 02, 2023
Director	Kindom Development Co., Ltd. Representative: Chen-Tan, He	39,872,544	41,268,083	Elected Date: Jun. 02, 2023
Director	Kindom Development Co., Ltd. Representative: Yi-Fang Huang	39,872,544	41,268,083	Elected Date: Jun. 02, 2023
Director	Kindom Development Co., Ltd. Representative: Chun-Min Chen	39,872,544	41,268,083	Elected Date: Jun. 02, 2023
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		39,872,544	41,268,083	

Remarks:

Total number of shares issued at the time of the election on June 02, 2023: 116,639,226 shares

Total number of shares issued on March 31, 2024: 120,721,599 shares

The statutory requirement for the aggregated shareholdings of all Directors is 8,000,000 shares, the aggregated shareholdings of all Directors as of March 31, 2024 is 41,268,083 shares.