

Stock code: 5519



# Meeting Manual for the 2023 Annual Meeting of Shareholders

June 14, 2023

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# **Long Da Construction & Development Corporation**

## **2023 Annual Meeting of Shareholders**

### **Meeting Procedure**

- I. Call for Meeting
- II. Chair's speech
- III. Reports
- IV. Ratifications
- V. Discussions
- VI. Special Motions
- VII. Meeting Ends

# **Long Da Construction & Development Corporation**

## **2023 Annual Meeting of Shareholders**

### **Meeting Agenda**

Time: 10:30 am on June 14, 2023 (Wednesday)

Location: 26F-2, No. 6, Minquan 2nd Road, Qianzhen District, Kaohsiung City

Convening method: Physical shareholders' meeting

#### **I. Reports**

- (I) The Company's 2022 Business Report
- (II) The Audit Committee's review report on the Company's statements for 2022
- (III) Distribution of employee remunerations and director remunerations in 2022
- (IV) Report on distribution of cash dividends for 2022.
- (V) Report on the amendment to the "Rule and Procedure of Board of Directors Meeting".

#### **II. Ratifications**

- (I) 2022 Business report, financial statements and earnings distribution

#### **III. Discussions**

- (I) Amendments to Rules for Shareholders' Meetings

#### **IV. Special Motions**

#### **V. Meeting Ends**

## 《Report Items》

### Proposal 1

Proposal: The Company's 2022 Business Report

Description: For the 2022 Business Report, see [Attachment 1](#) on page 7 of this Handbook.

### Proposal 2

Proposal: The Audit Committee's review report on the Company's statements for 2022

Description: The Company's 2022 statements have been reviewed by the Audit Committee and the Audit Committee has issued a review report. Please refer to [Attachment 2](#) on page 8 of the Handbook.

### Proposal 3

Proposal: Distribution of employee remunerations and director remunerations in 2022

Description:

- I. According to Article 27 of the Articles of Incorporation of the Company: If the Company shows profits in the annual settlement, the losses should be compensated first. If there is still a surplus, 2% to 4% of the remainder should be allocated for employee remuneration and no more than 4% of directors' remuneration should be allocated.
- II. After deliberation by the Remuneration Committee and the Board of Directors, the allocation of employee compensation and directors' compensation for 2022 is as follows:
  1. Employee remunerations 4%: NT\$45,227,702, distributed in cash.
  2. Director remunerations 4%: NT\$45,227,702, distributed in cash.

#### Proposal 4

Proposal: Report on distribution of cash dividends for 2022.

Description:

- I. According to Article 27-1, Paragraph 3 of the Articles of Incorporation of the Company: The Board of Directors is authorized to distribute all or part of the dividends and bonuses in cash by special resolution and report to the shareholders' meeting.
- II. The Company resolved on February 23, 2023, to distribute cash dividends of about NT\$2.1 per share, totaling NT\$460,314,078. This distribution of cash dividends is made by use of the distribution ratio to the dollar (NT\$), rounded down to the dollar, and the total amount of the fraction of the dollar is distributed and transferred to other income of the Company.
- III. The proposal has been approved by the Board of Directors and the **Chairperson** has been authorized to set another ex-dividend base date and process dividend distribution matters. If the dividend ratio changes due to subsequent changes in the number of outstanding shares of the Company, the Chairperson is also authorized to handle relevant matters.

#### Proposal 5

Proposal: Report on the amendment to the "Rule and Procedure of Board of Directors Meeting".

Description:

- I. Pursuant to the provisions of the Company Act and the Regulations Governing Procedure for Board of Directors Meetings of Public Companies, some articles of the Company's "Rule and Procedure of Board of Directors Meeting" are amended. For the comparison table of existing and amended articles, see **Attachment 3** on p. 9 of this handbook.

## 《Ratifications》

Proposal 1 (Submitted by the Board of Directors)

Proposal: The 2022 business report, financial statements and earnings distribution are hereby submitted for approval.

Description:

- I. The Company's 2022 financial statements have been reviewed by accountants Fang-Wen Lee and Calvin Chen from Ernst & Young.
- II. Please refer to **Attachment 1** on page 7 of this Handbook for the Company's 2022 business report. Please refer to **Attachment 4** on pages 13 to 19 of this Handbook for the auditor's report and financial statements. Please refer to **Attachment 5** on page 20 of this Handbook for the earning distribution table.

Resolution:

## 《Discussions》

Proposal 1 (Submitted by the Board of Directors)

Proposal: Amendments to Rules for Shareholders' Meetings are hereby submitted for resolution.

Description: Pursuant to the provisions under Article 172-2 of the Company Act, the Rules for Shareholders' Meetings are amended. Please see [Attachment 6](#) on pages 21-50 of this Handbook for the comparison table.

Resolution:

## 《Special Motions》



## Attachment 1: The Company's 2022 Business Report

The operating income of the Company's final accounts for 2022 was about NT\$4,713,710,000, and the operating income of the Company's final accounts for 2021 was about NT\$4,740,980,000, representing a decrease of approximately NT\$27,270,000, or a decrease of 0.58%. The consolidated income in the final accounts for 2022 was about NT\$910,090,000, and the consolidated income in the final accounts for 2021 was about NT\$608,500,000, representing an increase of about NT\$301,590,000, or an increase of about 49.56%. The basic after-tax earnings per share based on the Company's profit in 2022 is NT\$4.13.

### (I) Operating results in 2022 unit: Thousand NT\$

Item	Actual number for 2022	Actual number for 2021	Growth rate (%)
Operating revenue	4,713,705	4,740,983	-0.58
Gross profit	1,446,076	1,083,113	33.51
Operating profit	1,042,071	738,332	41.14
Comprehensive income	910,088	608,495	49.56

### (II) Financial Status and Profitability

Item		2022	2021
ROA %		8.50	6.49
ROE %		18.75	13.34
Issued capital ratio %	Operating profit	47.54	33.68
	Net profit before tax	47.46	33.79
Net profit ratio %		19.22	12.63
Current earnings per share (NT\$)		4.13	2.73

Long Da Construction & Development Corporation

Chairperson of the  
Board: Chen, Wu-  
Tsung

Manager: Hong, Mao-  
Yuan

Head of Accounting:  
Feng, Shu-Ching

**Attachment 2: Audit Committee's Review Report**

**Audit Committee's Review Report**

The Board of Directors has prepared and submitted the 2022 Business Report, Financial Statements, and various documents, of which the financial statements have been audited by the CPAs Fang-Wen Lee and Calvin Chen of Ernst & Young and an Audit Report is submitted. The above-mentioned business report, financial statement and earnings distribution proposal have been checked by the Audit Committee and no discrepancies have been found. The report is prepared in accordance with the Securities and Exchange Act and the Company Act.

Long Da Construction & Development Corporation

Audit Committee convener:

\_\_\_\_\_  
Lin Xiangkai

February 23, 2023

**Attachment 3: Comparison Table of amendments to the “Rule and Procedure of Board of Directors Meeting”**

Amended articles	Existing articles	Description
<p>Article 3 (Convening of board meetings and meeting notice)</p> <p>The Company’s board meetings shall be convened at least quarterly. Meetings convened by the Chairperson shall be chaired by the Chairperson. For meetings convened by the majority or more of the directors in accordance with Article 203, Paragraph 4, or Article 203-1, Paragraph 3 of the Company Act, the chair of the meeting shall be elected from among the directors themselves. Directors and independent directors shall be notified of board meetings seven days prior to the meeting with the reason indicated. However, meetings can be held in shorter notices in case of emergency. Subject to agreement by the receiving party, meeting notices may also be delivered electronically to directors and independent directors.</p> <p>All discussion topics listed in Article 12, Paragraph 1 shall be listed in advance in the reasons for convening the meeting and</p>	<p>Article 3 (Convening of board meetings and meeting notice)</p> <p>The Company’s board meetings shall be convened at least quarterly. Meetings convened by the Chairperson shall be chaired by the Chairperson. For meetings convened by the majority or more of the directors in accordance with Article 203, Paragraph 4, or Article 203-1, Paragraph 3 of the Company Act, the chair of the meeting shall be elected from among the directors themselves. Directors and independent directors shall be notified of board meetings seven days prior to the meeting with the reason indicated. However, meetings can be held in shorter notices in case of emergency. Subject to agreement by the receiving party, meeting notices may also be delivered electronically to directors and independent directors.</p> <p>All discussion topics listed in Article 12, Paragraph 1 shall be listed in advance in the reasons for convening the meeting and</p>	<p>I. The Article is amended in accordance with the amendment to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies by the Financial Supervisory Commission (FSC) on August 5, 2022.</p> <p>II. In view that all discussion topics listed in Article 12, Paragraph 1 involve important matters of the company operation, they shall be listed in advance in the reasons for convening the meeting and cannot be</p>

Amended articles	Existing articles	Description
<p>cannot be raised through a special motion. Contents below omitted.</p>	<p>cannot be raised through a special motion <b>unless there is an emergency or a legitimate reason.</b> Contents below omitted.</p>	<p>raised through a special motion. In addition, in the event of an emergency that shall be submitted to the Board of Directors for discussion, a meeting may be convened at any time. Therefore, there should not be any impact on the normal functioning of the Company's businesses or operations.</p>
<p>Article 12 (Matters to be discussed by the Board of Directors) The following matters shall be submitted to the Board of Directors for discussion: I. The Company's business plan. II. Annual and semi-annual financial reports. However, this restriction does not apply to semi-annual financial reports</p>	<p>Article 12 (Matters to be discussed by the Board of Directors) The following matters shall be submitted to the Board of Directors for discussion: I. The Company's business plan. II. Annual and semi-annual financial reports. However, this restriction does not apply to semi-annual financial reports that do not</p>	<p>I. Pursuant to the Company Act, the election of the Chairperson is the power of the Board of Directors or the meeting of the managing directors. Since the election and dismissal of the Chairperson are both material</p>

Amended articles	Existing articles	Description
<p>that do not need to be CPA-certified in accordance with law.</p> <p>III. Adoption or amendment of an internal control system and the review of the effectiveness of said system in accordance with Article 14-1 of the Securities and Exchange Act.</p> <p>IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.</p> <p>V. The offering, issuance, or private placement of any equity-type securities.</p> <p><u>VI. The election or dismissal of the Chairperson if there is no managing director in the Board of Directors.</u></p> <p><u>VII.</u> The appointment or discharge of a financial,</p>	<p>need to be CPA-certified in accordance with law.</p> <p>III. Adoption or amendment of an internal control system and the review of the effectiveness of said system in accordance with Article 14-1 of the Securities and Exchange Act.</p> <p>IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.</p> <p>V. The offering, issuance, or private placement of any equity-type securities.</p> <p>VI. The appointment or discharge of a financial, accounting, or internal auditing officer.</p> <p>VII. Donations to related parties or major donations to non-related parties. However, in the occurrence of a major</p>	<p>matters of the Company, Subparagraph 6 was added to stipulate that the election or dismissal of the Chairperson shall be submitted to the Board of Directors for discussion if there is no managing director in the Board. The current Subparagraphs 6 to 8 are renumbered Subparagraphs 7 to 9.</p>

Amended articles	Existing articles	Description
<p>accounting, or internal auditing officer.</p> <p><u>VIII.</u> Donations to related parties or major donations to non-related parties. However, in the occurrence of a major natural disaster, emergency aids of charitable nature can be made first and acknowledged later during the next board meeting.</p> <p><u>IX.</u> Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or a board meeting, or any material matter as may be prescribed by the competent authority.</p> <p>Contents below omitted.</p>	<p>natural disaster, emergency aids of charitable nature can be made first and acknowledged later during the next board meeting.</p> <p>VIII. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or a board meeting, or any material matter as may be prescribed by the competent authority.</p> <p>Contents below omitted.</p>	

# **Attachment 4: Auditor's Report and Individual Financial Statements for 2022**

Independent auditor's report

To Long Da Construction & Development Corporation:

## **Auditor's opinion**

I have audited the individual balance sheets of Long Da Construction & Development Corporation as at December 31, 2020 and 2019, and the individual statements of comprehensive income, the individual statements of changes in equity, and the individual cash flow statements from January 1 to December 31, 2020 and 2019.

In my opinion, based on my review, all material disclosures of the individual financial statements mentioned above were prepared in compliance with Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as International Financial Reporting Standards, International Accounting Standards, International Financial Reporting Interpretations and Interpretation Announcements approved by the Financial Regulatory Commission and presented a fair view of the financial position of Long Da Construction & Development Corporation on December 31, 2022 and 2021, and individual business performance and cash flows for the periods January 1 to December 31, 2021 and 2022.

## **Basis of auditor's opinion**

The accountant conducted audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. The accountant's responsibilities under these standards will be further explained in the accountant's responsibility section for reviewing individual financial statements. In accordance with the professional ethics of accountants, the personnel subject to independence regulations of the accountant's accounting firm have maintained independence from Long Da Construction & Development Corporation and performed the other responsibilities stipulated by the regulations. The accountant believes that sufficient and appropriate audit evidence has been obtained as a basis for expressing the auditor's opinions.

## **Key audit items**

Key audit items refer to the most important items in the audit of Long Da Construction & Development Corporation's 2022 individual financial statements based on the professional judgment of the accountant. These matters have been responded to in the process of auditing individual financial statements as a whole and forming auditor's opinions. The accountant does not express opinions on the individual matters separately. The key audit items are as follows:

### Evaluation of inventories

Long Da Construction & Development Corporation has a net inventory of NT\$9,404,341,000 as of December 31, 2022, accounting for approximately 78% of total assets, which is significant to the financial statements. Inventories are mainly composed of land for construction, buildings under construction, and buildings for sale. Due to the characteristics of the industry, these products are unique, regional, and immovable, and are vulnerable to changes to government policies, government promotion of public project plans and regulations. The impact of changes may cause inventory prices to fluctuate easily, and it is not easy to determine the net realizable value. Therefore, the accountant decided to include this as a key audit item.

The accountant's audit procedures include (but are not limited to), considering that the sales price is easily affected by changes in external market factors and inquiring about the selling price of neighboring areas or the selling price of sold units to assess whether there is a price drop; comparing the actual sales price and the original inventory cost of real estate for sale in order to evaluate the recovery of inventory value, and reviewing the market analysis and comparative information of newly acquired land for development to assess whether the net realizable value of the inventory is fairly expressed.

The accountant also considers the appropriateness of the disclosure of inventories in Note 4 and Note 6.5 of the individual financial statements.

### **Responsibilities of management and governance units towards individual financial statements**

The management's responsibility is to prepare individual financial statements that are properly expressed in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as International Financial Reporting Standards, International Accounting Standards, International Financial Reporting Interpretations and Interpretation Announcements approved by the Financial Regulatory Commission, and to maintain the necessary internal controls related to the preparation of individual financial statements to ensure that individual financial statements do not include false expressions due to fraud or errors.

When preparing individual financial statements, the management's responsibilities also include assessing the ability of Long Da Construction & Development Corporation to continue operations, disclose related matters, and continue the adoption of the accounting basis for operations, unless the management intends to liquidate Long Da Construction & Development Corporation or cease operations, or if there is no practical and feasible plan other than liquidation or suspension of operations.

The governance unit (including the audit committee) of Long Da Construction & Development Corporation is responsible for supervising the financial reporting process.

### **The accountant's responsibility for auditing individual financial statements**

The purpose of this accountant's audit of individual financial statements is to obtain reasonable assurance as to whether the individual financial statements as a whole contain any material misrepresentations due to fraud or errors, and to issue an audit report. Reasonable certainty is a high degree of certainty, but the audit carried out in accordance with auditing standards cannot guarantee that misrepresentations in individual financial statements will be detected. Misrepresentation may result from fraud or errors. If the individual amounts or total amounts that are falsely expressed can reasonably be expected to affect the economic decisions made by the users of individual financial statements, they are considered to be significant.

The accountant uses professional judgment and maintains professional suspicion when conducting audits in accordance with auditing standards. The accountant also performs the following tasks:

1. Identify and evaluate the risks of material misrepresentation of individual financial statements due to fraud or errors, design and implement appropriate countermeasures for the assessed risks, and obtain sufficient and appropriate audit evidence as a basis for expressing the auditor's opinions. Because fraud may involve collusion, forgery, deliberate omission, false statements or violations of internal control, the risk of not detecting a major false expression caused by fraud is higher than that caused by error.
2. To obtain the necessary understanding of the internal controls related to the audit, in order to design the appropriate audit procedures under the circumstances. However, the purpose



is not to express an opinion on the effectiveness of the internal controls of Long Da Construction & Development Corporation.

3. Evaluate the suitability of the accounting policies adopted by the management and the reasonableness of accounting estimates and related disclosures.
4. Based on the obtained audit evidence, the conclusion is drawn on the suitability of the management's use of the continuing operation accounting basis and whether there is a significant uncertainty in the event or situation that may cause major doubts related to the ability of Long Da Construction & Development Corporation to continue its operation. If the accountant believes that there are significant uncertainties in these events or circumstances, they must remind the users of individual financial statements in the audit report to pay attention to the relevant disclosures in the individual financial statements, or amend the audit opinions when such disclosures are inappropriate. The accountant's conclusion is based on the audit evidence obtained as of the date of the audit report. However, future events or circumstances may cause Long Da Construction & Development Corporation to no longer have the ability to continue operations.
5. Evaluate the overall expression, structure and content of individual financial statements (including relevant notes), and whether individual financial statements are appropriate to express relevant transactions and events.

The matters communicated between the accountant and the governance unit include the planned audit scope and time, as well as major audit findings (including significant deficiencies in internal controls identified during the audit process).

The accountant also provides the governance unit with a statement that the personnel of the accountant's affiliated firm subject to independence regulations have complied with the statement of independence of the accountant's professional ethics, and communicates with the governance unit all relationships that may be considered to affect the independence of the accountant and other matters (including related protective measures).

Based on the matters communicated with the governance unit, the accountant decided the key audit items for the review of the 2022 individual financial statements of Long Da Construction & Development Corporation. The accountant has stated these matters in the audit report, unless the law does not allow specific matters to be disclosed publicly, or in very rare cases, the accountant decides not to communicate specific matters in the audit report, because the negative effects of this communication can be reasonably expected to be greater than the benefits to public interest.

Ernst & Young  
The competent authority approves the publishing of the  
company's financial report  
Audit Document No.: Order No. Financial-Supervisory-  
Securities-Auditing-1010045851  
FSC Certificate VI No. 0970038990

Fang-Wen Lee

Accountant:

Calvin Chen

February 23, 2023  
Long Da Construction & Development Corporation

**Individual balance sheet**  
**December 31, 2021 and 2022**

unit: NTS thousand

Assets			December 31, 2022		December 31, 2021	
Code	Accounting item	Notes	Amount	%	Amount	%
<b>Current assets</b>						
1100	Cash and cash equivalents	IV/VI.1	\$1,562,407	13	\$798,403	7
1140	Contract assets - current	IV/VI. 18, 19	51,134	1	78,761	1
1150	Net notes receivable	IV/VI. 2, 19	26	0	950	0
1170	Net accounts receivable	IV/VI. 3, 19	128,293	1	130,875	1
1180	Accounts receivable - net amount for related parties	IV/VI. 3, 19/ VII	5,588	0	9,124	0
1320	Inventory	IV/VI. 4/ VIII	9,404,341	78	8,758,071	79
1410	Advance payments	VI. 5	28,355	0	425,154	4
1476	Other financial assets	VIII	141,518	1	16,858	0
1479	Other current assets	VI. 18	111,658	1	157,278	2
11xx	Total current assets		11,433,320	95	10,375,474	94
<b>Non-current assets</b>						
1550	Investments recognized under the equity method	IV/VI. 6	7,815	0	10,346	0
1600	Real estate, factories and equipment	IV/VI. 7/ VIII	55,820	0	59,094	0
1755	Right-of-use assets	IV/VI. 20	1,452	0	501	0
1760	Net amount of investment real estate	IV/VI. 8/ VIII	559,078	5	553,161	5
1801	Intangible assets	IV/VI. 9	797	0	564	0
1840	Deferred income tax assets	IV/VI. 24	6,069	0	5,797	0
1900	Other non-current assets	IV/VI. 6, 10	12,131	0	65,130	1
15xx	Total non-current assets		643,162	5	694,593	6
1xxx	Total assets		\$12,076,482	100	\$11,070,067	100
<b>Liabilities and equity</b>						
Code	Accounting item	Notes	Amount	%	Amount	%
<b>Current liabilities</b>						
2100	Short-term borrowings	IV/VI. 11	\$833,025	7	\$650,000	6
2110	Short-term notes and bills payable	IV/VI. 12	49,988	1	229,873	2
2130	Contract liabilities - current	IV/VI. 18	275,388	2	375,249	3
2150	Notes payable		94,757	1	35,974	0
2170	Accounts payable		1,052,409	9	732,165	7
2180	Accounts payable - related parties	VII	8,884	0	1,269	0
2200	Other accounts payable		147,011	1	100,015	1
2230	Current income tax liabilities	IV/VI. 24	67,182	1	116,507	1
2250	Liability provisions - current	IV/VI. 13	15,555	0	15,645	0
2280	Lease liabilities - current	IV/VI. 20	604	0	406	0
2300	Other current liabilities		15,220	0	24,528	0
2322	Current portion of long-term borrowings	IV/VI. 15	285,601	2	665,521	6
21xx	Total current liabilities		2,845,624	24	2,947,152	26
<b>Non-current liabilities</b>						
2527	Contract Liabilities - non-current	IV/VI. 18	-	-	131,468	1
2530	Corporate bonds payable	IV/VI. 14	499,000	4	-	-
2540	Long-term bank borrowings	IV/VI. 15	3,664,732	30	3,394,868	31
2570	Deferred income tax liabilities	IV/VI. 24	79	0	576	0
2580	Lease liabilities - non-current	IV/VI. 20	861	0	103	0
2600	Other non-current liabilities		486	0	1,894	0
25xx	Total non-current liabilities		4,165,158	34	3,528,909	32
2xxx	Total liabilities		7,010,782	58	6,476,061	58
<b>Equity</b>						
31xx	Equity					
3100	Capital Stock					
3110	Ordinary share capital	IV/VI. 17	2,191,972	18	2,191,972	20
3200	Capital surplus		50,614	1	50,614	0
3300	Retained earnings					
3310	Legal reserve		615,755	5	555,907	5
3350	Undistributed earnings		2,192,234	18	1,782,276	17
	Total retained earnings		2,807,989	23	2,338,183	22
3400	Other equity		15,125	0	13,237	0
3xxx	Total equity		5,065,700	42	4,594,006	42
	Total liabilities and equity		\$12,076,482	100	\$11,070,067	100

(Please refer to the appendix in individual financial statements)

Chairperson of the Board:

Manager:

Head of Accounting:

Long Da Construction & Development Corporation  
Statement of Individual Comprehensive Income  
From January 1 to December 31, 2021 and 2022

unit: NT\$ thousand

Code	Accounting item	Notes	2022		2021	
			Amount	%	Amount	%
4000	Operating revenue	IV/VI. 18/VII	\$4,713,705	100	\$4,740,983	100
5000	Operating cost	IV/VI. 21	<u>(3,267,629)</u>	<u>(69)</u>	<u>(3,657,870)</u>	<u>(77)</u>
5900	Gross profit		<u>1,446,076</u>	<u>31</u>	<u>1,083,113</u>	<u>23</u>
6000	Operating expenses	IV/VI. 21				
6100	Promotion expenses		(237,545)	(5)	(205,766)	(4)
6200	Management expenses		<u>(166,460)</u>	<u>(4)</u>	<u>(139,015)</u>	<u>(3)</u>
	Total operating expenses		<u>(404,005)</u>	<u>(9)</u>	<u>(344,781)</u>	<u>(7)</u>
6900	Operating profit		<u>1,042,071</u>	<u>22</u>	<u>738,332</u>	<u>16</u>
7000	Non-operating income and expenses	IV/VI. 22				
7100	Interest income		1,785	0	192	0
7010	Other income		7,389	0	7,222	0
7020	Other profits and losses		(6,659)	(0)	154	0
7050	Financial costs		(1,865)	(0)	(2,311)	(0)
7060	Share of profits/losses on equity-accounted associated companies	IV/VI. 6	(2,484)	(0)	(2,841)	(0)
	Total non-operating income and expenses		<u>(1,834)</u>	<u>(0)</u>	<u>2,416</u>	<u>0</u>
7900	Net profit before tax		<u>1,040,237</u>	<u>22</u>	<u>740,748</u>	<u>16</u>
7950	Income tax (expense)	IV/VI. 24	<u>(134,407)</u>	<u>(3)</u>	<u>(142,041)</u>	<u>(3)</u>
8000	Net income from continuing operations		<u>905,830</u>	<u>19</u>	<u>598,707</u>	<u>13</u>
8200	Net profit		<u>905,830</u>	<u>19</u>	<u>598,707</u>	<u>13</u>
8300	Other comprehensive income	VI. 23				
8310	Items that will not be reclassified to profit or loss					
8311	Number of remeasurements of defined benefit plans		2,963	0	(283)	(0)
8349	Income tax related to items that will not be reclassified		(593)	0	56	0
8360	Items that may be reclassified to profit or loss					
8361	Exchange differences arising from the translation of the financial statements of foreign operations		2,360	0	12,519	0
8399	Income tax related to items that may be reclassified to profit or loss		(472)	0	(2,504)	(0)
	Other comprehensive income (net income after tax)		<u>4,258</u>	<u>0</u>	<u>9,788</u>	<u>0</u>
8500	Total comprehensive income		<u>\$910,088</u>	<u>19</u>	<u>\$608,495</u>	<u>13</u>
	Earnings per share (NT\$)					
9750	Basic earnings per share	IV/VI. 25	<u>\$4.13</u>		<u>\$2.73</u>	
9850	Diluted earnings per share		<u>\$4.09</u>		<u>\$2.71</u>	

(Please refer to the appendix in individual financial statements)

Chairperson of the Board:

Manager:

Head of Accounting:

Long Da Construction & Development Corporation  
Statement of changes in individual equities  
From January 1 to December 31, 2021 and 2022

unit: NT\$ thousand

Code	Item	Capital Stock		Retained earnings		Other equity items	Total equity
		Ordinary share capital 3100	Capital surplus 3200	Legal reserve 3310	Undistributed earnings 3350	Exchange differences arising from the translation of the financial statements of foreign operations 3410	
A1	Balance as of January 1, 2021	\$2,191,972	\$50,614	\$510,591	\$1,623,667	\$3,222	4,380,066
	Earning distribution for 2020						
B1	Allocation to legal reserve	—	—	45,316	(45,316)	—	—
B5	Cash dividends of common stock	—	—	—	(394,555)	—	(394,555)
D1	Profits from January 1 to December 31, 2021	—	—	—	598,707	—	598,707
D3	Other comprehensive income from January 1 to December 31, 2021	—	—	—	(227)	10,015	9,788
D5	Total comprehensive income	—	—	—	598,480	10,015	608,495
Z1	Balance as of December 31, 2021	<u>\$2,191,972</u>	<u>\$50,614</u>	<u>\$555,907</u>	<u>\$1,782,276</u>	<u>\$13,237</u>	<u>4,594,006</u>
A1	Balance as of January 1, 2022	\$2,191,972	\$50,614	\$555,907	\$1,782,276	\$13,237	4,594,006
	Earning distribution for 2021						
B1	Allocation to legal reserve	—	—	59,848	(59,848)	—	—
B5	Cash dividends of common stock	—	—	—	(438,394)	—	(438,394)
D1	Profits from January 1 to December 31, 2022	—	—	—	905,830	—	905,830
D3	Other comprehensive income from January 1 to December 31, 2022	—	—	—	2,370	1,888	4,258
D5	Total comprehensive income	—	—	—	908,200	1,888	910,088
Z1	Balance as of December 31, 2022	<u>\$2,191,972</u>	<u>\$50,614</u>	<u>\$615,755</u>	<u>\$2,192,234</u>	<u>\$15,125</u>	<u>5,065,700</u>

(Please refer to the appendix in individual financial statements)

Chairperson of the Board:

Manager:

Head of Accounting:

Long Da Construction & Development Corporation  
Individual cash flow statement  
From January 1 to December 31, 2021 and 2022

unit: NT\$ thousand

Code	Item	2022	2021	Code	Item	2022	2021
		Amount	Amount			Amount	Amount
AAAA	Cash flow of operating activities:			BBBB	Cash flow of investing activities:		
A10000	Profit before tax of this period	\$1,040,237	\$740,748	B02700	Acquisition of real estate, factories and equipment	(680)	(13,456)
A20000	Adjusted items:			B02800	Disposal of real estate, factories and equipment	76	342
A20010	Revenues and expenses:			B04500	Acquisition of intangible assets	(673)	(230)
A20100	Depreciation	21,580	20,634	B05400	Acquisition of investment properties	(19,098)	—
A20200	Amortized expenses	1,116	6,774	B06500	Increase of other financial assets	(124,660)	—
A20900	Interest expenses	1,865	2,311	B06600	Reduction of other financial assets	—	1,954
A21200	Interest income	(1,785)	(192)	B06800	Decrease of other non-current assets	55,962	53,180
A22300	Shares of other comprehensive income of associates and joint ventures accounted for using equity method	2,484	2,841	BBBB	Net cash inflow (outflow) from investing activities	(89,073)	41,790
A22500	Gains from disposal and write offs of real estate, factories and equipment	(73)	(154)				
A29900	Other items	133	—				
A30000	Changes in operating activities related asses/liabilities:			CCCC	Cash flow from financing activities:		
A31130	Decrease in notes receivable	924	259	C00100	Increase in short-term borrowings	1,615,600	1,786,000
A31150	Decrease in accounts receivable	2,582	(20,164)	C00200	Decrease in short-term borrowings	(1,410,575)	(1,346,000)
A31160	Decrease (Increase) in accounts receivable - related parties	3,536	(4,167)	C00500	Increase in short-term notes and bills payable	—	229,873
A31125	Decrease in contract assets	27,627	54,415	C00600	Decrease in short-term notes and bills payable	(179,885)	—
A31200	Inventory (increase)	(554,316)	(1,233,772)	C01200	Issuance of corporate bonds	499,000	—
A31230	Decrease (increase) in advance payments	396,123	(166,148)	C01600	Borrowing long-term borrowings	468,860	1,536,868
A31240	Decrease (increase) in other current assets	45,628	(46,613)	C01700	Repayment of long-term borrowings	(600,916)	(764,189)
A32125	Decrease in contract liabilities	(231,329)	(855)	C04020	Repayment of lease principal	(586)	(411)
A32130	Increase (decrease) in notes payable	58,783	(55,500)	C04300	Increase in other non-current liabilities	—	1,092
A32150	Increase in accounts payable	320,244	71,716	C04400	Decrease in other non-current liabilities	(1,408)	—
A32160	Increase in accounts payable - related parties	7,615	549	C04500	Distribution of cash dividends	(438,394)	(394,555)
A32180	Increase in other payables	42,522	26,846	C05600	Interest paid	(93,335)	(77,548)
A32230	Increase (decrease) in other current liabilities	(9,398)	12,672	CCCC	Net cash inflow (outflow) from financing activities	(141,639)	971,130
A32240	Net defined benefit liabilities (decrease)	—	(12,907)				
A33000	Cash inflow (outflow) generated from operations	1,176,098	(600,707)	DDDD	Effects of exchange rate fluctuations on cash and cash equivalents	2,407	13,821
A33100	Interest received	1,785	192	EEEE	Net increase in cash and cash equivalents	764,004	337,918
A33500	Income tax paid	(185,574)	(88,308)	E00100	Opening balance of cash and cash equivalents	798,403	460,485
AAAA	Net cash inflow (outflow) from operating activities	992,309	(688,823)	E00200	Closing balance of cash and cash equivalents	\$1,562,407	\$798,403

(Please refer to the appendix in individual financial statements)

Chairperson of the Board:

Manager:

Head of Accounting:

## Attachment 5: Earnings Distribution Table

Long Da Construction & Development Corporation

2022

### Earnings Distribution Table

unit: NT\$

Item	Amount
Opening balance	1,284,033,462
Plus: Actuarial profits and losses (Note 1)	2,370,497
Plus: After-tax net profit of the current year	905,830,170
Minus: Legal reserve (Note 2)	90,820,067
Distributable earnings	2,101,414,062
Distribution items	
Cash dividends (approximately NT\$2.1 per share) (Note 3, Note 4)	460,314,078
Closing undistributed earnings	1,641,099,984

Note 1: Actuarial profits and losses on defined benefits plans for 2022

Note 2: For the earnings distribution in the financial statements, “total amount of net profit for the period plus other items added to the current year’s undistributed earnings” shall be used as the basis for the legal reserve.

Note 3: As of the closing date on April 16, 2023, the number of outstanding shares of the Company is 219,197,180 shares.

Note 4: According to the provisions of Article 66-9 of the Income Tax Act, priority will be given to the distribution of dividends from the 2022 earnings of profit-making enterprises

Chairperson of the  
Board: Chen, Wu-  
Tsung

Manager: Hong, Mao-  
Yuan

Head of Accounting:  
Feng, Shu-Ching

**Attachment 6: Comparison Table of Amendments to the “Rules for Shareholders' Meeting”**

Amended articles	Existing articles	Description
<p>Article 3</p> <p>Unless otherwise specified by law or Articles of Incorporation, shareholders' meetings are convened by the Board of Directors.</p> <p><u>Changes to the method for convening the shareholders' meeting of the Company shall require a resolution of the Board of Directors, and the change must be implemented before the meeting notices are sent.</u></p> <p>The Company shall prepare an electronic file that contains the meeting notice, a proxy form, a detailed description of various agenda items to be acknowledged or discussed during the meeting, and notes on re-election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before the annual meeting of shareholders, or 15 days before an extraordinary shareholders' meeting. At least 21 days before the annual meeting of shareholders, or 15 days before an extraordinary shareholders'</p>	<p>Article 3</p> <p>Unless otherwise specified by law or Articles of Incorporation, shareholders' meetings are convened by the Board of Directors.</p> <p>The Company shall prepare an electronic file that contains the meeting notice, a proxy form, a detailed description of various agenda items to be acknowledged or discussed during the meeting, and notes on re-election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before the annual meeting of shareholders, or 15 days before an extraordinary shareholders' meeting. At least 21 days before the annual meeting of shareholders, or 15 days before an extraordinary shareholders' meeting, an electronic copy of the shareholders' meeting manual and supplementary information shall be posted onto MOPS. Physical copies of the shareholders' meeting manual and supplementary information</p>	<p>1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</p> <p>2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</p>

Amended articles	Existing articles	Description
<p>meeting, an electronic copy of the shareholders' meeting manual and supplementary information shall be posted onto MOPS. Physical copies of the shareholders' meeting manual and supplementary information shall also be prepared at least 15 days before the meeting and made accessible to shareholders at any time. These documents must be placed within the Company's premises and at the share administration agency.</p> <p><u>This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:</u></p> <p><u>I. For physical shareholders' meetings, to be distributed on-site at the meeting.</u></p> <p><u>II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p><u>III. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.</u></p>	<p>shall also be prepared at least 15 days before the meeting and made accessible to shareholders at any time. These documents must be placed within the Company's premises and at the share administration agency, and distributed on-site at the shareholders' meeting.</p> <p>Subject to agreement by the receiving party, meeting notices and announcements may also be delivered electronically with the reasons for convening specified. Agenda items that involve election or dismissal of directors, changes to the Articles of Incorporation, capital reduction, application of public offering suspension, liquidation, mergers, divestments, and any matters listed in Paragraph 1, Article 185 of the Company Act and Articles 26-1 and 43-6 of the Securities and Exchange Act must be covered in the meeting notice, and cannot be raised as special motions. Their main content may be placed on websites designated by the competent authority of securities or the Company, and the websites shall be specified in the meeting notice. The reasons for convening a shareholders'</p>	<p>3. Added methods of provision of the Procedures Manual and supplemental materials for physical and virtual Shareholders' Meetings</p>



Amended articles	Existing articles	Description
<p>Subject to agreement by the receiving party, meeting notices and announcements may also be delivered electronically with the reasons for convening specified. Agenda items that involve election or dismissal of directors, changes to the Articles of Incorporation, capital reduction, application of public offering suspension, liquidation, mergers, divestments, and any matters listed in Paragraph 1, Article 185 of the Company Act and Articles 26-1 and 43-6 of the Securities and Exchange Act must be covered in the meeting notice <u>with their main content explained</u>, and cannot be raised as special motions. The reasons for convening a shareholders' meeting shall indicate the re-election of directors and the tenure of office of such directors. After re-election is completed at the shareholders' meeting, the tenure dates may not be changed by a special motion or other method at the same shareholders' meeting.</p> <p>(Contents below omitted.)</p>	<p>meeting shall indicate the re-election of directors and the tenure of office of such directors. After re-election is completed at the shareholders' meeting, the tenure dates may not be changed by a special motion or other method at the same shareholders' meeting.</p> <p>(Contents below omitted.)</p>	

Amended articles	Existing articles	Description
<p>Article 4</p> <p>Shareholders may appoint proxies to attend shareholders' meetings by completing the Company's proxy form and specifying the scope of delegated authority.</p> <p>Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must arrive at the Company at least five days before the shareholders' meeting. In the event that multiple proxy forms are issued, the proxy form that arrives first shall prevail. However, exception shall be granted if the shareholder issues a declaration to withdraw the previous proxy arrangement.</p> <p>Should the shareholder decide to attend a shareholders' meeting personally or exercise voting rights in writing or through electronic means after a proxy form has been delivered to the Company, a written notice should be sent to the Company no later than two days before the meeting commences to withdraw the proxy arrangement. If the withdrawal is made after the prescribed period, then the voting decision exercised by the proxy shall prevail.</p> <p><u>After a proxy form has been delivered to the Company, if the</u></p>	<p>Article 4</p> <p>Shareholders may appoint proxies to attend shareholders' meetings by completing the Company's proxy form and specifying the scope of delegated authority.</p> <p>Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must arrive at the Company at least five days before the shareholders' meeting. In the event that multiple proxy forms are issued, the proxy form that arrives first shall prevail. However, exception shall be granted if the shareholder issues a declaration to withdraw the previous proxy arrangement.</p> <p>Should the shareholder decide to attend a shareholders' meeting personally or exercise voting rights in writing or through electronic means after a proxy form has been delivered to the Company, a written notice should be sent to the Company no later than two days before the meeting commences to withdraw the proxy arrangement. If the withdrawal is made after the prescribed period, then the voting decision exercised by the proxy shall prevail.</p>	<ol style="list-style-type: none"> <li>1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</li> <li>3. Added regulations related to virtual shareholders'</li> </ol>

Amended articles	Existing articles	Description
<p><u>shareholder intends to attend the meeting virtually, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the withdrawal is made after the prescribed period, then the voting decision exercised by the proxy shall prevail.</u></p>		meetings.
<p>Article 5 Shareholders' meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings shall not begin earlier than 9 AM or later than 3 PM. The opinions of independent directors shall be fully considered when deciding the location and time of the meetings.</p> <p><u>The restrictions on the location of the meeting shall not apply when the Company convenes a virtual-only shareholders' meeting.</u></p>	<p>Article 5 Shareholders' meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings shall not begin earlier than 9 AM or later than 3 PM. The opinions of independent directors shall be fully considered when deciding the location and time of the meetings.</p>	Added the clause that the restrictions on the location of the meeting shall not apply when the Company convenes a virtual-only shareholders' meeting.
<p>Article 6 <u>The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.</u></p>	<p>Article 6 The Company shall provide an attendance log to record attendance of shareholders or proxies thereof (collectively referred to as shareholders below); alternatively, attendance cards may be presented to signify their presence at the meeting.</p>	1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.

Amended articles	Existing articles	Description
<p><u>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person.</u></p> <p>The Company shall provide an attendance log to record attendance of shareholders; alternatively, attendance cards may be presented to signify their presence at the meeting.</p> <p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p>	<p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p>Shareholders must present an attendance pass, an attendance card or other proof of attendance when entering a shareholders' meeting. Shareholders who wish to acquire a proxy form must present proof of identity on-site for verification.</p> <p>Where the shareholder is a government agency or corporate entity, more than one representative may attend the shareholders' meetings on their behalf. Corporate entities that have been designated as proxy attendants shall only appoint one representative to attend the shareholders' meeting.</p>	<p>2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</p> <p>3. Added items to be specified in the meeting notice and matters related to the attendance registration.</p> <p>4. Added regulations related to virtual shareholders' meetings.</p>

Amended articles	Existing articles	Description
<p>Shareholders shall attend shareholders' meetings by presenting attendance cards, sign-in cards, or other certificates of attendance. <u>The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders.</u></p> <p>Shareholders who wish to acquire a proxy form must present proof of identity on-site for verification.</p> <p>Where the shareholder is a government agency or corporate entity, more than one representative may attend the shareholders' meetings on their behalf. Corporate entities that have been designated as proxy attendants shall only appoint one representative to attend the shareholders' meeting.</p> <p><u>In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30</u></p>		

Amended articles	Existing articles	Description
<p><u>minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>		
<p><u>Article 6-1</u>  <u>To convene a virtual shareholders' meeting, the Company shall include the follow particulars in the shareholders' meeting notice:</u>  <u>I. How shareholders attend the virtual meeting and exercise their rights.</u>  <u>II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u>  <u>(I) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or</u></p>	(None)	<ol style="list-style-type: none"> <li>1. This is a new article.</li> <li>2. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>3. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings</li> </ol>

Amended articles	Existing articles	Description
<p><u>on which the meeting will resume.</u></p> <p><u>(II) Shareholders not having registered to attend the affected shareholders' meeting by video conference shall not attend the postponed or resumed session.</u></p> <p><u>(III) In case of a shareholders' meeting with video conferencing, when the video conferencing cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the shareholders' meeting by video conferencing, meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the meeting by video conferencing</u></p>		<p>amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</p> <p>4. Added regulations related to virtual shareholders' meetings.</p>

Amended articles	Existing articles	Description
<p><u>shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the meeting by video conferencing shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</u></p> <p><u>(IV) Actions to be taken if the outcome of all proposals has been announced and special motion has not been carried out.</u></p> <p><u>III. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.</u></p>		



Amended articles	Existing articles	Description
<p data-bbox="199 253 655 824">Article 8 The Company's shareholder meetings must be video or audio recorded and kept for at least one year. However, in situations where a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the records shall be kept until the litigation is concluded.</p> <p data-bbox="199 842 655 1406"><u>Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p data-bbox="199 1424 655 1888"><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> <p data-bbox="199 1906 655 2040"><u>In case of a virtual shareholders' meeting, the Company is advised to audio and video record the back-</u></p>	<p data-bbox="678 253 1110 824">Article 8 The Company's shareholder meetings must be video or audio recorded and kept for at least one year. However, in situations where a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the records shall be kept until the litigation is concluded.</p>	<ol data-bbox="1133 253 1390 1955" style="list-style-type: none"> <li data-bbox="1133 253 1390 763">1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li data-bbox="1133 781 1390 1715">2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</li> <li data-bbox="1133 1733 1390 1955">3. Added regulations related to virtual shareholders' meetings.</li> </ol>

Amended articles	Existing articles	Description
<p><u>end operation interface of the virtual meeting platform.</u></p>		
<p>Article 9</p> <p>Shareholders' presence is determined by the number of shares represented during the meeting. The number of shares in attendance shall be calculated according to the shares indicated by the attendance log and sign-in cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time, <u>and announce related information including the number of shares without voting rights and the number of shares in attendance at the same time.</u> However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two</p>	<p>Article 9</p> <p>Shareholders' presence is determined by the number of shares represented during the meeting. The number of shares represented during the meeting is calculated based on the total amount registered in the attendance log or the attendance cards collected, plus the number of shares where voting rights are exercised in writing or through electronic means.</p> <p>The chair shall announce the commencement of the meeting as soon as the appointed time arrives. However, if those in attendance represent less than half of the Company's outstanding shares, the chair may announce to postpone the meeting up to two times, for a period totaling no more than one hour. The chair shall dismiss the meeting if shareholders in attendance represent less than</p>	<ol style="list-style-type: none"> <li>1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by</li> </ol>

Amended articles	Existing articles	Description
<p>such postponements, for a combined total of no more than one hour, may be made. The chair shall dismiss the meeting if shareholders in attendance represent less than one-third of outstanding shares after two postponements. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.</p> <p>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 reach a tentative resolution according to Article 175, Paragraph 1 of the Company Act. This tentative resolution shall be communicated to every shareholder and another shareholders' meeting shall be held within one month. <u>In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</u></p> <p>If the number of shares represented during the meeting accumulates to more than half of all outstanding shares before the meeting ends, the</p>	<p>one-third of outstanding shares after two postponements.</p> <p>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 reach a tentative resolution according to Article 175, Paragraph 1 of the Company Act. This tentative resolution shall be communicated to every shareholder and another shareholders' meeting shall be held within one month.</p> <p>If the number of shares represented during the meeting accumulates to more than half of all outstanding shares before the meeting ends, the chair may re-propose the tentative resolution for final voting according to Article 174 of the Company Act.</p>	<p>Taiwan Stock Exchange Corporation on March 8, 2022.</p> <p>3. Added the inclusion of shares checked in on the virtual meeting platform in the calculation of attending shares.</p> <p>4. The chair shall announce related information including the number of shares without voting rights and the number of shares in attendance when calling the meeting to order.</p> <p>5. Added regulations related to virtual shareholders' meetings.</p>

Amended articles	Existing articles	Description
<p>chair may re-propose the tentative resolution for final voting according to Article 174 of the Company Act.</p>		
<p>Article 11</p> <p>Shareholders who wish to speak during the meeting must produce an opinion slip detailing the topics and the shareholder's account number (or the attendance ID serial). The order of shareholders' comments shall be determined by the chair.</p> <p>Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated on the opinion slip, the actual comments expressed shall be recorded.</p> <p>Each shareholder shall speak no more than twice, for five minutes each, on the same agenda item unless otherwise agreed by the chair. The chair may stop shareholders from speaking if they violate the rules or speak outside the agenda item under discussion.</p>	<p>Article 11</p> <p>Shareholders who wish to speak during the meeting must produce an opinion slip detailing the topics and the shareholder's account number (or the attendance ID serial). The order of shareholders' comments shall be determined by the chair.</p> <p>Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated on the opinion slip, the actual comments expressed shall be recorded.</p> <p>Each shareholder shall speak no more than twice, for five minutes each, on the same agenda item unless otherwise agreed by the chair. The chair may stop shareholders from speaking if they violate the rules or speak outside the agenda item under discussion.</p>	<ol style="list-style-type: none"> <li>1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock</li> </ol>

Amended articles	Existing articles	Description
<p>While a shareholder is speaking, other shareholders shall not speak simultaneously or interfere in any way unless agreed by the chair and the person speaking. Any violators shall be restrained by the chair.</p> <p>Where a corporate shareholder has appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per agenda.</p> <p>After the shareholder has finished speaking, the chair may answer to the shareholder's queries personally or appoint any relevant personnel to do so.</p> <p><u>Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply. As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the</u></p>	<p>While a shareholder is speaking, other shareholders shall not speak simultaneously or interfere in any way unless agreed by the chair and the person speaking. Any violators shall be restrained by the chair.</p> <p>Where a corporate shareholder has appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per agenda.</p> <p>After the shareholder has finished speaking, the chair may answer to the shareholder's queries personally or appoint any relevant personnel to do so.</p>	<p>Exchange Corporation on March 8, 2022.</p> <p>3. Added regulations related to virtual shareholders' meetings.</p>

Amended articles	Existing articles	Description
<p><u>scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>		
<p>Article 13 Each share is entitled to one voting right, except for shares where voting rights are restricted as described in Article 179, Paragraph 2 of the Company Act. Voting rights can be exercised electronically or in writing during a shareholders' meeting. The shareholders' meeting notice must explain the methods through which shareholders may exercise voting rights in writing or in electronic form. Shareholders who have voted in writing or using the electronic method are considered to have attended shareholders' meeting in person. However, they are considered to have waived their rights to participate in any special motions or amendments to the original agendas that may arise during the shareholders' meeting. Instructions to exercise written and electronic votes must be delivered to the Company at least two days</p>	<p>Article 13 Each share is entitled to one voting right, except for shares where voting rights are restricted as described in Article 179, Paragraph 2 of the Company Act. Voting rights can be exercised electronically or in writing during a shareholders' meeting. The shareholders' meeting notice must explain the methods through which shareholders may exercise voting rights in writing or in electronic form. Shareholders who have voted in writing or using the electronic method are considered to have attended shareholders' meeting in person. However, they are considered to have waived their rights to participate in any special motions or amendments to the original agendas that may arise during the shareholders' meeting. Instructions to exercise written and electronic votes must be</p>	<ol style="list-style-type: none"> <li>1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange</li> </ol>

Amended articles	Existing articles	Description
<p>before the shareholders' meeting. In the event where there are duplicate submissions, the earliest submission shall be taken into record. However, exception shall be granted if the shareholder issues a proper declaration to withdraw the previous vote.</p> <p>If the shareholder decides to attend the shareholders' meeting in person <u>or virtually</u> after submitting a written or electronic vote, a proper declaration of withdrawal must be issued in the same method as did the original vote no later than two days before the shareholders' meeting. If the withdrawal is not received in time, then the written or electronic vote shall be taken into record. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders' meeting, then the voting decision exercised by the proxy shall prevail.</p> <p>Unless otherwise regulated by the Company Act or the Articles of Incorporation, an agenda item is passed when supported by shareholders who represent more than half of the total voting rights in the meeting. At the time of a vote, <u>for each proposal, the chair or</u></p>	<p>delivered to the Company at least two days before the shareholders' meeting. In the event where there are duplicate submissions, the earliest submission shall be taken into record. However, exception shall be granted if the shareholder issues a proper declaration to withdraw the previous vote.</p> <p>If the shareholder decides to attend the shareholders' meeting in person after submitting a written or electronic vote, a proper declaration of withdrawal must be issued in the same method as did the original vote no later than two days before the shareholders' meeting. If the withdrawal is not received in time, then the written or electronic vote shall be taken into record. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders' meeting, then the voting decision exercised by the proxy shall prevail.</p> <p>Unless otherwise regulated by the Company Act or the Articles of Incorporation, an agenda item is passed when supported by shareholders who represent more than half of the total voting rights</p>	<p>Corporation on March 8, 2022.</p> <p>3. Added matters related to voting for each proposal.</p> <p>4. Added regulations related to virtual shareholders' meetings.</p>

Amended articles	Existing articles	Description
<p><u>a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p> <p>When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any resolution is passed, all other proposals shall be deemed rejected, and no further voting is necessary.</p> <p>The chair will appoint a ballot scrutineer and a ballot counter; the ballot scrutineer must be a shareholder. The result of a vote for an agenda shall be announced immediately and recorded in writing.</p> <p><u>When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on</u></p>	<p>in the meeting. An agenda is considered passed if the chair receives no objections from all shareholders. This voting method is as effective as the conventional ballot method.</p> <p>When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any resolution is passed, all other proposals shall be deemed rejected, and no further voting is necessary.</p> <p>The chair will appoint a ballot scrutineer and a ballot counter; the ballot scrutineer must be a shareholder. The result of a vote for an agenda shall be announced immediately and recorded in writing.</p>	



Amended articles	Existing articles	Description
<p><u>proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for special motions, they may not exercise voting rights on the original proposals or make any</u></p>		

Amended articles	Existing articles	Description
<p><u>amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
<p>Article 14</p> <p>The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, <u>including the names of those elected as directors and independent directors, and the numbers of votes with which they were elected, as well as the names of those not elected as director (including independent director) and the numbers of votes they received.</u></p> <p>The election ballots referred to in the preceding paragraph shall be signed and sealed by the ballot examiner and adequately retained for at least one year. However, in situations where a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the records shall be kept until the litigation is</p>	<p>Article 14</p> <p>Where the Meeting involves re-election of directors, the election must proceed in accordance with relevant regulations of the Company. Results of the election shall be announced on-site at the Meeting.</p> <p>The election ballots referred to in the preceding paragraph shall be signed and sealed by the ballot examiner and adequately retained for at least one year. However, in situations where a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the records shall be kept until the litigation is concluded.</p>	<ol style="list-style-type: none"> <li>1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange</li> </ol>

Amended articles	Existing articles	Description
concluded.		<p>Corporation on March 8, 2022.</p> <p>3. Added contents related to the announcement of election results.</p>
<p>Article 15</p> <p>Shareholders' meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chair then disseminated to each shareholder no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.</p> <p>The Company may distribute meeting minutes by posting details onto MOPS.</p> <p>The meeting minutes shall detail the date and venue of the meeting, the chair's name, the method of resolution, and the proceedings and voting results of various meeting agenda items (including the statistical tallies of the numbers of votes). For election of directors or independent directors, the number of votes for each candidate shall be disclosed. These minutes must be retained for as long as the Company is in existence.</p>	<p>Article 15</p> <p>Shareholders' meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chair then disseminated to each shareholder no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.</p> <p>The Company may distribute meeting minutes by posting details onto MOPS.</p> <p>The meeting minutes shall detail the date and venue of the meeting, the chair's name, the method of resolution, and the proceedings and voting results of various meeting agenda items (including the statistical tallies of the numbers of votes). For election of directors or independent directors, the number of votes for each candidate shall be disclosed. These minutes must be retained</p>	<p>1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</p> <p>2. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange</p>

Amended articles	Existing articles	Description
<p><u>Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p>	<p>for as long as the Company is in existence.</p> <p>When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.</p>	<p>Corporation on March 8, 2022.</p> <p>3. Added regulations related to virtual shareholders' meetings</p>
<p>Article 16</p> <p>On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies <u>and the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and shall make an express disclosure of the same at the place of the shareholders' meeting. <u>In the event of a virtual shareholders' meeting, the Company shall upload the above</u></p>	<p>Article 16</p> <p>During the shareholders' meeting, the Company shall publish information regarding the number of shares acquired by solicitors and the number of shares represented by proxies using the prescribed format.</p>	<p>1. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</p> <p>2. The relevant articles of the Company's Rules for Shareholders' Meetings are</p>

Amended articles	Existing articles	Description
<p><u>meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p>		<p>amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</p> <p>4. Added regulations related to virtual shareholders' meetings</p>
<p><u>Article 19</u></p> <p><u>In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations.</u></p>	(None)	<ol style="list-style-type: none"> <li>1. This is a new article.</li> <li>2. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>3. The relevant articles of the Company's Rules for Shareholders'</li> </ol>

Amended articles	Existing articles	Description
		<p>Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</p> <p>4. Added regulations related to virtual shareholders' meetings</p>
<p><u>Article 20</u>  <u>When the Company convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>	<p>(None)</p>	<p>1. This is a new article.</p> <p>2. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</p> <p>3. The relevant articles of the Company's</p>

Amended articles	Existing articles	Description
		<p>Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</p>
<p><u>Article 21</u>  <u>In the event of a virtual shareholders' meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u>  <u>In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20,</u></p>	<p>(None)</p>	<ol style="list-style-type: none"> <li>1. This is a new article.</li> <li>2. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>3. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the</li> </ol>

Amended articles	Existing articles	Description
<p><u>paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u></p> <p><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or</u></p>		<p>Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock Exchange Corporation on March 8, 2022.</p>



Amended articles	Existing articles	Description
<p><u>resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and independent directors.</u></p> <p><u>When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the</u></p>		

Amended articles	Existing articles	Description
<p><u>preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-2, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under the second half of Article 12 and Article 13, Paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, Paragraph 2, Article 44-15, and Article 44-17, Paragraph 1 of the Regulations Governing the Administration of Shareholder</u></p>		

Amended articles	Existing articles	Description
<p><u>Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under Paragraph 2.</u></p>		
<p><u>Article 22</u>  <u>When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.</u></p>	<p>(None)</p>	<ol style="list-style-type: none"> <li>1. This is a new article.</li> <li>2. The Article is amended in response to the amendment to Article 172-2 of the Company Act to allow public companies to convene virtual shareholders' meetings.</li> <li>3. The relevant articles of the Company's Rules for Shareholders' Meetings are amended in reference of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings amended and announced by Taiwan Stock</li> </ol>

Amended articles	Existing articles	Description
		Exchange Corporation on March 8, 2022.
<p><b>Article 23</b></p> <p>These Rules shall come into effect upon approval of the shareholders' meeting. The same applies to all subsequent amendments.</p>	<p>Article 19</p> <p>These Rules shall come into effect upon approval of the shareholders' meeting. The same applies to all subsequent amendments.</p>	<p>Amended the number of the article.</p>

## **Appendix 1: Articles of Incorporation**

### **Long Da Construction & Development Corporation Articles of Incorporation**

#### **Chapter I. General Provisions**

Article 1: The Company was organized in accordance with the provisions of the Company Act and was named Long Da Construction & Development Corporation, and its English name is Long Da Construction & Development Corporation.

Article 2: The business scope of the Company is as follows:

1. E101011 Comprehensive Construction Activities
2. H701010 Residence and Buildings Lease Construction and Development
3. H701020 Industrial Factory Buildings Lease Construction and Development
4. H701050 Public Works Construction and Investment
5. F111090 Wholesale Building Materials
6. H703100 Real Estate Rental and Leasing
7. J901020 Other hotels and accommodation.
8. J801030 Athletics and Recreational Sports Stadium
9. JZ99120 General Bathhouse
10. JZ99020 Sauna
11. C104020 Manufacture of Bakery and Steam Products
12. F501060 Restaurants
13. F501030 Coffee/Tea Shops and Bars
14. ZZ99999 All business items that are not prohibited or restricted by law, in addition to those within the permitted scope

Article 3: The Company's reinvestment amount may exceed 40% of the Company's paid-in capital.

Article 3-1: The Company may provide external guarantees depending on business needs, in accordance with the “Endorsement Guarantee

Method” stipulated by the Company.

Article 4: The Company is headquartered in Kaohsiung City, Taiwan, and may establish domestic or foreign branches subject to the Board of Directors' approval. The establishment of, changes to, and cancellation of the branches are subject to resolutions by the Board of Directors.

Article 5: The Company's announcement method is implemented in accordance with the Company Act of the Republic of China and other relevant laws and regulations.

## **Chapter II. Shareholding**

Article 6: The total capital of the Company shall be in the amount of NT\$3 billion divided into 300 million shares at NT\$10 per share to be issued in installments at the discretion of the Board of Directors.

Article 7: The Company's shares may be exempt from printing stock. If the Company prints stocks, it shall comply with the provisions of the Company Act of the Republic of China and other relevant laws and regulations.

The stocks printed by the Company should be registered stocks and issued in accordance with the Company Act of the Republic of China and other relevant laws and regulations.

Article 8: Registration for the transfer of shares shall be suspended for 60 days before the annual meeting of shareholders, for 30 days before an extraordinary shareholders' meeting, or 5 days before the baseline date the Company decides to distribute dividends and bonus or other benefits.

Article 9: When shareholders of the Company handle share affairs such as share transfer, pledge setting, cancellation, loss report, inheritance gift, seal loss report, change or address change, etc., except as otherwise stipulated by laws and securities regulations, the matters should be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent authority.

### **Chapter III. Shareholder meetings**

- Article 10: The Company holds annual and extraordinary shareholders' meetings. Annual meetings of shareholders are to be held once every year and shall be convened within six months after the close of each fiscal year by the Board of Directors in accordance with the law. Extraordinary meetings are convened when necessary in accordance with the law. All shareholders shall be informed of the reason for meeting 30 days before the annual meeting of shareholders or 15 days before an extraordinary meeting is convened.
- Article 11: When a shareholder is unable to attend the shareholders' meeting for any reason, a power of attorney issued by the Company shall specify the scope of authorization. The use of the power of attorney and the restrictions on voting rights of the entrusted agent to attend the meeting are subject to the provisions of Article 177 of the Company Act and shall comply with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public" issued by the competent authority.
- Article 12: Each shareholder of the Company shall be entitled to one vote for each share. No voting power shall be granted, however, to Company shares prescribed in Article 179 of the Company Act.
- Article 13: When the shareholders' meeting is convened by the Board of Directors, the Chairperson shall be the chair. In the event that the Chairperson is absent for any reason, the Chairperson shall appoint a director to act as his proxy. If no designation is made, the directors shall select one person from among themselves to serve. For meetings convened by any authorized party other than the Board of Directors, the convener will act as the meeting chair. If there are two or more conveners at the same time, one shall be appointed from among them to chair the meeting.
- Article 14: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Articles of Incorporation or Company Act, be adopted by a majority vote of the shareholders present or delegates, who represent more than one-half of the total number of voting issued shares.

Shareholders who have voted in writing or using the electronic method are considered to have attended shareholders' meeting in person, and relevant matters will be handled in accordance with laws and regulations.

Article 15: Shareholders' meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chair then disseminated to each shareholder no later than 20 days after the meeting. The minutes must detail the date and venue of the meeting, the chair's name, the method of resolution, and the proceeding and results of various meeting agenda items. The meeting minutes, the attendance list bearing the signatures of shareholders present at the meeting, and the powers of attorney of proxies shall be retained together by the Company. These minutes must be retained for as long as the Company is in existence. The preparation and distribution of meeting minutes can be made in electronic form or as an announcement.

Article 15-1: When the Company's shareholders' meeting is held, it may be held by video conference or other methods announced by the central competent authority.

#### **Chapter IV. Director**

Article 16: The Company's board consists of seven to nine directors serving for a term of three years. They are elected by the shareholders' meeting from capable persons and may be re-elected. The total number of shares of the Company's registered stocks held by all directors shall be issued by the securities authority according to the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies". When a director transfers more than one-half of the shares held at the time of their election during their term of office, they shall be dismissed from their position.

Among the number of directors in the preceding paragraph, at least three must be independent directors.

Article 16-1: A spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors of the Company.



Article 16-2: The election of directors is held by nomination in accordance with Article 192-1 of the Company Act. The methods of nominating director candidates, announcements and other related matters shall be handled in accordance with the relevant laws and regulations of the Company Act and the Securities and Exchange Act. Independent and non-independent directors shall be elected at the same time, but the number of elected candidates shall be separately calculated.

Article 16-3: The Company established an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee shall be composed of all independent directors. The members of the audit committee, the exercise of powers and other matters to be followed, are in accordance with the Company Act, the Securities and Exchange Act, related laws and regulations, and the Articles of Incorporation.

Article 17: When the vacancies of directors reaches one-third of the board or when the number of independent directors is less than three, the Board of Directors shall convene an extraordinary shareholders' meeting within 30 days to elect new directors, and the terms of office for new directors shall be limited to the time limit for the original appointment.

After the Company's public offering of shares, the Board of Directors shall convene an extraordinary shareholders' meeting within 60 days to handle the matters described above.

Article 18: If the re-election cannot be completed before the expiration of the term of office, the term of office for the directors shall be extended until the re-elected directors assume office. The competent authority, however, is entitled to demand the Company to complete the re-election according to the position. If there is still no re-election upon the expiration of the extended term of office, the directors shall be dismissed from the position on the expiration date.

Article 19: The Board of Directors is composed of directors. For the selection of a Chairperson, two-thirds or more of the directors must be present and more than half of the present directors shall agree to nominate one director as Chairperson and one director as vice Chairperson,

who represent the Company externally and execute all internal affairs in accordance with laws and regulations, the Company's Articles of Incorporation, and resolutions of the shareholders' meeting and Board of Directors meeting.

Article 20: Unless otherwise specified in the Company Act, resolutions of the Board of Directors shall be voted for by a majority of the directors present when the meeting is attended by a majority of directors. If a Director is unable to attend a Board meeting, he/she may appoint a proxy to attend the meeting by completing the Company's proxy form and specifying the scope of delegation. However, each person may only act as the proxy for one director.

During the Board of Directors meeting, if video conferencing is used, the directors who participate in the meeting on the video screen shall be deemed to have attended the meeting in person.

Article 21: The execution of the Company's business shall be carried out by the resolution of the Board of Directors, except for matters that shall be resolved by the shareholders' meeting as stipulated in the Company Act or the Articles of Incorporation.

The Board of Directors meeting shall be convened by the chairperson, but the first meeting of the Board of Directors of each term shall be convened in accordance with Article 203 of the Company Act. When the chairperson is unable to perform his duties, the chairperson shall appoint one of the directors to act as his proxy. If no proxy is appointed, the directors shall choose one person to act on the chairperson's behalf.

A Board meeting may be convened through written notice, email or fax that states the reason for the meeting to each director at least seven days before the meeting date. A meeting of the Board of Directors may be convened at any time in the event of an emergency.

Article 22: The meeting minutes of the Board of Directors shall be prepared and signed and stamped by the chair and distributed to all directors within 20 days after the meeting. The minutes shall record the time, place, name of the chair and resolution method of the meeting, the essentials of the proceedings and their results. The retention period shall be as long as the Company is in existence.

Article 23: (Deleted)

Article 24: The directors' transportation fees, salaries, and other remunerations shall be paid at the standard level of the industry regardless of profit or loss, and the amount shall be determined by the Board of Directors.

Article 24-1: The remuneration of independent directors of the Company, regardless of profit or loss, shall be paid at the standard level of the same industry. The amount shall be determined by the Board of Directors, and is no longer decided according to the distribution of participating directors' remuneration in Article 27 of the Company's Articles of Incorporation.

### **Chapter V. Executive officers**

Article 25: The Company may appoint a manager, whose appointment, dismissal, and remuneration shall be decided by the Board of Directors.

The manager has the right to manage affairs and sign for the Company within the scope of authorization as stipulated in the Company's Articles of Incorporation or contract.

The manager shall not change the resolutions of the shareholders' meeting or the Board of Directors or exceed their prescribed authority.

### **Chapter VI. Accounting**

Article 26: The Board of Directors shall, at the end of each fiscal year, prepare the following documents for the Company in accordance with the provisions of the Company Act, and submit them to the Audit Committee for review and approval 30 days before the annual meeting of shareholders, and submit them to the shareholders' meeting for acknowledgment:

- I. Business reports.
- II. Financial statements.
- III. Proposals for distribution of earnings or make-up of deficit.

Article 27: If the Company makes a profit during the year, it should first make up for its losses. If there is still surplus earnings, it should allocate 2% to 4% for employee remuneration and no more than 4% for directors' remuneration.

The employees referred to in the preceding paragraph include employees of affiliated companies who meet certain conditions, whose recognized by the Board of Directors.

Article 27-1: If profit is reported in the final annual accounts, besides paying the income tax in accordance with laws and regulations, the Company shall set aside ten percent of the profit as a legal reserve after losses have been covered and the special reserve shall be allocated or reversed according to the regulations of the Competent Authority or shareholders' meeting resolution. If there is still surplus earnings, the shareholders' meeting shall decide to distribute shareholder dividends.

The Company is engaged in comprehensive construction activities and develops leasing and sales of houses and buildings. In order to maintain the funds required for diversified operations and appropriately expanding the scale and enhancing the competitiveness needed for sustainable development, it is advisable to adopt flexible distribution rates and flexible cash distribution rates. The distributable surplus of the current year shall be allocated as not less than 5% of the total dividends. The distribution of surplus shall be given priority to cash dividends, and may also be distributed in the form of stock dividends. The cash dividends shall not be less than 10% of the total dividends. However, if the total dividend per share is less than or equal to NT\$0.5 per share, based on economic principles, it may consist of only stock dividends, only cash dividends or distribution can be reserved.

The Company authorizes the Board of Directors to distribute all or part of the dividends and bonuses in cash with the presence of more than two-thirds of the directors and the resolution is agreed upon by more than half of the directors present, and report to the shareholders' meeting. The provisions of the relevant shareholders' meeting resolutions are not applicable.

Article 27-2: The Company authorizes the Board of Directors to distribute all or part of the capital reserve and statutory surplus reserve to be allocated in cash with the presence of more than two-thirds of the directors and the resolution is agreed upon by more than half of the directors present, and report to the shareholders' meeting.

## **Chapter VII. Miscellaneous**

Article 28: (Deleted).

Article 29: Any matters not addressed in the Articles of Incorporation shall be governed by the Company Act.

Article 30: The Articles of Incorporation was established on March 31, 1982. The first amendment was made on September 30, 1986. The second amendment was made on September 15, 1989. The third amendment was made on August 20, 1990. The fourth amendment was made on November 1, 1991. The fifth amendment was made on October 20, 1992. The sixth amendment was made on February 16, 1993. The seventh amendment was made on March 16, 1993. The eighth amendment was made on July 20, 1997. The ninth amendment was made on August 25, 1997. The tenth amendment was made on September 15, 1997. The eleventh amendment was made on April 2, 1998. The twelfth amendment was made on June 8, 1999. The thirteenth amendment was made on May 16, 2000. The fourteenth amendment was made on May 8, 2001. The fifteenth amendment was made on June 17, 2002. The sixteenth amendment was made on March 18, 2003. The seventeenth amendment was made on June 17, 2003. The eighteenth amendment was made on June 16, 2005. The nineteenth amendment was made on June 14, 2006. The twentieth amendment was made on June 12, 2007. The twenty-first amendment was made on May 20, 2008. The twenty-second amendment was made on June 16, 2009. The twenty-third amendment was made on June 15, 2010. The twenty-fourth amendment was made on June 19, 2012. The twenty-fifth amendment was made on June 18, 2013. The twenty-sixth amendment was made on June 20, 2014. The twenty-seventh amendment was made on June 20, 2016. The twenty-eighth amendment was made on June 16, 2017. The twenty-ninth amendment was made on June 13, 2018. The thirtieth amendment was made on June 17, 2020. The thirty-first amendment was made on July 6, 2021. The thirty-second amendment was made on June 7, 2022.

## **Appendix 2: Rules for Shareholders' Meetings (before amendment)**

### **Long Da Construction & Development Corporation Rules for Shareholders' Meetings**

Sixth amendment: June 17, 2020

Article 1 This policy was established in accordance with Article 5 of "Corporate Governance Best-Practice Principles for Listed Companies" to provide sound governance over the Company's shareholder meetings, and thereby enhancing the supervisory function of shareholders.

Article 2 Unless otherwise specified by law or Articles of Incorporation, the Company shall proceed its shareholders' meetings according to the terms of this policy.

Article 3 Unless otherwise specified by law or Articles of Incorporation, shareholders' meetings are convened by the Board of Directors.

The Company shall prepare an electronic file that contains the meeting notice, a proxy form, a detailed description of various agenda items to be acknowledged or discussed during the meeting, and notes on re-election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before the annual meeting of shareholders, or 15 days before an extraordinary shareholders' meeting. At least 21 days before the annual meeting of shareholders, or 15 days before an extraordinary shareholders' meeting, an electronic copy of the shareholders' meeting manual and supplementary information shall be posted onto MOPS. Physical copies of the shareholders' meeting manual and supplementary information shall also be prepared at least 15 days before the meeting and made accessible to shareholders at any time. These documents must be placed within the Company's premises and at the share administration agency, and distributed on-site at the shareholders' meeting.

Subject to agreement by the receiving party, meeting notices and announcements may also be delivered electronically with the reasons for convening specified.

Agenda items that involve election or dismissal of directors, changes to the Articles of Incorporation, capital reduction, application of public offering suspension, liquidation, mergers, divestments, and any matters listed in Paragraph 1, Article 185 of the Company Act and Articles 26-1 and 43-6 of the Securities and Exchange Act must be covered in the meeting notice, and cannot be raised as special motions. Their main content may be placed on websites designated by the competent authority of

securities or the Company, and the websites shall be specified in the meeting notice. The reasons for convening a shareholders' meeting shall indicate the re-election of directors and the tenure of office of such directors. After re-election is completed at the shareholders' meeting, the tenure dates may not be changed by a special motion or other method at the same shareholders' meeting.

Shareholders who own more than 1% of the Company's outstanding shares are entitled to propose agenda items for discussion in the annual meeting of shareholders. Each shareholder may only propose one agenda item; any further proposals will be excluded from discussion. The Board of Directors may disregard shareholders' proposals if the proposed agenda item involves any of the circumstances listed in Paragraph 4, Article 172-1 of the Company Act.

The Company shall announce in writing or through electronic means, before the book closure date, the conditions, places and time in which shareholders' proposals are accepted. The period of acceptance shall be no shorter than 10 days.

Shareholders shall limit their proposed agenda items to 300 words; proposals that exceed 300 words shall be excluded from the agenda. Shareholders who have successfully proposed agenda items shall attend the annual meeting of shareholders in person or through proxy attendance and participate in the discussion.

The Company shall notify the proposing shareholders of the outcome of their proposed agenda items before the date the meeting notice is sent. Meanwhile, agenda items that satisfy the conditions listed in this Article shall be included as part of the meeting notice. During the shareholders' meeting, the Board of Directors shall explain the reasons why certain proposed agenda items are excluded from discussion.

**Article 4** Shareholders may appoint proxies to attend shareholders' meetings by completing the Company's proxy form and specifying the scope of delegated authority.

Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must arrive at the Company at least five days before the shareholders' meeting. In the event that multiple proxy forms are issued, the proxy form that arrives first shall prevail. However, exception shall be granted if the shareholder issues a declaration to withdraw the previous proxy arrangement.

Should the shareholder decide to attend a shareholders' meeting personally or exercise voting rights in writing or through electronic means after a proxy form has been delivered to the Company, a written notice should be sent to the Company no later than two days before the meeting commences to withdraw the proxy arrangement. If



the withdrawal is made after the prescribed period, then the voting decision exercised by the proxy shall prevail.

Article 5 Shareholders' meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings shall not begin earlier than 9 AM or later than 3 PM. The opinions of independent directors shall be fully considered when deciding the location and time of the meetings.

Article 6 The Company shall provide an attendance log to record attendance of shareholders or proxies thereof (collectively referred to as shareholders below); alternatively, attendance cards may be presented to signify their presence at the meeting.

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

Shareholders must present an attendance pass, an attendance card or other proof of attendance when entering a shareholders' meeting. Shareholders who wish to acquire a proxy form must present proof of identity on-site for verification.

Where the shareholder is a government agency or corporate entity, more than one representative may attend the shareholders' meetings on their behalf. Corporate entities that have been designated as proxy attendants shall only appoint one representative to attend the shareholders' meeting.

Article 7 Shareholders' meetings that are convened by the Chairperson shall be chaired by the Chairperson. If the Chairperson is unable to perform such duties due to leave of absence or any reason, the Vice Chairperson shall act on the Chairperson's behalf. If the Vice Chairperson is also unavailable or is non-existent, the Chairperson may appoint a standing director act on his behalf. If there is no managing director, one director shall be appointed to act as the agent. If the Chairperson of the board does not appoint an agent, the managing director or one of the directors shall be appointed to act as the agent.

For shareholders' meetings convened by any authorized party other than the Board of Directors, the convener will act as the meeting chair. If there are two or more conveners at the same time, one shall be appointed from among them to chair the meeting.



The Company may summon its lawyers, certified public accountants, and any relevant personnel to be present at the shareholders' meeting.

Article 8 The Company's shareholder meetings must be video or audio recorded and kept for at least one year. However, in situations where a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the records shall be kept until the litigation is concluded.

Article 9 Shareholders' presence is determined by the number of shares represented during the meeting. The number of shares represented during the meeting is calculated based on the total amount registered in the attendance log or the attendance cards collected, plus the number of shares where voting rights are exercised in writing or through electronic means.

The chair shall announce the commencement of the meeting as soon as the appointed time arrives. However, if those in attendance represent less than half of the Company's outstanding shares, the chair may announce to postpone the meeting up to two times, for a period totaling no more than one hour. The chair shall dismiss the meeting if shareholders in attendance represent less than one-third of outstanding shares after two postponements.

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 reach a tentative resolution according to Article 175, Paragraph 1 of the Company Act. This tentative resolution shall be communicated to every shareholder and another shareholders' meeting shall be held within one month.

If the number of shares represented during the meeting accumulates to more than half of all outstanding shares before the meeting ends, the chair may re-propose the tentative resolution for final voting according to Article 174 of the Company Act.

Article 10 If the shareholders' meeting is convened by the Board of Directors, the Board of Directors shall determine the meeting proceedings and related agenda items (including special motions and amendments to the original agendas) shall be voted on individually. The proceedings shall not be changed unless resolved during the shareholders' meeting.

The above rule also applies if the shareholders' meeting is convened by any authorized party other than the Board of Directors.

In either of the two arrangements described above, the chair cannot dismiss the meeting while an agenda item (including special motions) is still in progress. If the chair violates the meeting policy by dismissing the meeting when it is not allowed to do so, other members of the board shall immediately assist the attending shareholders to elect another chair with the support of more than half of voting rights represented and continue the meeting.

The chair must allow adequate time to explain and discuss the various agenda items, amendments or special motions proposed during the meeting. The chair may announce to discontinue further discussion if the issue in question is considered to have been sufficiently discussed to proceed with the voting and a suitable voting time should be arranged.

Article 11 Shareholders who wish to speak during the meeting must produce an opinion slip detailing the topics and the shareholder's account number (or the attendance ID serial).

The order of shareholders' comments shall be determined by the chair.

Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated on the opinion slip, the actual comments expressed shall be recorded.

Each shareholder shall speak no more than twice, for five minutes each, on the same agenda item unless otherwise agreed by the chair. The chair may stop shareholders from speaking if they violate the rules or speak outside the agenda item under discussion.

While a shareholder is speaking, other shareholders shall not speak simultaneously or interfere in any way unless agreed by the chair and the person speaking. Any violators shall be restrained by the chair.

Where a corporate shareholder has appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per agenda.

After the shareholder has finished speaking, the chair may answer to the shareholder's queries personally or appoint any relevant personnel to do so.

Article 12 Votes in a shareholders' meeting are determined by the number of shares represented during the meeting.

Shares that do not carry voting rights are excluded from the calculation of outstanding shares when voting for the final resolution.

Shareholders cannot vote, or appoint proxies to vote, on any agenda items in which they have a conflict of interest that would be detrimental to the best interests of the Company.

The number of shares held by shareholders who are not permitted to vote shall be excluded from the total voting rights represented in the meeting.

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.

Article 13 Each share is entitled to one voting right, except for shares where voting rights are restricted as described in Article 179, Paragraph 2 of the Company Act.

Voting rights can be exercised electronically or in writing during a shareholders' meeting. The shareholders' meeting notice must explain the methods through which shareholders may exercise voting rights in writing or in electronic form. Shareholders who have voted in writing or using the electronic method are considered to have attended shareholders' meeting in person. However, they are considered to have waived their rights to participate in any special motions or amendments to the original agendas that may arise during the shareholders' meeting.

Instructions to exercise written and electronic votes must be delivered to the Company at least two days before the shareholders' meeting. In the event where there are duplicate submissions, the earliest submission shall be taken into record. However, exception shall be granted if the shareholder issues a proper declaration to withdraw the previous vote.

If the shareholder decides to attend the shareholders' meeting in person after submitting a written or electronic vote, a proper declaration of withdrawal must be issued in the same method as did the original vote no later than two days before the shareholders' meeting. If the withdrawal is not received in time, then the written or electronic vote shall be taken into record. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders' meeting, then the voting decision exercised by the proxy shall prevail.

Unless otherwise regulated by the Company Act or the Articles of Incorporation, an agenda item is passed when supported by shareholders who represent more than half of the total voting rights in the meeting. An agenda is considered passed if the chair

receives no objections from all shareholders. This voting method is as effective as the conventional ballot method.

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

The chair will appoint a ballot scrutineer and a ballot counter; the ballot scrutineer must be a shareholder. The result of a vote for an agenda shall be announced immediately and recorded in writing.

Article 14 Where the Meeting involves re-election of directors, the election must proceed in accordance with relevant regulations of the Company. Results of the election shall be announced on-site at the Meeting.

The election ballots referred to in the preceding paragraph shall be signed and sealed by the ballot examiner and adequately retained for at least one year. However, in situations where a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the records shall be kept until the litigation is concluded.

Article 15 Shareholders' meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chair then disseminated to each shareholder no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.

The Company may distribute meeting minutes by posting details onto MOPS.

The meeting minutes shall detail the date and venue of the meeting, the chair's name, the method of resolution, and the proceedings and voting results of various meeting agenda items (including the statistical tallies of the numbers of votes). For election of directors or independent directors, the number of votes for each candidate shall be disclosed. These minutes must be retained for as long as the Company is in existence.

Article 16 During the shareholders' meeting, the Company shall publish information regarding the number of shares acquired by solicitors and the number of shares represented by proxies using the prescribed format.

The Company must disclose on MOPS any shareholders' meeting resolutions that constitute material information as defined by law or the rules of the Taiwan Stock Exchange Corporation.

Article 17 The chair may instruct marshals or security staff to help maintain order in the meeting. The chair may stop anyone who attempts to speak using speaker equipment not provided by the Company.

The chair may instruct marshals or security staff to remove shareholders who continue to violate the meeting rules despite being warned by the chair.

Article 18 The chair may put the meeting in recess at appropriate times. In the occurrence of force majeure events, the chair may suspend the meeting temporarily and resume at another time.

If the Meeting is unable to conclude all scheduled agenda items (including extempore motions) before the venue is due to be returned, shareholders may resolve to continue the meeting at an alternative venue.

Shareholders may also resolve to postpone or resume the meeting within the next 5 days, according to Article 182 of the Company Act.

Article 19 These Rules shall come into effect upon approval of the shareholders' meeting. The same applies to all subsequent amendments.

**Appendix 3: Rule and Procedure of Board of Directors Meeting  
(before amendment)**

**Appendix 3:**

**Long Da Construction & Development Corporation  
Rule and Procedure of Board of Directors Meeting**

The 9th revision: March 23, 2020

- Article 1 (Purpose for the establishment)  
The Company established the Rule and Procedure in accordance with Article 2 of the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” to provide sound governance over the Company's board meetings, and thereby enhancing the supervisory function and management.
- Article 2 (Scope of the Rule and Procedure)  
The main agenda, operating procedures, matters to be specified in the meeting minutes, announcements and other matters of compliance of the rules and procedures for the Company’s Board of Directors shall be handled in accordance with the Rule and Procedure.
- Article 3 (Convening of board meetings and meeting notice)  
The Company’s board meetings shall be convened at least quarterly. Meetings convened by the Chairperson shall be chaired by the Chairperson. For meetings convened by the majority or more of the directors in accordance with Article 203, Paragraph 4, or Article 203-1, Paragraph 3 of the Company Act, the chair of the meeting shall be elected from among the directors themselves. Directors and independent directors shall be notified of board meetings seven days prior to the meeting with the reason indicated. However, meetings can be held in shorter notices in case of emergency. Subject to agreement by the receiving party, meeting notices may also be delivered electronically to directors and independent directors.  
All discussion topics listed in Article 12, Paragraph 1 shall be listed in advance in the reasons for convening the meeting and cannot be raised through a special motion unless there is an emergency or a legitimate reason.
- Article 4 (Meeting notice and meeting materials)  
The Management Department shall prepare the meeting agenda for the board meetings and provide sufficient meeting materials to be sent along with the meeting notice.  
Directors may request the meeting unit to supplement meeting materials if they consider them to be insufficient. Directors may resolve to postpone the discussion in the board meeting if they consider the materials for a proposal to be insufficient.
- Article 5 (Preparation of attendance logs and other documents, and directors’ proxies)  
The Company shall set up an attendance log for attending directors to sign for reference. A director attending via visual communication shall be deemed as

present at the meeting if an attendance card is faxed for attendance registration.

When a director appoints another director to attend the meeting in his or her place, he/she shall issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

Each proxy may only represent one absent director.

Article 6 (Principles of the time and place for convening board meetings)

The time and place for convening board meetings shall be at the Company's address and during office hours. However, for operational needs or in cooperation with company activities, another time and place that are convenient for directors to attend and suitable for board meetings may be chosen.

Article 7 (Chair of board meetings and proxy)

The Company's board meetings shall be convened and chaired by the Chairperson. However, the first meeting of a Board shall be convened and chaired by the director winning the most voting rights in the shareholders' meeting. If two or more persons are entitled to call the board meeting, they shall mutually select a chair from among themselves.

If the Chairperson is unable to perform his duties due to leave of absence or any other reason, he may appoint one of the directors to act on his behalf. If the Chairperson does not appoint a delegate, one shall be elected among the directors to act on the Chairperson's behalf.

Article 8 (Relevant personnel's attendance in board meetings)

When calling a board meeting, the Company may notify personnel from relevant departments or subsidiaries to attend the meeting based on the content of the agenda to report on the current business overview and answer directors' questions to assist them to understand the Company's current status and make proper decisions. The Company may also invite certified public accountants, lawyers or other professionals to attend the board meeting, give explanations and provide expert opinions for the Board's reference when necessary. However, the said relevant personnel shall leave the meeting during discussions and voting.

When supervisors attend board meetings to express their opinions, they may participate in discussions but may not vote on matters that are exclusively under the Board of Director's power.

Article 9 (Recording or filming of board meetings)

The Company's board meetings must be video or audio recorded and kept for at least 5 years. The method of conservation may be electronic.

In the event of a suit in respect of board resolutions before the retention period expires, the relevant audio or video files shall continue to be retained until the conclusion of the litigation.

The audio and video files of virtual board meetings are a part of the meeting minutes and shall be properly kept by the Company during the entirety of its existence.

Article 10 (Agenda content)

The content of agenda in the Company's regular board meetings shall include at least the following:

- I. Reports:
  - (I) The minutes of the last meeting and the implementation status.
  - (II) Report on important financial operations.
  - (III) Internal audit report.
  - (IV) Reports on other important issues.
- II. Discussions:
  - (I) Matters for continued discussion from the last meeting.
  - (II) Matters scheduled for discussion in this meeting.
- III. Special Motions.

Article 11 (Discussions on proposals)

The Company's board meetings shall proceed in accordance with the meeting procedure planned in the meeting notice. However, changes may be made with the consent of more than half of the attending directors.

Without the consent of more than half of the attending directors, the chair may not adjourn the meeting.

During a board meeting, if the directors present become less than half of the attending directors, the chair may announce the suspension of the meeting per the suggestion by the directors present, provided that no more than two such postponements may be made. If the attendance is still insufficient after two postponements, the chair may re-convene the meeting in accordance with the procedures in Article 3.

Article 12 (Matters to be discussed by the Board of Directors)

The following matters shall be submitted to the Board of Directors for discussion:

- I. The Company's business plan.
- II. Annual and semi-annual financial reports. However, this restriction does not apply to semi-annual financial reports that do not need to be CPA-certified in accordance with law.
- III. Adoption or amendment of an internal control system and the review of the effectiveness of said system in accordance with Article 14-1 of the Securities and Exchange Act.
- IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- V. The offering, issuance, or private placement of any equity-type securities.
- VI. The appointment or discharge of a financial, accounting, or internal auditing officer.
- VII. Donations to related parties or major donations to non-related parties. However, in the occurrence of a major natural disaster, emergency aids



of charitable nature can be made first and acknowledged later during the next board meeting.

VIII. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or a board meeting, or any material matter as may be prescribed by the competent authority.

The related parties mentioned in Subparagraph 7 of the preceding paragraph refer to the related parties specified in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Major donations to non-related parties refer to a single donation or accumulated donations in one year to the same target reaching 100 million NTD, 1% of the net operating revenue in the most recent financial statement certified by a CPA, or 5% of the paid-in capital.

The term "in one year" refers to the year preceding the convening date of this board meeting. Items that have been approved by the Board of Directors need not be counted.

Regarding shares of foreign companies that do not have a face value or if the face value each share is not 10 NTD, the amount of 5% of the paid-in capital in Paragraph 2 shall be calculated at 2.5% of the shareholders' equity.

At least one independent director shall attend board meetings. For the matters to be submitted to the Board of Directors for resolution under Paragraph 1, the entire body of independent directors shall attend board meetings. If an independent director cannot attend the meeting in person, he / she shall appoint another independent director to attend as proxy. Any objections or qualified opinions made by Independent Directors must be detailed in board meeting minutes. If an independent director intends to express an objection or qualified opinion but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

#### Article 13 (Voting, part 1)

The chair may announce to discontinue further discussion if the issue in question is considered to have been sufficiently discussed to proceed with the voting.

At the time of a vote on a proposal in a board meeting, if none in the entire body of attending directors voices an objection following an inquiry by the chair, the proposal will be deemed approved. In the event where there is an objection following an inquiry by the chair, the proposal shall be voted.

The chair can choose one of the following as the voting method. However, if there is objection from attendees, the method shall be decided by the opinion of the majority:

- I. By a show of hands or voting device.
- II. By roll call.
- III. By ballot.
- IV. Other voting method chosen by the Company.

The entire body of attending directors mentioned in the preceding paragraph does not include directors who do not have voting rights in accordance with the provisions under Article 15.

Article 14 (Voting, part 2 and methods of monitoring and ballot counting)

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

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

The chair will appoint a ballot scrutineer and a ballot counter when necessary; the ballot scrutineer must be director.

The result of a vote shall be announced immediately and recorded in writing.

Article 15 (Directors' recusal system)

A director or the legal person he / she represents shall explain to the board meeting the essential contents of personal interest with regard to the following matters in the meeting agenda but may not participate in discussions. In addition, he /she shall excuse himself / herself from the discussion and voting process, and may not exercise the voting right on behalf of another director.

- I. The personal interest related to the director himself / herself or the legal person he / she represents is in conflict with the Company's interest.  
Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.
- II. Matters where a director considers that it's necessary to recuse himself / herself.
- III. Matters where the Board of Directors decides that recusal is necessary.

Article 16 (Meeting minutes and items to be signed)

The meeting process of board meetings shall be compiled into meeting minutes, which accurately record the following matters:

- I. The number (or year) of the meeting and its time and place.
- II. The chair's name.
- III. Directors' attendance, including the names and numbers of directors who were present, absent and on leave.
- IV. Names and titles of others in attendance.
- V. The scribe's name.
- VI. Reports.
- VII. Discussions. The resolution methods and results of each proposal, summary of comments from directors, supervisors, experts and other

attendants, names of directors who had personal interests as specified in the preceding article, essential contents of such personal interests, reasons for recusal or non-recusal, recusal status, objections or qualified opinions with records or written statements, and written opinions by independent directors in accordance with Article 12, Paragraph 3.

VIII. Special Motions: Proposers' names, the resolution methods and results of each proposal, summary of comments from directors, supervisors, experts and other attendants, names of directors who had personal interests as specified in the preceding article, essential contents of such personal interests, reasons for recusal or non-recusal, recusal status, objections or qualified opinions with records or written statements.

IX. Other details that need to be recorded in the meeting minutes.

The attendance logs of board meetings are a part of the meeting minutes and shall be properly kept by the Company during the entirety of its existence.

Meeting minutes shall be affixed with the signature or seal of the chair and scribe of the meeting and shall be distributed to all directors within 20 days after the close of the meeting. Meeting minutes shall also be listed in the important files of the Company and be properly kept by the Company during the entirety of its existence.

Preparation and distribution of meeting minutes in Paragraph 1 can be made in electronic form.

#### Article 17 (Principles of authorization in board meetings)

Other than the matters to be submitted to the Board of Directors for discussion as specified in Article 12, Paragraph 1, the Board of Directors shall be concrete and specific in terms of the level, content or items of authorization for implementation of important operations and financial handling procedures in accordance with laws or the Company's Articles of Corporation, or board approval.

#### Article 18 (Information Disclosure)

For board resolutions involving any of the following, the matter shall not only be specified in the meeting minutes but also announced and reported on the Market Observation Post System designated by the FSC within two days from the date of the board meeting.

I. Objections or qualified opinions are expressed by independent directors on record or in writing.

II. Resolutions that are passed by a two-thirds majority or more of the directors without being passed by the Company's Audit Committee.

Other than the requirements in Paragraph 1, if matters put to a resolution at a board meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange) regulations, the Company shall upload the content of such resolution to the MOPS for disclosure within the prescribed time period.

#### Article 19 (Miscellaneous)

The formulation and amendment of the Rule and Procedure shall be approved by the Company's Board of Directors and reported to the shareholders' meeting.

#### Appendix 4: Shareholdings of All Directors

- I. As of the closing date (April 16, 2023), the number of outstanding shares of the Company is 219,197,180 shares, and the legally required number of shares held by all directors is 12,000,000 shares.
- II. The shareholding status of all directors is as follows:

Title	Name	Number of Shares	Shareholding ratio%
Chairperson	Chen, Wu-Tsung	1,024,407	0.47
Director	Yikung Investment Co., Ltd. Legal representative: Lin Zhefeng	2,450,617	1.12
Director	Da Jing Inv Co. Ltd. Legal representative: Guo Hanlong	47,576,907	21.70
Director	Chen Youqi	557,495	0.25
Independent Director	Lin Xiangkai	0	0
Independent Director	Jiang Yongzheng	0	0
Independent Director	Chen Jinde	0	0
Total shareholdings of all directors		51,609,426	23.54

Note: Rounding is used to round to the second decimal place.

## **Appendix 5: Acceptance of Shareholder Proposals**

Instructions for handling shareholder proposals:

- I. Shareholders who own more than 1% of the Company's outstanding shares are entitled to propose agenda items for discussion in the annual meeting of shareholders according to Article 172-1 of the Company Act. Each shareholder may only propose one agenda item; any further proposals will be excluded from discussion and shareholder proposals are limited to 300 words.
- II. The company announced the shareholder's right of proposal in the Market Observation Post System for the period from April 7, 2023 to April 17, 2023. Since the company did not receive any shareholder proposals during this period, no discussion will be held at the 2023 annual meeting of shareholders.